HARMONY

2022 INTEGRATED ANNUAL REPORT

30 June 2022

MINING *with* **purpose**

HARMONY
www.harmony.co.za

Content

Metrics and currency

Our reporting currency is South African rand. However, we provide US dollar equivalents of significant financial metrics and percentage movements to aid sector and peer comparisons.

The key metrics used in this report include:

- PGK – kina, the currency of Papua New Guinea
- Moz – million ounces
- Mt – million tonnes
- Mlb – million pounds
- All production volumes are in metric tonnes (t), unless specifically stated as imperial tons.

Refer to page 122 for the full glossary of terms.

Quick reference

Report navigation

We use icons throughout this report to aid navigation and connectivity. Our key icons include:

The capitals we use and affect

- **Human capital:** Workforce skills and know-how
- **Financial capital:** Includes funds from financing or generated by productivity
- **Manufactured capital:** Physical infrastructure or technology we use
- **Intellectual capital:** Intangibles associated with our brand and reputation, organisational systems and related procedures
- **Natural capital:** Natural resources, such as our orebodies, water and energy, used to operate our business
- **Social and relationship capital:** Relationships with all stakeholders

Referencing

Cross reference to information elsewhere in the report.

Information online at **www.harmony.co.za**.

Feedback

We welcome your feedback on these reports.

If you have any comments or suggestions on this report, contact our reporting team at: **IARreports@harmony.co.za**.

Mining with purpose

A profitable, sustainable company

Harmony is a world-class gold mining and exploration company with a copper footprint, operating in South Africa and Papua New Guinea.

As an emerging market specialist with more than 70 years' experience, we are well positioned for sustainable, impactful value creation through mining with purpose.

Generating infinite opportunities from a finite resource

Mining with purpose means:

- Mining ethically to build corporate trust
- Contribute to economic development in the countries in which we operate
- Caring for, protecting and empowering our employees
- Being stewards of the environment
- Mining with social conscience ensuring we remain relevant to host communities.

We do this while ensuring we run profitable, sustaining businesses, delivering returns to shareholders and having a lasting positive impact.

Our culture of achievement and philosophy of creating shared value is encapsulated in mining with purpose. Every Harmonite fully supports and commits to this purpose, our mission and values, equally fostering and maintaining healthy and thriving relationships with our stakeholders. Our strategy and business model are geared to ensure we mine with purpose.

Refer to **The value we've created** for more information.

Creating and preserving value for all stakeholders

As a sustainability-conscious organisation, our business model was designed to help us manage our capitals and deliver on our strategy. In turn, we are able to reduce our negative impacts, sustain or create positive impacts, mitigate risks and leverage opportunities. Only then can we have meaningful and strategic engagements with our stakeholders to further entrench sustainability and value creation in our business.

Refer to **How we create value** for more information.

Our four strategic pillars

- Responsible stewardship
- Operational excellence
- Cash certainty
- Effective capital allocation

Sustainability is at our core

The principles of sustainable development are embedded in our business strategy and decision making. For example, our strategic investments and trade-offs drive our ambitions for gold going green. Our integrated approach to environmental, social and governance (ESG) commitments ensures we consider and make a positive impact on the environment, communities and broader society wherever we operate. This is guided by our voluntary commitment to the United Nations Sustainable Development Goals (UN SDGs).

Refer to **Sustainable development** for more information.

We meaningfully impact:

Through our business

Through our existence and activities

Through collaboration

Cover: Bambanani headgear – refer to page 36 for our journey from acquisition to responsible closure.

About this report

This integrated annual report is the primary platform we use to provide our stakeholders with a balanced, holistic and transparent overview of our strategy, business model, performance and value creation.

Our value creation encompasses how we create, preserve and deplete value through our primary business activities and corporate citizenship commitment. We consider the short term as 12 months, medium term one to three years and long term more than four years. The report content is available for all our stakeholders, but primarily considers the information needs of our investors, financiers and other providers of financial capital.

Scope and boundary

Harmony's 2022 Integrated annual report includes financial and non-financial information about our ESG and operational performance of our operations and activities in South Africa and Papua New Guinea for the financial year ended 30 June 2022 (FY22). We included significant events between year end and the date of approving this report.

Our overarching governance framework, using an integrated risk-based approach, guides all our decisions and is critical in ensuring and protecting value creation and delivery of our strategic objectives.

In compiling this report, we have determined our reporting boundary by taking into account:

Our reporting boundary

Strategy (page 22)	Risks and opportunities (page 48)	Business model (page 24)	Material matters (page 60)	Operational performance (page 91)	Governance (page 66)

Financial reporting boundary

Wholly-owned subsidiaries/entities	Joint arrangements	Investments where we have significant influence

Stakeholders

Investors and financiers	Employees and unions	Communities, traditional leaders and NGOs	Government and regulators	Suppliers

Materiality

Harmony follows the principle of materiality to determine our report content. In 2022, we conducted a double materiality assessment to identify those matters that impact our ability to create value (financial materiality) and our impact on society, communities and the environment (impact materiality). We consider these matters as key to our performance now or in future, and therefore our ability to deliver on our strategy.

Key to determining materiality is engaging with stakeholders to identify their primary concerns. For a better understanding, see the section on stakeholder engagement. Our materiality process and material matters are detailed on page 60, and risks and opportunities are discussed from page 48. These sections provide context for how we manage material matters.

Reporting frameworks, guidelines and standards

We are guided by the following in compiling this report:

	IAR	ESG	FR	MRR
Integrated Reporting Framework	✓	✓		
Companies Act 71 2008, as amended (Companies Act)	✓	✓	✓	
JSE Listings Requirements, www.jse.co.za	✓	✓	✓	✓
King IV Report on Corporate Governance™ for South Africa, 2016 (King IV)*	✓	✓	✓	
International Financial Reporting Standards (IFRS)	✓	✓	✓	
CDP Water	✓	✓		
Task Force on Climate-related Financial Disclosures (TCFD)	✓	✓		
UN SDGs	✓	✓		
World Gold Council Responsible Mining Principles	✓	✓		
South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves (SAMREC)	✓			✓
South African Mineral Asset Valuation Code (SAMVAL)	✓			✓
Global Reporting Initiative (GRI) Standards for sustainability reporting	✓	✓		
International Council on Mining and Metals – 10 principles	✓	✓		
United Nations Global Compact (UNGC)	✓	✓		
Voluntary Principles on Security and Human Rights	✓	✓		

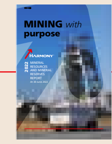
We have also considered the Principles for Responsible Investment, a UN-supported international network of investors, which reflect the increasing prominence of ESG issues to investors.

Our **CDP Water report** is available online at **www.harmony.co.za**.

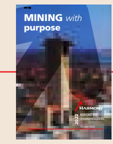
Our 2022 reporting suite

This report is supplemented by and should be read with our full reporting suite, comprising:

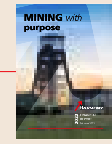
ESG report
This report provides insight into our ESG performance for 2022 and over the past five years, along with our aspirations. It is intended as a useful guide to support analysis and provides information about our shared value.



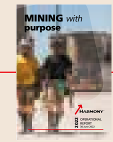
Mineral Resources and Mineral Reserves
We produce the statement of Harmony's Mineral Resources and Mineral Reserves (South Africa and Papua New Guinea) in accordance with SAMREC and section 12.13 of the JSE Listings Requirements (as updated from time to time).



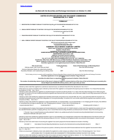
Report to shareholders
We outline our contributions to key stakeholders and recent developments impacting these relationships in this report. It also includes the summarised consolidated financial statements, notice of annual general meeting (AGM) and proxy form.



Financial report
The financial report is a comprehensive report of our financial performance for 2022.



Operational report
We provide detailed technical and operational information about our operations in this report.



Form 20-F
This is an annual report filed with the United States Securities and Exchange Commission, in compliance with the listing requirements of the New York Stock Exchange.

Climate-related financial disclosures*
Harmony made a strategic decision to align its annual reporting with international best practice in terms of global climate reporting. We use this report to disclose our TCFD governance, risk management, strategy and metrics and targets.

* *Referred to in our reporting suite as TCFD report.*

These reports and supporting documents are available at **www.harmony.co.za**.

Scan QR code to download our full suite of 2022 annual reports.

About this report continued

Combined assurance

We use a combined assurance model for assurance from management and internal and external providers. PricewaterhouseCoopers Inc. (PwC) audited our consolidated annual financial statements and subsequently gave an unmodified opinion thereon.

Ngubane & Co undertook an assurance engagement on selected elements of our ESG key performance indicators (KPIs), including scope 1 and 2 greenhouse gas (GHG) emissions. This is detailed in our **ESG report**.

The audit and risk committee provides assurance to the board annually, in line with the combined assurance plan. The group's internal audit function assesses financial, operating, compliance and risk management controls. The audit and risk committee oversees the assessment.

Directors' responsibility

for the integrated annual report 2022

The Harmony board of directors has ultimate accountability for the integrity and accuracy of this integrated annual report. The board believes this report has been prepared in accordance with the Integrated Reporting Framework. Based on the recommendations of the audit and risk committee and the social and ethics committee, the board has reviewed the report and confirms it addresses the most material issues currently facing Harmony and presents a balanced, accurate and representative view of the company and its strategy, its performance in the past financial year and its future ability to create and preserve value. The remuneration report was reviewed and approved by the remuneration committee.

The board approved this report on 25 October 2022.

Dr Patrice Motsepe
Chairman

Peter Steenkamp
Chief executive officer

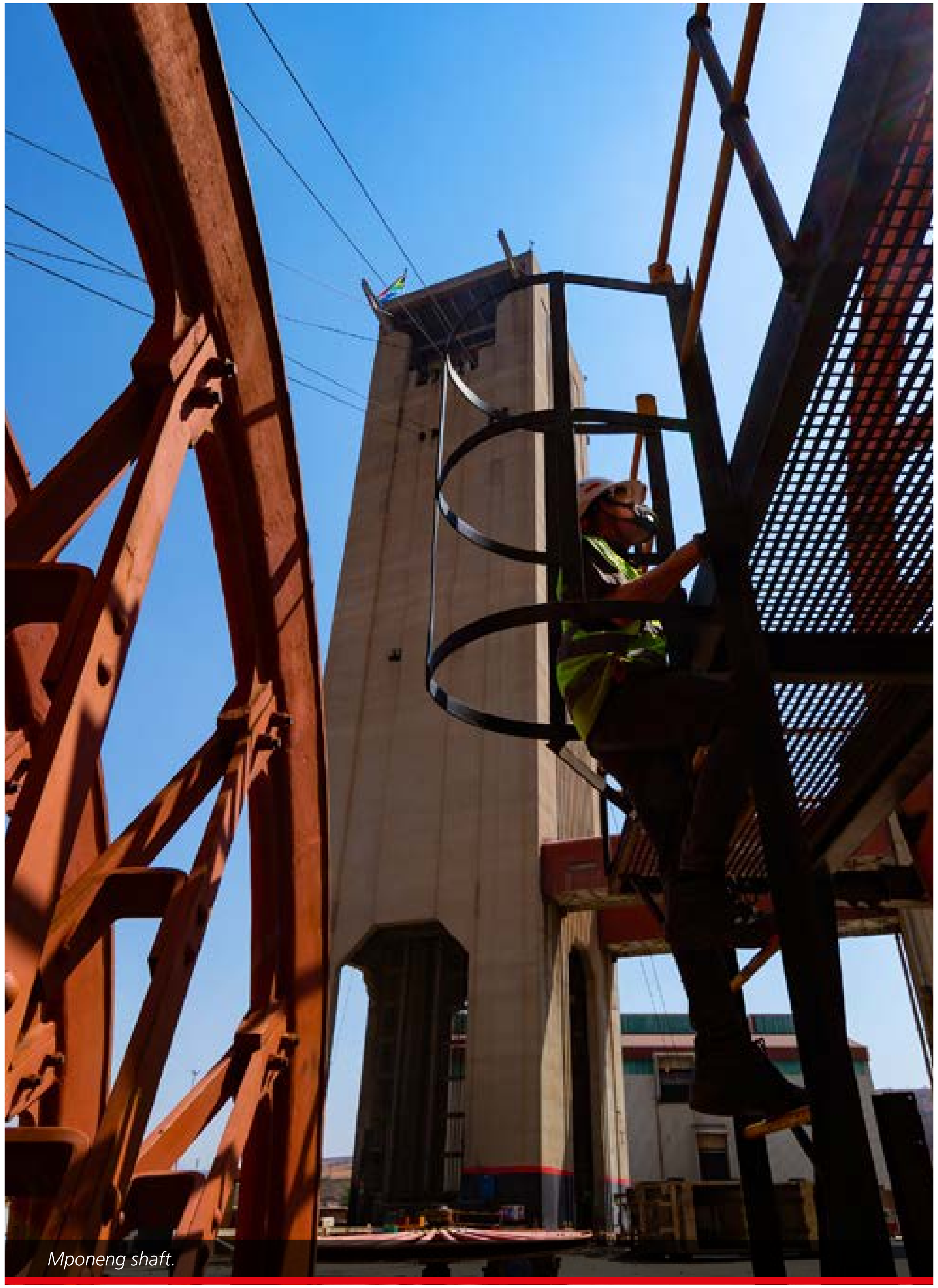
Boipelo Lekubo
Financial director

Mavuso Msimang
Lead independent non-executive director

John Wetton
Chairperson: audit and risk committee

Karabo Nondumo
Chairperson: social and ethics committee

Vishnu Pillay
Chairperson: remuneration committee



Mponeng shaft.

Our business

Mining with purpose means that our activities and the way we conduct our business must create and preserve shared value for the people we employ, communities surrounding our mines and the environment.

Tshepong shaft.

Chairman's review

Dear shareholders and stakeholders

Harmony achieved its objectives of delivering safe and profitable ounces, while advancing its strategy of becoming a low-cost, and globally competitive gold and copper producer. We continued to create value for our shareholders and stakeholders in South Africa and Papua New Guinea.

I am pleased to report that Harmony produced approximately 1.5Moz of gold in FY22, through continued sustainable mining practices.

The higher average gold price received, including hedging and improved revenue, enabled Harmony to declare a final dividend of 22 South African cents (1 US cent) per share. An interim dividend of 40 cents per share was paid in April 2022. Dividends are paid on the basis that the company is sustainable and that dividend payments will not inhibit future value-enhancing growth opportunities.

We are encouraged by investors who still consider gold as a safe haven asset and a hedge against geopolitical uncertainty in periods of extreme volatility.

On 6 October 2022, Harmony announced that it had entered into an agreement to acquire the entity that owns 100% of the Eva Copper Project and a package of regional exploration tenements from Copper Mountain Mining Corporation in Australia. This acquisition will position Harmony well and scale up its portfolio and contributes to further commodity and geographical diversification. The transaction also expedites our transition to become a low-cost copper-gold mining company and opens a new frontier within an attractive mining area in Australia, supplementing our 50% interest in the tier 1 copper-gold Wafi-Golpu Project.

Read more about our performance and recent acquisition in the **Chief executive officer's review** in this report.

Safety is at the heart of Harmony's culture

Ensuring the well-being of all employees and contractors and maintaining a safe and healthy work environment is fundamental to delivering our strategic objectives.

Despite our proactive safety culture and absolute commitment to safety, 13 employees regrettably lost their lives in mine-related incidents. We extend our deepest condolences to the families of those who lost their lives at our operations and all those affected by these tragedies. We remain committed to achieving our goal of zero loss of life. The board and management are working together to increase safe production objectives, as discussed by our CEO in the **Chief executive officer's review** in this report.

Our risk mitigation measures are outlined in the **ESG report**.

Ensuring a safe working environment and culture requires an integrated and risk-based approach to decision making throughout Harmony. We decided to close Bambanani mine due to the increased seismic activity. We also invested in additional controls to mitigate risk at all our operations. Further information on these controls are available in the **ESG report**.

Our partners

As a responsible corporate citizen, we are committed to continue supporting our employees and host communities and improving their living conditions.

We fully support government's development endeavours and are committed to social initiatives that address unemployment by empowering youth and women and by investing in small businesses through preferential procurement.

We paid R3.5 billion (US$232 million) in taxes and royalties to the South African government, R270 million (US$18 million) to the state of Papua New Guinea, R17.0 billion (US$1.1 billion) in wages and salaries, and spent R12.3 billion (US$809 million) on local procurement.

Read more about Harmony's social investments in the **ESG report**.

Supporting a sustainable global transition

Harmony's strategic decisions are guided and underpinned by four strategic pillars, namely: operational excellence; responsible stewardship; cash certainty; and effective capital allocation.

We are committed to taking appropriate climate action measures, which includes reaching net-zero carbon emissions by 2045.

The importance of copper and silver, in the global transition towards a low-carbon economy will add to the long-term value proposition of Harmony. To meet demand and limit the increase in the global average temperature to 1.5°C, worldwide production of base metals is expected to increase exponentially over the next 30 years. The mining industry's contribution to climate action could rise even faster as the energy needed to meet growing demand surges.

Harmony invested in decarbonisation by setting science-based targets to reduce emissions in line with the Paris Agreement goals, implementing energy efficiency and renewable energy initiatives and allocating capital towards projects and metals that advance our decarbonisation strategy.

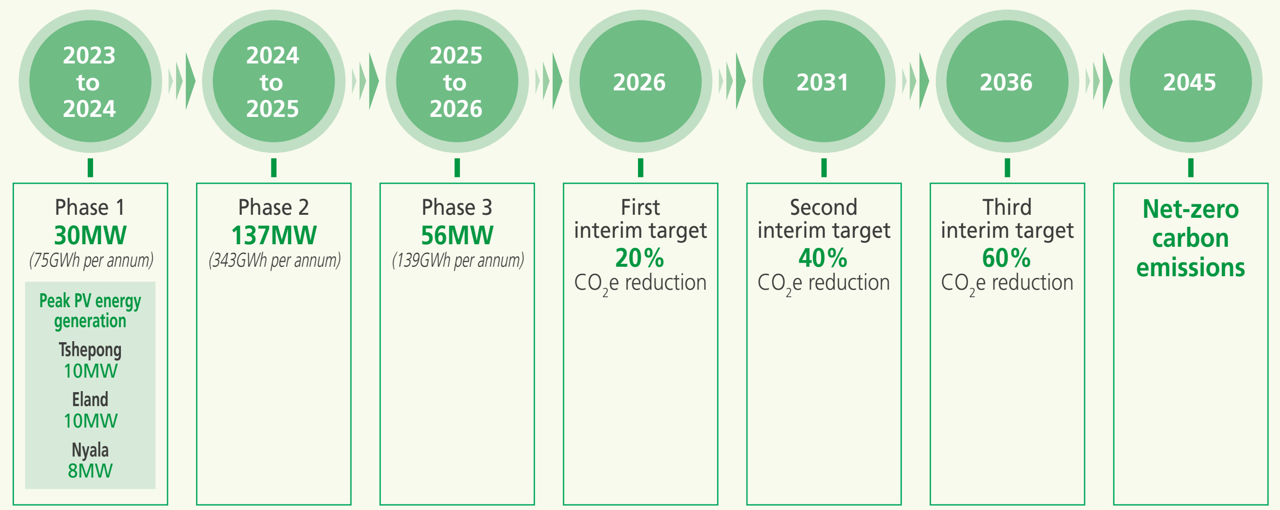
Our Social Labour Plans and Corporate Social Investment expenditure are enabling community resilience to climate change and are supporting a sustainable transition to a low-carbon world.

Since 2016, initiatives at Harmony's operations saved 1.3TWh of electricity, translating to a reduction of 1.5 million tons of carbon dioxide and over R1.3 billion in electricity costs.

Harmony's decarbonisation strategy aims to create lasting impact and a sustainable future for our stakeholders. As we continue to become even more energy-efficient and begin to switch to lower-cost renewable power, energy costs and carbon emissions will reduce. Fast-tracking decarbonisation initiatives reduces risks, helping Harmony to position for the expected tightening of carbon regulations. Harmony has secured early long-term access to renewable power with potential for other scarce sustainable resources such as low-carbon hydrogen.

Harmony will also benefit from more flexible, sustainability-linked funding, as outlined by our CEO in his report. The company has secured new debt facilities that tie finance costs to achieving sustainability targets. In addition, a R1.5 billion green loan has been ring-fenced to fund phase 2 of the 137MW renewable solar energy rollout.

Harmony renewable energy rollout plan



Read more about Harmony's focus on ESG matters in the **Social and ethics committee chairperson's report** in the **ESG report**.

Good governance

Our board is guided by King IV in ensuring the sustainability of our business and advancing the highest standards of corporate governance in South Africa.

As part of the board's good governance and transition plan, we bid farewell to two of Harmony's longest-serving board members, Fikile de Buck and Dr Simo Lushaba, who retired at the 2021 annual general meeting (AGM). We wish them and Modise Motloba, our former deputy chairman, who resigned on 27 June 2022, success in their future endeavours.

The company subsequently appointed two new independent non-executive directors and reorganised the board's composition to best leverage the skills, independence and diversity of members across its committees.

Bongani Nqwababa and Martin Prinsloo joined Harmony on 18 May 2022. Bongani serves as chairperson of the investment committee and member of the remuneration and audit and risk committees. Martin is a member of the audit and risk and the technical and investment committees. Both appointees are chartered accountants with mining directorship experience. Their financial and investment expertise in the chemicals, mining and extractives industries, adds value to Harmony.

Lastly, Joaquim Chissano and Andre Wilkens, who retire by rotation this year, although eligible, will not be seeking re-election to the board. This will be effective as of the conclusion of the 2022 AGM. On behalf of the board I would like to thank them for their contribution over many years.

Read more about our **Board of directors** in this report.

Mandatory audit firm rotation

Harmony recommended Ernst & Young Incorporated for election at the upcoming AGM, as required by the Independent Regulatory Board for Auditors from 1 April 2023. This rotation will assist in ensuring auditor independence and overall audit quality.

This is outlined in the **Audit and risk committee chairperson's report** in the **Report to shareholders 2022**.

Recognition

I would like to express my deep gratitude to each of our board members for their guidance and advice throughout the year. The board's range, depth of skills and expertise are invaluable in building the resilience Harmony needs to overcome challenges and create value for our shareholders and stakeholders.

Harmony is committed to operating in a manner that will create long-term sustainable value for our shareholders, employees, communities living near our mining operations and all other stakeholders. Continuous investment in our people alongside organic and external growth is key to our long-term success.

On behalf of the board, I would like to thank our CEO, Peter Steenkamp, the executives, managers and employees of Harmony for their dedication to delivering Harmony's strategic objectives.

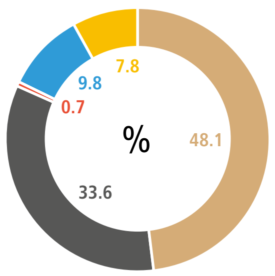
Dr Patrice Motsepe
Chairman

25 October 2022

Who we are

Harmony is a global, sustainable gold mining and exploration company with a copper footprint in our Tier 1 Wafi-Golpu asset. We are also a significant operator of gold tailings retreatment facilities.

Geographic representation of shareholders
at 30 June 2022



Headquartered in Randfontein, South Africa, Harmony has a primary listing on Johannesburg's stock exchange, the JSE Limited (HAR) and an American depositary receipt programme listed on the New York Stock Exchange (HMY). African Rainbow Minerals Limited (ARM) is our largest shareholder with a 12.12% stake. Our remaining shareholders are geographically diverse and include some of the largest fund managers globally. The largest shareholder base is in the United States (48%), followed by South Africa.

Refer to **Shareholder information** in **Ancillary information**.

70+ years' gold mining experience in South Africa and almost two decades operating in Papua New Guinea	**1.5Moz** produced (2021: 1.5Moz)
Market capitalisation of **R32.0 billion (US$2.0 billion)** at 30 June 2022 (2021: R32.5 billion (US$2.3 billion))	**39.8Moz** gold and gold equivalent Mineral Reserves (2021: 42.5Moz)

What we do

Exploration and acquisitions
Exploring for and evaluating economically viable gold-bearing orebodies and/or value-accretive acquisitions.

Mining and processing
Establishing, developing and operating mines and related processing infrastructure. Ore mined is milled and processed by our gold plants to produce gold doré bars.

Sales and financial management
Generating revenue through the sale of gold produced and optimising efficiencies to maximise financial returns.

Stewardship and responsible mine closure
Empowering communities and employees throughout and beyond the life of our mines. Being responsible to our environment during operations. Restoring mining-impacted land for alternative economic use post-mining and approving mine closure commitments.

How we do it

Mining with purpose
Our purpose is to be a global, sustainable gold producer, creating shared value for all stakeholders while leaving a lasting positive legacy through:
- Creating longevity, profitability and sustainability
- Committing to safe, ethical, social and ecologically responsible mining
- Positioning our business to contribute to a low-carbon future.

Our mission
To create value by operating safely and sustainably, and growing our margins.

Our values
- No matter the circumstances, safety is our main priority
- We are all accountable for delivering on our commitments
- Achievement is core to our success
- We are all connected as one team
- We uphold honesty in all our business dealings and communicate openly with stakeholders

Delivering impact

At Harmony, we understand that our activities and the way we conduct our business affects the lives of the people we employ, the communities surrounding our mines and the environment. This impact has economic and social implications for our stakeholders and the countries where we operate.

In line with our purpose, we strive to ensure that our overall contribution is positive and that our positive legacy endures once mining stops.

Our investment case

Doing what we **know best**

Our embedded ESG practices will create lasting legacies and ensure a sustainable future for all stakeholders

- Safety – a core value that always precedes production
- Focus – quality ounces and cost reduction aimed at lowering all-in sustaining costs
- Proven track record – sustaining and prolonging operating lives of deep-level mines
- Wealth of mining expertise – combined, senior executive management and prescribed officers have decades of industry experience
- Digitisation – driving further improvements in our safety journey
- Decarbonisation – greener energy mix, focusing on renewables
- Collaboration – feeding excess energy generated by our solar plants while working with government on additional solutions that address the energy crisis in South Africa.

We are geared to the rand gold price, with rand costs and US dollar revenue

- Positioned to benefit from gold price and foreign exchange (operating free cash flow highly geared to current gold price environment).

As a 1.5Moz gold producer, we are expanding our margins through organic growth and new projects as we transition into a low-cost copper-gold producer

- Transition to a low-cost copper-gold miner – Tier 1 copper-gold asset in Papua New Guinea, Wafi-Golpu. This will be further strengthened on closing the Copper Mountain transaction, when we would add a near-term copper project to our portfolio
- Emerging-market specialist (South Africa and Papua New Guinea)
- Meaningful value-enhancing improvement in South African recovered grade through acquisition and development
- Locking in high margin for future returns
- Acquisition synergies and other investments have potential to reduce all-in sustaining costs.

We have re-engineered our portfolio and deleveraged our balance sheet to create optionality and pay a dividend while growing the company

- Positive shareholder returns through sustainable mining
- Strengthened balance sheet supports future growth and capital returns
- Capital allocated towards high-grade underground assets and high-margin surface operations to deliver superior returns and improved cash flow generation
- Portfolio value supported by joint ownership of Wafi-Golpu asset.

Salient features

Guided by our strategy (page 22): To produce safe, profitable ounces and improve margins through operational excellence and value-accretive acquisitions

Responsible stewardship

- Embedded ESG
- Sustainability-linked loans secured
- Green loan for renewable energy projects
- Net-zero target set.

Operational excellence

Financial indicators

- ↓ 20.2% decrease in **production profit** to **R9.5 billion** (US$628 million) (2021: R12.0 billion (US$777 million))
- ↑ **Average gold price** received increased by 5% to **R894 218/kg** (US$1 829/oz)
- ↑ Group **all-in sustaining cost** increased by 15.6% to **R835 891/kg** (US$1 709/oz).

Operational indicators

- ↓ 3.2% decrease in **production to 46 236kg** (1 486 517oz) (2021: 47 755kg (1 535 352oz))
- Underground recovered grade of 5.37g/t.

Cash certainty

↑ **Revenue** increased by 2% to **R42.6 billion** (US$2.8 billion) (2021: R41.7 billion (US$2.7 billion)).

↓ **Operating free cash** of **R2.9 billion** (US$191 million) (2021: R6.5 billion (US$424 million)).

The **derivative** programme stood at a net positive value of **R645 million** (US$40 million) (2021: R1.6 billion (US$111 million)).

Effective capital allocation

- Approved **capital** of **R8 billion** (US$528 million) and **spent R6.2 billion** (US$407 million).
- **Total dividend** of **62 SA cents** (4.0 US cents) per share declared (2021: 137 SA cents (9.5 US cents)).
- **Total dividend yield** of 1.1%# (2021: 2.4%).

As at 25 August 2022.

Our operations

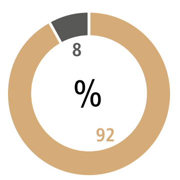
With operations in South Africa and Papua New Guinea, Harmony is a profitable, sustainable gold producer creating shared value for all stakeholders and leaving a lasting positive legacy – delivering high-impact and greener gold through embedding ESG in everything we do. With an abundance of opportunities to deploy capital across the world, we carefully determine which projects will deliver optimal shareholder returns on the basis of where we operate, how we manage risk and what skills we can leverage.

We have actively pursued opportunities to extend the life of some of our larger and higher-grade assets, adding lower-risk, higher-margin ounces to our portfolio. This included re-engineering our portfolio between 2017 and 2021 through the Hidden Valley, Moab Khotsong and Mponeng acquisitions, reducing our debt and identifying substantial opportunities in our existing portfolio through exploration and brownfield projects. On 6 October 2022, we entered into an agreement with Copper Mountain Corporation, to acquire its wholly-owned Eva Copper Project in Queensland, Australia. The total consideration is up to US$230 million, and includes an upfront cash payment as well as two contingent payments based on various criteria. The closing of the transaction is still subject to certain customary conditions but has received approval from the South African Reserve Bank.

To demonstrate our commitment to good ESG practices and achieving a low-carbon future, we are accelerating the expansion and rollout of numerous renewable energy projects. Refer to **Environment** in the **ESG report** for more information.

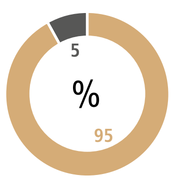
A summary of our operations is presented below and detailed information can be found in **Operational performance** on page 91.

Production (Moz)



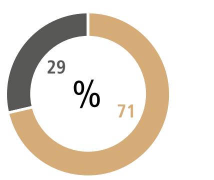
- South African operations
- Papua New Guinea operations

Total workforce (47 373 employees)



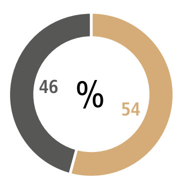
- South African operations
- Papua New Guinea operations

Group Mineral Resources



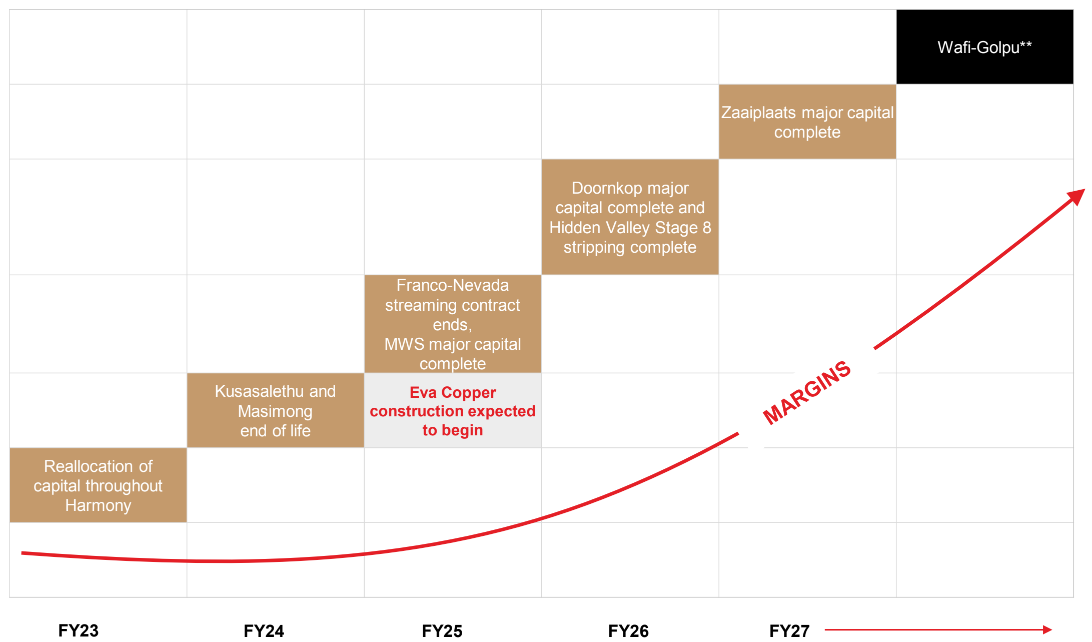
- South African operations
- Papua New Guinea operations

Group Mineral Reserves

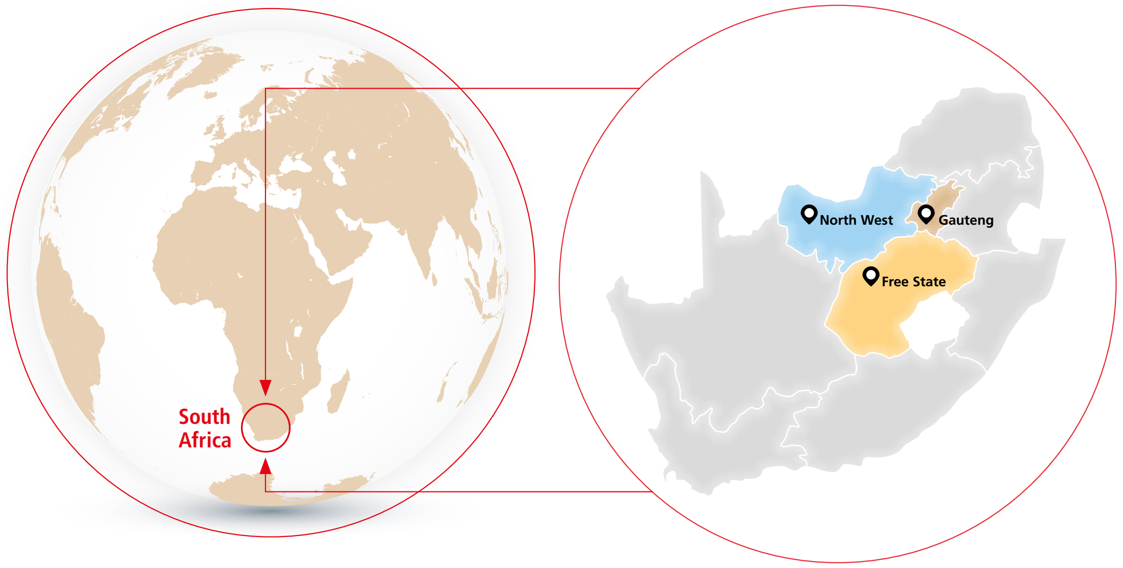


- South African operations
- Papua New Guinea operations

Eva copper capital to dovetail existing capital profile*



* Based on FY23 planning and upon completion of Eva Copper feasibility studies.
** Funding solutions to be considered once special mining lease in place.



South African operations

Location: Witwatersrand Basin and Kraaipan Greenstone Belt
Production: 1.37Moz (92%) (FY21: 1.38Moz (90%))
Total workforce: 45 002
Assets:
- **Eight** underground operations*
- **One** open-pit mine
- **Several** surface source operations.

We have grouped our underground assets based on grade and life-of-mine (LoM) as follows:
- High-grade, long-life assets: Moab Khotsong and Mponeng
- Short to medium-life assets with a focus on free-cash generation: Tshepong Operations*, Doornkop, Joel, Target 1, Kusasalethu and Masimong.

Major capital allocation for our underground assets will be determined by grade and returns.

Our high-margin surface assets comprise Mine Waste Solutions, Phoenix, Central Plant reclamation and dumps.

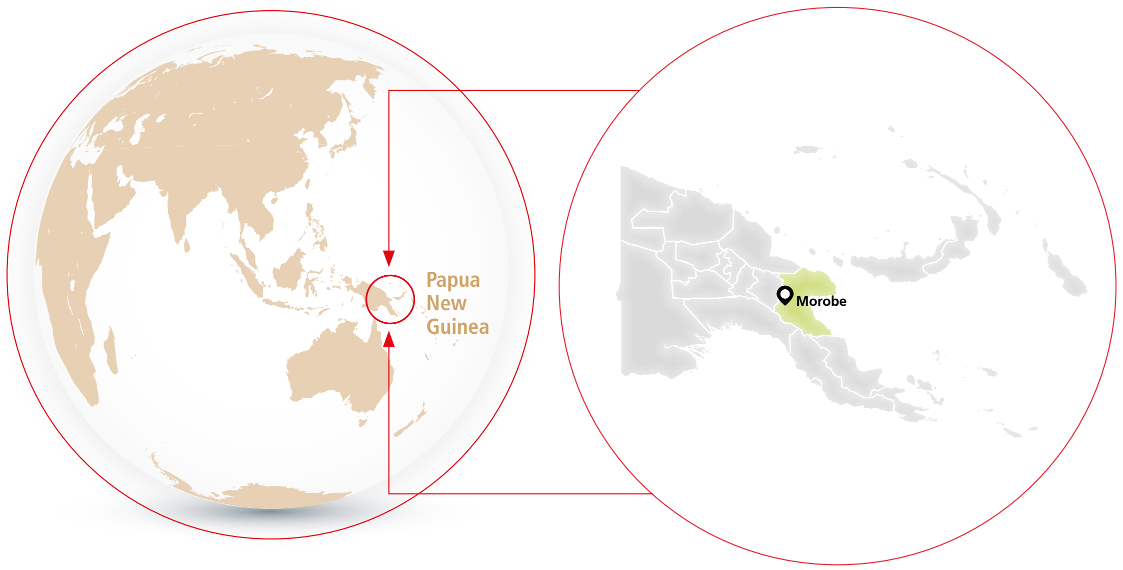
At 30 June 2022, our South African operations accounted for 71% of group Mineral Resources and 54% of group Mineral Reserves, both inclusive of gold and gold equivalent ounces.

* *At 30 June 2022, includes Tshepong Operations, which will be restructured in FY23 and reported as Tshepong North and Tshepong South.*

Papua New Guinea operations

Location: New Guinea Mobile Belt in Morobe
Production: 0.12Moz (8%) (FY21: 0.15Moz (10%))
Total workforce: 2 306
Assets:
- **Hidden Valley** (open-pit gold and silver mine)
- **Wafi-Golpu** project (significant copper-gold portfolio)
- **Multiple** exploration areas.

At 30 June 2022, our Papua New Guinea operation accounted for 29% of group Mineral Resources and 46% of group Mineral Reserves, both inclusive of gold and gold equivalent ounces.

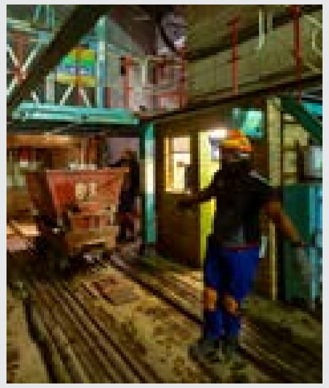


Our operations continued

South Africa

Underground

North West	West Rand[1]		



Moab Khotsong	Doornkop	Kusasalethu	Mponeng
6 518	4 093	4 127	5 287
209 237oz 6.79g/t grade	110 726oz 3.94g/t grade	146 833oz 7.52g/t grade	195 669oz 7.25g/t grade
22 years[2] 10.2Moz Resources 4.0Moz Reserves	**16 years** 7.4Moz Resources 1.9Moz Reserves	**2 years** 3.9Moz Resources 0.3Moz Reserves	**7 years** 24.3Moz Resources 1.9Moz Reserves

Free State

Tshepong Operations[3]	Target 1	Joel	Masimong
9 074	1 859	2 063	2 033
225 763oz 4.50g/t grade	57 872oz 3.96g/t grade	50 026oz 3.59g/t grade	61 407oz 3.93g/t grade
8 years 25.6Moz Resources 1.7Moz Reserves	**6 years** 3.5Moz Resources 0.6Moz Reserves	**8 years** 3.0Moz Resources 0.6Moz Reserves	**2 years** 0.8Moz Resources 0.1Moz Reserves

WORKFORCE
(includes permanent employees and contractors)

PRODUCTION

LOM

[1] Border between Gauteng and North West.
[2] Includes Zaaiplaats.
[3] From FY23, Tshepong Operations will be reported on separately as Tshepong North and Tshepong South.

Surface

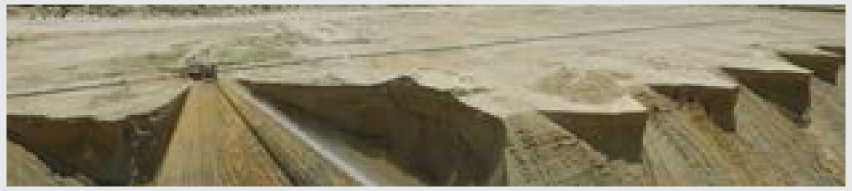
Surface	Waste rock dumps		

Kalgold	Free State	North West	West Rand
684	431*	766*	1 031*
36 555oz 0.79g/t grade	20 834oz 0.37g/t grade	20 062oz 0.35g/t grade	49 576oz 0.28g/t grade
11 years 2.0Moz Resources 0.8Moz Reserves	**±1 year** 0.25Moz Resources	**±1 year** 0.05Moz Resources	**±1 year** 0.02Moz Resources

** Some of this material is treated along with reef, while some is treated at dedicated waste rock treatment plants. The numbers for the Free State, North West and West Rand facilities above exclude MWS, Phoenix, CPR and Kalgold.*

Tailings

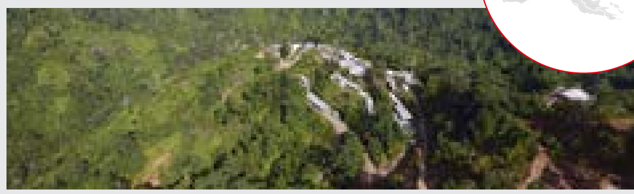
North West	Free State	



Mine Waste Solutions (MWS)	Phoenix	Central Plant Reclamation (CPR)
1 425	359	248
93 205oz 0.12g/t grade	24 659oz 0.12g/t grade	18 840oz 0.15g/t grade
17 years 2.7Moz Resources 2.2Moz Reserves	**6 years** 0.5Moz Resources 0.3Moz Reserves	**13 years** 0.4Moz Resources 0.4Moz Reserves

Papua New Guinea

Surface	Project



Hidden Valley	Wafi-Golpu Project
2 191	59
119 182oz 1.15g/t grade	n/a
5 years 3.1Moz Resources 1.2Moz Reserves	**27 years** 37.7Moz Resources 17.0Moz Reserves

How we create value

Mining with purpose means that we are constantly striving to unlock shared value through our strategy, business model and meaningful engagement with stakeholders.

Chairlift.

Our approach to mining with purpose

Mining with purpose is how we create shared value; the golden thread that links our purpose to our strategy and business model. Shared value drives our pursuit of operational excellence, ensures an inclusive approach to stakeholders and guides the way we manage our capitals. By delivering on our strategic objectives, we ensure the long-term sustainability and profitability of our business and in turn, create shared value for our stakeholders and deliver broader impact. Sustainable development principles are embedded in our business strategy, business processes and decisions.

We drive value creation and preservation through

Our strategy
- Effective capital allocation
- Responsible stewardship
- Cash certainty
- Operational excellence

Mining with purpose
- **Mining with social conscience** so that we remain relevant to host communities
- **Mining ethically** and building corporate trust
- **Being stewards** of the environment
- Caring for, protecting and empowering **our employees**

Our values
- Safety
- Accountable
- Achievement
- Connected
- Honesty

Our value creation and preservation is influenced by

Our operational context
- The external factors influencing our business.

Page 42

Risks and opportunities
- Identifying, understanding and managing factors that can limit our ability to deliver on our strategy, or factors that present opportunities to enable our growth.

Page 48

Stakeholders' needs and concerns
- Stakeholder needs and concerns directly relate to understanding and delivering shared value.

Page 28

Material matters
- Those matters that Harmony impacts or could affect our ability to create value over time.

Page 60

We created and preserve value through our business activities

- Exploration and acquisitions
- Mining and processing
- Sales and financial management
- Stewardship and responsible mine closure

We use and affect resources to do business

- Human capital
- Financial capital
- Manufactured capital
- Intellectual capital
- Natural capital
- Social and relationship capital

Leading to shared value creation

Our key stakeholders

- Investors and financiers
- Employees and unions
- Communities, traditional leaders and non-governmental organisations (NGOs)
- Governments and regulators
- Suppliers

Our broader impact

Our integrated approach to ESG commitments ensures we consider and make a positive impact on the environment, communities and broader society wherever we operate.

Refer to our sustainable development framework in the **ESG report**.

Sustainable, green gold

For over seven decades, Harmony has demonstrated true sustainability – arguably better than any other gold mining company in South Africa. From the product we mine and the way we mine it, to the care we take to preserve the environment and the support we provide to our communities, we have repeatedly proven that sustainability is the driving force of our business.

Time	Harmony has grown from a single-lease mine to a multinational entity with the resources, skills and resilience to endure all conditions	Our most compelling proof of sustainability is not our longevity, but the way we turn our assets to account by extracting maximum value over a longer LoM. By applying our business acumen and a responsible mindset, we have prolonged the lives of these assets, to the sustained benefit of employees, communities, shareholders and other stakeholders.
Value	The enduring value of the gold we mine is undisputed	Gold's principal characteristics of being highly corrosion-resistant, malleable and highly conductive make it one of the most superior mined commodities. More importantly, it has been viewed as a store of wealth for 6 000 years. Demand for gold is as sustainable as its characteristics – for as long as this precious metal remains a coveted commodity, we will continue to supply the market.
Care	True sustainability can only be achieved by properly managing the environment and supporting host communities affected by mining activities	Harmony takes its role as a responsible corporate citizen seriously. We have evolved our approach to mining to one that is cooperative and responsible. We pursue focused programmes and initiatives to uplift and develop our host communities, while mitigating our environmental impact as far as feasible, to ensure we leave a positive and lasting socioeconomic and environmental legacy in the areas where we operate.
Growth	Our path remains clear and Harmony, as a multinational entity, continues to grow and develop	We remain focused on our objective to grow and develop our people and assets, and provide sustainable value to all our stakeholders through responsible operation and economic regeneration.
Our pathway to net zero	Ensuring a just transition and sustainable impact	Climate change is the defining challenge of our time. Anthropogenic climate change poses an existential threat to humanity and mitigating the worst impacts of climate change requires all countries to decarbonise their economies. To this end, we launched our decarbonisation strategy, powering the imperative to create lasting legacies and a sustainable future for our stakeholders. We will leverage existing and develop new partnerships and frameworks to transition to net zero, and through our stakeholder-inclusive approach, ensure no one gets left behind. Read more about our decarbonisation strategy in our **ESG report**.

Guided by our strategy

Our strategy is to produce safe, profitable ounces and increase our margins. We aim to achieve this through our four strategic pillars.

To deliver on our strategy, we have duty to:

- Keep sustainability at the centre of all strategic decisions – delivering returns to our shareholders while effecting positive change and maintaining our stakeholders' trust
- Prioritise our employees' safety, health and wellbeing while cultivating talent and developing the skills required for the future
- Extract, preserve and protect the environment, leaving a cleaner, healthier planet for future generations.

To achieve our ambition of gold going green, we make strategic trade-offs (page 26) and prioritise strategic investments in renewables in high-grade assets.

Responsible stewardship = Operational excellence + Cash certainty + Effective capital allocation

We unpack our progress against these below.

Responsible stewardship

Intent	What we achieved against our intent	Future focus
To be mindful of, manage and limit the impacts of our activities on our employees, host communities and the environment through: • Embedding a proactive safety and health culture • Decarbonising Harmony • Delivering on our social compact • Continue our responsible ESG practices. For more information on our ESG performance, refer to the relevant sections in the **ESG report**.	• Social – Comprehensive safety initiatives and robust risk management framework are starting to yield results: > Lost-time injury frequency rate (LTIFR) below 6 > No fall-of-ground loss-of-life incidents in the second half of FY22 > An increase in accident-free days – Launched phase 3 of embedding a proactive safety culture focusing on leadership and behaviour – 84% of our employees received second vaccination voluntarily against Covid-19 – Concluded three-year wage agreements with AMCU, NUM and NUMSA – Included in the Bloomberg Gender Equality Index 2022 for the fourth consecutive year • Environment – Refinanced our funding facilities which include sustainability-linked KPIs – Decarbonisation strategy is supported by our short-term SBTi targets as well as our net-zero commitment – 30MW Phase 1 renewable energy programme rolled out and secured a R1.5 billion green loan for Phase 2 – CDP score of 'A' for water management – Kareerand water and environmental licences received • Sustainalytics rating improved to 37.6 in FY22 from 40.2 in FY21, demonstrating strong management of risk exposures • Upgraded MSCI score from 'CCC' to 'B' rating • Included in FTSE4Good index, among top 9% within the same FTSE industry basic resource sector. Rated 4 out of 5.	• Safety improvement by embedding the humanistic approach to achieve the goal of zero loss of life • Investing in our people for competent, capable workforce, ensuring inclusivity and promoting their wellbeing • Decarbonisation: Greener energy mix, focusing on renewables and journey to net zero carbon by 2045 • Deliver an additional 137MW of renewable energy by FY25 with Phase 2 of our renewable energy project • Ensuring that our communities are taken care of, benefiting by our presence where we operate • Ensuring that we espouse our values of honesty through maintaining the highest level of corporate ethics, holding our employees, suppliers and contractors accountable to our code of ethics.

Operational excellence

Intent	What we achieved against our intent	Future focus
To prioritise safety, strict cost control and management of grades mined, together with disciplined mining, to improve productivity and efficiencies. Refer to **Operational performance** for more information.	• Restructured Tshepong Operations, which will be reported on separately as Tshepong North and Tshepong South in future • Met revised annual production guidance of between 1.48Moz and 1.56Moz • Hidden Valley returned to normal levels of production in quarter four • Higher-quality reserves and resources will result in improved conversions • R9.5 billion production profit • R894 218/kg rand gold price received • 132.6Moz Mineral Resources • 39.8Moz Mineral Reserves.	• Clear strategy to reduce group all-in sustaining cost through quality ounces • Invest in our high-grade assets and surface retreatment business • Geographical diversification into Africa and South-east Asia • Developing our copper production • Developing new satellite resources in Papua New Guinea • Replacing ounces: Greenfield and brownfield expansion • Business improvement initiatives focused on productivity: S300.

Cash certainty

Intent	What we achieved against our intent	Future focus
To achieve operational plans, supported by current hedging strategy, contributes to cash flow certainty. Refer to the **Financial director's report** for more information.	• Secured our first green loan and sustainability-linked loans to strengthen our balance sheet • Reduced debt by R156 million (US$39 million) • Hedging strategy modified to be more selective about when hedges are entered into. After the change hedging is only done if a margin of 25% or more above future estimated cost can be achieved.	• Return on investment of the Mponeng and related assets expected in the coming financial year • Locking in higher prices as part of our derivative programme, but doing so more selectively following the modification of the strategy • Higher returns due to development of high-margin low-cost surface assets.

Effective capital allocation

Intent	What we achieved against our intent	Future focus
To evaluate and prioritise organic growth opportunities and safe, value-accretive acquisitions to ensure positive stakeholder returns and increase margins. Refer to the **Financial director's report**, **Operational performance** and **Exploration and projects** for more information.	• Re-evaluated our capital allocation to invest in high return opportunities • Deleveraged balance sheet provides optionality for projects and acquisitions • Strong pipeline of organic projects to drive production profile and margin expansion • Secured a green loan of R1.5 billion to invest in our decarbonisation strategy • Interim dividend of 40 SA cents (2.7 US cents) and final dividend of 22 SA cents (1.3 US cents) per share has been declared in line with our dividend policy.	• Value-accretive mergers and acquisitions, including the recently-announced Copper Mountain transaction to acquire a near-term copper project and exploration in Australia • Responsible allocation of capital towards ESG initiatives • Reallocated capital moved to core assets delivering higher returns such as Zaaiplaats and the Kareerand expansion project.

Our business model

As a sustainability-conscious organisation, our business model was designed to help us manage our capitals and deliver on our strategy. In turn, we are able to reduce our negative impacts, sustain or create positive impacts, mitigate risks and leverage opportunities. Only then can we have meaningful and strategic engagements with our stakeholders to further entrench sustainability and value creation in our business.

Inputs

Human capital

Workforce skills and know-how

- Permanent and contract employees: 47 373 (FY21: 48 112)
- Training: 94% of workforce
- Transformation to create a more diverse and representative workforce, focused on recruiting from local communities.

Financial capital

Includes funds from financing or generated by productivity

- Total equity: R30.1 billion (US$1.9 billion) (FY21: R31.2 billion (US$2.2 billion))
- Cash generated by operating activities: R6.9 billion (US$456 billion) (FY21: R9.2 billion (US$596 million)).

Manufactured capital

Physical infrastructure or technology we use

- Operational and associated infrastructure and equipment
- Production costs: R33.1 billion (US$2.2 billion) (FY21: R29.8 billion (US$1.9 billion))
- Capital expenditure: R6.2 billion (US$407 million) (FY21: R5.1 billion (US$331 million))
- Mining rights and leases
- Exploration spend R214 million (US$14 million) (FY21: R177 million (US$11 million)).

Intellectual capital

Intangibles associated with our brand and reputation, organisational systems and related procedures

- Skills and expertise as global leader in deep-level gold mining
- Digitalisation under way
- Unique systems and processes.

Natural capital

Natural resources, such as our orebodies, water and energy, used to operate our business

- Mineral Reserves: 39.80Moz gold and gold equivalents (FY21: 42.45Moz)
- Land under management: 92 255ha (FY21: 95 255ha)
- Ore milled: 53.80Mt (FY21: 49.25Mt)
- Resources consumed:
  - Water for primary activities: 33 417 000m^3 (FY21: 30 306 000m^3)
  - Electricity: 4 253 000MWh (FY21: 4 123 000MWh).

Social and relationship capital

Relationships with all stakeholders

- Values and code of ethics guiding engagement
- Governance and corporate responsibilities
- Stakeholders: investors and financiers; employees and unions' communities, traditional leaders and NGOs; government and regulators; and suppliers.

How our business converts value

Our **strategy** is to produce safe, profitable ounces and improve margins through responsible stewardship, operational excellence, cash certainty and effective capital allocation.

Our **business activities** are mining gold from mature deep-level and surface operations; processing ore; and selling the product to the market for further refinement. We also deliver on capital projects.

Exploration and acquisitions

Mining and processing

Sales and financial management

Stewardship and responsible mine closure

page 2, About Harmony)

Our **competitive advantage** is that we are a world leader in surface and deep-level mature asset mining. We are uniquely skilled, with extensive institutional knowledge, in prolonging the operating lives of mining assets. We understand mutually beneficial stakeholder engagement, enabling us to thrive in emerging markets.

We prioritise stakeholder engagement and create shared value to maintain our **social licence to operate**.

Our future commitment is we have operated for over 70 years and intend to operate for another seven decades by organically growing our Mineral Reserve base and pursuing value-accretive acquisitions.

Factors impacting our value creation

What we can manage:

- Safety
- Grade and volume mined
- Costs, efficiencies and productivity
- Stakeholder relations.

What is beyond our control:

- Gold price and global market
- Exchange rate volatility
- Regulatory policy and political uncertainty
- Mounting community expectations and socio-economic challenges.

Outputs

Our primary product is the gold we produce and sell to the market

Our services include processing and sales.

Gold produced
1.49Moz
(FY21: 1.54Moz)

Our activities result in the following by-products and waste, linked to our production volumes, that we continually work to reduce and mitigate:

Total CO_2 emissions
5 813 435t
(FY21: 5 135 182t)

Mining waste generated Total milled
53.80Mt
(FY21: 49.25Mt)

Hazardous waste to landfill
803t
(FY21: 524t)

Outcomes

Human capital

- Tragically, 13 lives lost
- A year of no strikes indicates a strong and mature relationship with unions
- Three-year wage settlement finalised in September 2021
- Focus on gender diversity
- Transformed workforce in South Africa, with 56% of management from designated groups (FY21: 60%)
- Spent on wages and salaries: R17.0 billion (US$1 125 million) (FY21: R15.3 billion (US$995 million))
- Skills training and development spend: R661 million (US$43 million) on (FY21: R488 million (US$32 million))
- Robust Covid-19 response and vaccination programme.

Financial capital

- Revenue generated: R42.6 billion (FY21: R41.7 billion)
- Headline earnings: R3.1 billion (US$199 million) (FY21: R6.0 billion (US$387 million))
- Share price: down by 1%, decreasing market capitalisation to R32.0 billion (US$2.0 billion)
- Net debt: up to R757 million (US$47 million) (FY21: R542 million (US$38 million))
- Production profit: R9.5 billion (US$628 million) (FY21: R12.0 billion (US$777 million))
- Refinanced funding facilities comprising a US$400 million and R2.5 billion sustainability-linked facilities as well as a R1.5 billion green loan.

Manufactured capital

- Approval of Zaaiplaats and Kareerand extension projects
- Completed the upgrade of the Oracle enterprise resource planning .

Intellectual capital

- Employees trained: 65 238 (FY21: 49 346)
- Tertiary bursaries: 126 (FY21: 119)
- More digitised business to operate effectively in 21st century
- Established the business improvement office
- Continued embedding our proactive safety culture (Thibakotsi journey) overseen by leadership and guided by our roadmap.

Natural capital

- Rehabilitation and environmental stewardship: spent R328 million (US$21 million) on rehabilitating 31.8ha (FY21: R281 million (US$18 million); 4.46ha)
- Progressed our 30MW solar generation project to reduce dependency on fossil fuel generated electricity
- Reduction of 1.3TWh electricity at an investment of R181 million with cumulative savings of R1.3 billion and 1.5Mt of CO_2.

Social and relationship capital

- Total economic value distributed: R34.8 billion (FY21: R31.9 billion)
- Social licence to operate and mine community development investment:
  - South Africa: R138 million (US$9 million) (FY21: R102 million (US$7 million))
  - Papua New Guinea: R33 million (US$2 million) (FY21: R34 million (US$2 billion))
- Preferential/local procurement spend:
  - South Africa (discretionary): R11.2 billion (US$736 million) (FY21: R10.7 billion (US$695 million))
  - Papua New Guinea: R2.3 billion (US$153 million) (FY21: R2.3 billion (US$149 million))
- Taxes and royalties paid: R675 million (US$44 million) (FY21: R1.2 billion (US$79 million)).

SDG key deliverables

- Building partnerships and relationships in the organisation
- Respecting diversity, empowerment and equality
- Investing in education and skills.

- Contributing to our host countries' GDP
- Support township economies
- Creating value for our shareholders
- Building longevity for our operations.

- Convert liabilities into assets
- Optimum land use
- Integrate renewable and water treatment into local infrastructure
- Invest in infrastructure through local economic development.

- Pollution prevention
- Efficient resource consumption
- Environmental footprint reduction
- Reduce dependency on natural resources.

Create alternative economies
- Sustainable livelihoods
- Healthy relationships and partnerships with communities
- Support upliftment and wellbeing.

Our trade-off considerations and disciplined capital allocation.

Our business strategy aims to efficiently convert our natural capital into value across the other five capitals. Creating and optimising that value inevitably requires resource allocation and trade-offs in how and when resources are allocated. The result is an overall creation, transformation or erosion of value across the various capitals.

Responsible stewardship

Resource allocation and trade-off	Outcome
Ensuring we mine responsibly and embed a proactive safety culture requires an investment of financial and human capital into our training and processes It also requires financial capital into our environmental management efforts. We ensure we appropriately balance our stewardship goals with our capital investment requirements. We invested: • R78.5 million of our financial capital in our vaccination programme, reaching 84% of our workforce and 4 764 community members.	**Our net impact on the capitals:** Acted on our duty of care for employee safety and health. Mitigated and managed the environmental impact of our activities. Engaged with stakeholders, invested in communities, paid taxes and royalties, and complied with regulations. Financial expenditure on employee healthcare, managing Covid-19 and environmental management. 13 lives lost.

Operational excellence

Resource allocation and trade-off	Outcome
Operational excellence For Harmony to continue operating safely, optimally and meeting or exceeding operational plans, we invest human, manufactured, intellectual and financial capital. We invested: • 2 299 336 hours of our human capital in safety, skills development and training.	**Our net impact on the capitals:** Invested in employees' safety, skills development and training. Invested in technology upgrades as well as system and process improvements to optimise and increase efficiencies and productivity. Invested in maintaining mining infrastructure (plant, machinery and equipment) and sustaining our business. Financial expenditure to promote operational excellence and achieve cash certainty.

Cash certainty

Resource allocation and trade-off	Outcome
Cash certainty Ensuring cash certainty means we must protect and grow our financial capital by preserving cash, reducing costs and debt and adapting to exchange rate fluctuations. • R1.5 billion green loan secured • R894 218/kg gold price • 0.1 times net debt:EBITDA ratio • The derivative programme stood at a net positive value of R645 million (US$40 million) (2021: R1.6 billion (US$111 million)).	**Our net impact on the capitals:** Enhance financial capital to preserve cash and reduce costs and debt.

Effective capital allocation

Resource allocation and trade-off	Outcome
Effective capital allocation Clear targets inform our capital allocation decisions. Our pipeline of organic growth projects is aimed at addressing the Ore Reserve replacement risk and ensuring future growth. Each of our capital allocations decisions are aimed at ensuring total shareholder return – both share appreciation and dividends. We invest financial and social and relationship capital. • R6 214 million of financial capital spent on capital expenditure • R430 million dividend paid.	**Our net impact on the capitals:** Developing project pipeline to ensure availability of Ore Reserves to be mined. In the longer term, acquisitions and projects will contribute to operational cash flows and margins. Total cost of acquisitions, debt incurred and project development is balanced against longer-term financial benefits. Dividends paid to shareholders and ensuring the company attracts investments from current and new providers of financial capital.

Key:

Human capital
Financial capital
Manufactured capital
Intellectual capital
Natural capital
Social and relationship capital

Value created
Value preserved
Value eroded

Stakeholder engagement

Why stakeholder engagement matters

We engage with our stakeholders, principally employees, unions, host communities and government authorities, to address a wide range of issues and ultimately retain our social licence to operate. This is particularly important for Harmony as mineral deposits are geographically fixed, which can lead to unique socio-economic, environmental and political challenge.

Our approach

We are guided by our stakeholder engagement policy to address our stakeholders' needs and concerns. We updated the policy in FY22 to include all group operating units. We have supporting engagement plans, which cover our activities in South Africa and Papua New Guinea. These plans enable us to understand stakeholders' concerns, identify and prioritise material issues and potential risks, and determine response measures. Our plans and policy are regularly updated to remain relevant and effective.

To secure the involvement and commitment of our stakeholders, we have proactively adopted measures and practices to inform and guide these engagements in line with our stakeholder engagement policy.

When engaging, we are guided by our values and strategic intent to:
- Develop relationships founded on integrity, transparency and trust
- Support government by establishing collaborative partnerships
- Balance and align our goals and stakeholder expectations
- Establish accountability
- Improve stakeholders' understanding of Harmony's challenges, requirements and concerns
- Support value creation by maintaining awareness of broader economic and ESG issues.

Our stakeholder engagement approach aims to build and maintain lasting relationships with all our stakeholders, fostering partnerships and helping us better understand each other, and build trust and identify areas for collaboration. It enables Harmony to understand stakeholder needs and expectations and better manage our social performance, potential risks and opportunities.

Managing stakeholder relationships

The quality of relationships (page 29) with stakeholders and how well these are managed affect our ability to deliver on our strategy. In addition, building long-term, stable, mutually beneficial relationships protects and maintains our social licence to operate and creates shared value for all our stakeholders.

Harmony established a stakeholder relations committee in FY22 to guide the effective implementation of a cohesive stakeholder management and communication strategy. This strategy provides consistency and alignment in Harmony's communication with internal and external stakeholders and facilitates proactive and collaborative stakeholder management, including grievances in accordance with the AA1000 Stakeholder Engagement Standard.

Governance

Our stakeholder engagement processes are informed by relevant legislation and standards, including ISO 14001, ISO 9000 and the AA1000 Stakeholder Engagement Standard. They also consider King IV and related recommendations on inclusive stakeholder engagement and the importance of addressing legitimate stakeholder concerns.

The social and ethics committee is responsible for governance and oversight of stakeholder relations with the board having ultimate accountability.

Our key stakeholders

Harmony has many stakeholders. For the purpose of this report, we identify the most material stakeholders – those with whom we engage more frequently – based on their role in:
- Delivering our strategic goals
- Contributing to our social performance
- Addressing risks, for example, highlighting issues that could lead to significant project or business risk.

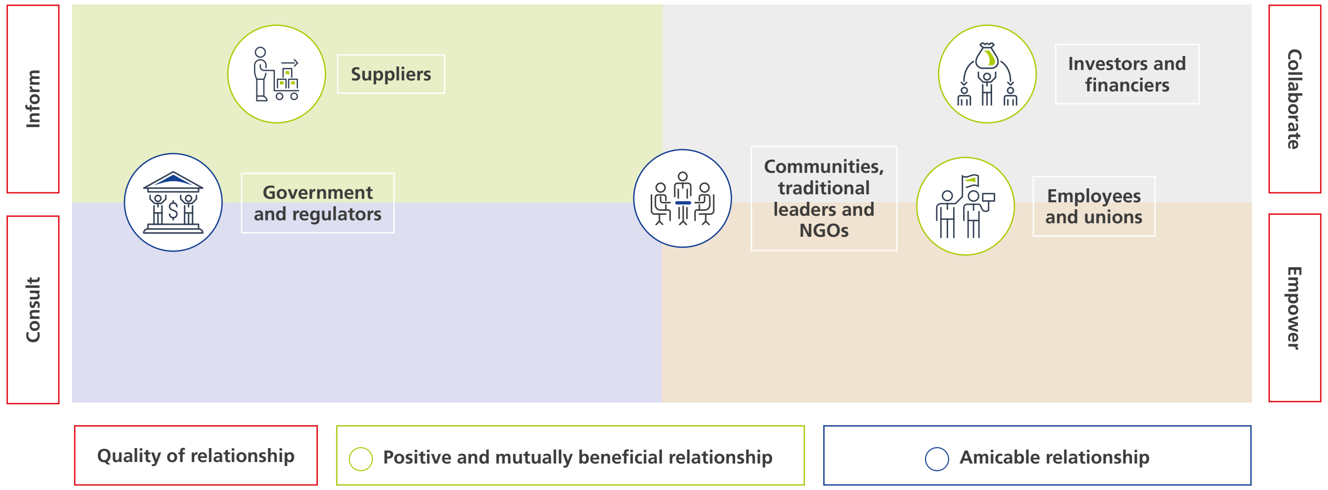
Details of each stakeholder are presented on the following pages.

Distributing economic value created

1 FY22 total economic value distributed* to our stakeholders	2 Dividends	3 Sustaining the business	4 Employees and unions	5 Communities, traditional leaders and NGOs	6 Governments and regulators	7 Suppliers
R34.8 billion (US$2.2 billion) (FY21: R31.9 billion (US$2.1 billion))	R0.4 billion 1.1% (US$28 million)	R6.4 billion 18.4% (US$423 million)	R17.0 billion 48.9% (US$1.1 billion)	R0.1 billion 0.3% (US$9 million)	R0.7 billion 2.0% (US$44 million)	R10.2 billion 29.3% (US$562 million)

** Includes financial and economic value distributed to our employee, investor, supplier, community and government stakeholders.*

Levels of engagement and quality of relationship



Stakeholder engagement continued

Investors and financiers
Includes capital providers, current and future shareholders and, indirectly, investment analysts and financial media

Why we engage
We have meaningful engagements to maintain the confidence of existing investors and financiers, and to attract investments in our business. This enables us to sustain our business and growth as we can continue generating positive earnings and share price growth and delivering shareholder returns. We engage to inform stakeholders about our progress on ESG commitments, manage their expectations of financial, operating and ESG performance, and report on our progress of delivering on our strategic objectives.

How we create value
- Embedding ESG in the business – responsible stewardship underpins mining with purpose
- Strengthening our delivery on sustainable KPIs and the UN SDGs as they apply to our business
- Generating positive margins and cash flow
- Maintaining balance sheet flexibility
- Delivering on production guidance
- Investing in organic growth
- Unlocking value from synergies after integrating acquired assets.

2022 key conversations
ESG is embedded in everything we do, alongside ongoing efforts to enhance our disclosure. We are committed to derisking the business while improving our margins and sustainability credentials.

With this in mind, we engaged with investors and financiers on the progress against each strategic pillar:
- Responsible stewardship: We regularly engage with our investors and financiers about our commitment to our safety journey and risk-based approach. Key commitments to the market this year included launching our decarbonisation strategy, articulating our targets and anticipated cost savings and announcing the closure of Bambanani due to its increased seismic activity and how this would be executed responsibly
- Operational excellence: Investor concerns relate to meeting production targets and controlling operating costs in the face of inflation pressure. We have received recognition for the good work we do managing our assets
- Cash certainty: In response to investor interest in our cash generation ability and margins of surface operations, we openly engaged about our selective hedging approach and conservative price assumptions to maintain a reasonable margin
- Effective capital allocation: Investors continue to seek to understand how we go about prioritising our capital spend and our ability to generate returns on how capital is invested to generate returns. Our challenge is to balance investments for long-term financial, environmental and social sustainability while delivering positive returns to shareholders. We communicated our commitment to effective capital allocation to meet these requirements, invested in additional high-grade, long-life assets and successfully secured a R1.5 billion green loan ringfenced for renewable initiatives.

Overall economic value created
Dividends paid to shareholders: R430 million (US$28 million) (FY21: R684 million (US$44 million)).

Future value creation and stay-in-business (total capital and exploration expenditure): R6.4 billion (US$423 million) (FY21: R5.3 billion (US$344 million))*.

South Africa
R5.1 billion (US$333 million) (FY21: R3.9 billion (US$253 million)).

Papua New Guinea
R1.4 billion (US$90 million) (FY21: R1.4 billion (US$91 million)).

** For the purposes of economic value created, capital and exploration expenditure is included as part of employee and supplier spending.*

Related material themes
- Employee health and safety
- Supporting our people
- Partnering for thriving, sustainable communities and our social licence to operate
- Environmental conservation and protection
- Resource management
- Pursuing operational sustainability
- Managing business resilience
- Ethical and accountable leadership
- Ethical mining.

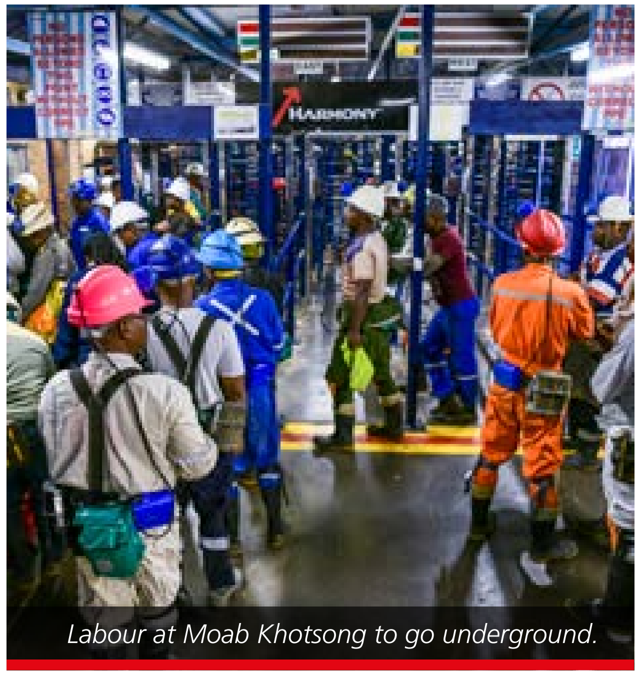
Capitals impacted

Employees and unions
Provide human capital, including skills and experience

Why we engage
In mining with purpose, our duty of care begins with our employees – the heart of our business. Harmony believes in being a fair and responsible employer, investing in and developing our workforce, and in addressing employees' needs and concerns through focused engagements. We aim to report transparently about our progress on delivering against our strategic objectives and ESG commitments.

2022 key conversations
- Safety remains a top priority and concern for the business and our people. We proactively and regularly engage to embed our safety culture through Thibakotsi. We introduced e-learning for employees working in high-risk mining areas
- We engaged with employees on the Bambanani mine closure, ensuring they understood their options for section 189 retrenchment or opportunities to be reabsorbed into the company
- We maintained stable, constructive and peaceful labour relations. No active wage negotiations took place as our current wage agreement covers 1 July 2021 to 30 June 2024. We continue open engagements with our majority unions.

Refer to the **Social** chapter in the **ESG report** for details.



Labour at Moab Khotsong to go underground.

How we create value
- Ensuring a positive, safe working environment
- Empowering employees by investing in training and development
- Employing people from host communities
- Promoting transformation and female representation
- Attracting and retaining the skills and expertise required
- Motivating and rewarding employees for value-added performance
- Promoting harmonious, cooperative relations with employees and unions
- Making impactful social and environmental contributions that our workforce can be proud of.

Overall economic value created
Wages and salaries paid: R17.0 billion (US$1.1 billion) to 47 373 employees (FY21: R15.3 billion (US$995 million) and 48 113).

Training and skills development: R661 million (US$43 million) (FY21: R468 million (US$30 million)).

South Africa
R16.1 billion (US$1.1 billion) (FY21: R14.5 billion (US$938 million)).

Papua New Guinea
R829 million (US$54 million) (FY21: R871 million (US$57 million)).

Related material themes
- Employee health and safety
- Supporting our people
- Partnering for thriving, sustainable communities and our social licence to operate
- Ethical and accountable leadership
- Ethical mining.

Capitals impacted

Communities, traditional leaders and NGOs

An aspect of social and relationship capital that represents responsible corporate citizenship and impacts our social licence to operate

Why we engage

The communities surrounding our operations are an important part of what we do as they are impacted by our operations. We aim to identify, understand and manage our impact and their expectations, achieving measurable social outcomes and building sound relationships around operations through our engagements.

In Papua New Guinea, where the majority of land is customary, our host communities often include our landowner stakeholders.

How we create value

- Investing in local economic development and corporate social investment initiatives
- Maintaining constructive relationships with communities
- Understanding, managing and addressing stakeholder expectations and concerns
- Contributing to socio-economic upliftment
- Promoting self-sustaining activities to create jobs and alleviate poverty
- Embracing safe and sustainable mining to make a positive socio-economic contribution.

2022 key conversations

In South Africa, we hosted multiple community forums where we communicated about progress on our social and labour plan (SLP) commitments and project implementation, our vaccination programme and addressing local employment, and procurement and enterprise development needs and opportunities.

In Papua New Guinea, we hosted 1 160 engagements during FY22, which ranged from updates on Wafi-Golpu project permitting, our continuing data collection and environmental studies, and ongoing efforts to maximise employment and socio-economic development opportunities at our Hidden Valley operation consistent with the mine's memorandum of agreement.

Refer to the **Social** chapter in the **ESG report** for details.

Overall economic value created

Investments in CSI and socio-economic development initiatives: R140 million (US$9 million) (FY21: R136 million (US$9 million)).

South Africa
R138 million* (US$9 million) (FY21: R102 million* (US$7 million)).

Papua New Guinea
R2 million (US$0.1 million) (FY21: R34 million (US$2 million)).

**Includes SLP commitments and CSI.*

Related material themes

- Partnering for thriving, sustainable communities and our social licence to operate.

Capitals impacted

Governments and regulators

Enact legislation and related regulations that Harmony must comply with to earn or retain its regulatory licence to operate, aligning and managing interests, needs and expectations

Why we engage

We engage with national, provincial and local governments about legislation, regulations, policies and guidelines that influence how we conduct business. By engaging, we aim to meet or exceed regulatory requirements and maintain our government and regulatory stakeholders' confidence.

How we create value

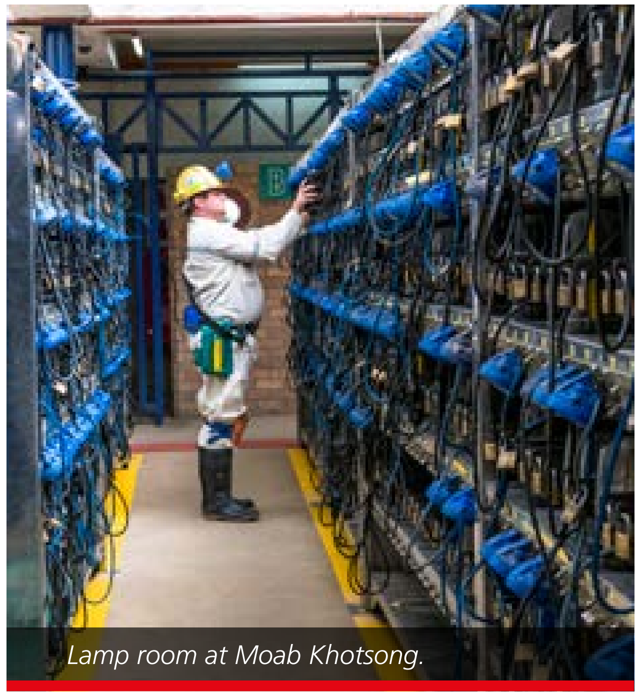
- Contributing to national income by paying taxes and royalties on profits and earnings
- Maintaining constructive relationships with governments and regulators
- Maintaining our mining and related permits and licences in good standing.

2022 key conversations

In South Africa, the DMRE appealed Harmony's application for a Mineral and Petroleum Resources Development Act section 102 application for Kalgold mine.

In Papua New Guinea, negotiations for a special mining lease for the Wafi-Golpu Project continue. We made meaningful progress in delineating the key fiscal and commercial positions of the parties. Negotiations paused during the period of the national election. We also progressed approvals for the construction of Tailings Storage Facility No 2 at Hidden Valley and are seeking resolution by the State of a royalty payment dispute related to our Memorandum of Agreement.

Refer to the **Social** chapter in the **ESG report** for details.


Lamp room at Moab Khotsong.

Overall economic value created

Taxes and royalties paid: R675 million (US$44 million) (FY21: R1.3 billion (US$88 million)).

Personal income tax on employee salaries and wages paid: R3.1 billion (US$206 million) (FY21: R2.4 billion (US$157 million)).

South Africa
R578 million (US$38 million) (FY21: R1.2 billion (US$79 million)).

Papua New Guinea
R97 million (US$6 million) (FY21: R127 million (US$8 million)).

Related material themes

- Partnering for thriving, sustainable communities and our social licence to operate
- Environmental conservation and protection
- Resource management
- Ethical and accountable leadership
- Ethical mining.

Capitals impacted

Stakeholder engagement continued

Suppliers
Provide raw materials, inputs and services essential to our business

Why we engage

We support the broader economy by procuring goods and services to operate our business. Supplier engagement is essential to meet procurement targets and commitments related to our mining rights and agreements, manage costs, deliver on our strategic objectives and support long-term viability.

2022 key conversations

In South Africa we support the government's imperative to facilitate sustainable socio-economic development and broader participation in the economy, mainly through procurement and enterprise and supplier development.

In Papua New Guinea, we engage with local suppliers and landowner companies. We target major contracts and procurement activities that will have a significant effect on communities' involvement, ownership and improved business development.

Refer to the **Social** chapter in the **ESG report** for details.

How we create value

- Focusing on local preferential procurement to support local economies
- Engaging with suppliers and contractors to build cooperative, trust-based relationships and manage costs
- Ensuring services are delivered as agreed and align with our values and strategic objectives
- Honest and timely communication
- Indirectly contributing to the broader economy.

Overall economic value created

Procuring goods and services: R16.6 billion (US$1.1 billion) (FY21: R14.6 billion (US$948 million)).

South Africa
Total procurement (discretionary) spend:
R14.3 billion (US$940 million) (FY21: R10.7 billion (US$693 million)). Of this, 78% (R11.2 billion (US$736 million)) was preferential procurement with BEE* entities (FY21: 74% or R7.9 billion (US$515 million)).

Papua New Guinea
Total procurement spend:
R2.3 billion (US$153 million) (FY21: R2.3 billion (US$253 million)):
In-country: 48% (R1.1 billion (US$73 million)) (FY21: 51% or R1.2 billion (US$150 million)).
Morobe: 49% (R558 million (US$37 million)) (FY21: 49% or R489 million (US$32 million)).

** Refers to >25% + 1 vote historically disadvantaged person-owned and controlled companies.*

Related material themes

- Partnering for thriving, sustainable communities and our social licence to operate
- Environmental conservation and protection
- Ethical and accountable leadership
- Ethical mining.

Capitals impacted

Agri-Project Doornkop.

CASE STUDY

Bambanani – demonstrating responsible mining with purpose

The Bambanani mine has been one of our most successful and profitable mines and is a great example of how Harmony has created shared value for all our stakeholders over time, demonstrating ESG in action.

Bambanani made a significant contribution to the overall success of our company and we are grateful for the contribution from everyone who has been involved with the mine and its success over the years.

As a company, we made the strategic decision to close the mine on 30 June 2022, before the end of its commercial life. This was due to increased seismicity experienced at the operation and the related risk increasing as pillars are mined out. It was no longer possible to operate the mine in accordance with our strict safety protocols beyond financial year-end.

Quick facts

- Located in Free State, near Welkom and some 260km south of Johannesburg
- Two surface shafts hoist the ore to surface, from where it is transported to Harmony One plant for processing
- Mining depths reached 2 219m where the Basal reef is exploited
- Mining was limited to extracting the high-grade shaft pillar as it reached end of life.

12 years of profit, achieving the **best** financially performing mine across our operations for several years.

This historical moment was celebrated through an initiation of the final blasting activity, attended by the current and former organised labour representatives, regional general managers and general managers. The South African executive committee also attended the event.

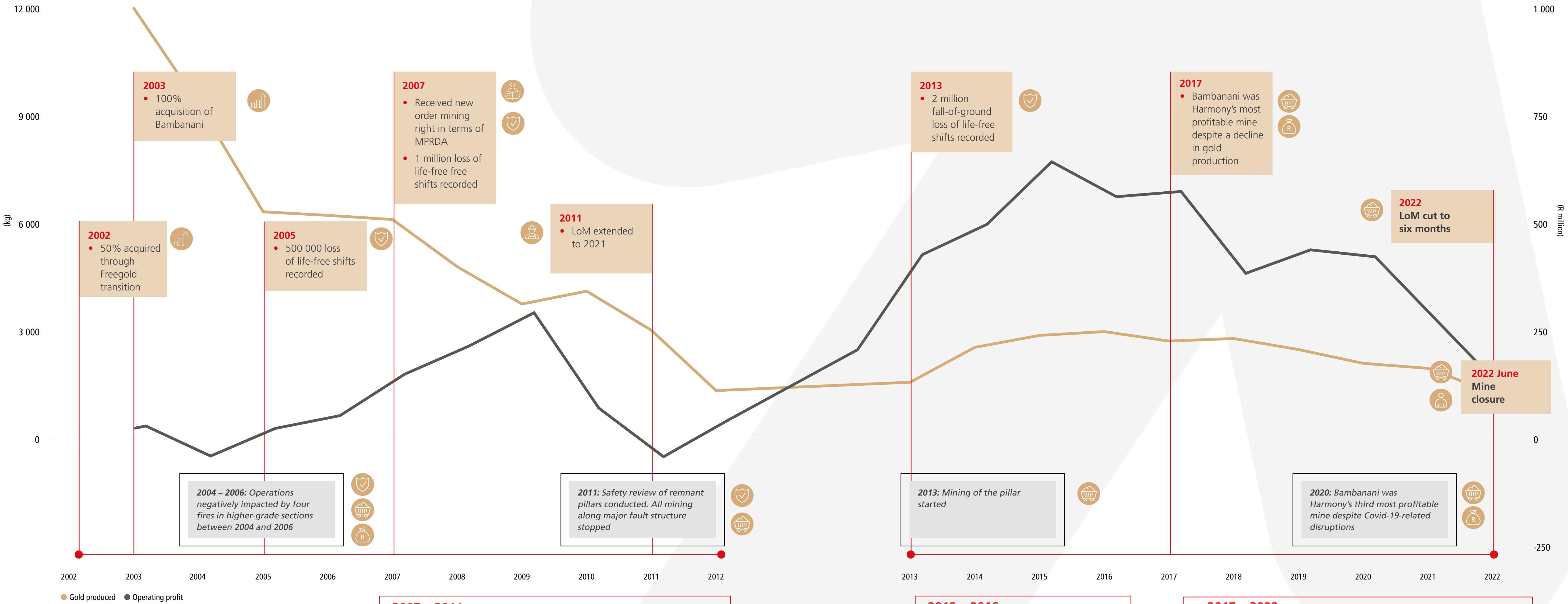
Final blast day – Bambanani employees.

Bambanani shaft – final blast done – headgear stopped.

CASE STUDY

Bambanani – demonstrating responsible mining with purpose continued

A timeline of our value creation, ESG commitment and delivering on our strategy



2002 – 2006

- Consisted of two shafts, situated in the Free State goldfield (southwestern edge of the Witwatersrand basin) and mined Basal reef
- Given eight-year LoM in 2003.

2007 – 2011

- West shaft employees transferred to Bambanani after operations stopped
- Reduction in labour as 2 086 people transferred or took voluntary severance packages after restructuring
- Implementation of the revised mining plan to convert Bambanani to a high-grade, low-volume operation continued 2010 – 2011
- In 2010 the mine accounted for 9% of gold sales
- Harmony acquired President Steyn 1 and 2 shafts in 2010
- Tragically two lives lost due to a seismic fall-of-ground event. This just after reaching the milestone of 750 000 loss of life-free shifts
- One life lost in a gravity-related fall-of ground event
- Preparation for mining of shaft pillar begins. Expectation that the shaft pillar will be mined for around eight years from 2013.

2012 – 2016

- Started mining the shaft pillar at Steyn 2, foreseen to last 18 months
- Mining at Steyn 2 stopped due to safety concerns in 2014
- Two MineSAFE awards won: first place for best year-on-year improvement in total injury frequency rate in 2015 and third place in best safety performance category in 2016.

2017 – 2022

- Bambanani was Harmony's second most profitable mine in 2021
- Three years of LoM remaining from 2021 with mining limited to extraction of the higher-grade shaft pillar
- Due to adverse seismicity conditions, the decision was made at the end of Q2 2022 to revise the LoM plan to end effective 30 June 2022 as the operation was no longer able to continue within Harmony's safety culture.

= operational | = employees/labour | = safety
= financial | = licence to operate | = Life of mine | = investment

World in which we create value

Mining with purpose means that Harmony, as a sustainable gold producer, applies sustainable development principles in creating and preserving shared value so that we leave a lasting positive legacy.

Mponeng shaft.

Our external operating environment

We are committed to ensuring the resilience and sustainability of our business in a challenging external operating environment. Through mining with purpose, we can plan and respond to an ever-changing context influenced by economic, social, political and environmental pressures at a macro-economic and national level.

Global macro-environment

1 Economic and geopolitical factors

Context	Impact on Harmony	Our response
Geopolitical uncertainty Investor sentiment, commodity prices and exchange rates are impacted by heightened geopolitical tensions and economic uncertainty. During the year, the world faced challenges of rising inflation, the Covid-19 aftermath, the war in Ukraine and tensions between the United States and China.	This affects the commodity market and gold price, which in turn, impacts our financial capital. A potential positive impact on our business is likely to arise from investors using gold as a hedge against geopolitical uncertainty.	We analyse potential outcomes to ensure we respond proactively and appropriately. These responses are guided by our derivative and hedging strategies, appropriate capital allocation and restructuring underperforming assets, among others. **Chairman's review**, **Chief executive officer's review**, **Financial director's report**, and **Our risks and opportunities**.
Gold price There has been a renewed wave of uncertainty, specifically for gold, as inflation is increasing. This uncertainty is compounded by concerns of low economic growth, the increasing risk of political conflict and further supply chain disruptions. The higher US dollar gold price amid global geopolitical uncertainty and inflation concerns contributed to a higher rand gold price received. The gold price continued to rise as the world recovered from the Covid-19 aftermath. Prices peaked at US$2 052.41/oz on 8 March 2022. The gold price was significantly higher than the US$1 776.60/oz at the beginning of FY22, increasing to US$1 806.89/oz at year end.	The higher gold price positively contributed to our revenue. However, despite our stringent controls and leaner operating model, we are not immune to the effects of rising costs. As such, it is imperative for us to continue scrutinising our costs while adapting to increasing inflation with protracted supply chain disruptions.	Our hedging strategy is proving successful. Our selective hedging approach supports stronger margins and cash flows. We will only hedge if we are certain that we can achieve a minimum margin of 25% above all-in sustaining costs and inflation. Additionally, we continue using conservative price assumptions to maintain a reasonable margin. **Chairman's review**, **Chief executive officer's review**, **Financial director's report**, and **Our risks and opportunities**.
Gold market Global demand for gold remained robust. The market is particularly driven by continued demand for investment by central banks and other institutions.	This means we can continue producing and initiating plans to invest in future projects and production.	We achieved our revised annual total production guidance of between 1.48Moz and 1.56Moz, meeting global demand. **Chairman's review, Chief executive officer's review** and **Financial director's report**.

2 Environmental factors

Context	Impact on Harmony	Our response
Decarbonisation Transitional and physical climate-related risks are a global concern, with global warming increasing the likelihood, frequency and severity of natural disasters. To address this, broader society and investors want companies to set net zero targets underpinned by the Paris Agreement. In addition, investors are reducing exposures to carbon-intensive industries as traditional financing moves towards the green bond market.	Climate change impacts the gold mining sector through physical changes to the environment and the societal and economic mobilisation necessary to achieve net zero. Positive impacts include the financial and stewardship benefits of diversifying our energy mix.	Harmony's recognition of climate change and our commitment to climate change mitigation and adaptation are embedded in our business strategy and decision making. We have responded by: • Accelerating the expansion and rollout of renewable energy products • Securing a R1.5 billion green loan linked to sustainable KPIs to advance our decarbonisation aspirations • Updating our environmental and climate change strategies, and developing our decarbonisation strategy aligned to the Science-Based Targets initiative (SBTi) • Leveraging existing collaborative partnerships and frameworks (sustainable development, preferential procurement, community initiatives, etc) and developing new partnerships in transitioning to net zero. **Environmental management and stewardship** in our **ESG report**.

Solar at Rietvallei.

3 Governance and transparency

Context	Impact on Harmony	Our response
ESG data quality and disclosure The increased awareness of environmental and social challenges is changing ways of doing business. This is due to global organisations and investors compelling companies to strategically understand ESG risks and integrate ESG into their business strategies. This includes increased requirements for transparent reporting, disclosing climate-related risks in financial results and net zero initiatives, such as green bonds. Although organisations can adopt frameworks and guidelines voluntarily, there is increasing pressure on mining companies to demonstrate responsible allocation and management of capital, and committing to dealing with ESG issues.	If we do not deliver on ESG commitments or report transparently, we will fail to create sustainable value for our stakeholders, and lose trust and credibility. This will ultimately impact our profitability and sustainability.	Sustainable development is embedded in our business processes and practices. Our capital allocation is based on ensuring sustainability and how we can derisk the business while improving margins and our ESG credentials. We have considered our most material ESG impacts and matters impacting our financial sustainability through a double materiality process, which informs our interrogation of these matters and ensures the integrity of our external reporting. **Stakeholder engagement** and **Our material matters** in this report and the **ESG report**.
Shareholder activism Shareholders are putting pressure on companies to reposition or accelerate their business strategies, and holding them accountable to their ESG commitments.	Non-compliance with increasing ESG requirements or failing to meet ESG targets could impact our market capitalisation and reputation.	We are enhancing our ESG commitments by including sustainability metrics in our funding agreements. We are guided by our sustainable development framework to ensure we deliver on ESG commitments and that our disclosure is credible, transparent and robust. To meet shareholder expectations, we focus on continuously improving our ESG performance, while aligning our corporate targets with the UN SDGs and other guidelines where relevant. **Environmental management and stewardship** in the **ESG report**.

Regional factors

1 Economic and geopolitical factors

Context	Impact on Harmony	Our response
Geopolitical uncertainty **South Africa** The mining industry is a significant contributor to South Africa's economy. The industry is impacted by, among others, policy and regulatory uncertainty, global competition, infrastructure decay, electricity disruptions and changing exploration strategies. **Papua New Guinea** Papua New Guinea's minerals play a significant role in its economy, which is affected by a rapidly changing external environment. Some of these challenges include balancing the government's development aspirations in time of geopolitical uncertainty.	These are unpacked below.	Our derisked and diversified portfolio continues to perform well. We have various business improvement initiatives and capital projects that futureproof our business. We remain committed to Papua New Guinea through our Hidden Valley expansion and various exploration programmes. Negotiations with the Papua New Guinea government to secure the Wafi-Golpu special mining lease continue. **Chief executive officer's review**, **Our risks and opportunities**.
Exchange rate volatility **South Africa** The rand is affected by global market factors such as inflation, interest rate increases and commodity prices. In South Africa, the rand is affected by central banking policies, domestic political uncertainty and investor sentiment around the country's energy reliability challenges.	The average of the rand appreciated against the US dollar in FY22, with an average exchange rate of R15.21/US$1 (FY21: R15.40/ US$1). A foreign exchange translation loss of R327 million (US$21 million) compared to a R670 million gain (US$44 million) in FY21 mainly reflects unfavourable translations on US dollar loan balances. These in turn are attributable to the rand weakening against the US dollar, opening at R14.27/US$1 and closing at R16.27/US$1.	We are focused on maintaining production levels. Even at the relatively lower exchange rate, the group's South African operations are generating a margin and positive cash flow. Our derivative strategy is to only lock in pricing at favourable rates, which was observed briefly towards the end of the 2021 calendar year. We will await further opportunities to cover up to 25% of Harmony's foreign exchange revenue exposure. **Financial director's report**.
Sovereign rating **South Africa** South Africa's credit rating outlook is stable at BB-, with an upturn in near-term economic performance and improved public finances. **Papua New Guinea** Papua New Guinea's long-term foreign and local currency sovereign credit rating of B was revised to stable from negative.	Adverse credit ratings deter some investors, threatening our long-term value and affecting our market capitalisation.	We regularly engage with investors to provide a realistic understanding of our potential operating and financial performance. **Financial director's report**.

Our external operating environment continued

2 Environmental factors

Context	Impact on Harmony	Our response
Water Global warming poses risks to our water supply, and increases the severity of extreme weather events across our geographies. **South Africa** Although South Africa experienced high rainfall this year, water availability remains unpredictable. **Papua New Guinea** In contrast, Papua New Guinea is likely to experience intensified flash floods, landslides and coastal flooding.	Inadequate water supply or flooding could disrupt our mining operations and mineral processing, and damage property or equipment.	Our water management strategy articulates our commitment to climate change mitigation and adaptation at a strategic level. **ESG report** for water use.
Electricity cost and reliability **South Africa** Harmony's primary energy source is electricity purchased from the state-owned power utility, Eskom, generated by coal-fired power stations. Electricity is expensive and supply continuously interrupted due to loadshedding. **Papua New Guinea** As an open pit mine, the Hidden Valley operation is less energy intensive and draws its power from the country's Ramu grid, a reliable source predominately generated by hydropower (some 70%).	We have initiated alternative power generation projects to reduce reliance on the inconsistent national power grid. We also have a pipeline of renewable and alternative energy projects in various stages of development.	We are committed to our renewable energy programme, which will reduce our costs and decarbonise Harmony while ensuring a more reliable source of power. Power options for the Wafi-Golpu project, including renewable energy, continue to be assessed. **ESG report** for **Climate change, energy, and emissions management**.

3 Social factors

Context	Impact on Harmony	Our response
Social licence to operate The nature of the extractive sector means that mining companies must pay particular attention to their social licence to operate. This is a tacit approval by local communities and other stakeholders to operate a project. To maintain a social licence to operate, companies must navigate complex social, economic and political dynamics over time to avoid conflicts with host communities.	National legislative requirements and needs communicated to us by our host communities influence the implementation of our socio-economic strategy. In South Africa, our strategy is largely dictated by requirements under the MPRDA. In Papua New Guinea, it is governed by a memorandum of agreement. Failing to engage with stakeholders jeopardises our social licence to operate and could reduce opportunities in the market.	We take our role as a responsible corporate citizen seriously and continuously strive to preserve our social licence to operate. We constructively engage with stakeholders to share value, better understand and manage expectations, and secure and maintain our social licence to operate. **Stakeholder engagement**. **ESG report** on **Caring for our employees**, and **Empowering communities**.

4 Governance and transparency

Context	Impact on Harmony	Our response
South Africa There are several new and amendment bills and draft policies before the South African parliament, which were delayed by the pandemic. This prolonged regulatory uncertainty, particularly on managing and reporting environmental impacts in and surrounding mining operations. **Papua New Guinea** The Papua New Guinea government is undertaking a wideranging review of the country's mining regime to increase the state's share of proceeds from mining, enhance landholder and provincial government equity participation in mining projects and promote direct involvement in mining and exploration by state-owned enterprises. There are several draft bills and policies which, if adopted, could have a material adverse effect on the business, operating results and financial condition of Harmony's operations.	Uncertainty on future fiscal, legislative and regulatory environment causes us to exercise caution when assessing the viability of future investment in South Africa and Papua New Guinea.	In both jurisdictions, we engage with government directly and indirectly through industry representative bodies to find viable and constructive solutions to the aspirations and concerns of all stakeholders. **Stakeholder engagement**, **Chairman's review**, **Chief executive officer's review**, **Exploration and projects**.

Our risks and opportunities

Harmony follows an integrated risk-based approach to business. Our exposure to risks and opportunities inherent to mining and factors in our external environment impact our ability to achieve our strategy and deliver sustainable returns over time.

Through identifying and understanding our material risk drivers and their interrelated dynamics, we are better able to manage their impacts and position Harmony to capitalise on opportunities, meet future challenges and deliver on our growth prospects. It also creates value by enabling employees to make risk-based decisions that consider Harmony's strategy, risks and resilience through established risk management practices.

Our systems and processes are underpinned by effective governance and active management, and enable us to proactively evaluate, manage and mitigate risks. We have built our expertise in operating in emerging environments and we are experienced in managing socio-political challenges for over seven decades. This includes our ability to navigate the challenges of our various stakeholders, especially at our deep-level, labour-intensive and unionised gold mines in South Africa.

Our enterprise risk management (ERM) process

Our approach is to implement and maintain an integrated risk and resilience management framework, methodology and system that enables us to apply an integrated risk-based approach to our strategy, business planning and business management. This ensures sustainability and resilience. The process we follow aligns with the ISO31000:2018 Risk Management Guidelines and the COSO's enterprise risk management framework, ensuring that we are implementing global best practice risk management at Harmony.

Our risk management approach is informed by our business strategy and related objectives. To achieve our goals, identifying and understanding the factors that could limit our ability to deliver on our strategy is vital. Equally, we need to understand those factors that present opportunities.

Since 2019, our enterprise risk management team focused on progressively evolving Harmony from risk-competent to risk-intelligent, enabling us to make risk-based decisions within our risk appetite and tolerance levels.

A risk-intelligent Harmony means the ability to:

Speak a common risk language	**Think holistically about risk and uncertainty**	**Take the right risks for reward (managing threats and capitalising on opportunities)**	**Effectively use forward-thinking risk concepts and tools to make better decisions**	**Creating lasting value and ensuring sustainability**	**Continuously learn (Exclaim for risk, KPIs monitoring)**

We finalised our ERM policy, risk management guidelines, plan and risk appetite framework in 2021. Combined, these aim to improve the effectiveness of risk management at Harmony through a more holistic and forward-looking approach to managing risk and uncertainty. We have appointed the Institute of Risk Management South Africa to do frequent maturity assessments and to apply best practice to our ERM processes and standards. We are entering the middle stages of our five-year maturity development plan.

Summary of the risk management process

Risk management process

Oversight of risk governance process

Board
Top strategic, operational and safety-specific risks plus mitigating actions are reported quarterly to the board by the audit and risk as well as technical committees. Other board committees review specific risks within their mandates. The top strategic, emerging, operational and safety risks that fall outside our risk appetite and tolerance levels are reported to the board. These reports include risk treatment strategies and business continuity management plans on how the risks are managed.

Implementation and day-to-day management

Executive management

Quarterly review of Harmony's strategic risk profile to:
- Assess its completeness
- Consider external and internal factors that could lead to new/emerging risks and opportunities
- Review the likelihood and impact/consequence of existing risks and assess any new or emerging risks and opportunities to determine residual ratings
- Review the completeness, effectiveness and/or relevance of mitigating actions and evaluate resulting residual risk ranking.

Operational management teams
Implement, oversee and training of risk management.

ERM teams
Implementing and maintaining one integrated risk and resilience management framework, methodology and system that supports Harmony's strategic pillars.

Safety
Four-layered, risk-based approach to actively manage safety in South Africa and Papua New Guinea.

Refer to **Safety** in the **ESG report**.

Operations
Each operation maintains, updates and regularly reviews its risk register. These are formally reviewed weekly by regional general managers and country-based executive and management teams.

Our risks and opportunities continued

Harmony's risk management strategy

In 2018, we adopted the Harmony risk management strategy to achieve safe, profitable production at all our operations. This strategy focuses on embedding a culture of risk awareness and mitigation in all our employees – from miners to executive management – to ensure we operate safely and productively. The modernisation and digitisation of systems and processes across the group has been key to effectively rolling out this strategy.

Refer to **Safety** in our **ESG report** for more on the roll-out of this strategy in the safety sphere.

Our risk management strategy is a four-layered approach to identifying, assessing and controlling all hazards and risks that could impact our ability to achieve safe and profitable production.

Identifying and analysing

- Identifying risks and analysing the most effective strategies or initiatives (golden controls) to mitigate those risks.

Golden controls

- Implementing golden controls, with routine inspection and maintenance.

Identifying and defining

- Identifying and defining improvements to our risk management initiatives.

Monitoring

- Continuously monitoring effectiveness of controls; regular analysis and reporting; action management on all failures.

We continue our ERM journey which includes a focus on safety and creating risk awareness throughout the company.

Determining our most significant risks and opportunities

Once we have determined the group's risk appetite and tolerance levels, we monitor these while identifying and managing those most material to Harmony. While group risk appetite and tolerance levels are formally reviewed annually, they are continuously monitored for relevance against changing macro-environment factors.

Group risk exposure

- Our business is gold mining – a high-risk/high-reward business
- We operate across the gold mining value chain – from exploration, feasibility studies, building and buying mines, operating mines to closure followed by rehabilitation
- We are exposed to gold price and exchange rate volatility – we mitigate some of this exposure through derivative programmes
- We operate well in emerging economies and manage associated socio-political impacts
- We continue investing in exploration – one of the most effective ways to grow an orebody and create value
- We have an appetite for change and continuous improvement – we continuously look for innovative ways to improve our existing mines and acquire assets that we can improve operationally
- We have the skills to deal with the challenges of multi-stakeholder labour relations – implicit in deep-level, narrow-reef gold mining in South Africa
- Our experienced teams have strong values and are committed to deliver.

Risk appetite and tolerance

Harmony's risk appetite and tolerance levels are measured against our nine risk categories that were carefully selected by the group executive committee and the board to evaluate the risk impact we are exposed to and reduce the risk exposure through our mitigation strategies. We only report to the board on the risks that are outside our risk appetite and tolerance levels.

Our top strategic risks and opportunities

Our risk profile is based on potential events or factors that present a threat or an opportunity. These downside risks and upside opportunities are considered in our daily business activities and once identified, are integral to formulating and implementing our group strategy.

The diagrams of our strategic risk and opportunity profiles are based on our assessment of the residual rankings, and ranked in order of priority.

Harmony risk management – process model

01 Realistic planning

- Dictated by safety, orebody and operational nameplate capacity
- Infrastructural setup
- All work scheduled

02 Implementation

- Execute work
- Routine, regular inspection and maintenance

03 Continuous monitoring

- Identify improvements
- Share information
- Optimise assets

04 Adapt and adjust

- Analyse and report
- Actively manage all failures
- Monitor control effectiveness

Four-layer risk approach:

Identify risk and golden controls	Implement controls	Continuous monitoring	Identify and define improvements

To achieve: SAFE, PROFITABLE PRODUCTION

Responsible stewardship	Operational excellence	Cash certainty	Effective capital allocation

Continuous improvement

Golden controls are the main controls identified to mitigate or treat a specific risk.

Our risks and opportunities continued

Group risk and opportunity profiles

Strategic risk profile – top risks

The below list contains 14 risks that were reported in the fourth quarter of FY22 to the executive committee. The five highlighted risks are the top strategic risks that were reported to the respective board committees.

	Top strategic risks
a	**Loss of life/safety**
b	**Security of electricity/power supply and the impact of higher electricity costs**
c	**Depleting the Ore Reserve base**
d	**Geopolitical risks**
e	**Unsuccessful project execution**
f	Non-compliance with or the choice not to comply with additional and ever-increasing environmental, social and governance (ESG) requirements
g	Not achieving operational plans at our critical operations
h	Supply chain disruptions (including supply of goods and increasing costs)
i	Illegal mining, attacks on plants, theft and possible legalisation of artisanal mining
j	Retaining key skills and experience
k	Gold price and forex fluctuations (varying from planned levels)
l	Regulatory changes and/or compliance with regulatory requirements
m	Dysfunctional basic services
n	The increasing cost of capital and attracting new capital.

Terminate	Treat	Tolerate	Transfer	Take
The risk exposure is outside appetite and tolerance. Risk response strategies are not able to reduce the impact of the risk should it materialise (to within appetite and tolerance). Harmony makes an informed decision to withdraw or not to be involved in an activity so that we are not exposed to a particular risk.	A measure that is modifying risk. Treat is the process of selecting and executing actions and making decisions to reduce the risk exposure and bring the risk within the risk appetite and tolerance levels.	The level of risk Harmony is willing to accept with the potential benefit of gain or burden of loss from a particular risk. *Note: There is often a level of tolerance associated with any risk outside of appetite and tolerance, because of the time it will take to implement the risk response strategies in bringing the risk within appetite and/or tolerance levels.*	Risk transfer and risk sharing are forms of risk treatments involving the agreed upon distribution of risk with other parties. It could be a complete transfer, eg insurance and/or an agreement to share the risk exposure, for example partnerships, cooperative agreements and mergers and acquisitions.	An informed decision to be made on a particular risk, and mostly associated with upside risk or benefit.

Top strategic risks

a. Loss of life/safety

Safety is our top value. Safety risks are inherent in deep-level mining and could result in loss of life and other related incidents. Our safety performance has a direct impact on our ability to deliver safe, profitable ounces and attract capital. Our aim is zero harm.

Cause
- Inherent high-risk mining environment resulting in incidents
- Rocks falling from hanging wall causing injury or loss of life
- Person coming into uncontrolled contact with machinery, attachments, rigging installations causing injury or loss of life.

Potential impacts

Continued loss-of-life incidents may have a catastrophic implication for Harmony. Safety breaches could stop production, affect our stakeholder relationships and reputation, lead to litigation and decrease Harmony's overall value.

Poor safety results in:
- Investors exiting Harmony
- Loss of production
- Difficulty in attracting new capital
- Increase insurance premiums and/or a limit in the number of underwriters prepared to take on Harmony's risk exposure
- Loss of licence to operate
- Reputational damage.

Mitigating actions

Incorporating safety into everything we do:
- We follow a four-layered, risk-based approach to ensure safe production, prevent loss of life and embed a proactive safety and health culture
- Regular employee engagement through standard safety procedures, training, awareness campaigns and open discussions
- Continuous updates and reviews of safety procedures and systems to ensure industry leading safety practices
- Our centralised multidisciplinary safety audit team conducts audits to ensure legal compliance
- Our business continuity management covers safety emergency management and incidents
- Prompt, automated risk and hazard identification through upgraded software
- Risk management call centres at each operation
- Harmony's executive management reviews safety risks.

Strategic safety priorities
- Passionate and active leadership
- Safety strategy now embedded in Harmony at all operations, focusing on the humanistic component
- Adopting industry leading safety practices
- Effective risk and critical control management
- Effective safety management systems
- Ongoing organisational learning
- Proactive culture and engaged workforce
- Modernised safety systems
- Enhanced second-level safety audits by multidisciplinary team
- Implementation of loss of life-risk management programme
- Dedicated operational safety days when production is suspended and all employees participate in safety-focused discussions.

Oversight	Responsibility	Movement in risk exposure	Overall risk exposure	Risk response strategy	Strategic pillars	Capitals impacted
Technical committee	CEO	Increased	Above risk appetite	Treat		

b. Security of electricity/power supply and the impact of higher electricity costs

Electricity supply has been constrained over the past decade with multiple power disruptions. The cost of electricity could rise by double digits in the next few years – burdening the economics and viability of some marginal operations in South Africa. An unstable and increasingly costly power supply impacts our ability to produce safe and profitable production and affects the sustainability of our business. The risks associated with our dependency on Eskom will be mitigated by our solar projects.

In addition, there is growing pressure for decarbonisation by climate activists and investors, and for companies to acknowledge, disclose and reduce their carbon emissions.

Cause

In South Africa, our mining operations depend on coal-fired power generated by Eskom. The state utility's electricity supply is unreliable due to insufficient plant maintenance and pressure on outdated infrastructure. Repairing infrastructure and carbon tax contribute to the rising cost of electricity as consumers are expected to cover these costs from the electricity they use and pay for.

There is a worldwide uptake of reducing carbon emissions (coal-fired power being a major contributor in South Africa) and becoming net zero. This is supported by increasing pressure from investors and shareholder activism holding companies accountable to their ESG targets and timelines. Companies must adopt clear plans to mitigate their negative impact.

Potential impacts

The unreliable power supply may negatively impact our overall costs, project budgets and ultimately our margins as operations and/or projects would not be feasible to operate anymore. It also affects the LoM of some of our operations and can impact our carbon pricing.

Coal-fired power impacts our carbon footprint and, in turn, our decarbonisation journey. Mitigating the environmental impact of our operations reduces operating costs and our exposure to risk while supporting the long-term objective of leaving a positive post-mining legacy.

Mitigating actions

- Reducing our carbon footprint and reliance on coal-fired power through:
  - Commitments set out in our sustainable development framework (page 111)
  - Reprioritising and reinforcing energy efficiency and demand management initiatives at our South African operations
  - Expanding our renewable energy programme to generate 137MW by FY25
  - Reviewing our energy mix to reduce our carbon footprint by following TCFD guidelines
- Reducing costs through:
  - Implementing energy-saving initiatives
  - Identifying independent power-producing and renewable energy opportunities to de-risk pricing.

Oversight	Responsibility	Movement in risk exposure	Overall risk exposure	Risk response strategy	Strategic pillars	Capitals impacted
Social and ethics committee and technical committee	COO	Increased	Above risk appetite	Treat		

c. Depleting Ore Reserve base

We need a production pipeline of quality Reserves to ensure our future sustainability and profitability. Replacing our assets with higher grades and volumes ensures that we can maintain margins if our depleting Reserve base struggles to carry operational overheads.

Cause

Mining depletes finite resources. Harmony's sustainability is threatened if a LoM is not extended, exploration drilling projects are unsuccessful or if capital is unavailable for acquisitions.

Our current Reserve base is forecast to decline sharply as certain mines approach the end of their operating lives.

Potential impacts

Maintaining the Resource and Reserve pipeline necessary to sustain future production is vital to our ability to fund and develop:
- The Wafi-Golpu project
- Further organic growth projects in South Africa and Papua New Guinea.

The lead time of exploration projects such as Joel, Masimong, Target 1, Moab Khotsong, Mponeng, Doornkop, Kalgold and Target North may not replace the actual Reserves mined in FY22.

A decline in our production base can lead to increased unit costs and reduced margins, and could impact our market rating.

Mitigating actions

- Improving the quality of our portfolio and diversifying our revenues across our:
  - South African underground assets by extending the Moab Khotsong operation and potentially Mponeng's LoM
  - South African surface (low-risk, high-margin, long-life) assets by acquiring Mine Waste Solutions and the Kareerand tailings expansion project
  - International (Papua New Guinea) operations by advancing permits for the Wafi-Golpu project and extending the Hidden Valley operation
- Assessing, ranking and advancing several organic growth and exploration projects
- Identifying further value-accretive acquisitions in South Africa, Papua New Guinea, Australia or elsewhere in Africa that meet our investment criteria
- Using appropriate metrics, benchmarks and baselines to monitor the executive committee's performance
- Implementing a purpose-fit asset management programme at all operations, including the introduction of infrastructure redundancies where economically and technically feasible.

Oversight	Responsibility	Movement in risk exposure	Overall risk exposure	Risk response strategy	Strategic pillars	Capitals impacted
Technical committee	COO	Increased	Above risk appetite	Tolerate		

d. Geopolitical risks

Geopolitical risks will be challenging to treat in the highly interconnected global ecosystems, as it remains difficult to forecast the exact impact these risks are having or may have. Supply chain disruptions, global inflation, interest rates, and political risks are material risks to monitor and treat to reduce Harmony's overall risk exposure.

Cause
The Ukraine and Russian war is causing disruptions that lead to inflation, supply chain disruption and global conflicts.

The impacts of Covid-19, particularly ongoing lockdown strategies in some countries, contributes to high inflation rates and impacts the global supply chain.

Potential impacts
Rising inflation could impact input prices and Harmony's all-in sustaining cost, resulting in unsustainable mines (margin may be too low to continue investing in it).

Higher interest rates may affect the cost of funding capital, which in turn potentially impacts Harmony's cash flow, project returns and earnings.

Mitigating actions
- The annual planning process considers approved planning parameters, continuing with strict cost control
- Reducing capital expenditure, especially on imported content
- Reducing reliance on single suppliers by adding additional suppliers
- Hedging strategies that strengthen margins.

Oversight	Responsibility	Movement in risk exposure	Overall risk exposure	Risk response strategy	Strategic pillars	Capitals impacted
Technical committee	COO	Increased	Above risk appetite	Treat		

e. Supply chain disruptions (including supply of goods and increasing costs)

Mining operations and projects are vulnerable to supply chain disruptions such that operations and growth projects could be adversely affected by the lead times to deliver strategic spares, critical consumables, mining equipment or re-agents.

Cause
Failure to procure products required to mine (especially foreign sourced components) may have an adverse effect on Harmony's maintenance of equipment or capital projects and ultimately meeting our operational plans.

Potential impacts
Delayed supply of procured products and the increasing inflationary pressure due to global supply chain challenges may impact costs negatively, resulting in some operations not being feasible due to much higher all-in sustaining costs.

Mitigating actions
- Supply chain process is well embedded and enforced (recently reviewed and may change)
- Ensuring more than one reliable supplier for all critical commodities
- Monthly review of top critical commodities by respective South African and Southeast Asia executive teams.

Oversight	Responsibility	Movement in risk exposure	Overall risk exposure	Risk response strategy	Strategic pillars	Capitals impacted
Audit and risk committee and social and ethics committee	COO	No movement	Above risk appetite, within risk tolerance levels	Treat, tolerate		

For more information on Harmony's risk factors and potential impacts, see Form 20-F, as filed with the United States Securities Exchange Commission, at www.harmony.co.za/invest/annual-reports.

Emerging risks

We identify emerging risks through external environmental scanning, matters reported in the media and specific events. The purpose of this type of risk intelligence-gathering is to identify potential threats and opportunities that may impact our strategy as soon as they become known.

Methods to recognise emerging risks include continuous environmental scanning, scenario planning and media tracking. Monitoring credible global and industry intelligence platforms also forms part of an emerging risk monitoring and reporting process.

The following were the emerging risks identified in quarter four of FY22:
- Global recession/depression including USA and Europe (The 'butterfly effect' of the Russia-Ukraine war on the global economy)
- Cyber security.

Top group opportunities

Strategic opportunity profile

a. Mponeng deepening project

We create shared value by continuing to invest in assets in countries we know, leveraging current infrastructure and experienced mining teams.

Potential contribution to delivering on our strategy
- Extending the LoM and overall grade improvement at the Mponeng operations
- Initiate project studies on extending mine production to below 126 level on the Ventersdorp Contact Reef. Studies are underway on the possibility of safe extraction of the Tau Tona and Savuka mines' shaft pillars, both VCR and Carbon Leader Reef.

Oversight committees	Strategic pillars	Capitals to be impacted
• Investment committee • Audit and risk committee		

b. Drive Wafi-Golpu up the value curve

Wafi-Golpu, a tier-one asset, has the potential to deliver substantial benefits to all stakeholders and contribute to Harmony's long-term Mineral Reserve pipeline that underpins the sustainability of our business.

Potential contribution to delivering on our strategy
- Once the special mining lease is secured, the project will have the potential to reposition Harmony in the lower-cost quartile in the mining industry
- Copper is a green metal and once the mine is built, it could decrease our carbon footprint
- A responsible mine with lower all-in sustaining costs may result in a higher market capitalisation for Harmony.

Oversight committees	Strategic pillars	Capitals impacted
• Investment committee • Technical committee		

Our risks and opportunities continued

c. Productivity improvement projects

Operational excellence is key to creating an enabling environment and achieving our operational plans. Proactively managing safety and health, combined with incentives to improve the productivity of our workforce, increasing flexibility and reducing unplanned stoppages are key aspects of our operational excellence approach.

Potential contribution to delivering on our strategy
- Increase focus on business improvement opportunities to optimise available resources
- Pursuing several efficiency enhancements aimed at safer mining and increasing productivity
- We are exploring possible partnerships in developing new technologies.

Oversight committee
- Technical committee

Strategic pillars

Capitals impacted

d. Exploring value-accretive merger and acquisition opportunities

We continue assessing the quality of our assets to ensure they meet investment criteria. We update the list of potential merger and acquisition opportunities regularly and pursue these at the right time.

Potential contribution to delivering on our strategy
- Investing in safer, more profitable mines, increasing market capitalisation and unlocking value.

Oversight committees
- Investment committee
- Audit and risk committee

Strategic pillars

Capitals impacted

e. Unlocking the full potential of our surface source ounces

With meaningful surface sources available, supported by available plants, there may be an opportunity to expand our reclamation activities to ensure optimal utilisation of our assets. Acquiring additional surface sources may also be an opportunity.

Potential contribution to delivering on our strategy
- Proper balancing of plant productivity with nearby resources to ensure optimal throughput.

Oversight committees
- Investment committee
- Audit and risk committee

Strategic pillars

Capitals impacted

f. Exploring alternative sources of energy to reduce electricity costs to less than 15% of our production costs and reduce the effect of load curtailment

There is a great need to reduce our reliance on one electricity supplier. As such, we have to consider investing in various alternative sources of energy, similar to the solar projects that were approved.

Potential contribution to delivering on our strategy
Our project and environmental teams continue investigating possible solutions. The alternative energy projects we are considering include:
- A photovoltaic (PV) system – power purchase agreement (PPA) and owner's built, with or without battery storage
- Wind – PPA, wheeling and solar power projects
- Syngas (hydrogen-rich gas), PPA and wheeling.

Oversight committees
- Investment committee
- Audit and risk committee

Strategic pillars

Capitals impacted

Our material matters

To mine with purpose, we consider factors that we impact, or could affect our ability to create and preserve value over time – our material matters. Our material matters inform the content of our integrated and ESG reports – presenting the most material information to providers of financial capital and other stakeholders.

Determining materiality

To identify these material matters, we conducted a thorough materiality determination process. This year, we considered our broader impact through a double materiality lens:

- How a material matter impacts society, communities and the environment
- How a material matter impacts Harmony's ability to create value over time.

The matters identified align with the capitals we impact, our risks and strategy, and are prioritised and grouped into material and broader (social, environmental, financial/operational and ethical) themes.

Materiality determination process

External review

- The external review considered external factors identified by global risk reports, industry materiality mapping and our industry peers.

Internal review

The internal review considered:
- Internal factors identified in our risk register and strategy
- Our impact on sustainability factors through reviewing the output of our GRI material aspects assessment.

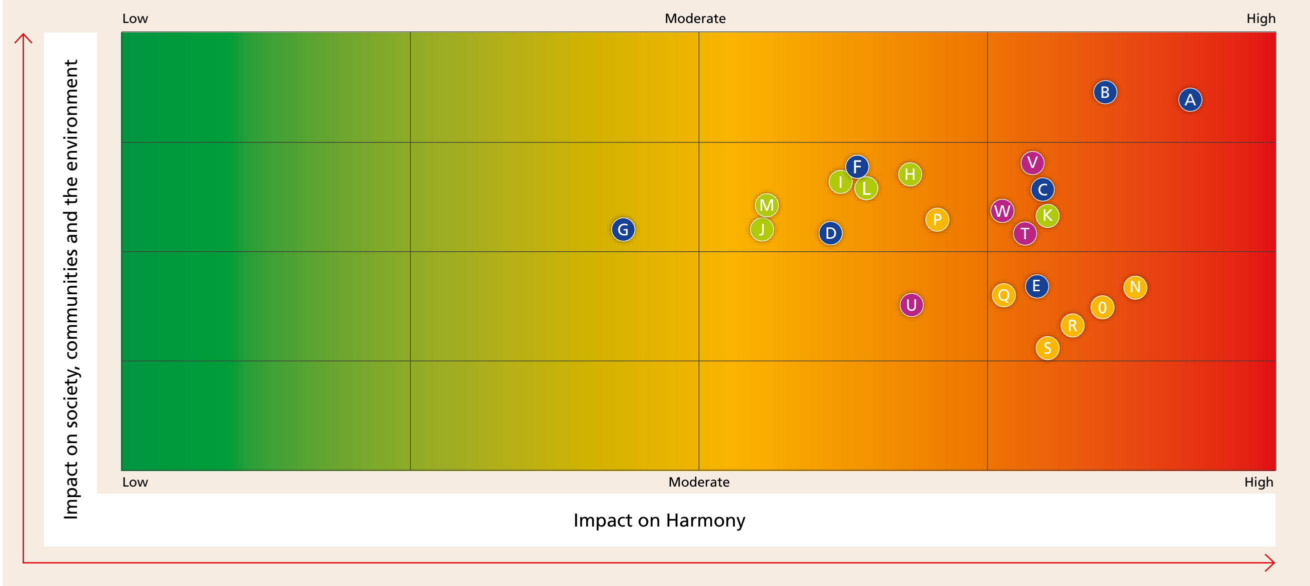
Executives and those charged with governance prioritise identified matters

- We interrogated and analysed the results from our internal and external reviews and how these compared to previously identified material matters
- We identified additional matters to be analysed and prepared a list of potential matters for approval by executives and senior management
- These matters were confirmed through an online survey, and the results shared with the board for approval.

Output

- 23 material matters and eight material themes were identified, grouped into four broader themes and used in the integrated and ESG report.

Materiality matrix



Broader themes	Material themes	Material matters
Social	Employee health and safety	A Ensuring employee safety B Protecting employee health and wellbeing
	Supporting our people	C Maintaining sound labour relations D Driving equity, inclusion and diversity E Instilling an enabling culture and empowered workforce
	Partnering for thriving, sustainable communities and our social licence to operate	F Engagement and partnership for sustainable communities G Supply chain transformation and preferential procurement
Environmental	Environmental conservation and protection	H Tailings Storage Facility management and safety I Pollution prevention J Climate change and extreme weather susceptibility
	Resource management	K Addressing energy use and climate change L Water management M Land management, biodiversity and post-closure sustainability
Financial/operational	Pursuing operational sustainability	N Re-engineering our portfolio and growing our profitable ounces O Pursuing technology and innovation for environmental, operational and safety improvements P Pursuing zero emissions and renewable alternatives
	Managing business resilience	Q Adapting to a changing context R Navigating commodity price and currency/forex fluctuations S Managing capital access and allocation for profitability
An ethical organisation	Ethical and accountable leadership	T Governance excellence U Fair and responsible remuneration
	Ethical mining	V Upholding human rights W Ensuring legal, regulatory and compliance excellence

Our material matters continued

Our material themes and matters

We unpack the material themes below and ESG-related material matters in the ESG report under the relevant sections.

Material themes	Material matters
Social	

Employee health and safety

In line with our purpose and commitment to responsible mining, our focus on zero harm is an investment in our business and people. A safe, healthy workforce means engaged, motivated and productive workers. This in turn minimises operational stoppages, reduces potential legal liabilities and averts reputational damage.

- Ensuring employee safety
- Protecting employee health and wellbeing.

Linked risks
- Loss of life/safety
- Refer to our ESG strategic risks in the ESG report

Linked capitals

Linked strategic pillars

Linked SDGs

Supporting our people

A meaningful employee value proposition is key to a satisfied workforce, reducing the risk of labour-related disruptions and ensuring employee retention.

As a fair and responsible employer, promoting inclusivity and equality, we can deliver on our strategy and create sustained and shared value for all our stakeholders. This includes open engagement, development and training, and fair and responsible pay. These factors positively impact employees by enabling them to improve their living conditions and have better access to social services, healthcare, education and training. It also contributes to attracting and retaining talent.

- Maintaining sound labour relations
- Driving equity, inclusion and diversity
- Instilling an enabling culture and empowered workforce.

Linked risks
- Refer to our ESG strategic risks in the ESG report.

Linked capitals

Linked strategic pillars

Linked SDGs

Partnering for thriving, sustainable communities and our social licence to operate

We recognise that partnering with communities, local municipalities, small businesses and various levels of government contributes to economically sustainable, engaged and content communities. In addition, strategic procurement facilitates the creation of sustainable businesses and entrepreneurial development, while reducing inequalities and supporting job creation as well as the sustainable socio-economic development of communities and regions where we operate.

Failing to embrace our communities could result in miscommunication, expectation misalignment, erosion of trust and potential unrest – threatening our social licence.

- Engagement and partnership for sustainable communities
- Supply chain transformation and preferential procurement.

Linked risks
- Refer to our ESG strategic risks in the ESG report.

Linked capitals

Linked strategic pillars

Linked SDGs

For more information, refer to the **Social** chapter in the **ESG report**.

Material themes	Material matters
Environmental	

Environmental conservation and protection

Mining is one of the industrial sectors with the greatest potential impact to the biophysical environment through pollution, depleting natural resources and disrupting land use and management. By not managing our environmental impacts responsibly, we put our mining licence, reputation and business at risk. As a sustainability-conscious business, we understand that environmental protection is essential to operating effectively, responsibly and sustainably.

- TSF management and safety
- Pollution prevention
- Climate change and extreme weather susceptibility.

Linked risks
- Depleting ore reserve base
- Refer to our ESG strategic risks in the ESG report.

Linked capitals

Linked strategic pillars

Linked SDGs

Resource management

Our operations require natural resource inputs to operate safely and efficiently. These include energy from renewable and non-renewable sources, water and the land we mine. We need to manage these finite, shared and fragile resources responsibly as an ethical, social and business imperative. Mismanagement results in financial and environmental costs, and business risk and liability.

Resource management aligns with pursuing operational sustainability (detailed below).

- Addressing energy use and climate change
- Water management
- Land management, biodiversity and post-closure sustainability.

Linked risks
- Security of electricity/power supply and the impact of higher electricity costs
- Refer to our ESG strategic risks in the ESG report.

Linked capitals

Linked strategic pillars

Linked SDGs

For more information, refer to the **Environment** chapter in the **ESG report**.

Hidden Valley tailings dam.

Our material matters continued

Material themes	Material matters
Financial/operational	
Pursuing operational sustainability A resilient and profitable business can invest in sustaining itself and employees, rewarding investors and, as a responsible corporate citizen, honouring its socio-economic commitments. New technology presents opportunities to improve safety and enhance our ability to improve cost and productivity efficiencies, as well as overall financial management. However, failure to adopt digital technologies may influence the upskilling or reskilling of existing employees and retaining talent. The global trend towards zero-emission industries is accelerating. Our portfolio of assets is characterised by high energy use and will remain so, given our future deepening projects. This poses an environmental impact and cost implication linked to carbon tax. We are diversifying from a depleting Ore Reserve base to low-carbon assets to ensure a future production pipeline of quality reserves that will enable us to operate sustainably and profitably.	• Re-engineering our portfolio and growing our profitable ounces • Pursuing technology and innovation for environmental, operational and safety improvements • Pursuing zero emissions and renewable alternatives.

Linked risks	Linked capitals	Linked strategic pillars	Linked SDGs
• Loss of life/safety • Depleting Ore Reserve base.			

Material themes	Material matters
Managing business resilience Mining is a cyclical business – as commodity prices fluctuate, so too does available funding for exploration and project development. Our shareholders expect a level of performance that ensures sustainable returns on their investment. In contrast, our broader stakeholder groups expect performance that ensures sustainable benefits. Balancing these expectations is a business imperative and reflects management's ability to navigate good and bad times. Our exposure to factors in our external environment and the risks and opportunities inherent to mining can affect our ability to achieve strategic objectives and generate broad sustainable value. It is vital for our sustainability that we anticipate, identify and understand all external influences that affect our business, and develop appropriate responses.	• Adapting to a changing context • Navigating commodity price and currency/forex fluctuations • Managing capital access and allocation for profitability.

Linked risks	Linked capitals	Linked strategic pillars	Linked SDGs
• Depleting Ore Reserve base • Security of electricity/power supply and the impact of higher electricity costs.			

Material themes	Material matters
An ethical organisation	
Ethical and accountable leadership Good governance is overarching and embodies everything we do as a business. We believe ethical leadership equals ethical mining. Our board has a responsibility and commitment to Harmony's responsible corporate citizenship, ethical leadership and robust governance standards in line with global good governance practice. The rise of global ESG standards adds to this governance agenda, as failure to embrace these goals may impact Harmony's market capitalisation and reputation. The annual reviews of our board composition, fair and responsible remuneration practices as well as our governance frameworks and disclosures are aligned with best practice to ensure we are held accountable for delivering on our sustainability targets and ambition.	• Governance excellence • Fair and responsible remuneration.

Linked risks	Linked capitals	Linked strategic pillars	Linked SDGs
• Refer to our ESG strategic risks in the ESG report.			

Material themes	Material matters
Ethical mining As ESG issues come to the fore globally, we believe our industry is setting benchmarks for ethical conduct and transparent disclosure that create value across the capitals. Changing regulatory landscapes in our operating territories create uncertainty, delay key decisions, could affect investor sentiment towards Harmony and could impact our sustainability and licence to operate. As a responsible employer, we adhere to corporate policies, comply with applicable laws and regulations, engage with our stakeholders regularly and contribute, directly or indirectly, to the general wellbeing of communities where we operate.	• Upholding human rights • Ensuring legal, regulatory and compliance excellence.

Linked risks	Linked capitals	Linked strategic pillars	Linked SDGs
• Refer to our ESG strategic risks in the ESG report.			

For more information, refer to the **Governance** chapter in the **ESG report**.

Governing with purpose

Mining with purpose means that our board is committed to best practice corporate governance principles, upholding ethical leadership and responsible corporate citizenship, that promote shared value among stakeholders.

Moab Khotsong shaft.

Ethical leadership and good corporate governance

Harmony is led by a unitary board of directors that subscribes to the principles of good corporate governance. Our duty to be a responsible corporate citizen is fully supported by our directors and their commitment to ethical leadership.

The group executive management team, headed by the chief executive officer, is responsible for executing our board-approved strategy, policy and operational planning.

Board of directors

- Steers strategic direction
- Approves policy and planning to support strategy
- Oversees and monitors implementation and execution by management
- Ensures accountability through reporting and disclosure.

Board committees

Consider, oversee and monitor strategies, policies, practices, performance with recommendations to the board for final approval

Audit and risk

- Operating adequate system of internal control and control processes
- Accurate and appropriate financial reporting
- Governance of information technology
- Risk management and risk governance.

Social and ethics

- Occupational health and employee wellbeing, environmental management, corporate social responsibility, human resources, public safety and ethics management
- Compliance
- Sustainability-related key performance indicators and levels of assurance.

Remuneration

- Fair reward of directors and all employees for their contribution to our performance
- Harmony's compensation policies and practices, administration of share incentive schemes
- Group remuneration policy.

Nomination

- Formal and transparent procedures for board appointments
- Succession planning for directors and executive team
- Board self-assessment process.

Investment

- Potential projects, acquisitions and disposals in line with Harmony's strategy
- Ensures due-diligence procedures are followed.

Technical

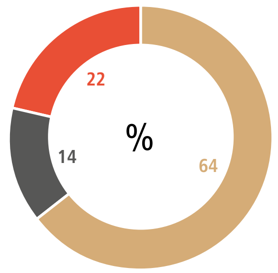
- Safety, strategy and operational performance
- Reviewing strategic plans
- Technical guidance and support to management.

Group executive committee

Led by the chief executive officer, in charge of executing board approved strategy as well as the day-to-day management of all operations.

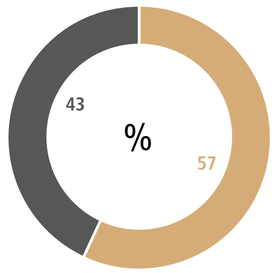
For more detail on governance, see **Corporate governance** in our **ESG report**.

Independence



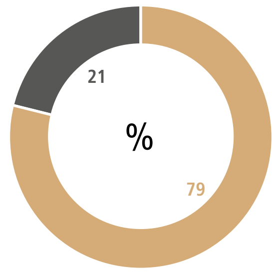
Independent non-executive directors · Non-executive directors · Executive directors

Transformation



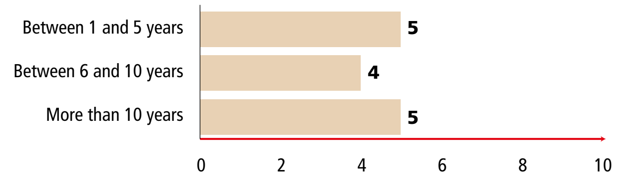
Historically disadvantaged persons · Other

Female representation

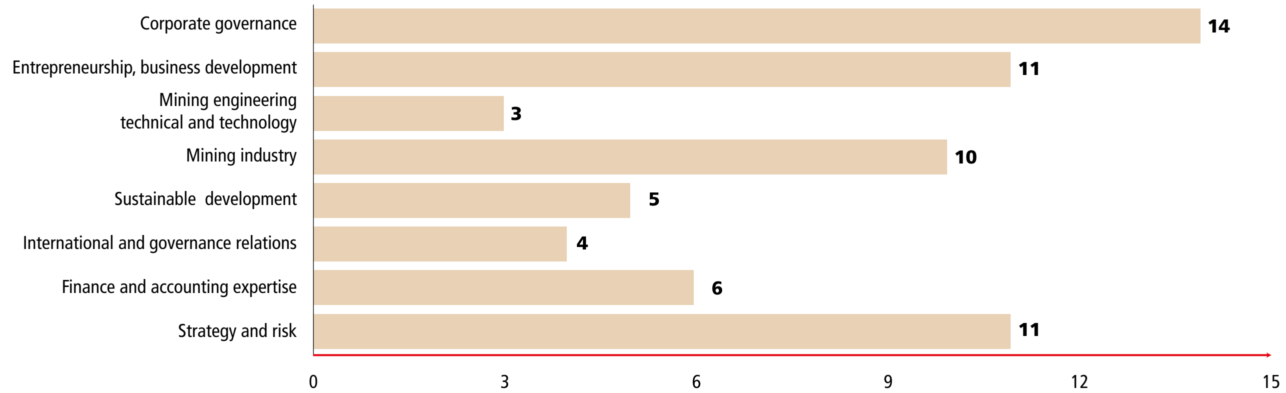


Male · Female

Tenure of: number of directors



Core skills and experience (number of directors)



For more detail on governance, see **Corporate governance** in our **ESG report**.

Managing performance through remuneration

We remunerate our executives fairly and hold them accountable for the success of the business in the interests of all stakeholders.

Harmony's reward strategy underpins our business strategy of safely producing profitable ounces, increasing our margins and expanding our reserves and resources through organic growth and acquisitions. Over the years, Harmony has added gold ounces per annum by acquiring Moab Khotsong, reinvestment in Hidden Valley, Papua New Guinea, and acquiring Mponeng and related assets.

To sustain this growth, we rely on experienced, skilled teams who live our values and maintain stakeholder relationships to grow profits safely and support a sustainable company.

Our remuneration policy has been designed with our business strategy in mind – to attract and retain these experienced, skilled teams, and to motivate them to achieve our key business goals. To ensure this happens, we need to be certain that all elements of our remuneration and wider reward offerings are aligned, fair and competitive. In determining remuneration, the remuneration committee considers shareholders' interests as well as the financial health and future of the company.

Gender and race equality

Harmony's remuneration policy is to remunerate based on an individual's ability, skills and knowledge. Men and women, irrespective of race or any other arbitrary factor, are paid equally for equivalent roles.

Fair and responsible pay

Harmony is committed to the concept of a living wage, which is based on the philosophy of fair and responsible pay. It embodies our initiatives to enhance the lives of our employees by enabling them to improve their living conditions, and to have better access to social services, healthcare, education and training.

For more information, refer to **Caring for our employees** in our **ESG report 2022**.

Total incentive plan

The total incentive is determined every year on the following basis:

Total incentive (R) = **Guaranteed pay (R)** X **Participation factor (%)** X **Balanced scorecard result (%)**

The balanced scorecard result includes a number of key short and long-term company performance measures (to be measured over trailing three and one-year periods). The measures are reviewed and defined annually with appropriate weightings.

The scorecard for FY23 is detailed in the **Remuneration report** in the **Report to shareholders 2022**.

A portion of the total incentive is paid immediately in cash and the balance is settled by means of deferred shares, which will vest at a rate of 20% per annum over the next five years for the executive directors and prescribed officers, and 33.3% per annum over the next three years for management.

In the event of fault termination of employment, including resignation and termination for disciplinary reasons, all unvested deferred shares are forfeited.

Incentive payments attributable to FY22

Total incentive plan

Actual performance outcomes based on the FY22 balanced scorecard for the period 1 July 2021 to 30 June 2022 is as follows:

FY22 scorecard result for the group

Performance drivers	Description	Target	Actual	% Achieved	Qualifies	Weighting	Scorecard line result	Final outcome
Shareholder value	Total shareholder return							
	– TSR absolute	56.9%	(10.45)%	(10.50)%	NO	8.34	0.00%	0.00%
	– TSR versus JSE Gold Index	10.00%	(4.27)%	(4.30)%	NO	8.33	0.00%	0.00%
	– TSR versus FTSE Gold	10.00%	19.73%	19.73%	YES	8.33	98.90%	8.24%
Operational and financial	Kilograms total Harmony	50 103	46 236	92.28%	NO	20.00	0.00%	0.00%
	Total production cost (SA)	35 287	34 677	101.70%	YES	12.00	73.80%	8.86%
	AISC (SEA ops) (US$/oz)	1 337	1 889	58.70%	NO	3.00	0.00%	0.00%
	Net free cash flow	3 009	3 619	120.30%	YES	10.00	87.00%	8.70%
Growth	Reserve addition (Moz)		1.050		YES	10.00	42.00%	4.20%
Sustainability	LTIFR total SA ops	6.21	5.90	105.50%	YES	15.00	99.90%	14.99%
	ESG				YES	5.00	100.00%	5.00%
						100.00		49.99%

	FY19	FY20	FY21	Three-year average	FY22	% variation	% of LTIFR awarded
Loss-of-life incidents vs actual*	11	6	11	9	13	(44.00)%	**0.00%**
						Final LTIFR %	**0.00%**
						Final scorecard result	**35.00%**

** Penalisation on the BSC end results due to the number of loss-of-life incidents during the financial year.*

Discretion to be applied based on the number of loss-of-life incidents in the financial year

The LTIFR award percentage will be adjusted as follows:

- The actual number of lives lost compared to average loss-of-life incidents over the previous three years:
  - Equal to or better than the average – full LTIFR award
  - Up to 20% above the average – 60% of LTIFR award
  - Between 20% and 40% above the average – 40% of LTIFR award
  - More than 40% above the average – 0% of LTIFR award.

For more detail, see the **Remuneration report** in our **Report to shareholders 2022**.

Our leadership

Board of directors

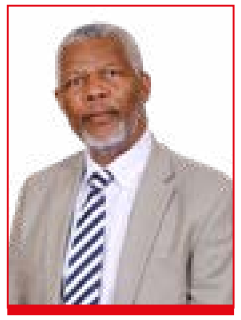
Board leadership

Non-executive chairman

Dr Patrice Motsepe (60)
BA, LLB, Doctor of Commerce (Honoris Causa), Doctor of Management and Commerce (Honoris Causa)
Appointed non-independent non-executive chairman on 23 September 2003
Member: ●

Independent non-executive deputy chairperson

Karabo Nondumo (44)
BAcc, HDip (ACC), CA(SA)
Appointed 3 May 2013
Chairperson: ●
Member: ●●●



Lead independent non-executive director

Mavuso Msimang (81)
MBA (Project Management), Bsc
Appointed 26 March 2011
Chairperson: ●
Member: ●

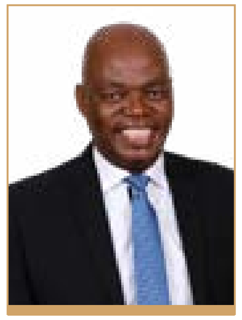
Executive directors

Chief executive officer

Peter Steenkamp (62)
Beng (Mining), Mine Manager's Certificates Metal Mines, Fiery Mines, CPIR, MDP, BLDP
Appointed chief executive officer on 1 January 2016

Financial director

Boipelo Lekubo (39)
BCom (Hons), CA(SA)
Joined Harmony in June 2017 and appointed financial director on 3 March 2020



Executive director: stakeholder relations and corporate affairs

Mashego Mashego (58)
BA (Education), BA (Hons) (Human Resources Management), Joint Management Development Programme, Global Executive Development Programme
Joined Harmony in 2005 and appointed executive director on 24 February 2010

Committee

● Audit and risk	● Remuneration	● Investment
● Social and ethics	● Nomination	● Technical

Independent non-executive directors

Joaquim Chissano (83)
Phd (Honoris Causa)
Appointed 20 April 2005
Member: ●●

Bongani Nqwababa (56)
BAcc (Hons), FCA, MBA
Appointed 18 May 2022
Chairperson: ●
Member: ●●

Vishnu Pillay (65)
BSc (Hons), MSc
Appointed 8 May 2013
Chairperson: ●
Member: ●●●

Martin Prinsloo (53)
CA(SA)
Appointed 18 May 2022
Member: ●●●

Given Sibiya (54)
BCom, BAcc, CA(SA)
Appointed 13 May 2019
Member: ●●

Peter Turner (66)
NHD Mechanical Engineering
Appointed 19 February 2021
Member: ●●

John Wetton (73)
CA(SA), FCA
Appointed 1 July 2011
Chairperson: ●
Member: ●●●

Non-executive director

André Wilkens (73)
Mine Manager's Certificate of Competency MDPA, RMIIA, Mini MBA Oil and Gas
Appointed 7 August 2007
Chairperson: ●
Member: ●●

Detailed résumés of Harmony's board members are available at https://www.harmony.co.za/about/board.

Executive management

Harmony's executive management team comprises the chief executive officer, financial director and an executive director (see page 72). Together with five senior group executives, they serve as the group executive committee. This committee is supported by five corporate executives, who make up the group chief executive's office and report to either the chief executive officer or financial director.

There are also regional executive committees for South Africa and Papua New Guinea (South-east Asia).

Detailed résumés of members of Harmony's executive management are available at https://www.harmony.co.za/who-we-are/executive.

Senior group executives

Chief operating officer: South Africa
Beyers Nel (45)
BEng (Mining Engineering), MBA, Pr Eng, Mine Manager's Certificate of Competency

Chief executive officer: South-east Asia, New business
Johannes van Heerden (49)
BCompt (Hons), CA(SA)

Enterprise risk and investor relations
Marian van der Walt (49)
Mba (Oxford) (Cum-Laude), Bcom (Law), Llb, Higher Diploma In Tax, Diplomas In Corporate Governance And Insolvency Law, Certificate In Business Leadership And Investor Relations (UK)

Sustainable development
Melanie Naidoo-Vermaak (48)
BSc (Hons), MSc (Sustainable Development), MBA

Human capital
Anton Buthelezi (57)
National Diploma (Human Resources Management), Btech (Labour Relations) Management, Advanced Dip. in Labour Law, Cert. in Business Leadership

Corporate executives

Chief audit executive
Besky Maluleka-Ngunjiri (46)
BCompt (Hons), CTA, CIA, CCSA

Chief financial officer: treasury
Herman Perry (50)
Bcom (Hons), CA(SA)

Executive: Ore Reserve Management
Jaco Boshoff (52)
Bsc (Hons), MSc, MBA, Pr Sci Nat, MSAIMM, MGSSA

Executive: Special projects
Abré van Vuuren (62)
BCom, Development Programme in Labour Relations, Management Development Programme, Advanced Labour Law Programme, Board Leadership Programme

Group company secretary
Shela Mohatla (37)
MBA, FCG (CGISA), BAdmin IR, PGDip Corporate Law, PMD

The value we've created

Mining with purpose means that we deliver greener gold through projects that deliver optimal returns to our stakeholders.

Doornkop shaft.

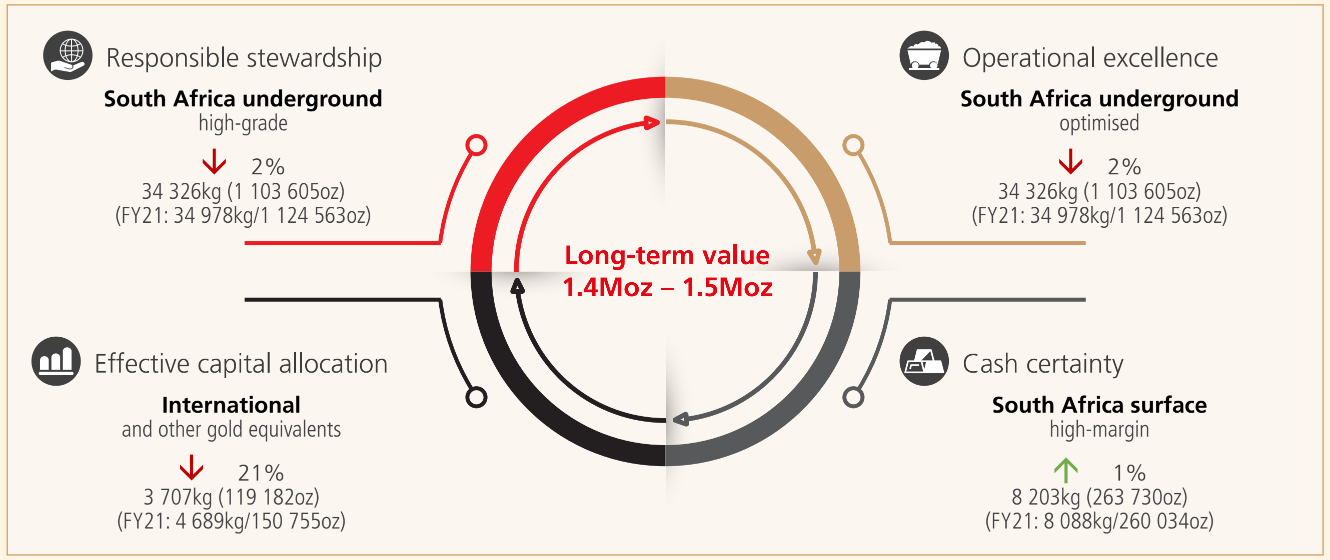
Chief executive officer's review

An emerging market gold mining specialist with near-term copper

We maintained our position as South Africa's largest gold producer by volume in FY22, focusing on effective capital allocation across four core business areas, and prioritising grade and margins. Our robust balance sheet enabled us to continue creating value for our stakeholders through a diversified portfolio. The Harmony equity story comprises four key components, namely:

- Our high-grade underground assets
- An underground portfolio optimised for cash generation
- Our high-margin surface retreatment plants in South Africa
- An international business set to differentiate Harmony with the Tier 1 Wafi-Golpu copper-gold asset in Papua New Guinea and the recent announcement of the planned acquisition of the Eva Copper project in Australia.

As a group, we met our revised production guidance and delivered 46 236kg (1 486 517oz) of gold (FY21: 47 755kg/1 535 352oz). The 3% reduction from FY21 was mainly due to Papua New Guinea, where production was severely impacted by the overland conveyor belt failure at Hidden Valley, resulting in a 21% decline in gold production from FY21. In addition, pre-emptive safety-related stoppages, mining constraints and supply chain disruptions at our South African operations negatively impacted production. However, development grades were higher or in line with reserve grades at all our underground operations.



Key focus areas

Our key focus areas during the year were improving safety, delivering meaningful returns, active cost management and growing our ounces. On the back of value-accretive mergers and acquisitions we ensured continued value creation for our stakeholders into the future by focusing on our key focus areas during the year, including our brownfield and greenfield projects pipeline as well as responsible capital allocation towards ESG-focused initiatives.

Improving safety

Safety is Harmony's top imperative. We drive our safety journey through impactful initiatives such as our humanistic Thibakotsi culture transformation programme. Through this and our robust risk management framework, we achieved some extraordinary safety milestones as a company. There were significant improvements in falls of ground and incidents related to rail-bound equipment. We also saw an increase in white flag (accident-free) days and, for the first time in our history, had a loss-of-life-free January and February. Our lost time injury frequency rate (LTIFR) trended below six per million shifts for three consecutive quarters.

Read more about **Thibakotsi** on page 89 of our **ESG report**.

As safety will always take precedence over production, our performance is disappointing. Despite the progress in the areas listed above, we regrettably lost 13 colleagues in mine-related incidents. We extend our sincere condolences to their families, friends and colleagues.

In memoriam

- Thembile Simon Mabala (Phakisa rock drill operator)
- Pule Jan Mokhatsi (Moab Khotsong stope team member)
- Richard Mohapi (Mponeng rock drill operator)
- Thobela Gwangxu (Kusasalethu winch operator)
- Mbongeni Zulu (Kusasalethu stope team member)
- Sicelo Tshovana (Doornkop artisan)
- Andile Michael Mafilika (Kusasalethu stope team leader)
- Makoae Cosma Makhang (Doornkop tramming team leader)
- Sifiso Siphamandla Gumede (Kusasalethu fitter and turner)
- Emmanuel Zolile Dhlamini (Kusasalethu engineering assistant)
- Joao Andre Nhanthumbo (Kusasalethu engineering assistant)
- Lemohang Lerato (Kusasalethu engineering assistant)
- Linda Mgudzi (Kusasalethu development team member).

We also lost Juliao Macamo (Moab Khotsong stope team leader) after year-end.

Driven by our safety-first approach Bambanani was closed during the year due to increased seismicity as the mine neared the end of its life. We will retain the highly skilled crews within the group. I would like to extend my gratitude to past and current Bambanani crews for their contribution to the success of the mine over many years.

Read more about the closure of Bambanani on page 36.

Delivering meaningful returns

Focus on diversifying our portfolio, disciplined capital allocation and improving grades enables us to deliver meaningful returns to our shareholders. We were pleased to declare an interim and final dividend of 40 and 22 South African cents (3 and 1 US cent) per share, respectively, for the financial year.

We will remain disciplined and focused as we grow, particularly in capital allocation. We therefore made a strategic decision in FY22 to reallocate capital towards projects and operations that will deliver the highest possible returns. We lowered our overall risk profile and prioritised investment in high-grade assets to ensure our mines remain safe and profitable.

We executed a tough decision in restructuring Tshepong Operations to create a smaller but immediately profitable operation. Going forward, it will be reported separately as Tshepong North and Tshepong South. The Tshepong North sub-75 project was suspended and the life-of-mine reduced from 19 to seven years. Capital earmarked for Tshepong North will be reallocated to projects delivering higher returns. R650 million (US$40 million) in capital, as well as employees, will be moved to Zaaiplaats and the Kareerand expansion project. Recovered grade from Tshepong North is expected to improve from 4.38g/t to 5.24g/t so that the new life-of-mine is profitable from the first year and net present value improves over a shorter life of mine.

By investing in grade, we can drive down costs over time. To safely lift the outputs of our mining crews from the current average of 260m² per month to 300m² per month, we will advance our Thibakotsi journey with the technologically advanced S300 programme designed to optimise output at the rockface, fine-tune shifts and implement appropriate technologies in narrow-reef underground mining environments. Some of our crews are already mining at 700m² per month, creating a significant opportunity to improve overall productivity.

Active cost management

We invest in our high-grade underground assets to ensure we deliver superior returns and improve cash flow. As such, our underground assets are grouped per grade and life of mine. Major capital allocation is prioritised in terms of grade and returns.

Stringent controls ensured that cash costs only increased by 8% in line with our planning parameters in FY22 (excluding Unisel, which closed in FY21, and Mponeng and related assets). Labour, contractors and electricity accounted for 77% of our South African cash operating costs. Our wage agreement kept the increase in fixed labour costs below 6%. Higher electricity tariffs primarily increased our overall costs, which were 13% higher.

Care and maintenance costs also increased by 90% to R273 million (US$18 million) from R144 million (US$9 million) due to closure of the Kopanang gold plant as well as the Vaal River surface operations at the end of FY21.

Chief executive officer's review continued

Growing our ounces
As part of our objective to grow our ounces through value-accretive acquisitions, we will consider and assess all opportunities, provided they are affordable and meet our investment criteria for value creation.

To strengthen our long-term financial and operational capacity by improving cash flow and growth profiles, various exploration projects are underway or planned to address production gaps, replace ounces and increase life of mine:
- In **South Africa**, our brownfield projects, announced in FY21, include the Target 1 recapitalisation project (expected to be completed by December 2022), the Doornkop 207/212 project, and exploration at Mponeng, Joel, Doornkop and Kalgold. We are also conducting studies at Target North where drilling is underway
- In **Papua New Guinea**, brownfield exploration focuses on developing new satellite areas through the Kerimenge deposit with an Inferred Resource of 16.4Mt at 1.07g/t for 17 582kg (565 000oz) of gold. The Tier 1 Wafi-Golpu copper-gold project also continues as we work with Newcrest to progress the special mining lease permitting process
- In **Australia**, we are set to take ownership of Eva Copper (an open-pit operation with a conventional crush, grind and flotation circuit) and Copper Mountain Mining Corporation exploration grounds, as announced on 6 October 2022. Copper, a strategic metal in developing renewable energy technology, also supports our participation in the global transition to a low-carbon economy.

Mining with purpose
Investment in our people is creating positive change and building trust among our stakeholders. We remain committed to our long-term sustainability and our people in terms of the three-year wage agreement for the period 1 July 2021 to 30 June 2024.

Details of this wage agreement are on page 110 of our **ESG report**.

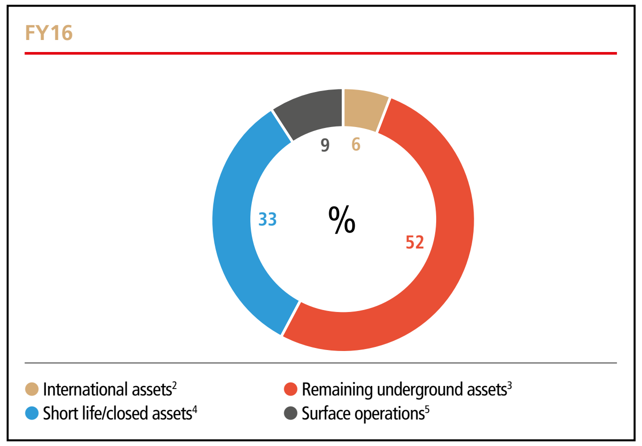
A greener and more equitable future is certainly within sight for our stakeholders. As part of our journey to be net-carbon zero by 2045, we began the build of phase 1 of our renewable energy programme during the year. We will fund the second phase with a R1.5 billion green term loan. These initiatives will also de-risk our operations and improve margins.

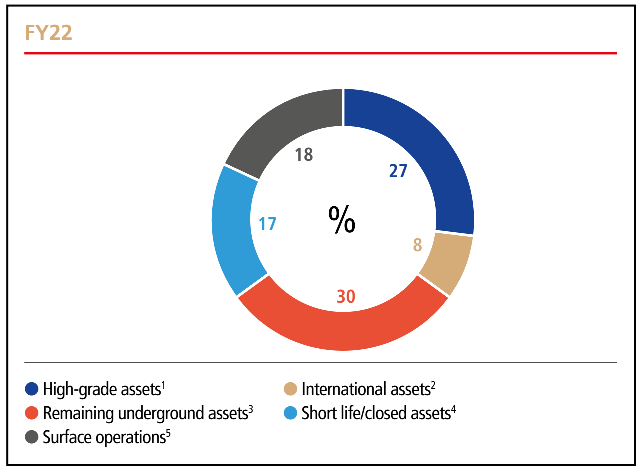
Our efforts are acknowledged by ESG rating agencies that recognise Harmony as a dedicated top performer in our sector. Our FTSE Russell rating improved from 3.4 to 4, placing Harmony in the top 9% in the gold sub-sector, and Sustainalytics placed us at a higher 37.6 in FY22 from 40.2 in FY21, demonstrating strong management of risk exposures.

See our **ESG ratings by FTSE4Good**, **FTSE Russell**, **Sustainalytics**, the **Bloomberg Gender-Equality Index**, **CDP Water Management** and **MSCI** on page 21 of our **ESG report**.

Our growth journey
Reflecting on achievements since our growth strategy began in FY16, it is evident that the business has been repositioned through organic expansion and investment for future success, sustainability and delivery of long-term value.

Gold production split across a more profitable and de-risked portfolio





[1] *Moab Khotsong and Mponeng.*
[2] *Hidden Valley.*
[3] *Target 1, Tshepong Operations, Joel and Doornkop.*
[4] *Unisel, Bambanani, Kusasalethu and Masimong.*
[5] *Kalgold, Mine Waste Solutions, Phoenix, Central Plant reclamation and dumps.*

Our acquisitive growth journey began with the purchase of our joint venture partner's 50% share in Hidden Valley in FY17, providing potential to contribute approximately 5 600kg (180 000oz) of gold per annum to Harmony's production profile. This was followed by investments in Moab Khotsong in FY18.

The company made a strategic decision in FY22 to redirect capital to high-grade underground assets and high-margin surface operations to help deliver on our strategy of safe, profitable ounces and increase cash conversion from reserves. This augments our organic growth efforts, including exploration drilling in FY18 at Kalgold (a safe and low-risk, open-pit mine providing an expanded, robust mineralised system extending beyond current resource limits) and incorporation of Mponeng and Mine Waste Solutions into the Harmony portfolio in FY21.

Our future focus
Planning for FY23 and beyond, safety remains non-negotiable as we maintain our focus on successfully executing key projects, delivering operational excellence through S300, growing our margins and advancing our copper footprint. The acquisition of the Australian Eva Copper project has introduced near-term copper production into our portfolio, in line with our strategy of becoming a low-cost, global gold and copper mining company. Harmony and its joint venture partner, Newcrest, continue to work with the Government of Papua New Guinea as we progress the Special Mining Lease permitting process for the Tier 1 Wafi-Golpu copper-gold asset.

Growth and replacement of ounces will be achieved through ongoing investment in our organic pipeline and progressing our pre-feasibility projects. Inorganic expansion into Africa and South-east Asia will also be considered, provided this meets our investment criteria.

We remain in a high-capital investment cycle. This impacted free cash in FY22 and will continue into FY23 as we invest in our high-grade assets and surface retreatment business to create long-term value.

Conclusion
Our business model places Harmony in a solid position to deliver operationally. However, our journey is not yet complete. Our portfolio will continue to evolve as we strive to produce safe, profitable ounces and further our efforts to grow production across the three core business areas.

I believe that concluding a year without any loss of life is possible and achieving this goal remains our priority.

Thank you to all our stakeholders for their ongoing support, which enables Harmony to achieve its goals. I commend our hard-working and dedicated employees across the globe for their contributions to our success.

Peter Steenkamp
Chief executive officer

How we performed

FIVE-YEAR SUMMARY

		FY22	FY21[5]	FY20	FY19	FY18
Operating performance						
Ore milled	000t	**53 801**	49 253	25 429	25 976	22 441
Gold produced[1]	kg	**46 236**	47 755	37 863	44 734	38 193
	000oz	**1 487**	1 535	1 217	1 438	1 228
Operating costs	R/kg	**701 024**	600 592	553 513	439 722	421 260
	US$/oz	**1 434**	1 213	1 099	965	1 018
All-in sustaining costs	R/kg	**835 891**	723 054	651 356	550 005	508 970
	US$/oz	**1 709**	1 460	1 293	1 207	1 231
Underground grade	g/t	**5.37**	5.51	5.45	5.59	5.48
Financial performance						
Revenue	Rm	**42 645**	41 733	29 245	26 912	20 452
Production costs	Rm	**33 099**	29 774	22 048	20 324	15 084
Production profit	Rm	**9 546**	11 959	7 197	6 588	5 368
Operating margin	%	**22**	29	25	24	26
Net profit/(loss) for the year	Rm	**(1 012)**	5 124	(850)	(2 607)	(4 473)
Total headline earnings/(loss) per share	SA cents	**499**	987	(154)	204	171
Capital expenditure	Rm	**6 214**	5 142	3 610	5 036	4 687
Exploration spend[2]	Rm	**214**	177	205	148	135
Dividend paid	Rm	**414**	677	—	—	154
Net debt	Rm	**(757)**	(542)	(1 361)	(4 922)	(4 908)
Market performance						
Average gold price received	R/kg	**894 218**	851 045	735 569	586 653	570 709
	US$/oz	**1 829**	1 719	1 461	1 287	1 380
Total market capitalisation	Rbn	**32.0**	32.5	43.3	17.1	10.6
	US$bn	**2.0**	2.3	2.5	1.2	0.8
Average exchange rate	R/US$	**15.21**	15.40	15.66	14.18	12.85
Reserves						
Gold and gold equivalents	Moz	**39.8**	42.5	36.5	36.5	36.9
Geographical distribution						
– South Africa	%	**54**	58	48	47	46
– Papua New Guinea	%	**46**	42	52	53	54
Safety						
Number of loss-of-life incidents		**13**	11	6	11	13
Group FIFR – fatal injury frequency rate	per million hours worked	**0.13**	0.11	0.08	0.12	0.16
Group LTIFR – lost-time injury frequency rate[3]	per million hours worked	**5.65**	6.18	6.33	6.16	6.26
Health (South Africa)						
– Shifts lost due to injury		**26 761**	28 943	25 205	25 388	23 769
– Silicosis cases certified[4]		**184**	54	67	58	179

[1] Gold production of 2 068kg (66 499oz) capitalised in FY18. Zero gold production capitalised for all other years.
[2] As per income statement.
[3] FY22 assured by independent assurance providers. Please refer to the assurance report and to the glossary of terms on the website at www.harmony.co.za. The assured indicators include the results of Mponeng for the period 1 October 2020 to 30 June 2021. The Mponeng results were not assured in FY21 and detailed assurance work was performed for FY22.
[4] The number of cases of pure silicosis confirmed by South Africa's Medical Bureau of Occupational Diseases.
[5] On 1 October 2020, Harmony acquired AngloGold Ashanti Limited's remaining South African operations (Mponeng operations and related assets). FY21 therefore only contains nine months of metrics and is not directly comparable to FY22 of FY20.

		FY22	FY21[9]	FY20[9]	FY19	FY18
People						
Total employees and contractors[6]		**47 373**	48 112	39 582	39 773	40 686
South Africa: Employees		**35 989**	36 873	31 502	31 201	32 520
South Africa: Contractors		**9 013**	8 860	5 841	6 159	5 951
Papua New Guinea: Employees		**1 555**	1 536	1 434	1 675	1 397
Papua New Guinea: Contractors		**751**	778	748	738	818
Employment equity (historically disadvantaged South Africans in management)[3]	%	**67**	65	64	62	60
Number of people in single rooms[3, 7]		**8 057**	8 547	8 008	8 019	6 739
Number of people sharing accommodation[3]		**—**	—	—	—	—
Number attending critical skills training[3]		**96**	83	81	109	106
Community						
South Africa – local economic development[3]	Rm	**66**	60	65	56	20
Papua New Guinea – socio-economic investment	Rm	**2**	4	36	14	1
Total group community spend	Rm	**68**	65	101	70	21
Group procurement	Rm	**25 093**	26 659	14 321	12 060	9 416
South Africa						
Total discretionary spend	Rm	**14 300**	10 667	7 682	8 470	6 436
Preferential procurement (BEE-compliant spend)[3]	Rm	**11 210**	7 938	5 600	6 340	5 120
Preferential procurement spend	%	**78**	74	73	75	80
Papua New Guinea						
Total spend	Rm	**2 324**	3 890	3 900	3 590	2 980
Expenditure in country	Rm	**1 107**	2 316	2 470	2 200	1 600
Expenditure in Morobe Province	Rm	**558**	489	697	1 100	1 100
Environment						
Mineral waste (volume disposed)[3, 8]	000t	**76 989**	71 014	51 817	52 691	50 798
Total electricity use (purchased)[3]	000MWh	**4 253**	4 123	3 171	3 326	2 517
CO_2 emissions						
– Scope 1[3]	000t CO_2e	**180**	136	126	133	131
– Scope 2[3]	000t CO_2e	**4 568**	4 251	3 316	3 193	2 442
– Scope 3[3, 10]	000t CO_2e	**1 065**	871	570	533	440
Water used for primary activities[3]	000m[3]	**33 417**	30 306	19 692	23 158	15 473
Funding/guarantees for rehabilitation and closure	Rm	**7 126**	6 865	4 416	3 923	4 255

[6] FY18 includes employees from the Moab Khotsong operations. Excludes employees from the Wafi-Golpu Joint Venture.
[7] The number of single rooms only represent hostels which are 100% converted.
[8] The year-on-year increase in mineral waste in FY18 was due to waste stripping of cutbacks at Hidden Valley.
[9] Total calculation errors on employee complement for FY21 and FY20 corrected.
[10] FY21 Scope 3 value restated from 748 016 to 870 851 due to an update in calculation methodology in Chemwes (Mine Waste Solutions) sodium cyanide and caustic soda figures.

Financial director's report

Financial highlights

- **2%** increase in revenue to **R42 645 million** (US$2 804 million) mainly due to the higher rand gold price received and the hedging gains compared to losses in the prior year
- Production profit of **R9 546 million** (US$628 million) down 20% from the prior year's R11 958 million (US$777 million)
- Operating free cash flow decreased **55%** from **R6 528 million** (US$424 million) to **R2 905 million** (US$191 million)
- **49%** decrease in headline earnings per share to **499 SA cents** (33 US cents) from 987 SA cents (64 US cents) in the prior year
- Net debt to EBITDA remained stable at **0.1x**
- Declaration of an interim and final dividend of **40 SA cents** (2.7 US cents) and **22 SA cents** (1.3 US cents) per share respectively.

Strategic changes to the business

Harmony's objective to deliver safe, profitable ounces was the driving force behind two key strategic decisions during the year. The first was closing Bambanani at the end of this financial year instead of during FY24 as higher seismicity compromised the mine's safe operation. The second tough decision, precipitated by the need for profitable production, was to restructure Tshepong Operations. As a result, our gold production is split across a more profitable and de-risked portfolio.

Our **CEO**, Peter, delves deeper into these strategic decisions on pages 78 to 81.

Financial performance against strategic objectives

The key features of our financial performance in FY22 are unpacked below in terms of our four strategic pillars:
- Responsible stewardship
- Operational excellence
- Cash certainty
- Effective capital allocation.

Responsible stewardship

During the last quarter of FY22, we refinanced our funding facilities to include new sustainability-linked and green loan facilities through a syndicate of banks. The facilities :
- US$300 million sustainability-linked revolving credit facility (RCF)
- R2.5 billion sustainability-linked RCF
- US$100 million sustainability-linked term loan
- R1.5 billion green loan.

The rand RCF, US dollar RCF and US dollar term loan are linked to certain sustainability-linked key performance indicators (ESG KPIs), which will be measured annually for the next three financial years and will result in changes to interest rate margins. The ESG KPIs will be greenhouse gas emissions, renewable energy as a percentage of total energy consumed at our South African operations and potable water consumed.

Read more about our **Renewable energy programme** in the **ESG report 2022**.

Operational excellence

Despite challenges in FY22 due to geotechnical issues and breakdowns at Hidden Valley together with some operational hurdles at our South African operations, we achieved our revised production guidance. The group's all-in sustaining costs have increased by 16% to R835 891/kg (US$1 709/oz) mainly due to lower-than-expected production at several operations, specifically Hidden Valley, Tshepong Operations, Doornkop, Bambanani and Moab Khotsong.

The group's gold production and sales decreased by 3% to 46 236kg (1 486 517oz) and 46 153kg (1 483 853oz) respectively from 47 755kg (1 535 352oz) and 47 353kg (1 522 431oz).

Underground grade regressed slightly to 5.37g/t (down 3% from 5.51g/t in FY21) and surface grade (excluding Hidden Valley) decreased by 5% from 0.20g/t to 0.19g/t.

Cash certainty

We had headroom of R8 202 million (US$504 million) at year end available through cash and facilities to achieve our strategic and growth objectives.

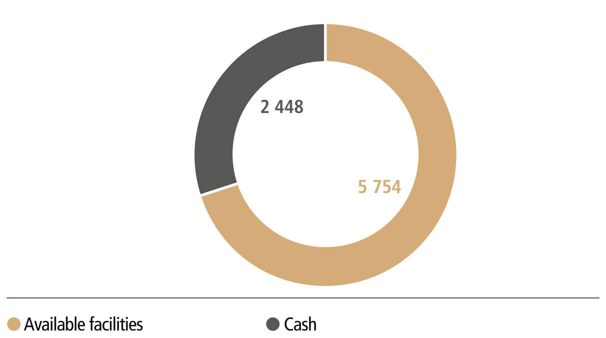
EBITDA decreased by 18% from R9 752 million (US$633 million) in FY21 to R7 951 million (US$489 million) as at 30 June 2022. However, our total net debt to EBITDA remained stable at 0.1x. Facilities entered into will guide Harmony towards further cash certainty by decreasing our carbon footprint through renewable energy projects, resulting in reduced costs as well as organic and other growth opportunities.

The following repayments/drawdowns were made during the year:
- R450 million repayment of the retired R2 billion facility
- R3 057 million (US$200 million) repayment of the retired US$400 million facility
- R94 million repayment of the Westpac fleet loan
- R3 057 million (US$200 million) drawdown of the US$400 million sustainability-linked facility.

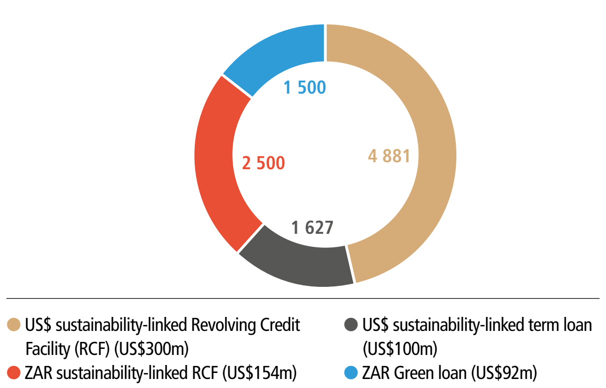
Loan covenants tests were performed for the old and new loan facilities in FY21 and FY22, and no breaches were noted. For FY22, the group's interest cover ratio was 43.4 times (FY21: 42.8 times) while the group's leverage was 0.1 (FY21: 0.1). The tangible net worth to total net debt ratio was removed as a loan covenant during FY22 (FY21: 57.8). Management believes that it is very likely that the covenant requirements will be met in the foreseeable future given the current earnings and interest levels.

Harmony's headroom

Net headroom (R million)



Total outstanding loans (R million)



Effective capital allocation

Our capital and exploration spend increased to R6 428 million (US$423 million) from R5 319 million (US$345 million). Key projects were the Zaaiplaats project at Moab Khotsong, the Kareerand extension at Mine Waste Solutions and the Doornkop 207/212 project. The Target 1 recapitalisation project is expected to be completed by 31 December 2022.

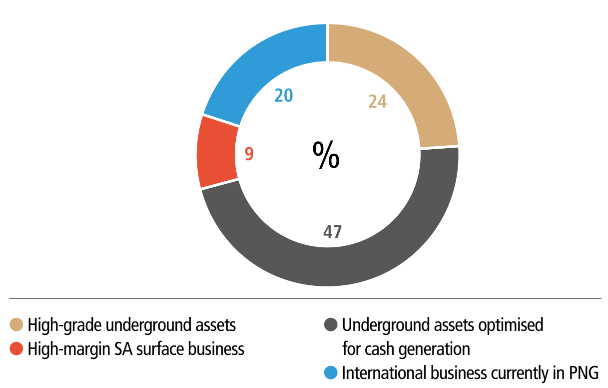
Our main exploration focus is the pursuit of brownfield exploration targets close to existing infrastructure to drive short to medium-term Ore Reserve replacement. Several projects are underway in South Africa as well as the development of new satellite resource areas near Hidden Valley in Papua New Guinea. As a result, our exploration expenditure increased by 21% to R214 million (US$14 million) from R177 million (US$11 million) during the year.

Harmony declared interim and final dividends of 40 SA cents (2.7 US cents) per share and 22 SA cents (approximately 1.3 US cents) per share respectively. This translates to a full-year dividend yield of 1.1%.

We are certain that dividend payments are sustainable and will not inhibit future expansion opportunities. When declaring a dividend, the board of directors considers that it will be 20% of net free cash subject to future major capital expenditure, net debt to EBITDA is not greater than 1.0x, and solvency and liquidity requirements comply with the Companies Act and current banking covenants.

Harmony maintained a healthy balance sheet aligned with our objective to create long-term value for our stakeholders.

Capital expenditure (FY22 actual)



Derivatives and hedging

Harmony continues to enjoy favourable commodity and foreign exchange pricing on the unhedged portion of its exposure while locking in available higher prices as part of our derivative programme.

Our hedging policy allows for a maximum of 20% and 50% of annual production to be hedged for gold and silver respectively over a maximum of 24 months. Harmony may execute the hedging strategy when we achieve a 25% margin above-inflation adjusted cost parameter.

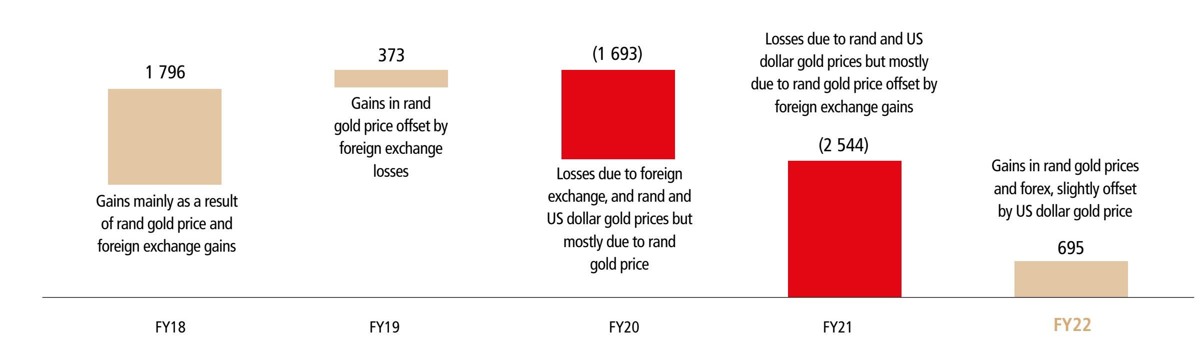
Financial director's report continued

Harmony's derivative programme had a net asset value of R645 million (US$40 million) at 30 June 2022 compared to R1 587 million (US$111 million) in FY21. This is mainly due to hedges that matured as well as the reduction in open positions of foreign exchange derivatives at 30 June 2022 compared to 30 June 2021.

Revenue includes a realised hedging gain of R497 million (US$33 million) in FY22 and a realised loss of R2 296 million (US$149 million) in FY21, relating to the realised effective portion of hedge-accounted gold derivatives. FY22 includes a net gain on derivatives of R53 million (US$3 million) compared to a net gain of R1 022 million (US$66 million) in the prior year due to spot rate at the reporting dates relative to the floor and cap rates as well as the reduction in open positions held at year end.

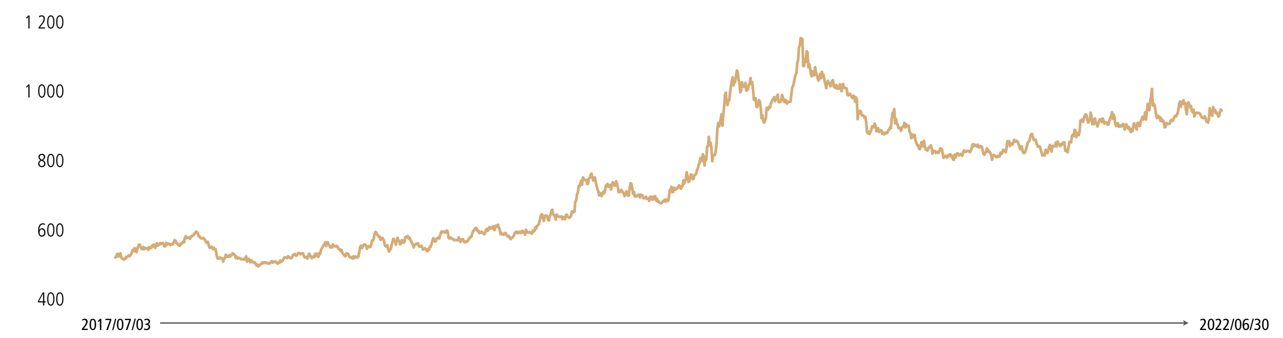
Overall, the group's derivatives recorded a net realised cash inflow of R695 million (US$46 million) mainly due to a R503 million (US$33 million) cash inflow on rand gold derivatives. A total cash inflow of R404 million (US$26 million) has been realised since the inception of the hedging programme.

Derivative net cash flows – swings and round abouts (R million)



Closing prices at reporting date

Spot gold price – FY18 to FY22 (R/kg in '000)

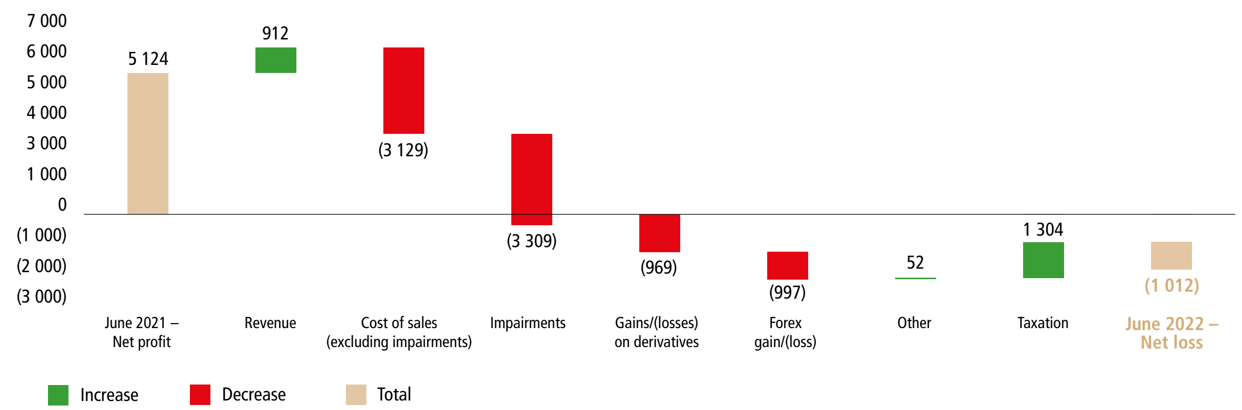


Key drivers of financial performance

		Year ended 30 June 2022	Year ended 30 June 2021	Change %
Gold produced	kg	**46 236**	47 755	(3)
	oz	**1 486 517**	1535 352	(3)
Underground grade	g/t	**5.37**	5.51	(3)
Gold price received	R/kg	**894 218**	851 045	5
	US$/oz	**1 829**	1 719	6
All-in sustaining costs	R/kg	**835 891**	723 054	(16)
	US$/oz	**1 709**	1 460	(17)
Production profit	R million	**9 546**	11 958	(20)
	US$ million	**628**	777	(19)
Net debt	R million	**757**	542	(40)
	US$ million	**47**	38	(24)
Net debt to EBITDA ratio[1]	times	**0.1**	0.1	
Average exchange rate	R:US$	**15.21**	15.40	(1)

[1] *The calculation of EBITDA is based on definitions included in our debt facility agreements, which exclude certain exceptional items such as impairments, translation differences and gains/losses on derivatives.*

Net profit/(loss) contributors (R million)



Revenue
Revenue increased by R912 million or 2% to R42 645 million, mainly due to the hedging loss of R2 296 million in FY21 becoming a gain of R497 million in FY22. The received gold price increased by 5% to R894 218/kg, which helped to offset lower production. In US dollar terms, revenue increased by US$94 million or 3% to US$2 804 million. The average received gold price increased by 6% to US$1 829/oz from US$1 719/oz in FY21.

Production costs
Production costs increased by R3 325 million or 11% to R33 099 million during FY22, predominantly due to global inflationary pressure, supply chain issues and annual price increases. These costs increased further with the inclusion of Mponeng and related assets for a full year of production compared to nine months in FY21. In US dollar terms, production costs increased by US$243 million or 13% to US$2 176 million.

Amortisation and depreciation
Amortisation and depreciation decreased by R192 million or 5%, mainly due to impairments recognised in FY21 and at 31 December 2021, resulting in smaller depreciable values relative to the previous year. Further, extension of the life-of-mine plans for certain operations decreased recognised depreciation. In US dollar terms, amortisation and depreciation decreased by US$10 million to US$242 million.

Impairment of assets
Loss of assets impairment was R4 433 million (US$273 million), attributable to Tshepong North, Tshepong South, Moab Khotsong, Kusasalethu and Bambanani. We attributed the R333 million impairment of goodwill to Moab Khotsong and Bambanani. The recoverable amounts were below net asset values due to increased costs and planned capital, higher discount rates and changes to the life-of-mine plans for various operations.

Refer to **Accounting considerations for material transactions**.

Gains and expenses included in operating profit
A foreign exchange translation loss of R327 million (US$21 million) compared to a R670 million (US$44 million) gain in FY21 was predominantly caused by unfavourable translations on US dollar-denominated loan balances. The rand weakening against the US dollar was evident in a closing exchange rate of R16.27/US$ (FY21: R14.27/US$).

Also included in operating profit is the net gain on derivatives of R53 million (US$3 million) compared to a net gain of R1 022 million (US$66 million) in FY21. Other operating expenses also decreased due to a lower loss on scrapping (FY22: R7 million versus FY21: R161 million) as well as a silicosis provision adjustment (FY22: R24 million versus FY21: R80 million).

Taxation
The group's taxation expense decreased to a tax credit of R46 million (US$3 million) from an expense of R1 258 million (US$82 million). A decrease in taxable profits resulting from lower-than-planned production, decreased gains on derivatives and a foreign exchange translation loss from a gain in the prior year contributed to the tax credit. The deferred tax moved from an expense in the prior year to a credit for FY22, mainly due to the impact of deferred tax rate decreases on certain statutory companies across the group as well as the impacts of impairment on the net carrying values of statutory companies.

Net profit/(loss)
Harmony's financial performance reflects a decrease of 120% to a loss of R1 012 million (US$48 million) compared to a net profit of R5 124 million (US$326 million) in the previous year. Headline earnings declined by 49% to 499 SA cents per share (33 US cents) compared with a headline earnings of 987 SA cents (64 US cents) per share in FY21.

Outlook
Our growth journey continues, building on the successes of recent years through the acquisition of Moab Khotsong and the Mponeng operations and related assets as well as further investment in Papua New Guinea. However, we cannot celebrate our achievements with unacceptable loss of lives. Reconsidering our resource allocation includes ongoing investment in safe production while we strive to address production gaps, replace ounces and increase life-of-mine through value-accretive acquisitions and organic growth. Harmony will thus transition from a high-risk, purely gold portfolio to a lower-cost copper-gold mining company.

Mandatory audit firm rotation
In compliance with the Independent Regulatory Board for Auditors requirements, requiring firms with long-standing audit relationships (more than 10 years) to change auditors after 1 April 2023, we recommended EY for election at the upcoming AGM.

We look forward to working with the EY team.

Acknowledgement
In closing, I would like to thank our finance team for their support throughout the year, which enables financial reporting of the highest standard. True to Harmony's values, this connectedness continues to enable us to create value for our colleagues and external stakeholders.

Boipelo Lekubo
Financial director

25 October 2022

Accounting considerations for material transactions

The impairment assessment of property, plant and equipment, and goodwill

For the year ended 30 June 2022, management performed an assessment of the property, plant and equipment, and goodwill with the audit and risk committee considering the following:

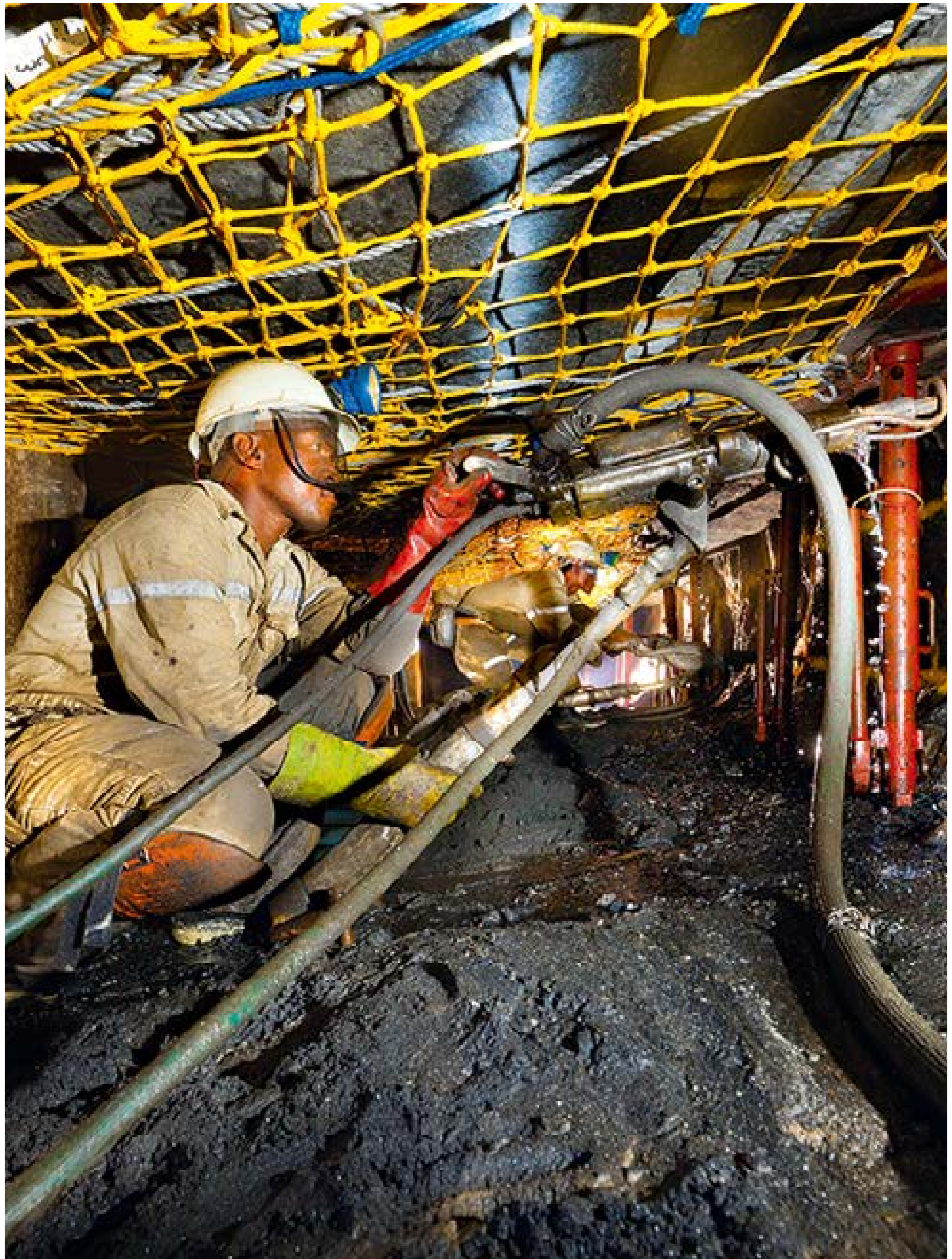
- Assessed whether an indicator of potential impairment existed at the reporting dates
- Assessed recoverable amounts of the assets determined by using discounted estimated after-tax future cash flows as well as resource values
- Calculated the recoverable amount for each cash generating unit (CGU) using a discounted cash flow model
- The Tshepong Operations were disaggregated into two separate CGUs being the Tshepong North CGU and the Tshepong South (also known as the Phakisa section) CGU, for impairment testing at 30 June 2022. This is due to the decision taken during the FY23 budget process to reinvest in the two individual operations to maximise individual profitability following the change to Tshepong North's life-of-mine with the sub-75 decline project being halted. Based on the forward-looking nature of the impairment assessment, a separate impairment calculation was prepared for each of the CGUs. The disaggregation of CGUs did not have an impact on reportable segments in terms of IFRS 8 *Operating Segments* as disclosed in the segment report, since information reported to the chief operating decision maker for the 2022 financial year was still for the combined Tshepong Operations
- Considered the excess of recoverable amount over the carrying value for each CGU.

Management concluded an impairment loss of assets of R4 433 million (US$273 million) for the following operations:

- Tshepong North (R2 296 million) (US$141 million)
- Tshepong South (R1 326 million) (US$82 million)
- Moab Khotsong (R522 million) (US$32 million)
- Kusasalethu (R145 million) (US$9 million)
- Bambanani (R144 million) (US$9 million).

A total impairment of goodwill of R333 million (US$21 million) included in the impairment loss above, was recognised attributable to:

- Moab Khotsong (R302 million) (US$19 million)
- Bambanani (R31 million) (US$2 million).



Doornkop net installed at low-stoping height.

Operational performance

Operational excellence is one of four strategic pillars on which Harmony has built its business and is vital to delivering on our strategy – to create value by operating safely and sustainably, and by growing our margins. In striving to maintain operational excellence, we prioritise safety, ensure strict cost control and management of grades mined and encourage disciplined mining to improve productivity and efficiencies.

Our approach

Our approach to improved operational performance is driven by our commitment to operational excellence and to ensuring safe, consistent, predictable and profitable production. We aim to create an enabling and safe environment to achieve our operational plans, reduce unit costs and improve productivity to maximise the generation of free cash flow. Operational excellence is central to generating cash flow.

Key focus areas of our operational excellence programme:

Safety and health
- Journey to proactive safety
- Agile response to the Covid-19 pandemic
- Risk management and focus on critical controls
- Bottom-up safety transformation interventions.

Grade management and mining flexibility
- Limit mining below cut-off grade
- Incorporate flexibility into our mining plans.

Capital allocation
- Prioritised and focused capital allocation for growth and to sustain the business.

Infrastructure maintenance
- Fewer unplanned stoppages.

Cost management
- Focused cost management and project delivery
- Improved productivity
- Higher grade assets will drive down costs in the long run.

Environmental and social management
- Sustainable and responsible environmental stewardship
- Community engagement and social upliftment.

Capitals affected

Directly
- Manufactured capital
- Human capital
- Intellectual capital

Indirectly
- Financial capital
- Social and relationship capital
- Natural capital

Stakeholders affected
- Employees and unions
- Investors and financiers
- Governments and regulators
- Communities, traditional leaders and NGOs
- Suppliers.

Link to strategy
- Responsible stewardship
- Operational excellence
- Cash certainty
- Effective capital allocation

Responsible committees
- Technical
- Social and ethics.

Related risks
- Loss of life/safety
- Security of electricity power supply and the impact of higher electricity costs
- Depleting Ore Reserve base
- Supply chain disruptions (including supply of goods and increasing costs)
- Divergent gold price and foreign exchange fluctuations (from planned levels)
- Geopolitical risks
- Ore Reserve/mining inflexibility (Iceberg management model)
- Labour and community unrest during wage negotiations
- Failure to achieve our operational objectives.

Operational performance continued

Safety and operational risk management

Managing safety risks: Safety is a material risk for Harmony. As such, it is imperative to ensure safe production, prevent loss-of-life incidents and embed a proactive safety culture across all our operations. We have adopted global best practice safety standards, a four-layered approach based on risk management, implemented modernised safety systems, and intensified our focus on leadership development and training to address behaviour to achieve our goal of ensuring that each employee safely returns home every day.

See **Safety** in our **ESG report** for details on our safety performance and management.

Managing operational risks: Operational risk management is an integral feature of our business and operating strategy. It entails managing risks effectively while working productively. Our risk-based approach helps ensure that all supporting systems are functioning efficiently. Safety hazards and operational business risks are identified and dealt with continuously at each of our operations.

Harmony's top operational risks are:
- Loss of life/safety
- Security of electricity power supply and the impact of higher electricity costs
- Depleting Ore Reserve base
- Supply chain disruptions (including supply of goods and increasing costs).

Our performance FY22

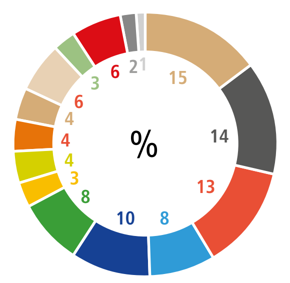
The safety and health of our employees and their families remains our top priority. In FY22, we continued our safety journey to embed a proactive safety culture throughout the company.

Group production for FY22 decreased by 3% to 1.49Moz of gold (FY21: 1.54Moz). This was in line with our revised guidance of 1.48Moz to 1.56Moz. The average underground recovered grade decreased by 3% to 5.37g/t from 5.51g/t, mainly due to lower grades achieved at Moab Khotsong, Mponeng and Doornkop. Mponeng and related assets were included in our results for the full year versus only nine months in the previous financial year and production increased by 11% year on year for these operations. Bambanani was nearing the end of its economic life, however, due to safety concerns a decision was taken to close the mine earlier than anticipated. It was no longer possible to operate the mine in accordance with Harmony's safety protocols given the high risk of seismicity. Production for Bambanani was negatively affected decreasing by 28% year on year.

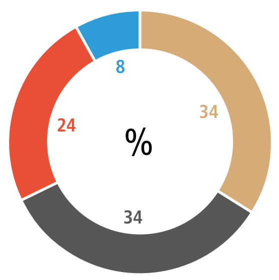
The average gold price received increased by 5% to R894 218/kg (FY21: R851 045/kg) for the financial year driven by higher gold prices while the rand to US dollar exchange rate remained fairly constant. Revenue increased by 2% to R42 645 million (FY21: R41 733 million) driven by the higher gold price. All-in sustaining costs rose 16% to R835 891/kg from R723 054/kg in FY21 mainly due to lower-than-expected gold production at Hidden Valley, Moab Khotsong, Doornkop, Bambanani and Mponeng. This resulted in a production profit of R9 546 million, 20% lower compared with R11 958 million in FY21.

Group capital expenditure for FY22 rose 21% to R6 192 million from R5 103 million in FY21. This reflects the inclusion of Mponeng and related assets for the full financial year as well as our continued focus on capital investment into growth projects. Capital expenditure related to growth projects increased 96% to R1 220 million compared with R622 million spent in FY21.

Contribution to group production by operation – gold produced



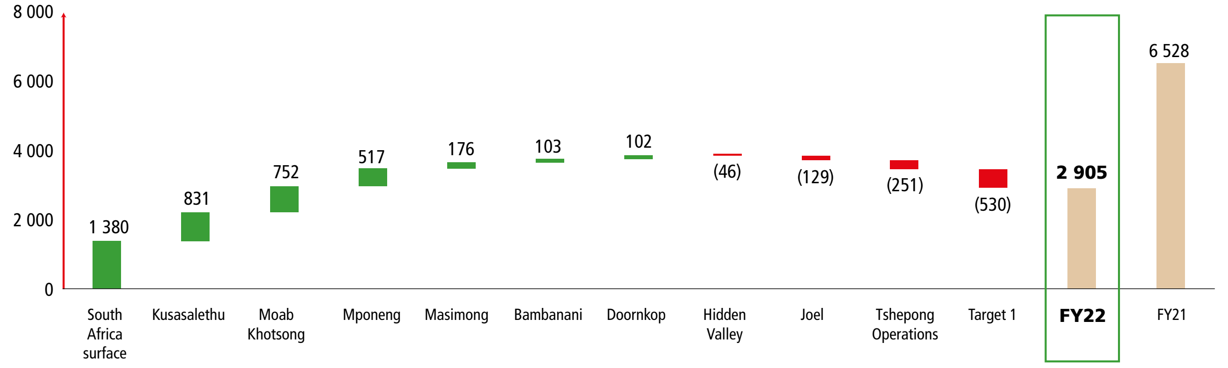
Contribution to group production by region – gold produced



Operating free cash flow for FY22 decreased by 55% to R2 905 million from R6 528 million in FY21. Operational cash flow was negatively affected by lower gold production but mainly due to higher cash cost as a result of the inclusion of Mponeng and related assets for the full financial year as well as other inflationary increases such as salaries and electricity. A 21% increase in capital expenditure also contributed to the decrease year on year.

In this report, we provide an overview of group performance. Please refer to our **Operational report** on our website for further details (**www.harmony.co.za**).

FY22 operating free cash flow* (R million)



* *Operating free cash flow = Revenue – cash operating cost – capital expenditure +/- impact of run-of-mine (ROM) costs as per operating results.*

FY22 focus areas and actions	How we performed
Continue embedding a proactive safety culture	South African lost-time injury frequency rate improved by 9% to 5.90 per million shifts from 6.46 in FY21.
Ensure we meet our operational plans and generate free cash flow	Operational challenges at our South African operations, the earlier than anticipated closing of Bambanani and the conveyor belt failure at Hidden Valley resulted in our production plans not being met. Operational free cash at R2.9 billion was higher than planned mainly due to the higher gold price received and lower than planned capital spend.
Create synergies in the West Wits region that will unlock value	Reef ore from Kusasalethu is now being processed at Mponeng plant while Kusasalethu plant will focus on the processing of waste ore. Savuka plant mill section was closed and the plant will focus on the retreatment of slimes dams.
Pursue organic brownfields growth strategy	Brownfield exploration at Hidden Valley and Kalgold to optimise existing open-pit operations and extend mine life, with brownfield exploration at our underground operations in South Africa.
Continue to drive down unit costs by improving our safety performance, delivering on our production plans, and increasing the productivity of our mining teams	Improvements from our surface operations and an excellent performance from Kusasalethu was negated by numerous operational challenges in South Africa and Hidden Valley.

Operational performance continued

Key operational metrics FY22 – year-on-year (YoY) comparison

	Unit	YoY move	YoY %	FY22	FY21	Comments
Gold price	R/kg	↑	5.1	**894 218**	851 045	Average gold price received increased YoY, boosting revenue.
Underground yield	g/t	↓	-2.5	**5.37**	5.51	Mainly affected by lower grades at Moab Khotsong, Mponeng and Doornkop.
Margin	%	↓	-56.3	**7**	16	Margins lower at most operations when compared with the previous year. Kusasalethu and Moab Khotsong were our most profitable underground operations for the reporting period, delivering operating free cash flow margins of 20% and 13% respectively.
Gold produced	kg	↓	-3.2	**46 236**	47 755	
– South Africa	kg	↓	-1.2	**42 529**	43 066	Affected by the closure of Bambanani in the current year and Unisel in the previous year. Surface operations stopped at Vaal River and Savuka marginal ore dumps.
– Papua New Guinea	kg	↓	-20.9	**3 707**	4 689	Gold production at Hidden Valley was mainly affected by the overland conveyor belt failure in January 2022.
All-in sustaining cost	R/kg	↑	15.6	**835 891**	723 054	The increase in all-in sustaining cost was mainly due to the inclusion of Mponeng and related assets for the full year, the conveyor belt failure at Hidden Valley combined with an increase in sustaining capital expenditure.

FY23 outlook

In the next financial year, gold production is estimated to be between 1.4Moz and 1.5Moz at an all-in sustaining cost of less than R900 000/kg. Underground recovered grade is planned to be about 5.45g/t to 5.60g/t.

Looking ahead, we have a number of growth opportunities. We obtained the necessary permitting for the Kareerand extension towards the end of the financial year. The Zaaiplaats project will continue to be a focus area for Moab Khotsong in FY23. Target mine is progressing well with the infrastructure relocation project expected to be completed by the end of the calendar year.

Exploration drilling at Kalgold has yielded favourable results and the operation has the potential to be further expanded. We are also drilling in the vicinity of Target North, situated in the Witwatersrand Basin.

Key focus areas and actions in FY23:

- Continue to embed a proactive safety culture
- Ensure we meet our operational plans and generate free cash flow
- Create synergies in the West Wits region that will unlock value
- Pursue organic brownfields growth strategy
- Continue to drive down unit costs by improving our safety performance, delivering on our production plans, and increasing the productivity of our mining teams.

See overleaf for graphs illustrating forecast group growth capital expenditure to FY25 and capital expenditure by operation for FY23.

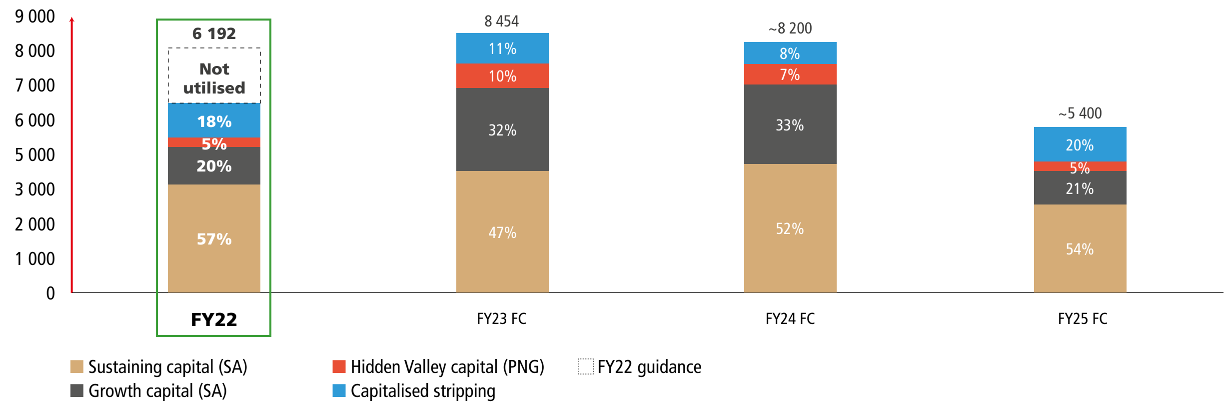
FY23 production and capital guidance

Operation	Production (oz)	Capital expenditure[1] (Rm)	Life-of-mine (years)
Moab Khotsong	204 000 - 215 000	1 337	22
Mponeng	198 300 - 215 500	811	7
Tshepong North	104 000 - 110 000	479	7
Tshepong South	88 000 - 92 000	516	8
Doornkop	120 000 - 126 000	742	16
Joel	59 000 - 62 000	276	8
Target 1	61 700 - 69 000	454	6
Kusasalethu	123 000 - 129 000	208	2
Masimong	63 000 - 66 000	101	2
Underground operations – total[2]	1 021 000 - 1 084 500	4 924	
South African surface operations (tailings and waste rock dumps)	~120 000	126	13+
Mine Waste Solutions (MWS)	82 500 - 89 600	1 554	17
Kalgold	36 100 - 42 100	78	11
Hidden Valley[3]	152 000 - 155 000	1 772	5
Total	~1 400 000 – 1 500 000	8 454	

[1] *Excludes Wafi-Golpu.*
[2] *At an underground recovered grade of ~5.45g/t to 5.60g/t.*
[3] *Includes capitalised stripping costs.*

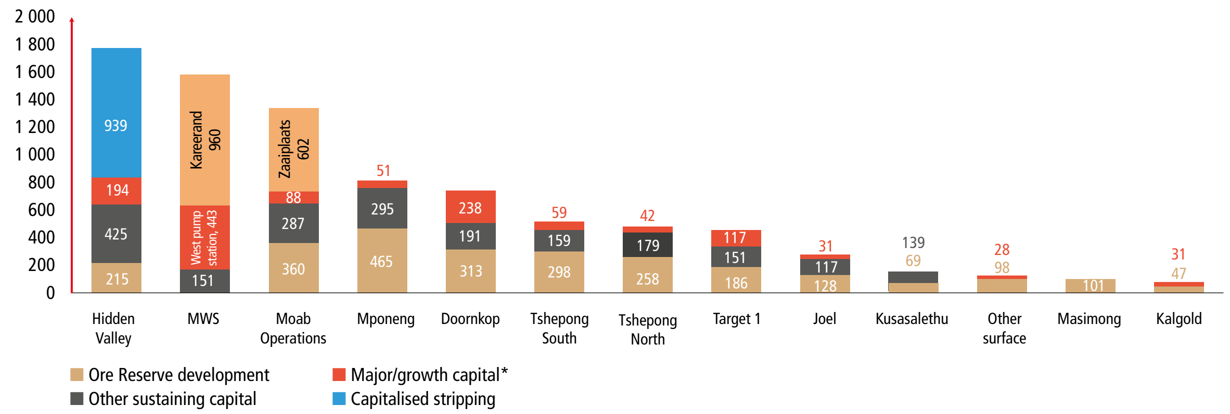
Forecast capital expenditure to FY25 and capital expenditure by operation for FY23

Capital guidance* (R million)



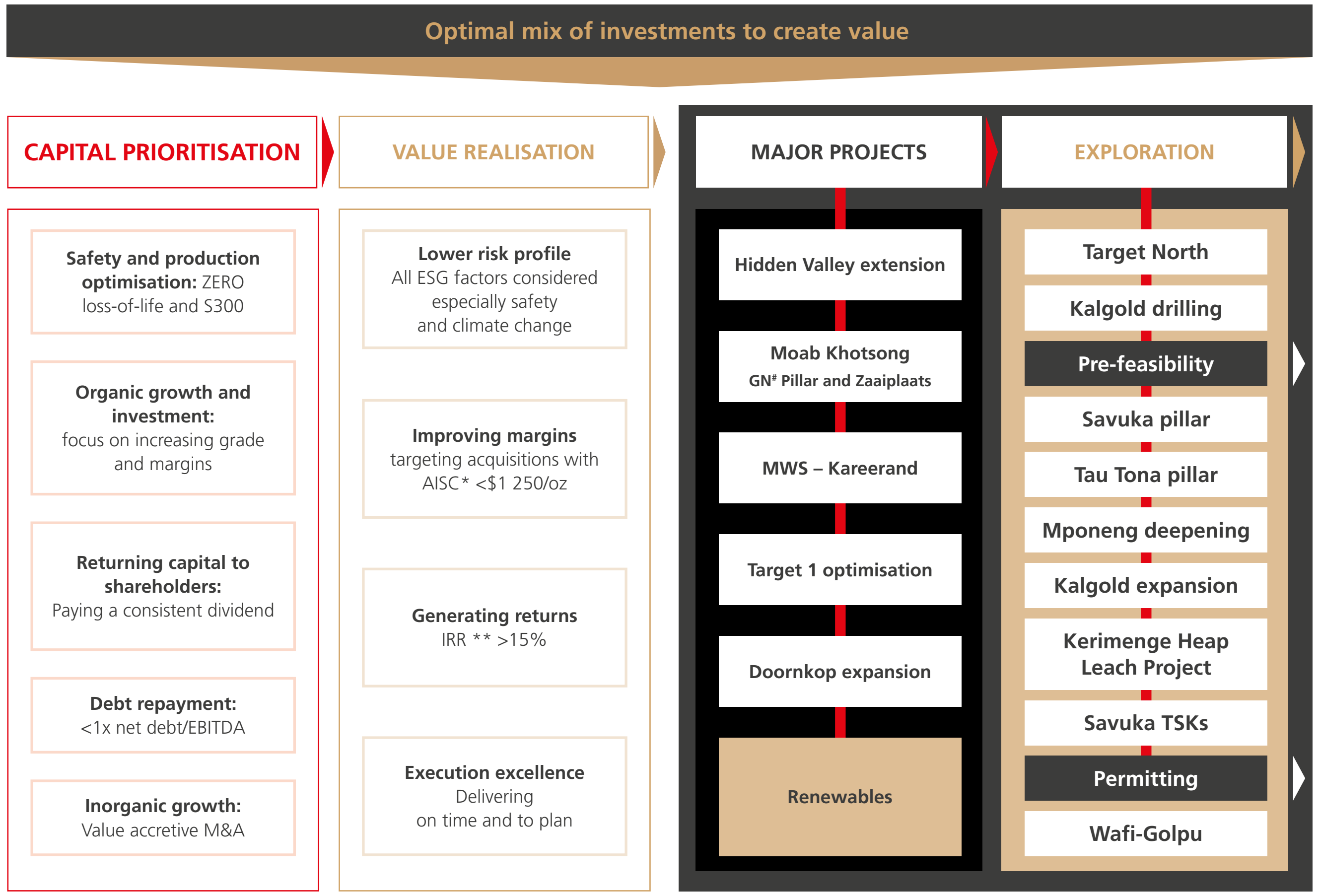
* *Excludes Wafi-Golpu.*

FY23 Capital guidance per operation (R million)



* *Excluded from all-in sustaining costs.*

Exploration and projects



* AISC: All-in sustaining cost.
** IRR: Internal rate of return.
\# GN: Great Noligwa.

Exploration

Our exploration strategy is to predominantly pursue brownfields exploration targets close to existing infrastructure. This will drive short to medium-term organic Mineral Reserve replacement and growth to support our current strategy of increasing quality ounces and to mitigate the risk of a depleting Mineral Reserve base.

Key work streams underpinning the FY22 exploration programme include:

- Brownfield exploration at Hidden Valley and Kalgold to optimise existing open-pit operations and extend mine life
- Brownfield exploration at our underground operations in South Africa
- Greenfield exploration at Target North
- Reviewing exploration opportunities as part of our new business strategy.

Target North

The exploration drilling programme from surface advanced and a total of 14 408 metres was drilled.

Mal21A drill hole was completed and a deflection programme produced 10 intersections.

At a second drill hole (Mal22), the mother hole was completed and deflection drilling commenced.

Drilling of the third borehole, Mal23, commenced in November 2021 and the hole advanced to a depth of 2 845 metres. Drilling continues. The Resource model of Target North will be updated once Mal23 is completed.

Kalgold

Resource extension drilling was carried out for the Windmill Zone. A total of 30 boreholes were drilled (4 745 metres of RC drilling). Drilling returned very encouraging initial results. A Windmill resource model update is planned once all assay results are obtained and verified. Exploration aimed at improving understanding of the potential to develop the Kraaipan Greenstone Belt into a new mineralised province with multiple mining centres.

Pre-feasibility

Savuka and Tau Tona pillar

Study will aim to understand if portions within the shaft pillars can be extracted safely and economically to extend the current life-of-mine.

Mponeng deepening

Study will aim to access ground below current infrastructure for the VCR and CLR reefs economically. This is essential to ensure a life-of-mine beyond the current FY28/29 expectation.

Kalgold expansion

A feasibility study was completed. The study has investigated the building of a new 300 000 tonnes per month plant which would see the current plant stopping production. The project, although positive, requires significant capital. Additional resources are required in order to boost return on investment.

Kerimenge Heap Leach Project

Kerimenge prospect – The Kerimenge prospect is located approximately 8km to the east of the Hidden Valley mine. Review of existing drill data commenced with the aim of developing a new resource estimate. Kerimenge is a historic gold deposit outlined by previous explorers that contains components of refractory and free milling oxide gold mineralisation.

Savuka TSFs

Upgrade tailings reclamation to 300 000 tonnes per month.

Permitting

Papua New Guinea

Wafi-Golpu project

The Wafi-Golpu project is in the permitting phase. The proposal for development underpinning the special mining lease 10 (SML 10) application was submitted to the Papua New Guinea Mineral Resources Authority in August 2016 and was updated in March 2018, when the feasibility study update was completed.

This update identified deep-sea tailings placement as the tailings management solution for the project. Informed by the feasibility study update, the environment impact statement (EIS) was submitted to the Conservation and Environment Protection Agency in July 2018.

Negotiations with the State Negotiating Team regarding the terms and conditions of the grant of SML 10 and its associated tenements, including the terms and conditions of participation in the project by the State and its nominees, commenced in April 2018. In December 2018, the Wafi-Golpu joint venture participants entered into a memorandum of understanding (MoU) with the State of PNG, establishing a framework for the parties to progress the permitting of the Wafi-Golpu project.

In May 2019, the permitting process was injuncted pursuant to a stay order given in an action for judicial review of the MoU brought by the governor of the Morobe Province, which injunction remained in place until February 2020 when the State withdrew from the MoU and the judicial review was dismissed on that basis.

In December 2020, the Conservation and Environment Protection Agency concluded its assessment of the Wafi-Golpu project's environment permit application and granted an environment permit approving deep-sea tailings placement as the project's tailings management method. In March 2021, the governor of Morobe Province and the Morobe Provincial Government commenced legal proceedings seeking judicial review of the grant of the environment permit, and for interim orders to stay the environment permit and restrain the State of PNG from granting a special mining lease for the Wafi-Golpu project.

The legal proceedings are continuing, but do not prevent the conduct of the SML 10 negotiations, which resumed in early 2022 and is ongoing.

In the interim, no mining has occurred in the project area.

Exploration and projects continued

Major projects

We have identified substantial opportunities in our existing portfolio through exploration and brownfield projects which will extend the life of some of our larger and higher-grade assets, adding lower-risk, higher-margin ounces to Harmony's portfolio. Each project brings multiple benefits to Harmony and exceeds all our minimum criteria for allocating capital. We will continue to focus on ensuring all our mines operate safely and optimally and will continue to invest across all our operations to ensure optimal production.

The salient features of our key projects are:

Papua New Guinea

Hidden Valley brownfield exploration

Kerimenge prospect – The Kerimenge prospect is located approximately 8km to the east of the Hidden Valley mine. Review of existing drill data commenced with the aim of developing a new resource estimate. Kerimenge is a historic gold deposit outlined by previous explorers that contains components of refractory and free milling oxide gold mineralisation.

Webiak prospect – Assay results were returned for drilling at the Webiak prospect, located approximately 7.5km north of Hidden Valley. While no significant gold assays were obtained, results highlighted several zones of coincident anomalous silver-arsenic-antimony-mercury element anomalism consistent with the upper parts of a low sulphidation precious metal system.

Hidden Valley extension

This project in Papua New Guinea will be self-funded and will extend the life-of-mine to 2027. We expect the project to deliver approximately 160 000oz to 200 000oz of gold per annum and 2.1Moz to 3.1Moz of silver per annum at a life-of-mine all-in sustaining cost of US$1 150/oz.

South Africa

Zaaiplaats project

Implementation of the project has commenced in October 2021 and the project progressed with limited detailed design requirements. Development and project construction have commenced in order to support project deliverables on the 101 level area. The project developed 1 164m in FY22 to create the platform for the future decline development to commence in FY23.

The project was integrated into the operations business plan for FY23 and continues to show economic value add as a life-extension project.

Moab Khotsong – Great Noligwa shaft pillar extraction

The GN Pillar continued with project execution phase in FY22. The waste development achieved 1 443m and reef development achieved 404m for FY22. Infrastructure rehabilitation upgrades were conducted on the GN shaft surface and underground access routes. Opening up and rehabilitation were conducted on the required development ends on 70, 71 and 73 levels. The over-stoping of 73 level infrastructure was completed in FY22.

MWS – Kareerand

Mine Waste Solutions (MWS) is a reclamation operation in the Stilfontein/Orkney area treating 2.2 million tonnes per month from historical tailings facilities through the MWS plant. The residue is deposited on the existing Kareerand Tailings Storage Facility (TSF). Kareerand TSF is a cyclone facility on a 560ha footprint and based on the current production plan will reach its authorised height of 80 metres in 2025. The existing Kareerand TSF was sized to receive the reprocessed tailings from the MWS sources. The inclusion of additional sources into the MWS business in 2012 required additional deposition facilities. The study to select the suitable site for the replacement TSF was initiated in 2016. The prefeasibility study investigated 7 options and the outcome was to extend the current footprint by 340ha while increasing the height of the combined complex. The project progressed through feasibility study and detailed design.

South Africa

Target 1 optimisation

A new sub-level open stope method was adopted in BLK12, which will do away with the NRM de-stressing and the use of backfill. Mining will commence from top to bottom in the western margin of EA1, EA2 and EA3 reefs. The top massive stopes will create a de-stressed window which retreats ahead of the lower massive stopes below.

Doornkop expansion

Exploration drilling is set to continue in the coming financial year. Focus will be on targeting areas with limited geological information and those that are potentially high grade in order to increase the geological confidence and payable ounces.

Renewables

In order to achieve the renewable energy targets as set out in the Harmony Energy Efficiency and Climate Change Strategy document, it became necessary to implement a number of renewable energy technologies, including built PV plants, wheeling of wind renewable energy, syngas (or LNG) generated electricity as well as small scale solar PV plants.

Mine Waste Solutions Kareerand Dam.

Mineral Resources and Mineral Reserves – a summary

Harmony is in the business of converting resources into shared value. Sustainability is at the centre of all strategic decisions. Delivering returns to our shareholders while at the same time effecting positive change and maintaining the trust of all of our stakeholders is what we call 'Mining with Purpose'.

Harmony's statement of Mineral Resources and Mineral Reserves (South Africa and Papua New Guinea) as at 30 June 2022 is produced in accordance with the South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves (SAMREC), section 12.13 of the JSE Listings Requirements (as updated from time to time) and the requirements of the United States Securities and Exchange Commission (SEC) regulation S-K Subpart 1300.

Harmony's Mineral Resources and Mineral Reserves reporting for the financial year ended 30 June 2022, complies with the SAMREC and new SEC S-K 1300 modernisation rules for technical disclosure. These amendments rescind SEC Industry Guide 7 and consolidate the disclosure requirements for registrants in a new subpart of Regulation S-K.

In our Form 20-F the Mineral Resources are reported exclusive of reserves. United States investors are urged to consider the disclosure in this regard in our Form 20-F which will be available on our website at www.harmony.co.za/invest/annual-reports on 31 October 2022.

See **Mineral Resources and Mineral Reserves report 2022** on our website.

Independent review

Individual mines are independently reviewed on a three-year rotational basis. This year, the Mineral Resources and Mineral Reserves at Doornkop and Mponeng as well as the group SAMREC statement were independently reviewed by The Mineral Corporation for compliance with SAMREC. Hidden Valley is reviewed by Derisk Geomining Consultants.

Legal entitlement to minerals reported

Harmony's South African operations operate under new order mining rights in terms of the Mineral and Petroleum Resources Development Act (MPRDA) 28 of 2002.

In Papua New Guinea, Harmony operates under the Independent State of Papua New Guinea Mining Act, 20 of 1992. All required operating permits have been obtained and are in good standing.

The legal tenure of each operation and project has been verified to the satisfaction of the accountable competent person.

Environmental management and funding

Harmony's environmental strategy aims to optimise our environmental performance by managing our environmental impacts, focusing on effective risk controls, reducing environmental liabilities, ensuring responsible stewardship of our products within our scope of influence, and complying with environmental legislation and regulations.

For further information regarding Harmony's approach to sustainability and environmental performance refer to the **ESG report 2022**.

Details relating to the provision for **Environmental rehabilitation** and funding can be found in note 26 in Harmony's audited annual financial statements that are presented in a separate report, the **Financial report 2022**.

ASSUMPTIONS

In converting Mineral Resources to Mineral Reserves, the following commodity prices and exchange rates were applied:

- A gold price of US$1 546/oz
- An exchange rate of R/US$15.35
- The above parameters resulted in a rand gold price of R763 000/kg for the South African assets
- The Hidden Valley Mine and the Wafi-Golpu project used commodity prices of US$1 546/oz Au, US$22.35/oz Ag and US$3.30/lb Cu at an exchange rate of AUD1.37 per US$
- Gold equivalent ounces are calculated assuming the following: US$1 546/oz Au, US$3.30/lb Cu and US$22.35/oz Ag, and assuming a 100% recovery for all metals.

Note
Au = gold **Cu** = copper **Ag** = silver **U_3O_8** = uranium

Mineral Resources and Mineral Reserves – summary

The company's attributable gold and gold equivalent Mineral Resources are declared as 132.6Moz as at 30 June 2022, a 6% decrease year on year from the 141.2Moz declared as at 30 June 2021. The total gold contained in the Mineral Resources at the South African operations represents 71% of the company total, with the Papua New Guinea (PNG) operations representing 29% of Harmony's total gold and gold equivalent Mineral Resources as at 30 June 2022. Harmony's attributable gold and gold equivalent Mineral Reserves amount to 39.80Moz, a 6% decrease from the 42.45Moz declared at 30 June 2021. The gold reserve ounces in South Africa represent 54% while the PNG gold and gold equivalent ounces represent 46% of Harmony's total Mineral Reserves as at 30 June 2022. (See Appendix for Mineral Resources and Reserves detail per operation).

South Africa

Underground operations

The company's Mineral Resources at the South African underground operations as at 30 June 2022 are 80.12Moz (249.4Mt at 9.99g/t), a decrease of 5% year on year from the 83.96Moz (262.1Mt at 9.96g/t) declared as at 30 June 2021. This decrease is mainly due to a reduction in Mineral Resources at the Kusasalethu and Moab Khotsong operations.

The company's Mineral Reserves at the South African underground operations as at 30 June 2022 are 11.1Moz (54.02Mt at 6.40g/t), a decrease of 22% year on year from the 14.3Moz (70.46Mt at 6.31g/t) declared as at 30 June 2021. The decrease is mainly due to the Mineral Reserves reduction at the Tshepong and Bambanani operations as a result of the reduction of the life-of-mine of the respective operations.

Surface operations (including Kalgold)

The company's Mineral Resources at the South African surface operations as at 30 June 2022 are 14.52Moz (1 622.5Mt at 0.28g/t), a decrease of 9% mainly due to the reduction of Mineral Resources from the Vaal River tailings.

The company's Mineral Reserves after normal depletion at the South African surface operations as at 30 June 2022 are 10.4Moz (1 230.7Mt at 0.26g/t). The Mineral Reserves remained constant year on year.

Papua New Guinea

Operations

The company's attributable gold and gold equivalent Mineral Resources at the Papua New Guinea operations as at 30 June 2022 are 37.9Moz, a decrease of 8% year on year from the 41.3Moz declared as at 30 June 2021. This decrease is mainly due to the sale of the Kili Teke project.

The company's gold and gold equivalent Mineral Reserves at the Papua New Guinea operations as at 30 June 2022 are 18.2Moz, an increase of 3% year on year from the 17.7Moz declared as at 30 June 2021. The increase is mainly due to an increase in equivalent gold ounces at Golpu.

Windmill Pit Stripping.

Mineral Resources and Mineral Reserves – a summary continued

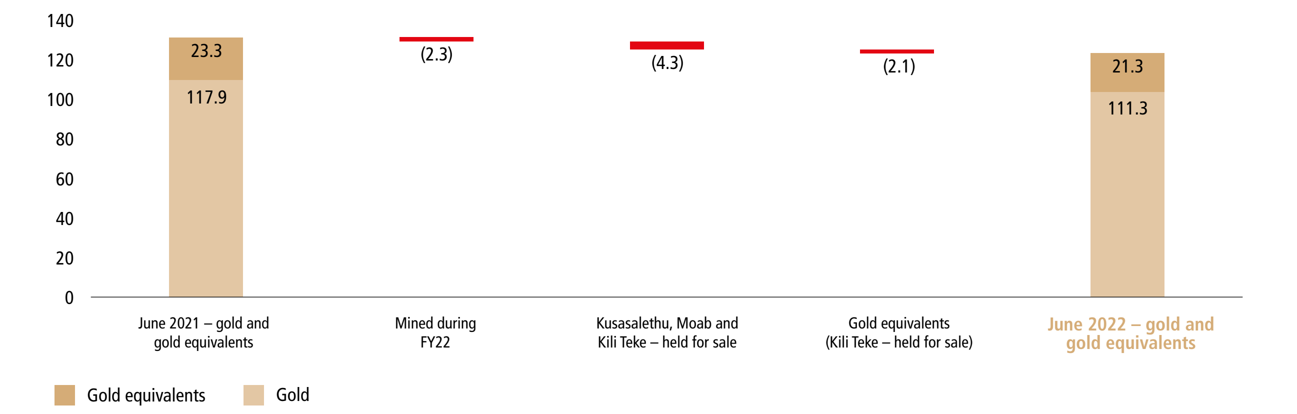
Mineral Resources

As at 30 June 2022, attributable gold and gold equivalent Mineral Resources were 132.6Moz, down from 141.2Moz in June 2021. The following tables show the year on year reconciliation of the Mineral Resources.

Mineral Resource reconciliation – gold and gold equivalents

	kg (000)	Moz
June 2021 – Gold and gold equivalents	4 395	141.2
Changes during FY22:		
Mined	(72)	(2.3)
Net of depletion variance excluding gold equivalents	(133)	(4.3)
Gold equivalents	(65)	(2.1)
June 2022 – Gold and gold equivalents	4 125	132.6

Mineral Resources reconciliation – June 2021 vs June 2022 (Moz)



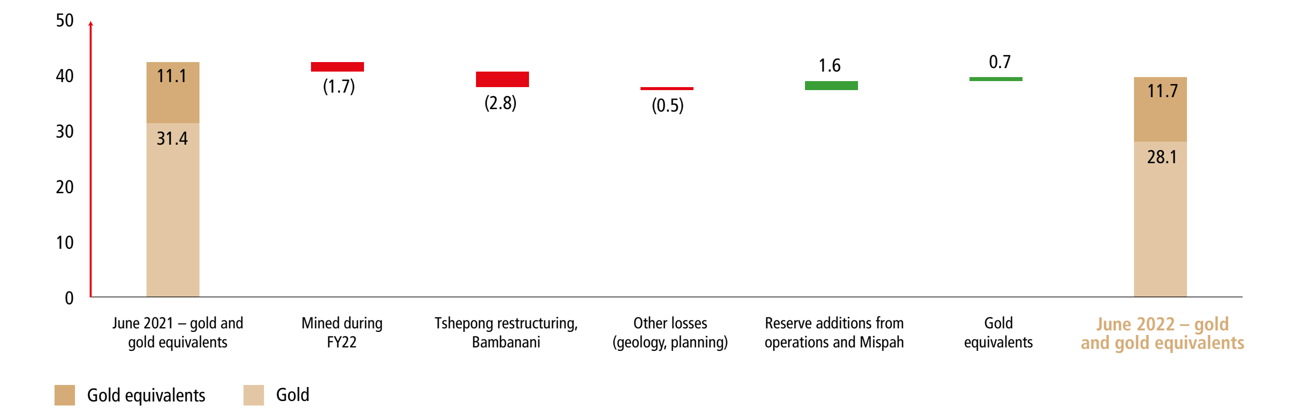
Mineral Reserves

As at 30 June 2022, Harmony's attributable gold and gold equivalent Mineral Reserves were 39.8Moz, down from 42.5Moz. The year on year Mineral Reserve reconciliation is shown below.

Mineral Reserve reconciliation – gold and gold equivalents

	kg (000)	Moz
June 2021 – Gold and gold equivalents	1 320	42.5
Changes during FY22:		
Mined	(51)	(1.7)
Net of depletion variance excluding gold equivalents	(51)	(1.6)
Gold equivalents	20	0.7
June 2022 – Gold and gold equivalents	1 238	39.8

Mineral Reserves reconciliation – June 2021 vs June 2022 (Moz)



Competent persons' declaration

The Mineral Resources and Mineral Reserves estimates in this report are based on information compiled by the two competent persons whose details are presented below. Both these full-time employees of Harmony Gold Mining Company Limited consent to the inclusion of the information in this report in the form and context in which it appears. They are:

MINERAL RESOURCES AND MINERAL RESERVES, SOUTH AFRICA

Jaco Boshoff, *BSc (Hons), MSc, MBA*, has 27 years' relevant experience. He is registered with the South African Council for Natural Scientific Professions (SACNASP), and is a member of the South African Institute of Mining and Metallurgy (SAIMM) and the Geological Society of South Africa (GSSA).

Mr Boshoff is Harmony's lead competent person.

Physical address
Randfontein Office Park,
Corner Main Reef Road and Ward Avenue,
Randfontein, South Africa

Postal address
PO Box 2,
Randfontein 1760, South Africa

MINERAL RESOURCES AND MINERAL RESERVES, PAPUA NEW GUINEA

Gregory Job, *BSc, MSc*, has 34 years' relevant experience and is a member of the Australasian Institute of Mining and Metallurgy (AusIMM).

Physical address
Level 2, 189 Coronation Drive, Milton, Queensland 4064, Australia

Postal address
PO Box 1562, Milton, Queensland 4064, Australia

In South Africa, Harmony employs an Ore Reserve manager at each of its operations who takes responsibility as competent person for the compilation and reporting of Mineral Resources and Mineral Reserves at their respective operation. In Papua New Guinea, competent persons are appointed for the Mineral Resources and Mineral Reserves for specific projects and operations.

Details on these competent persons are presented in the respective operational Mineral Resource and Mineral Reserve statements in the **Mineral Resources and Reserves report**.

Administrative information for professional organisations

Australasian Institute of Mining and Metallurgy (AusIMM)
Postal address: PO Box 660, Carlton South, Vic 3053, Australia
Telephone: +61 3 9658 6100
Facsimile: +61 3 9662 3662
Website: **www.ausimm.com.au**.

South African Council for Natural Scientific Professions (SACNASP)
Postal address: Private Bag X540, Silverton, 0127, Gauteng, South Africa
Telephone: +27 12 841 1075
Facsimile: +27 86 206 0427
Website: **www.sacnasp.org.za**.

Southern African Institute of Mining and Metallurgy (SAIMM)
Postal: PostNet Suite #212, Private Bag X31, Saxonwold, 2132
Physical: 7th Floor, Rosebank Towers, 19 Biermann Avenue, Rosebank, 2196
Telephone: +27 11 538 0231
Website: **www.saimm.co.za**.

Geological Society of South Africa (GSSA)
CSIR Miningtek
Carlow and Rustenburg Roads
Melville, Johannesburg
South Africa
Website: **www.gssa.org.za**.

Details of the professional registrations of our competent persons can be obtained from the company secretary at: **companysecretariat@harmony.co.za**.

Mineral Resources and Mineral Reserves – a summary continued

ESTIMATES AT 30 JUNE 2022 – Summary – Mineral Resources Metric

Operations	Measured Resources			Indicated Resources			Inferred Resources			Total Mineral Resources		
Gold	Tonnes (Mt)	Grade (g/t)	Gold (000kg)	Tonnes (Mt)	Grade (g/t)	Gold (000kg)	Tonnes (Mt)	Grade (g/t)	Gold (000kg)	Tonnes (Mt)	Grade (g/t)	Gold (000kg)
South Africa Underground												
Free State region												
Tshepong	15.7	11.57	182	4.2	10.43	44	9.4	10.18	96	29.4	10.96	322
Phakisa	7.7	12.25	95	7.4	11.24	83	27.5	10.77	296	42.6	11.12	474
Tshepong Operations	23.4	11.79	277	11.6	10.94	127	36.9	10.62	392	72.0	11.05	796
Joel	4.2	7.64	32	3.7	6.80	25	7.0	5.11	36	14.9	6.24	93
Masimong	2.6	9.25	24	0.2	7.12	2	0.02	6.91	0.2	2.9	9.06	26
Target 1	7.2	7.16	51	5.0	6.42	32	4.0	5.96	24	16.2	6.63	107
Target 3	0.6	9.19	6	2.9	10.17	30	1.2	8.66	11	4.8	9.66	46
Total Free State Underground	**38.0**	**10.25**	**390**	**23.5**	**9.20**	**216**	**49.2**	**9.40**	**463**	**110.8**	**9.65**	**1 069**
West Rand region												
Doornkop South Reef	4.7	7.57	36	4.8	7.41	35	3.3	7.73	25	12.8	7.55	96
Doornkop Main Reef	0.1	5.38	0.4	0.05	5.51	0.3	0.02	5.32	0.1	0.1	5.41	1
Doornkop Kimberly Reef	18.1	3.36	61	12.1	3.15	38	10.1	3.28	33	40.3	3.28	132
Kusasalethu	2.1	11.53	24	8.6	9.28	80	2.0	8.85	18	12.7	9.58	121
Mponeng	4.0	15.65	63	21.2	14.34	304	29.1	13.35	389	54.4	13.91	756
Total West Rand region	**29.0**	**6.34**	**184**	**46.7**	**9.79**	**458**	**44.6**	**10.44**	**465**	**120.3**	**9.20**	**1 107**
Klerksdorp operation												
Moab Khotsong	4.0	17.62	70	11.8	16.80	198	2.6	19.09	49	18.3	17.30	317
Total North West region	**4.0**	**17.62**	**70**	**11.8**	**16.80**	**198**	**2.6**	**19.09**	**49**	**18.3**	**17.30**	**317**
Total South Africa Underground	**71.0**	**9.06**	**644**	**82.0**	**10.63**	**871**	**96.4**	**10.14**	**977**	**249.4**	**9.99**	**2 492**
South Africa Surface												
Kraaipan Greenstone Belt												
Kalgold open pit	5.8	1.07	6	47.7	1.14	54	1.6	1.40	2	55.1	1.14	63
Kalgold tailing dam	—	—	—	—	—	—	23.8	0.26	6	23.8	0.26	6
Kalgold	**5.8**	**1.07**	**6**	**47.7**	**1.14**	**54**	**25.4**	**0.34**	**9**	**78.9**	**0.87**	**69**
Free State region – Surface												
Tailings												
Other Free State tailings	169.3	0.27	46	578.7	0.22	129	15.5	0.19	3	763.5	0.23	178
Phoenix	58.4	0.28	16	—	—	—	—	—	—	58.4	0.28	16
Central	—	—	—	47.9	0.27	13	—	—	—	47.9	0.27	13
Waste rock dumps												
Free State WRD	—	—	—	1.1	0.39	0.4	17.0	0.43	7	18.0	0.43	8
Total Free State	**227.7**	**0.27**	**62**	**627.7**	**0.23**	**143**	**32.4**	**0.32**	**10**	**887.8**	**0.24**	**215**
North West region – Surface												
Tailings												
Mispah	—	—	—	75.6	0.30	23	—	—	—	75.6	0.30	23
Kop Paydam	—	—	—	11.0	0.20	2	—	—	—	11.0	0.20	2
Vaal River tailings	—	—	—	280.3	0.25	69	—	—	—	280.3	0.25	69
Mine Waste Solutions	75.2	0.22	17	165.4	0.25	41	—	—	—	240.6	0.24	58
Waste rock dumps												
Moab MOD	—	—	—	2.5	0.30	1	—	—	—	2.5	0.30	1
Vaal River WRD	—	—	—	—	—	—	2.5	0.28	1	2.5	0.28	1
Total North West	**75.2**	**0.22**	**17**	**534.7**	**0.25**	**135**	**2.5**	**0.28**	**1**	**612.4**	**0.25**	**153**
West Rand region – Surface												
Tailings												
West Wits tailings	—	—	—	42.2	0.34	15	—	—	—	42.2	0.34	15
Waste rock dumps												
West Wits WRD	—	—	—	1.1	0.47	1	—	—	—	1.1	0.47	1
Total West Rand	**—**	**—**	**—**	**43.3**	**0.35**	**15**	**—**	**—**	**—**	**43.3**	**0.35**	**15**
Total South Africa Surface (including Kalgold)	**308.7**	**0.28**	**85**	**1 253.4**	**0.28**	**347**	**60.4**	**0.32**	**19**	**1 622.5**	**0.28**	**452**
Total South Africa	**379.8**		**729**	**1 335.4**		**1 219**	**156.7**		**996**	**1 871.9**		**2 944**
Papua New Guinea[1]												
Hidden Valley	2.5	0.86	2	49.3	1.48	73	1.2	1.21	1	53.1	1.45	77
Hamata	—	—	—	1.9	1.90	4	0.2	1.50	0.3	2.1	1.86	4
Wafi	—	—	—	54.0	1.66	89	20.0	1.37	26	74.0	1.58	114
Golpu	—	—	—	345.0	0.72	249	70.0	0.62	44	415.0	0.70	292
Nambonga	—	—	—	—	—	—	24.0	0.69	16	24.0	0.69	16
Kerimenge	—	—	—	—	—	—	16.4	1.07	18	16.4	1.07	18
Total Papua New Guinea	**2.5**	**0.86**	**2**	**450.2**	**0.92**	**415**	**131.8**	**0.80**	**105**	**584.5**	**0.89**	**520**
Grand total	**382.3**		**731**	**1 785.5**		**1 633**	**288.5**		**1 102**	**2 456.4**		**3 464**

Operations	Measured Resources		Indicated Resources		Inferred Resources		Total Mineral Resources	
Gold equivalents[1]	Tonnes (Mt)	Au eq (000kg)	Tonnes (Mt)	Au eq (000kg)	Tonnes (Mt)	Au eq (000kg)	Tonnes (Mt)	Au eq (000kg)
Silver								
Hidden Valley	2.5	1	49.3	16	1.2	0.4	53.1	17
Total	**2.5**	**1**	**49.3**	**16**	**1.2**	**0.4**	**53.1**	**17**
Copper								
Golpu	—	—	345.0	549	70.0	88	415.0	637
Nambonga	—	—	—	—	24.0	7	24.0	7
Total	**—**	**—**	**345.0**	**549**	**94.0**	**95**	**439.0**	**644**
Total silver and copper as gold equivalents	**2.5**	**1**	**394.3**	**565**	**95.2**	**95**	**492.1**	**661**
Total PNG (including gold equivalents)	**2.5**	**3**	**450.2**	**980**	**131.8**	**201**	**584.5**	**1 181**
Total Harmony (including equivalents)	**382.3**	**732**	**1 785.5**	**2 198**	**288.5**	**1 197**	**2 456.4**	**4 125**

Other metals

Papua New Guinea[1]	Measured Resources			Indicated Resources			Inferred Resources			Total Mineral Resources		
Silver	Tonnes (Mt)	Grade (g/t)	Ag (000kg)	Tonnes (Mt)	Grade (g/t)	Ag (000kg)	Tonnes (Mt)	Grade (g/t)	Ag (000kg)	Tonnes (Mt)	Grade (g/t)	Ag (000kg)
Hidden Valley	2.5	18.32	47	49.3	22.13	1 090	1.2	23.12	29	53.1	21.97	1 166
Golpu	—	—	—	345.0	1.30	435	70.0	1.10	72	415.0	1.30	507
Total	**2.5**	**18.32**	**47**	**394.3**	**3.87**	**1 525**	**71.2**	**1.41**	**101**	**468.1**	**3.57**	**1 673**

Copper	Tonnes (Mt)	Grade (%)	Cu (000t)	Tonnes (Mt)	Grade (%)	Cu (000t)	Tonnes (Mt)	Grade (%)	Cu (000t)	Tonnes (Mt)	Grade (%)	Cu (000t)
Golpu	—	—	—	345.0	1.10	3 800	70.0	0.86	600	415.0	1.10	4 300
Nambonga	—	—	—	—	—	—	24.0	0.20	47	24.0	0.20	47
Total	**—**	**—**	**—**	**345.0**	**1.10**	**3 800**	**94.0**	**0.69**	**647**	**439.0**	**0.99**	**4 347**

Molybdenum	Tonnes (Mt)	Grade (ppm)	Mo (000t)	Tonnes (Mt)	Grade (ppm)	Mo (000t)	Tonnes (Mt)	Grade (ppm)	Mo (000t)	Tonnes (Mt)	Grade (ppm)	Mo (000t)
Golpu	—	—	—	345.0	94.00	32	70.0	72.00	5	415.0	90.00	37
Total	**—**	**—**	**—**	**345.0**	**94.00**	**32**	**70.0**	**72.00**	**5**	**415.0**	**90.00**	**37**

South Africa

Uranium	Tonnes (Mt)	Grade (kg/t)	U_3O_8 (Mkg)	Tonnes (Mt)	Grade (kg/t)	U_3O_8 (Mkg)	Tonnes (Mt)	Grade (kg/t)	U_3O_8 (Mkg)	Tonnes (Mt)	Grade (kg/t)	U_3O_8 (Mkg)
Free State surface	—	—	—	173.7	0.10	18	—	—	—	173.7	0.10	18
Mispah 1	—	—	—	75.6	0.12	9	—	—	—	75.6	0.12	9
Kop Paydam	—	—	—	11.0	0.13	1	—	—	—	11.0	0.13	1
Vaal River tailings	—	—	—	280.3	0.07	20	—	—	—	280.3	0.07	20
Mine Waste Solutions	75.2	0.07	5	165.4	0.08	13	—	—	—	240.6	0.08	19
North West surface	75.2	0.07	5	532.2	0.08	44	—	—	—	607.4	0.08	50
Moab Khotsong underground	—	—	—	15.7	0.72	11	2.6	0.71	2	18.3	0.72	13
Grand total	**75.2**	**0.07**	**5**	**721.7**	**0.10**	**73**	**2.6**	**0.71**	**2**	**799.4**	**0.10**	**80**

[1] *Total attributable.*
Gold equivalent ounces are calculated assuming a US$1 546/oz Au, US$3.30/lb Cu and US$22.35/oz Ag with 100% recovery for all metals.
NB Rounding of numbers may result in slight computational discrepancies.
Note: 1 tonne = 1 000kg = 2 204lbs.
1 troy ounce = 31.10348 grams.

Mineral Resources and Mineral Reserves – a summary continued

ESTIMATES AT 30 JUNE 2022 – Summary – Mineral Reserves Metric

Operations	Proved Reserves			Probable Reserves			Total Mineral Reserves		
Gold	**Tonnes (Mt)**	**Grade (g/t)**	**Gold[2] (000kg)**	**Tonnes (Mt)**	**Grade (g/t)**	**Gold[2] (000kg)**	**Tonnes (Mt)**	**Grade (g/t)**	**Gold[2] (000kg)**
South Africa Underground									
Free State region									
Tshepong	4.2	5.15	21	0.3	7.63	3	4.5	5.34	24
Phakisa	3.8	6.98	26	0.2	6.49	1	3.9	6.96	27
Tshepong Operations	7.9	6.02	48	0.5	7.24	4	8.4	6.09	51
Joel	2.8	5.01	14	1.0	4.85	5	3.7	4.97	19
Masimong	0.7	4.95	4	0.3	3.47	1	1.0	4.55	5
Target 1	2.7	4.32	12	1.7	4.11	7	4.4	4.24	19
Total Free State Underground	**14.2**	**5.44**	**77**	**3.5**	**4.73**	**16**	**17.6**	**5.30**	**93**
West Rand region									
Doornkop South Reef	5.9	4.46	26	7.9	4.29	34	13.8	4.36	60
Kusasalethu	1.3	6.97	9	0.03	6.84	0.2	1.3	6.97	9
Mponeng	2.3	8.09	19	4.3	9.12	39	6.6	8.76	58
Total West Rand region	**9.5**	**5.68**	**54**	**12.2**	**5.99**	**73**	**21.7**	**5.86**	**127**
North West region									
Moab Khotsong	2.7	7.48	20	12.0	8.78	105	14.7	8.54	125
Total North West region	**2.7**	**7.48**	**20**	**12.0**	**8.78**	**105**	**14.7**	**8.54**	**125**
Total South Africa Underground	26.3	5.74	151	27.7	7.04	195	54.0	6.40	346
South Africa Surface									
Kraaipan Greenstone Belt									
Kalgold	5.6	0.94	5	15.8	1.16	18	21.4	1.10	24
Free State region – Surface									
Tailings									
Other Free State tailings	86.5	0.27	23	578.7	0.22	129	665.3	0.23	153
Phoenix	36.5	0.29	10	—	—	—	36.5	0.29	10
Central	—	—	—	47.9	0.27	13	47.9	0.27	13
Total Free State	**123.0**	**0.27**	**34**	**626.6**	**0.23**	**142**	**749.7**	**0.23**	**176**
North West region – Surface									
Tailings									
Mispah	—	—	—	75.2	0.30	23	75.2	0.30	23
Vaal River tailings	—	—	—	177.3	0.28	50	177.3	0.28	50
Mine Waste Solutions	21.1	0.26	6	166.8	0.24	41	187.8	0.25	46
Total North West	**21.1**	**0.26**	**6**	**419.2**	**0.27**	**113**	**440.3**	**0.27**	**119**
West Rand – Surface									
West Wits tailings	—	—	—	19.3	0.33	6	19.3	0.33	6
Total West Rand	**—**	**—**	**—**	**19.3**	**0.33**	**6**	**19.3**	**0.33**	**6**
Total South Africa Surface (including Kalgold)	149.7	0.30	45	1 080.9	0.26	280	1 230.7	0.26	325
Total South Africa	176.1		196	1 108.6		475	1 284.7		670
Papua New Guinea									
Hidden Valley	2.5	0.86	2	16.3	1.78	29	18.8	1.65	31
Hamata	—	—	—	0.3	1.48	0.4	0.3	1.48	0.4
Golpu[1]	—	—	—	200.0	0.86	171	200.0	0.86	171
Total Papua New Guinea	**2.5**	**0.86**	**2**	**216.6**	**0.93**	**200**	**219.1**	**0.92**	**203**
HV Hamata	2.5	0.86	2	16.6	1.77	29	19.1	1.65	32
Grand total	**178.6**		**198**	**1 325.2**		**675**	**1 503.8**		**873**

Operations	Proved Reserves		Probable Reserves		Total Mineral Reserves	
Gold equivalents	**Tonnes (Mt)**	**Au eq[2] (000kg)**	**Tonnes (Mt)**	**Au eq[2] (000kg)**	**Tonnes (Mt)**	**Au eq[2] (000kg)**
Silver						
Hidden Valley	2.5	1	16.3	5	18.8	6
Copper						
Golpu[1]	—	—	200.0	359	200.0	359
Total silver and copper as gold equivalents	**2.5**	**1**	**216.3**	**364**	**218.8**	**365**
Total PNG (including gold equivalents)	**2.5**	**3**	**216.6**	**565**	**219.1**	**567**
Total Harmony (including equivalents)	**178.6**	**199**	**1 325.2**	**1 039**	**1 503.8**	**1 238**

Other metals

Papua New Guinea	Proved Reserves			Probable Reserves			Total Mineral Reserves		
Silver	**Tonnes (Mt)**	**Grade (g/t)**	**Ag[2] (000kg)**	**Tonnes (Mt)**	**Grade (g/t)**	**Ag[2] (000kg)**	**Tonnes (Mt)**	**Grade (g/t)**	**Ag[2] (000kg)**
Hidden Valley	2.5	18.32	47	16.3	22.45	366	18.8	21.89	412
Copper	**Tonnes (Mt)**	**Grade (%)**	**Cu[2] (000t)**	**Tonnes (Mt)**	**Grade (%)**	**Cu[2] (000t)**	**Tonnes (Mt)**	**Grade (%)**	**Cu[2] (000t)**
Golpu[1]	—	—	—	200.0	1.20	2 450	200.0	1.20	2 450

South Africa

Uranium	**Tonnes (Mt)**	**Grade (kg/t)**	**U_3O_8[2] (Mkg)**	**Tonnes (Mt)**	**Grade (kg/t)**	**U_3O_8[2] (Mkg)**	**Tonnes (Mt)**	**Grade (kg/t)**	**U_3O_8[2] (Mkg)**
Moab Khotsong underground	—	—	—	14.7	0.30	4	14.7	0.30	4

[1] *Total attributable.*
Gold equivalent ounces are calculated assuming a US$1 546/oz Au, US$3.30/lb Cu and US$22.35/oz Ag with 100% recovery for all metals.
[2] *Metal figures are fully inclusive of all mining dilutions and gold losses, and are reported as mill-delivered tonnes and head grades. Metallurgical recovery factors have not been applied to the reserve figures.*
NB Rounding of numbers may result in slight computational discrepancies.
Note: 1 tonne = 1 000kg = 2 204lbs.
1 troy ounce = 31.10348 grams.

Sustainable development

To deliver on our ESG commitments, we are guided by a framework that ensures sustainable development principles are embedded in everything we do, including our strategy, daily operations and decision making.

We provide an overview of our approach below and details are unpacked in the **ESG report**.

Our approach

Including all elements of sustainable development under the **responsible stewardship** strategic pillar	Guided by **sustainable development guidelines and frameworks**	Supporting the achievement of the **UN SDGs**	Enhancing **disclosure and measuring our performance** through benchmarking against global best practice and industry peers, and setting group targets

Our sustainable development framework is supported by ESG philosophies, with key tenets for measuring our progress against achieving specific targets.

ENVIRONMENTAL PHILOSOPHY	SOCIAL PHILOSOPHY	GOVERNANCE PHILOSOPHY
To co-exist with the natural environment, we must understand and fully appreciate the negative impacts of our operations. Our environmental philosophy enables us to manage, mitigate or offset environmental risks associated with our operations. The philosophy sets out clear plans for us to operate, decommission or close our mines responsibly beyond compliance. Performance, reputational benefit and risk management form the cornerstone of this philosophy.	We have a responsibility to: • Create relationships of trust with our employees, suppliers, host communities and government • Promote shared value for all • Close our operations with dignity, knowing that we have created positive and enduring value where we operated.	Ethical mining equals ethical leadership that equals corporate trust. Good governance lies at the heart of our performance and our reporting. Guided by our policies and codes, we aim to do the right thing and tell our story honestly. Harmony is a business, but we operate in a broader, interlinked context. Considering every element of those links in our thinking and actions will make Harmony a sustainable business – poised for growth.
Tenets		
• Decarbonising our business • Environmental stewardship of natural resources • Restoration and value creation.	• Employee and community safety and health • Employment, labour relations and fair practice • Human rights and diversity • Philanthropy and socio-economic development.	• Fairness and equality • Inclusivity • Political stability • Governance • Assurance and transparency • Accountability • Corruption and conflict • Risk and performance management • Values and ethics.

The social and ethics committee is responsible for governance of the sustainable development framework, with the board having ultimate accountability.

Responsible stewardship

Responsible stewardship supports our operating philosophy of profit with purpose, and hinges on maintaining strong relationships by engaging and collaborating with stakeholders. We are mindful of our responsibilities as a corporate citizen, environmental stewards and in truly living our values.

In line with our aim to produce safe, profitable ounces, we continuously consider the impacts of our business activities on the countries where we operate, our employees, host communities and the environment. We also evaluate the effectiveness of our plans to manage and mitigate these impacts. We keenly understand the importance of inclusive stakeholder engagement and partnerships that enable Harmony to mine gold responsibly and sustainably.

Over the next five years, we will continue to strengthen our delivery on sustainable development KPIs and the SDG targets most relevant to our business.

Our sustainable development framework is available **online**.

Sustainable development guidelines and frameworks

We are guided by:

Sustainable Development Goals; World Gold Council; TCFD; CDP; Minerals Council South Africa; ICMM International Council on Mining & Metals; United Nations Global Compact; OECD

Aligning with the SDGs

We understand our role in contributing to broader sustainable development issues. We have identified areas where we can lessen our negative impacts and increase our positive impacts through targeted efforts. These include taking action against climate change and fossil-fuelled energy consumption, ending poverty, efficiently managing our use of scarce natural resources such as water and land, while protecting biodiversity and observing human rights.

Equally, as a private-sector company, we are committed to supporting the governments in South Africa and Papua New Guinea in reaching these goals. Our core purpose also aligns our business objectives with the SDGs.

We have prioritised eight SDGs directly aligned with our business strategy and its four pillars. We have also identified five SDGs where we can meaningfully contribute through our sustainable development framework and by meeting our socio-economic development commitments. Many of the SDGs are interconnected. Collaboration is an SDG that is core to all others and calls for partnerships, and pooled efforts and resources to bring sustained beneficial change to our people.

Measuring how we perform

We recognise the importance of reporting transparently and accurately, and continue working to enhance the quality and quantity of our ESG disclosures. We monitor our ESG scores closely, particularly areas where we may be underperforming against our industry peers. Our ESG performance is assessed annually by global rating agencies such as FTSE4Good, MSCI, Sustainalytics, Bloomberg and the CDP.

Mining for the future

This year, we again illustrated that sustainability is the driving force of our business. We progressed in future-proofing Harmony, which is evident in the successful implementation of our decarbonisation strategy and net-zero targets. We are aiming to be carbon neutral by 2045 in collaboration with our stakeholders on this journey. In the short to medium term, we will remain focused on renewable energy sources so that, in addition to our copper and silver output necessary for renewable electrification and transportation, Harmony will be well positioned to support the transition to a clean energy future.

Refer to **Climate change** in the **ESG report** for details of our decarbonisation strategy.

ESG performance summary

Harmony's ESG performance during the year reflects our commitment to responsible stewardship and support of the SDGs aligned to our core business.

Detailed disclosure is available in the **ESG report**.

At a glance

Environmental	Outlined our key environmental deliverables with associated measurements and targets to enhance delivery of the SDGs in alignment with our strategic priorities
	Finalised new environmental targets to be implemented from FY23 to FY27
	Increased our annual expenditure on rehabilitation projects and implementing environmental controls
	Implemented appropriate remedial action to mitigate all six level 3 (moderate) reportable environmental incidents
	Rehabilitated 31.8ha of the planned 117ha of land
	Reduced our electricity intensity by 42% over the past seven years
	Reduced CO_2 emissions by 1.5 million tonnes
	Increased water recycling by 6%
	Ensured sustainable integrity, stability, environmental and legal compliance for our tailings storage facilities with robust and meticulous engineering and dam design, continuous risk management, layered assurance and oversight
	In FY22/over the past five years: • Decreased waste rock by 26% due to closure of Kopanang treatment plant • Increased slimes recycling by 25% due to Mine Waste Solutions recording 12 months of production compared to nine months in the previous year • Increased rock mined (43Mt) by 5%.
Social	• Systematically embedding risk management in our operational culture and employees' behaviour • Continued our commitment and implementation of safety interventions: – Systematically entrenching the ICMM's critical management plan, including implementing golden control monitoring and improved responses to golden control failures – Introduced a risk manager role to support operations • Focusing on the sustainability and integration of Thibakotsi
	Insourcing health services saved more than R60 million in FY22 by reducing overheads from R2 400 per person to R1 527
	93% (FY21: 94%) of our South African workforce attended training and skills development at a cost of R657 million (US$30 million)
	Spent R14.1 billion on community development, preferential/local procurement, enterprise development and corporate citizenship commitments
	Reached more than 80 townships and at least 5 200 people with nearly 700 vegetable tunnels in our broad-based livelihoods programme
	Spent R50 million (FY21: R170 million) on new black-owned and controlled (>51%) enterprises and R26 million (FY21: R38 million) on 45 (FY21: 41) new wholly black-owned SMEs
	Invested R17.9 million/US$1.7 million (FY21: R10.8 million/US$0.8 million) in CSI projects for the benefit of at least 10 000 individuals and families
	Spent R2.3 billion/US$153 million (FY21: R3.9 billion/US$253 million) on procurement in Papua New Guinea
	Decreased criminal activity by 285% and seized 316 tonnes of stolen gold-bearing material
Governance	Refer to **Governing with purpose** in this report and **Corporate governance** in the **ESG report**.

Environment (**ESG report**, page 36)

Mining is one of the industrial sectors with the most significant potential impact on the biophysical environment through pollution, depleting natural resources and disrupting land use and management. Therefore, we believe responsible management of natural resources and ecosystems is vital to realise a sustainable future for our operations, host communities and future generations.

Our mining activities transform natural capital while avoiding or mitigating adverse environmental impacts. We approach environmental management and stewardship intending to preserve our natural capital.

Harmony's environmental strategy, and related policies and procedures, seek to mitigate the impacts of our mining activities by focusing on:

Emissions reduction through **energy efficiency and improved energy mix**	**Water** conservation	**Environmental leadership** and disclosure	**Pollution prevention** and resource protection	**Land restoration**	**Value creation**	**Environmental** conservation

Setting environmental targets

Our baseline group environmental performance targets focus on our strategic imperatives and material risks, including energy, water, land and biodiversity. Our five-year baseline target, which ended during this period, will be followed by a new set of five-year targets ending in FY27. These targets are aligned with our adoption of science-based targets to achieve net zero emissions by 2045.

Group environmental targets*

	Five-year baseline target (FY18 to FY22)		Year on year		
KPI	Target	Cumulative actual	**Target**	**Actual**	**Achieved**
Energy					
Reduce absolute electricity consumption (% MWh)	5	(64)	**1**	(30)	×
Electricity intensity (% kWh/tonne treated)	5	41	**1**	**33**	✓
Total carbon emission intensity reduction (% tCO_2/tonne treated)	5	32	**1**	**34**	✓
Diesel intensity (% kl/tonne treated)	2	42	**0.4**	**50**	✓
Petrol intensity (% kl/tonne treated)	2	43	**0.4**	**39**	✓
Energy intensity (% GJ/tonne treated)	5	43	**1**	**34**	✓
Water					
Reduce water used for primary activities (% m^3)	7	(84)	**1.4**	(54)	×
Water intensity (% m^3/tonne treated)	7	34	**1.4**	**21**	✓
Water recycling (% increase)	6	116	**1.2**	**38**	✓
Waste					
Non-hazardous waste recycled (% increase)[1]	10	37	**2**	**52**	✓
Land and biodiversity					
Reduce impacted land footprint (%)	3	n/a	**0.6**	**0.03**	×
Environmental fines	—	—	**0**	**0**	✓
Implement biodiversity action plans (%)	100	70	**20**	**70**	✓

* *This is the last time we are reporting on these targets, please refer to the ESG report for next cycle.*
[1] *Timber, steel and plastic.*

ESG performance summary continued

Consumption KPIs

KPI	Five-year target based on consumption (FY18 to FY22) Target	Actual	Achieved	Year five (FY22) Target	Actual	Achieved
Energy						
Renewable energy (% of total electricity consumption)[2]	10	3	×	2	3	✓
Waste						
Hydrocarbon recycling[3] (% increase of total hydrocarbon consumption)	80	24	×	16	3	×

[2] Sources that produce electricity for Harmony's consumption. Renewable sources are based on installed capacity.
[3] Hydraulic oil and lubricants.

Annual expenditure on our environmental portfolio

We spent R328 million/US$21.6 million (FY21: R281 million/US$18 million) on our group environmental portfolio in FY22.

	FY22 Rm	FY22 US$m	FY21 Rm	FY21 US$m	FY20 Rm	FY20 US$m
South Africa						
Implementation of environmental control	249	16	198	13	64	4
Mine rehabilitation projects	52	4	49	3	62	4
Total	301	20	247	16	126	8
Papua New Guinea						
Implementation of environmental control	27	2	34	2	32	2
Harmony total	328	22	281	18	158	10

Material used	FY22	FY21	FY20	FY19	FY18
Tonnes treated (000t)	53 801	49 253	25 429	25 980	22 441

Environmental incidents

South Africa experienced more frequent water-related incidents due to exceptionally high rainfall in FY22. All incidents were short and corrected immediately with limited impact on receiving environments.

Land rehabilitation

Total land under our management in South Africa is 92 255ha. Of this, 13 925ha is affected by our mining-related infrastructure.

Over more than a decade, Harmony's rehabilitation of decommissioned shafts and hostels has mitigated the impacts of illegal mining, particularly in the Free State.

Improving energy efficiency by reducing consumption

The group improved efficiencies by reducing energy and fuel consumption during the year. Energy consumption increased by 6% due to the acquisitions and recording 12-month consumption at Mponeng and Mine Waste Solutions while our total carbon emissions intensity increased by 1% primarily due to marginal increases in electricity purchased for Mponeng and Mine Waste Solutions as well as Hidden Valley's increased diesel consumption.

Waste

Our year-on-year increase in mineral waste is due to waste stripping in cutbacks at Hidden Valley. Waste rock is also generated from our underground operations in South Africa.

We have a five-year target to reclaim at least 10% of our total available mineral waste footprint. Meeting this target depends on the market as well as provincial infrastructure needs and capacity to support repurposing activities.

Tailings management

Harmony manages 21 operational, 10 re-mining, and 54 dormant and inactive facilities in South Africa – all operational facilities use upstream deposition incorporating day wall and basin deposition or upstream cyclone deposition.

Our Hidden Valley operation uses a tailings storage facility designed and operated in accordance with the Australian National Committee on Large Dams. The facility comprises two cross-valley embankments (main and saddle dams) constructed using the downstream build methodology.

Water use, treatment and discharge

In South Africa, we reuse process water, which increases the amount of water recycled and enables us to maintain or improve our water use intensity. At many of our underground operations, three water-treatment plants treat fissure water to quality standards for use in our processes and to liberate fresh water for other users in line with our zero discharge aspiration. Target and Kusasalethu are our only local operations currently discharging water. We have plans to ensure Target achieves zero discharge status. Kusasalethu discharges an average of 1.5Ml per day of fissure water.

At Hidden Valley, steep topography, high rainfall and low evaporation levels create a year-round positive water balance. We primarily extract water from Pihema Creek and prioritise process water recycling to limit volumes extracted as far as practical. Wastewater is treated at a cyanide detoxification plant beside the tailings storage facility before being discharged to the receiving environment at either Pihema Creek or the Upper Watut River. Compliance monitoring continued to detect low-level exceedances of dissolved (soluble) manganese during FY22. Overall objectives of the Hidden Valley mine acid and metalliferous drainage management plan, and the waste-rock dumping strategy, remain appropriate to limit acid and soluble metals discharge. We routinely provide updates to the regulator, ongoing monitoring programme, results and potential remedial actions.

ESG performance summary continued

Social (ESG report, page 80)

Responsible stewardship means being mindful of, managing and limiting the impacts of our activities on our resources, including human and social and relationship capital. By fostering relationships of trust with our employees, suppliers, host communities and government, can create shared value that endures beyond our presence in their lives.

Harmony's social imperatives seek to mitigate the impacts of our mining activities by focusing on:

Creating a **safe working environment** to prevent loss of life	**Human rights** are articulated in our human resource policies, charters and contracts of engagement	**Risk management innovation:** development of a systematic model to embed safety risk management and promote safe behaviours at our operations	**Meaningful and sustainable socio-economic development** to build resilient communities	R34.8 billion (US$2.2 billion) total **economic value distributed** to employees, investors, suppliers, communities and government stakeholders

Our social impact includes safety, health, caring for our employees, empowering communities and the impacts of illegal mining.

Safety

We are embedding safety in everything we do with internal and external stakeholders participating in our multifaceted and cooperative approach aimed at achieving our goal to reduce injuries and eliminate loss of life. Underground mining in South Africa requires the most stringent safety measures to offset the risks that accompany its complexity.

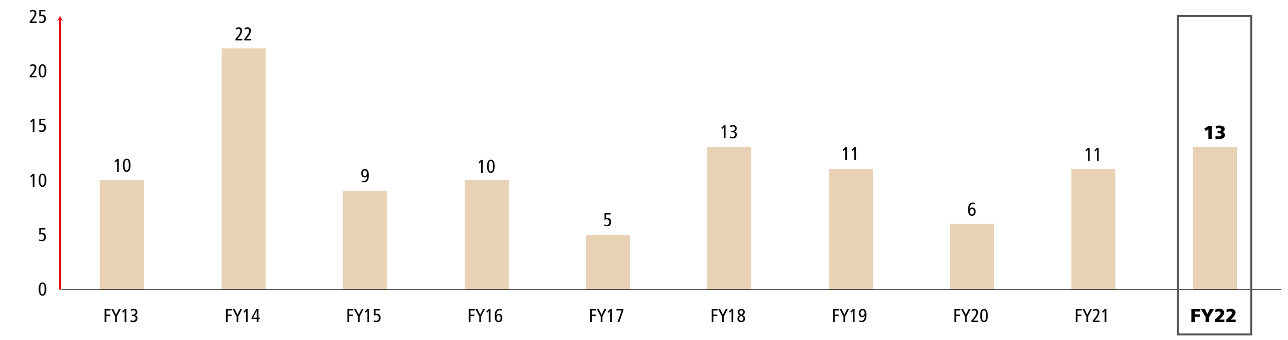
Our safety risk management strategy significantly increased our white flag (accident-free) days in FY22. We also reduced our fall-of-ground LTIFR. Despite this progress, we tragically lost 13 colleagues at our South African operations.

Loss of life and serious injuries have a devastating impact on employees' families. Many of these employees are sole breadwinners, supporting more than 10 other extended family members. We therefore provide compensation to these bereaved families.

Each loss of life is investigated in detail to ensure that no life was lost in vain and that lessons learned are embedded in our strategy.

Hidden Valley has an exemplary safety record and had no loss-of-life incidents for the fifth consecutive year.

Harmony group: Number of loss of life



Health

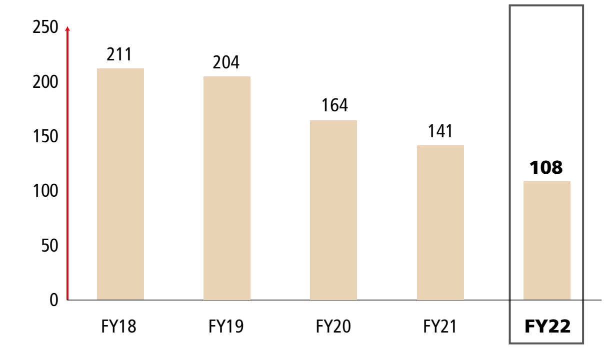
Our proactive, risk-based approach aims to ensure employees are fit for work, life and the physiological age appropriate for retirement. We spent R1.1 billion (US$70.8 million) (FY21: R1 billion/US$65.3 million) on health initiatives across South Africa and R15.6 million (PGK3.6 million) (FY21: R12.68 million/PGK2.9 million) on healthcare in Papua New Guinea.

Occupational healthcare

In South Africa, our key concerns are occupational lung diseases, particularly silicosis, NIHL and heat-related illness. Harmony:

- Submitted 108 (FY21: 141) silicosis cases (20% former Harmony employees) to the Medical Bureau for Occupational Diseases for certification and possible compensation
- Compensated 106 (FY21: 71) cases for NIHL
- Conducted 17 868 (FY21: 15 364) heat tolerance tests and recorded 211 (FY21: 126) cases of heat-related illness.

Submitted silicosis cases



In Papua New Guinea, NIHL is a significant focus area but we did not record any cases.

Non-occupational healthcare

At our South African operations, 29% of our permanent workforce was HIV-positive with 9 595 (FY21: 9 328) in the HIV/Aids programme and receiving antiretroviral therapy. Employees continue to receive pre-test counselling and voluntary testing through ongoing initiatives at our healthcare hubs. In FY22, 67 035 (FY21: 50 949) employees received voluntary counselling and testing, and 61 565 (FY21: 48 308) confirmed their status.

In FY22, 2 494 (FY21: 2 006) employees participated in Harmony's integrated lifestyle programme.

In Papua New Guinea, TB and comorbid HIV/Aids receive the full attention of our medical team while Covid-19 continues to impact our planned activities as we replace infected employees who leave the site. We treated 1 545 (FY21: 707) employees for respiratory ailments and 332 (FY21: 323) employees voluntarily tested for HIV/Aids and received counselling.

We are actively addressing increased mental health and psychosocial wellbeing issues by raising employee awareness, empowering our stakeholders including managers, and providing easy access to psychosocial services. Our social workers reached employees in engagements related mainly to grief, adjustment disorder, stress and relationships.

ESG performance summary continued

Caring for our employees

Our employee relations are based on mutual respect and trust, reflecting our firm belief that each person is critical to our business strategy.

South African workforce

- 81.9% are South African nationals, and others are from neighbouring countries, primarily Lesotho and Mozambique
- By the end of FY22, 19%% (FY21: 16%) of our permanent employees, excluding contractors, were women
- HDP representation in management increased to 67% (FY21: 65%)
- While exceeding HDP managerial targets, we have not yet achieved our gender diversity objectives at junior management level
- Employees with disabilities accounted for 0.14% of our workforce versus the 1.5% target
- 93% (FY21: 94%) of the workforce attended training and skills development, totalling R657 million or US$30 million (FY21: R468 million/US$30 million).

Our current three-year wage agreement, in respect of wages and conditions of service, is for the period 1 July 2021 to 30 June 2024, signed by AMCU, the Coalition (NUM, UASA and Solidarity) and NUMSA.

We have a range of employee benefits, including a share ownership plan, promoting home ownership, accommodation and living conditions.

Papua New Guinea workforce

- 38.2% of our employees at Hidden Valley are from host communities, and others are foreign nationals
- The proportion of female employees remained steady at 15% (FY21: 14%). At management level, 11% are women
- Our women empowerment initiatives include training female haul truck operators at Hidden Valley where 28% (FY21: 25%) of employees are women and 20% (FY21: 46%) of small haul truck operators are women
- 23 260 (FY21: 14 596) employees attended online training and skills development at a cost of R4 million (US$0.26 million) (FY21: R20 million/ US$1.3 million).

Hidden Valley does not have union representation but we continuously engage with employees, contractors and government (national, provincial and local), landowners and regulators.

Human rights

We uphold the ILO principles with a highly unionised workforce (94.5%) participating in collective bargaining, and our employment policy and established practices prohibit any forms of indirect or direct compulsory, forced or child labour (we do not employ people under the age of 18 years).

Empowering communities

South Africa

We are approaching the end of our third-generation (FY18 to FY23) SLPs with a total financial spend thus far of R433 million of which a total of R235 million was invested in socio-economic upliftment through our mine community development programmes. Following the acquisition of Mponeng, its commitments are reflected in FY21 and FY22 mine community investments. We ought to have spent R309 million to date on mine community development but are running slightly off schedule but are intent on expediting implementation to meet our five year timeline.

The current SLP commitments will run to the end of December 2022, while mine community development runs until June 2023.

We are designing and developing fourth-generation SLPs, which involve public consultation to meet communities' needs.

Papua New Guinea

Every year under our Hidden Valley MoA, Harmony funds a selection of physical and social infrastructure projects. In FY22, these ranged from road, district office and local airport improvements, through to agribusiness support and the distribution of solar lighting kits and biomass stoves to our landowner villages. Through the Hidden Valley Mine Trust, we also supported water supply, road and village facilities improvements and maintenance.

Preferential/local procurement

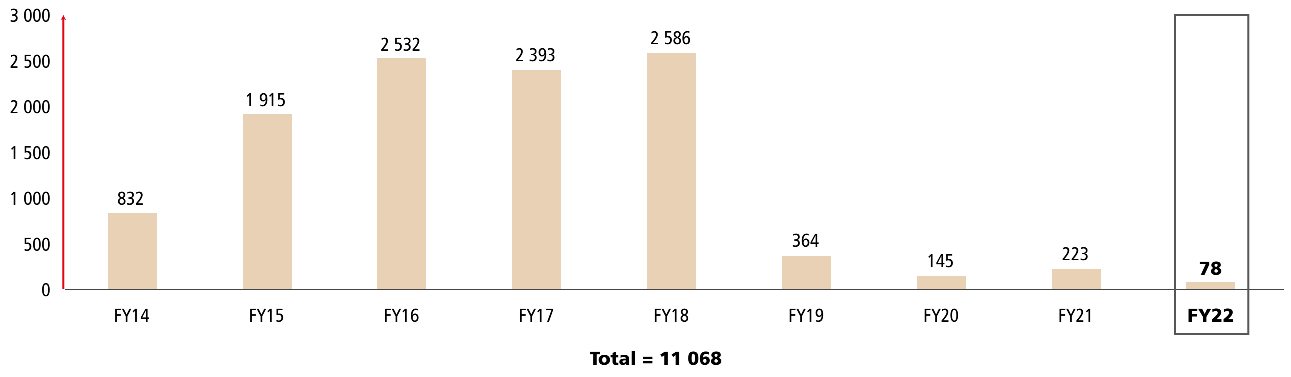
Host community spend

We focus on creating opportunities in the supply chain for our host communities. In FY22, this translated into contracts for black-owned host community vendors with a combined value of R7.7 billion (FY21: R7.4 billion).

The impact of illegal mining

To reduce the impact of illegal mining, we invest significantly in protecting employees, communities, the environment and assets by sealing abandoned mines and implementing state-of-the-art security measures. We also regularly engage with peers, government and civil society about our policies on ethical conduct and human rights in providing security services to local communities.

Illegal miners on Harmony sites



Ancillary information

We are committed to transparent and accurate reporting to enable our shareholders and other providers of financial capital to make informed decisions about our business.

Our **reporting suite** and **supplementary information** are available **online**.

Harmony transporter bus.

Shareholder information

Stock exchange listings and ticker codes

Harmony's primary listing is on the JSE. It is also quoted in the form of American depositary receipts on the New York Stock Exchange. Harmony's ticker codes on these exchanges are shown below:

JSE	**HAR**
New York Stock Exchange	**HMY**

Share information

Sector	Resources
Sub-sector	Gold
Issued share capital at 30 June 2022	616 525 702

Market capitalisation

at 30 June 2022	R32.0 billion or US$2.0 billion
at 30 June 2021	R32.5 billion or US$2.3 billion

Share price statistics – FY22

JSE:	12-month high	R82.65
	12-month low	R43.87
	Closing price as at 30 June 2022	R51.97
New York Stock Exchange:	12-month high	US$5.36
	12-month low	US$3.01
	Closing price as at 30 June 2022	US$3.13
Free float		100%
ADR ratio		1:1

Shareholder spread as at 30 June 2022

Shareholder spread	Number of shareholders	% of shareholders	Number of shares	% of issued share capital
1 – 1 000 shares	11 498	85.27	1 377 752	0.22
1 001 – 10 000 shares	1 274	9.45	4 125 519	0.67
10 001 – 100 000 shares	508	3.77	18 244 106	2.96
100 001 – 1 000 000 shares	162	1.20	54 279 026	8.80
1 000 001 shares and above	42	0.31	538 499 299	87.35
Total	**13 484**	**100.00**	**616 525 702**	**100.00**

Analysis of ordinary shares as at 30 June 2022

Shareholder type	Number of shareholders	% of shareholders	Number of shares	% of issued share capital
Public shareholders	13 479	99.96	476 302 077	77.26
Non-public shareholders*	5	0.04	140 223 625	22.74
Total	**13 484**	**100.00**	**616 525 702**	**100.00**
** Breakdown of non-public shareholders:*				
Share option schemes	*1*	*0.01*	*320 651*	*0.05*
Holdings of more than 10%	*4*	*0.03*	*139 902 974*	*22.69*
Directors[1]	*4*	*—*	*904 753*	*—*
Prescribed officers[2]	*4*	*—*	*248 907*	*—*
Subsidiaries	*1*	*—*	*335*	*—*

[1] Held by Peter Steenkamp, Boipelo Lekubo, Mashego Mashego and André Wilkens.
[2] Held by Beyers Nel, Marian van der Walt, Melanie Naidoo-Vermaak and Johannes van Heerden.

Ownership summary as at 30 June 2022 – top 10 shareholders (by group)

Rank	Institution	% of total shares outstanding 30 June 2022
1	African Rainbow Minerals Limited	12.12
2	Public investment Corporation	10.28
3	Van Eck Associates Corporation	8.98
4	Fairtree Asset Management Proprietary Limited	5.33
5	Exor Capital LLP	5.30
6	BlackRock Inc	4.69
7	The Vanguard Group Inc	3.31
8	Dimensional Fund Advisors	1.89
9	Baker Steel Capital Managers LLP	1.84
10	State Street Global Advisors Limited	1.74

Shareholders' diary

Financial year end	30 June 2022
Integrated annual report issued	25 October 2022
Form 20-F filed	31 October 2022
Annual general meeting	29 November 2022
Results presentations FY23*	
Interim results	February 2023
Full-year results	August 2023

** See website for diary updates.*

Contact

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Mobile: +27 (0)82 759 1775
Telephone: +27 11 411 2314
Website: **www.harmony.co.za**.

Glossary

Term	Definition
A$	Australian dollar
ADRs	American depositary receipts
Ag	Silver
AMCU	Association of Mineworkers and Construction Union
Au	Gold
BEE	Black economic empowerment
BBBEE	Broad-based black economic empowerment
bn	Billion
By-products	Any products emanating from the core process of producing gold, including silver and uranium in South Africa and copper, silver and molybdenum in Papua New Guinea
Cash costs	Total cash costs include site costs for all mining, processing and administration, reduced by contributions from by-products and include royalties and production taxes. Depreciation, rehabilitation, corporate administration, retrenchment, capital and exploration costs are excluded. Total cash costs per ounce are attributable total cash costs divided by attributable ounces of gold produced
CDP	Carbon Disclosure Project: a not-for-profit entity that operates a global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts, particularly in relation to climate change, water and forests
CEO	Chief executive officer
CO_2	Carbon dioxide: total emissions calculated as direct emissions generated from petrol and diesel consumption and indirect emissions generated from electricity consumption (expressed in tonnes)
CO_2e	Carbon dioxide equivalent: measurement of the impact of greenhouse gases in terms of the equivalent amount of carbon dioxide that would create global warming
COPA	Community of Practice for Adoption: a Mining Industry Occupational Safety and Health (MOSH) initiative that brings a group of volunteers together to solve challenges in implementing a Triggered Action Response Plan (TARP) as well as continuous performance improvements
Critical skills training	The following disciplines are defined as core skills: • Mining • Engineering • Ore Reserves • Metallurgy. The critical skills within these disciplines are: • Mining – general manager, mine manager and mining manager • Engineering – engineers and junior engineers • Ore Reserves – Ore Reserve management; head of department – geology survey and planning; section geologist/senior geologist; section surveyor/mine surveyor/senior shaft surveyor; section geostatistician/senior geostatistician (geological technician); section planner/senior planner; surveyors/geotechs • Metallurgy – plant manager and senior metallurgist.
Cu	Copper

Term	Definition
Cyanide Code	International Cyanide Management Code for the Manufacture, Transport and Use of Cyanide in the Production of Gold: aims to promote responsible management of cyanide used in gold mining, to protect human health and to reduce potential for environmental impacts
dB(A)	A-weighted decibel
Depletion	Decrease in quantity of ore in a deposit or property due to extraction or production
Development	Process of accessing an ore body through shafts or tunnelling in underground mining
Discontinued operation	A component of an entity that has been disposed of or abandoned or classified as held for sale until conditions precedent to the sale have been fulfilled
EBITDA	Earnings before interest, tax, depreciation and amortisation
E-learning	Education using technology (computers, cell phones and the Internet)
Electricity purchased (kWh)	Electricity purchased from the supplier during the reporting period includes all electricity purchased by source (fossil fuel, nuclear, hydroelectric, wind and solar, among others, but excludes electricity generated by an operation as well as electricity supplied to third parties (such as mine hostels/accommodation where cost is recovered from employees, communities and businesses)
Employment equity	Employment equity is reported as a number and percentage of the total number of historically disadvantaged South Africans employed per band. For historically disadvantaged South Africans we refer to black people (African and Indian males and females) and white women. White males and foreigners (including those naturalised after the Department of Trade and Industry code date on March 1994) are excluded. Employment equity is measured in the bands C, D, E and F where: • Top management (F band) • Senior management (E band) • Professionally qualified and experienced specialists/middle management (D band) • Skilled technical and academic qualified/junior management/supervisors/foreman/superintendents (C band) • Core and critical (C-E management levels in core disciplines).
Energy consumption	Energy use calculated from electricity purchased and diesel and petrol consumed during the reporting period
Environmental incidents	Only category 3-5 environmental incidents are reported on in this integrated report. A level 3 incident may result in either mitigation costs of between R250 000 and R500 000 or serious medium-term environmental effects, breaches in legislation and serious adverse media attention. A level 4 incident has a mitigation cost of more than R1 million with the possibility of significant fines or prosecution. A level 5 incident carries mitigation costs exceeding R3 million and a very significant impact on highly valued species, habitat or ecosystem with potential for international condemnation and possible director liability
ESG	Environmental, social and governance
ESOP	Employee share ownership plan
FIFR	Fatal injury frequency rate: a work-related injury resulting in loss of life, calculated as actual loss of life injuries x 1 million hours worked (calculation for hours throughout Harmony for consistency to assume every person works nine hours per shift: actual shifts worked x 9)
Form 20-F	Annual report filed with the United States Securities and Exchange Commission in compliance with the listing requirements of the New York Stock Exchange
FTSE Russell	The FTSE and Russell indices joined to provide global benchmarking, analytics and data solutions needed for investment decisions

Glossary continued

Term	Definition
FY	Financial year
g	Gram
Gold produced	Refined gold derived from the mining process, measured in ounces or kilograms in saleable form
Grade	Quantity of gold contained in a unit weight of gold-bearing material, generally expressed in ounces per short ton of ore (oz/t) or gram per metric tonne (g/t)
GRI	Global Reporting Initiative
GSSA	Geological Society of South Africa
GWh	Gigawatt hour
ha	Hectare
HDPs	Historically disadvantaged persons: This refers to South African-born black people (African and Indian males and females) and white women. White males and foreigners (including those naturalised after the Department of Trade and Industry code date on March 1994) are excluded
HIV/Aids	Human immunodeficiency virus/Acquired immune deficiency syndrome
Housing and living conditions	(a) Conversion of operational hostels from sharing to single occupancy rooms: The number of employees who share a room in Harmony's company accommodation at active mining operations, and the number of employees who have single rooms in Harmony's company accommodation at active mining operations is calculated by comparing the total physical hostel design capacity (room numbers) versus the total number of hostel occupants. This gives the total average occupancy rate per hostel – an average of greater than one person for an active mining operation confirms that the occupant is sharing accommodation (b) Conversion of non-operational hostels from single-sex units to family units known as community rental units (CRU): The number of family units is determined by the architectural design of the new structure, designed to create community rental units for both Harmony employees and members of the public (c) Promoting home ownership: Company houses are sold to individual employees at special prices and other housing development initiatives are promoted or facilitated by Harmony
Hz	Hertz, being the measurement of the frequency of sound waves
ICMM	International Council on Mining and Metals
Indicated Mineral Resource	Part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a reasonable level of confidence. It is based on exploration, sampling and testing information using appropriate techniques from outcrops, trenches, pits, workings and drill holes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but close enough for continuity to be assumed
Inferred Mineral Resource	Part of a Mineral Resource for which tonnage, grade resource and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from outcrops, trenches, pits, workings and drill holes that may be limited or of uncertain quality and reliability
Interest cover	Earnings before interest and tax divided by finance costs and unwinding of obligations
ISO	International Organisation for Standardisation

Term	Definition
ISO 14001	International Organisation for Standardisation's environmental management system specification
ISO 27001	International Organisation for Standardisation's family of standards to help keep information assets secure
ISO 45001	International Organisation for Standardisation's standard for occupational health and safety management systems
ISO 9000	International Organisation for Standardisation's family of standards for quality management systems
JORC	The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves
JSE	Johannesburg Stock Exchange
kg	Kilogram
King IV	King Report on Governance for South African, published in 2016
km^2	Square kilometre
KPIs	Key performance indicators
Ku-Riha	Project Ku-Riha (Tsonga for compensation), launched by government in May 2015, is being rolled out by the Department of Health to improve compensation for mineworkers who have occupational lung disease and to ensure that valid claims are paid speedily and efficiently
Land disturbed and land available for rehabilitation	Total land footprint disturbed less the land footprint used for ongoing or future mining activities where the footprint of disturbed area includes all buildings, roads and mining area that needs to be rehabilitated according to the Environmental Management Programme Report (EMPR); the area rehabilitated meets the required standard of the EMPR, final land use plans and only maintenance and monitoring is needed; and the land available for rehabilitation is the area used for ongoing or future mining activities
LED spend/community spend (in South African rand)	Local economic development project spend linked to the licence of each mine categorised in terms of: • bursary students • bursary graduates • training bridging school • training mining • training engineering • costs related to: – mine community projects – labour-sending area, projects in community not for mine employees – conversion of hostel into family units • procurement spend related to: – contractor compliance – black economic empowerment (BEE) procurement • corporate social responsibility.
Live longer	Harmony's safety campaign – implemented as part of its comprehensive integrated safety risk management system and developed in terms of an exercise to benchmark best practice in the industry and an external audit of the company's safety performance and practice (a risk-based approach to safeguarding lives and saving mines, encompassing safety, health, the environment, communities and social risks, legal and regulatory risks, among others)
LTIFR	Lost-time injury frequency rate: a lost-time injury is a work-related injury that calls for medication, treatment, medical checks, reviews and subsequent days off work when injured employees cannot perform their assigned duties on the next scheduled work day or shift – calculated as actual lost-time injuries x 1 000 000/hours worked (calculation for hours throughout Harmony for consistency to assume every person works nine hours: actual shifts worked x 9)

Term	Definition
LoM	Life-of-mine
m^3	Cubic metre
M/m	Million or metre
Masoyise iTB	Launched by the government departments of Health and Mineral Resources, the four primary mining unions – Association of Mineworkers and Construction Union (AMCU), the National Union of Mineworkers (NUM), Solidarity and UASA – as well as the Minerals Council South Africa (then the Chamber of Mines) in December 2015 as a major tuberculosis (TB) screening campaign within South Africa's mining sector
Measured Mineral Resource	Part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a high level of confidence. It is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from outcrops, trenches, pits, workings and drill holes. Locations are spaced closely enough to confirm geological and grade continuity
MHSC	Mine Health and Safety Council
Mine call factor	The ratio, expressed as a percentage, of the total quantity of recovered and unrecovered mineral product after processing with the amount estimated in the ore based on sampling
Mineral Reserve	The economically mineable material derived from a Measured and/or Indicated Mineral Resource. It includes diluting and contaminating materials and allows for losses that are expected to occur when the material is mined. Appropriate assessments to a minimum of a prefeasibility study for a project, and a life-of-mine plan for an operation, must have been completed, including consideration of, and modification by, realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors (the modifying factors). Such modifying factors must be disclosed. A Probable Mineral Reserve is the economically mineable material derived from a Measured and/or Indicated Mineral Resource. A Proved Mineral Reserve is the economically mineable material derived from a Measured Mineral Resource. It is estimated with a high level of confidence
Mineral Resource	A concentration or occurrence of material of intrinsic economic interest in/on the earth's crust in such form, quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories
Mining Charter	Broad-based socio-economic empowerment charter for the South African mining industry which aims to promote the creation of an industry that reflects the promise of a non-racial South Africa. Mining Charter III was gazetted on 27 September 2018
Ml	Megalitre
Mo	Molybdenum
MOSH	Mining Industry Occupational Safety and Health
MOU	Memorandum of understanding
MPRDA	Mineral and Petroleum Resources Development Act, 28 of 2002
Moz	Million ounces
Mt	Million tonnes
MW	Megawatt
MWh	Megawatt hour

Term	Definition
NERSA	National Energy Regulator of South Africa
NGOs	Non-governmental organisations
NUM	National Union of Mineworkers
NYSE	New York Stock Exchange
OHSAS 18001	Occupational Health and Safety Assessment Series' internationally applied standard for occupational health and safety management systems
Operating margin	Revenue less production costs expressed as a percentage of revenue
oz	Ounces
Pay limit	The grade of a unit of ore at which revenue from the recovered mineral content of the ore is equal to the total cash cost, including Ore Reserve development and stay-in-business capital. This grade is expressed as an in-situ value in grams per tonne or ounces per short ton (before dilution and mineral losses)
PGK	Kina, currency of Papua New Guinea
PNG	Papua New Guinea
PoPI Act (or POPIA)	Protection of Personal Information Act (No 4 of 2013)
Preferential procurement – BEE total spend (rand)	Procurement spend collected from the Harmony enterprise resource planning system's payment register, which is only the discretionary spend value spent with suppliers that hold a valid black economic empowerment (BEE) certificate, and comply with the minimum historically disadvantaged South African (HDSA) ownership of 25% or more – the reporting period for this key performance indicator was the 2017 financial year, and includes spend throughout the reporting period regardless of invoice date, aligned with the requirement of the revised Mining Charter of September 2010
Probable Mineral Reserve	Economically mineable part of an Indicated, and in some cases, a Measured Mineral Resource. It includes diluting materials and allowances for losses that may occur when the material is mined. Appropriate assessments and studies have been carried out and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction could reasonably be justified
Productivity	An expression of labour productivity based on the ratio of grams of gold produced per month to the total number of employees in underground mining operations
Project capital	Capital expenditure to either bring a new operation into production; to materially increase production capacity; or to materially extend the productive life of an asset
Proved Mineral Reserve	Economically mineable part of a Measured Mineral Resource. It includes diluting materials and allowances for losses that may occur when the material is mined. Appropriate assessments and studies have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction could reasonably be justified
R	Rand, currency of South Africa
RCF	Revolving credit facility

Glossary continued

Term Definition
Reclamation In South Africa, reclamation describes the process of reclaiming slimes (tailings) dumps using high-pressure water cannons to form a slurry that is pumped back to metallurgical plants for processing
RECONNECT An initiative, launched in collaboration with Teba and based on the Department of Health's Project Ku-Riha, to trace former employees and assist in addressing the backlog in claims for occupational lung disease at the Compensation Commission for Occupational Injuries and Diseases
Reef of gold A gold-bearing sedimentary horizon, normally a conglomerate band, that may contain economic levels
SA South Africa
SACNASP South African Council for Natural Scientific Professions
SAIMM South African Institute of Mining and Metallurgy
SAMREC South African Code for Reporting Exploration Results, Mineral Resources and Mineral Reserves
SARs Share appreciation rights
Scope 1 carbon emissions (tCO_2e) Direct combustion of fuel by the Harmony group (explosives, diesel and petrol)
Scope 2 carbon emissions (tCO_2e) Scope 2 emissions calculated from electricity purchased (from the power utility excluding use by third parties) multiplied by the appropriate factor as indicated by the electricity supplier
Scope 3 carbon emissions (tCO_2e) Indirect combustion by the Harmony group in line with scope 3 emissions in the following categories as indicated by the Greenhouse Gas Protocol: • Purchased goods and services • Capital goods • Fuel- and energy-related emissions not included in scopes 1 and 2 • Upstream transportation and distribution • Waste generated in operations • Business travel • Employee commuting • Upstream leased assets • Downstream transportation and distribution • Processing of solid products • Use of sold products • Downstream leased assets • Franchises • End-of-life treatment • Investments.
SDGs Sustainable Development Goals. Developed by the United Nations, there are 17 such goals. They came into effect in January 2016 in support of the United Nations' 2030 Agenda which aims to: • end poverty and inequality • protect the planet • ensure that all people enjoy peace and prosperity.
Silicosis The number of cases of pure silicosis confirmed by the Medical Bureau of Occupational Diseases in FY15 includes all cases received by Harmony, as confirmed during FY15, regardless of the date of the Medical Bureau of Occupational Diseases letter (cases including other conditions, specifically tuberculosis, are not included in this number)
Social and labour plans (SLPs) Social and labour plans aimed at promoting employment and advancing the social and economic welfare of all South Africans while ensuring economic growth and socio-economic development as stipulated in the MPRDA

Term Definition
SOP Standard operating procedure
Tailings/TSF Tailings are finely ground rock of low residual value from which valuable minerals have been extracted. Discarded tailings are deposited and stored in tailings storage facilities (TSF)
TB Tuberculosis
TCFD Task Force on Climate-related Financial Disclosures. The task force, established in 2015 by the Financial Stability Board (FSB), will develop voluntary, consistent climate-related financial risk disclosures for use by companies to provide information to investors, banks, lenders and insurers. Increasing the amount of reliable information on financial institutions' exposure to climate-related risks and opportunities will strengthen the stability of the financial system, contribute to greater understanding of climate-related risks and facilitate financing the transition to a more stable and sustainable economy
Tonne/ton (t) Metric = 1 000 kilograms/Imperial = 2 000 pounds (1 016 kilograms)
UASA Formerly the United Association of South Africa, now known as UASA
US United States of America
US$ United States dollar
Volume of mineral waste disposed (tonnes) Mineral waste consists of waste rock and slimes/tailings: • Waste rock refers to the amount of waste rock produced and/or hoisted to surface and placed on a waste rock disposal site during the reporting year • Slimes/tailings refers to the total amount of slimes/tailings produced by the processing plant during the reporting month.
Waste Material with insufficient mineralisation for future treatment and discarded
Water used for primary activity (kilolitres) The total make-up or new water drawn into the boundaries of the operation from all sources (including surface water, groundwater and municipal water supply or water utilities) for use for mining and processing-related activities including use by contractors (excludes internally recycled water, affected fissure water, water discharged to receiving environment and supply to third parties such as communities and businesses)
Weighted average number of ordinary shares Number of ordinary shares in issue at the beginning of the year, increased by shares issued during the year, weighted on a time basis for the period in which they have participated in the income of the company, and increased by share options that are virtually certain to be exercised
Yield Amount of valuable mineral or metal recovered from each unit mass of ore expressed as ounces per short ton or grams per metric tonne

Forward-looking statements

This report contains forward-looking statements within the meaning of the safe harbour provided by section 21E of the Exchange Act and section 27A of the Securities Act of 1933, as amended (the Securities Act), with respect to our financial condition, results of operations, business strategies, operating efficiencies, competitive positions, growth opportunities for existing services, plans and objectives of management, markets for stock and other matters.

These forward-looking statements, including among others, those relating to our future business prospects, revenues, and the potential benefit of acquisitions (including statements regarding growth and cost savings) wherever they may occur in this report and the exhibits to this report, are necessarily estimates reflecting the best judgement of our senior management and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. As a consequence, these forward-looking statements should be considered in light of various important factors, including those set forth in this report. All statements, other than statements of historical fact included in this report may be forward-looking statements. Forward-looking statements also often use words such as "will", "forecast", "potential", "estimate", "expect" and words of similar meaning. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances and should be considered in light of various important factors, including those set forth in this disclaimer. Readers are cautioned not to place undue reliance on such statements.

Important factors that could cause actual results to differ materially from estimates or projections contained in the forward-looking statements include, without limitation:

- Overall economic and business conditions in South Africa, Papua New Guinea, Australia and elsewhere
- The impact from, and measures taken to address, Covid-19 and other contagious diseases, such as HIV and tuberculosis
- Rising inflation, supply chain issues, volatile commodity costs and other inflationary pressures exacerbated by the Russian invasion of Ukraine and subsequent sanctions
- Estimates of future earnings, and the sensitivity of earnings to gold and other metals prices
- Estimates of future gold and other metals production and sales
- Estimates of future cash costs
- Estimates of future cash flows, and the sensitivity of cash flows to gold and other metals prices
- Estimates of provision for silicosis settlement
- Increasing regulation of environmental and sustainability matters such as greenhouse gas emission and climate change, and the impact of climate change on our operations
- Estimates of future tax liabilities under the Carbon Tax Act (South Africa)
- Statements regarding future debt repayments
- Estimates of future capital expenditures
- The success of our business strategy, exploration and development activities and other initiatives
- Future financial position, plans, strategies, objectives, capital expenditures, projected costs and anticipated cost savings and financing plans
- Estimates of reserves statements regarding future exploration results and the replacement of reserves
- The ability to achieve anticipated efficiencies and other cost savings in connection with past and future acquisitions, as well as at existing operations
- Fluctuations in the market price of gold and other metals
- The occurrence of hazards associated with underground and surface gold mining
- The occurrence of labour disruptions related to industrial action or health and safety incidents
- Power cost increases as well as power stoppages, fluctuations and usage constraints
- Supply chain shortages and increases in the prices of production imports and the availability, terms and deployment of capital
- Our ability to hire and retain senior management, sufficiently technically skilled employees, as well as our ability to achieve sufficient representation of historically disadvantaged persons in management positions or sufficient gender diversity in management positions or at board level
- Our ability to comply with requirements that we operate in a sustainable manner and provide benefits to affected communities
- Potential liabilities related to occupational health diseases
- Changes in government regulation and the political environment, particularly tax and royalties, mining rights, health, safety, environmental regulation and business ownership including any interpretation thereof
- Court decisions affecting the mining industry, including the interpretation of mining rights
- Our ability to protect our information technology and communication systems and the personal data we retain
- Risks related to the failure of internal controls
- The outcome of pending or future litigation or regulatory proceedings
- Fluctuations in exchange rates and currency devaluations and other macro-economic monetary policies
- The adequacy of the group's insurance coverage
- Any further downgrade of South Africa's credit rating
- Socio-economic or political instability in South Africa, Papua New Guinea and other countries in which we operate.

For a more detailed discussion of such risks and other factors, see pages 48 to 59 of this report and the company's Form 20-F which is on file with the Securities and Exchange Commission, as well as the company's other Securities and Exchange Commission filings. The company undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this report or to reflect the occurrence of unanticipated events, except as required by law. All subsequent written or oral forward-looking statements attributable to the company or any person acting on its behalf are qualified by the statements above. The foregoing factors and others described under "Risk Factors" should not be construed as exhaustive. The forward-looking financial information has not been reviewed and reported on by the company's auditors.

Administrative and contact details

Harmony Gold Mining Company Limited
Harmony was incorporated and registered as a public company in South Africa on 25 August 1950
Registration number: 1950/038232/06

Corporate office
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Website: **www.harmony.co.za**

Directors
Dr PT Motsepe* (chairman)
KT Nondumo*^ (deputy chairman)
Dr M Msimang*^ (lead independent director)
PW Steenkamp** (chief executive officer)
BP Lekubo** (financial director)
HE Mashego** (executive director)
JA Chissano*#^
B Nqwababa*^
VP Pillay*^
M Prinsloo*^
GR Sibiya*^
PL Turner *^
JL Wetton*^
AJ Wilkens*

** Non-executive*
*** Executive*
^ Independent
 # Mozambican

Investor relations
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Trading symbols
JSE: HAR
NYSE: HMY
ISIN: ZAE 000015228

Competent person's statement

The information in this report that relates to Mineral Resources and Mineral Reserves has been extracted from our Reserves and Resources statement published on 30 August 2022. Harmony confirms that it is not aware of any new information or data that materially affects the information included in the statement, in the case of Mineral Resources or Mineral Reserves, that all material assumptions and technical parameters underpinning the estimates in the original release continue to apply and have not materially changed. Harmony confirms that the form and context in which the competent person's findings are presented have not been materially modified from the original release.