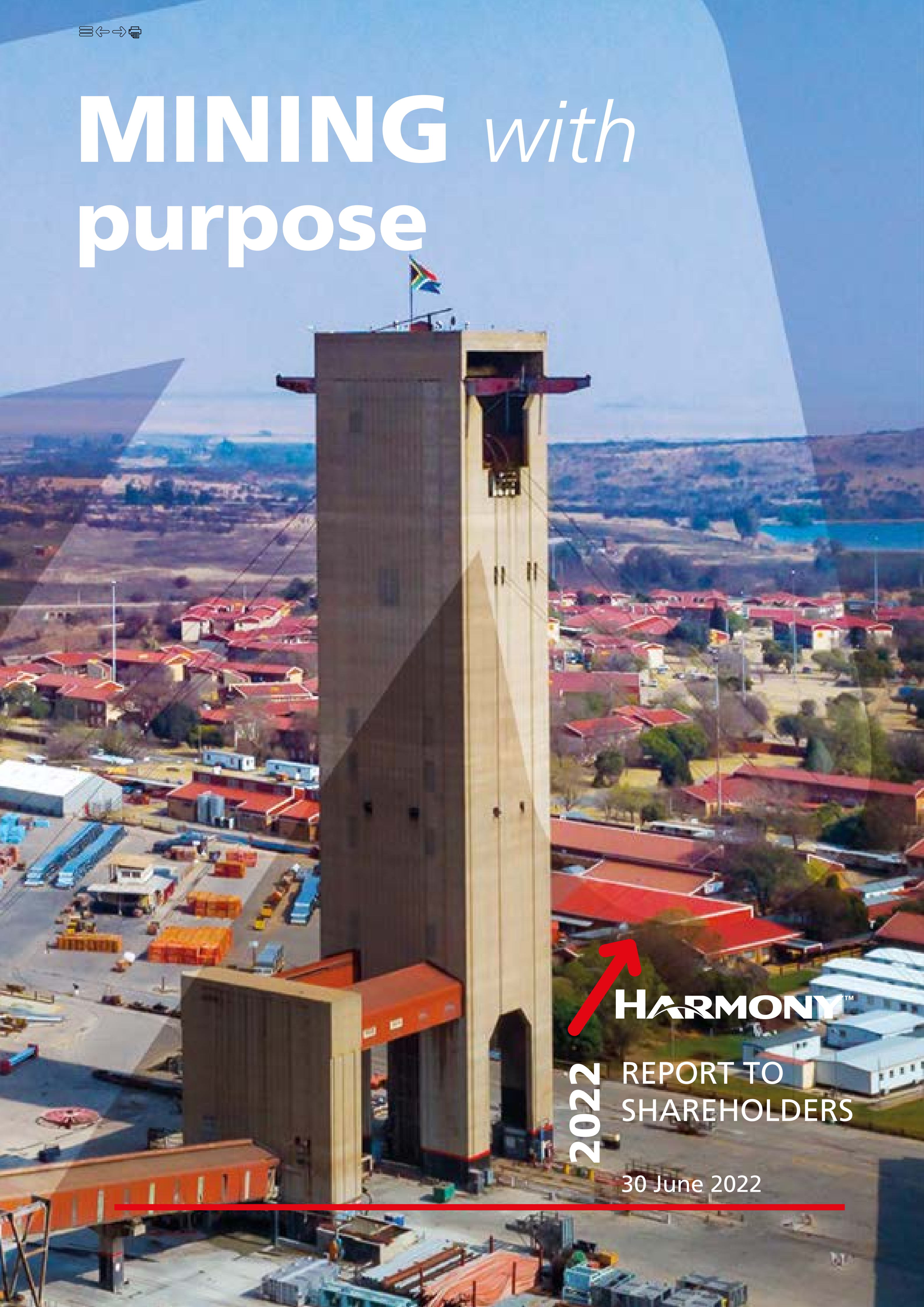
MINING *with* purpose



HARMONY™

2022

REPORT TO SHAREHOLDERS

30 June 2022

Content

This report is printed on Respecta Satin 60, 130gsm and 300gsm.

A coated paper made from 60% post-consumer waste created to guarantee total respect of the environment and of economic and social responsibilities.

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

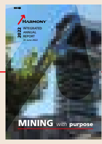
Referencing

Cross reference to information elsewhere in the report.

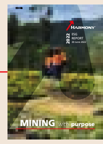
Information online at **www.harmony.co.za**.

Our 2022 reporting suite

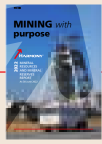
This report is supplemented by and should be read with our full reporting suite, comprising:



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

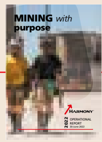


ESG report
This report provides insight into our ESG performance for 2022 and over the past five years, along with our aspirations. It is intended as a useful guide to support analysis.



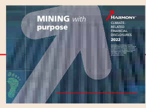
Mineral Resources and Mineral Reserves
We produce the statement of Harmony's Mineral Resources and Mineral Reserves (South Africa and Papua New Guinea) in accordance with SAMREC and section 12.13 of the JSE Listings Requirements (as updated from time to time).

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.

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** in the **Integrated annual report** 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** in the **Integrated annual report** 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** in the **Integrated annual report** for more information.

We meaningfully impact:

Through our business

Through our existence and activities

Through collaboration

Cover: Mponeng mine.

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 **CEO's review** in the **Integrated annual 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 the **Integrated annual 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 in the **Integrated annual 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

2023 to 2024	2024 to 2025	2025 to 2026	2026	2031	2036	2045
Phase 1 **30MW** *(75GWh per annum)* **Peak PV energy generation** Tshepong 10MW Eland 10MW Nyala 8MW	Phase 2 **137MW** *(343GWh per annum)*	Phase 3 **56MW** *(139GWh per annum)*	First interim target **20%** CO_2e reduction	Second interim target **40%** CO_2e reduction	Third interim target **60%** CO_2e reduction	**Net-zero carbon emissions**

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

Chairman's review continued

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 the **Integrated annual 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**.

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

Audit and risk committee: Chairperson's report

Dear shareholder

I am pleased to present the audit and risk committee report for the financial year ended 30 June 2022 (FY22).

This report considers those material matters on which the audit and risk committee (the committee) deliberated during the reporting period. These matters extend beyond statutory compliance and relate to the committee's role in supporting value creation and delivery on Harmony's strategic objectives.

Introduction

This committee is an independent, statutory committee whose members are appointed annually by Harmony's shareholders in compliance with section 94 of the South African Companies Act of 2008, as amended (the Act), and the principles of good governance. In addition to this Act, the committee's duties are guided by the JSE Listings Requirements, the King IV Code on Corporate Governance™* 2016 (King IV) and its terms of reference. Furthermore, the board of directors delegates oversight of specific functions to the committee.

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Terms of reference and discharge of responsibilities

The formal board approved committee terms of reference (available on our corporate website, **www.harmony.co.za**), are reviewed and updated annually (or more frequently if required) by both the committee and the board. The committee is satisfied that, during FY22, it has conducted its affairs and discharged its legal and other responsibilities in accordance with its terms of reference.

Composition and function

Members: J Wetton (Chairperson); K Nondumo; G Sibiya; B Nqwababa; M Prinsloo.

Following the retirement of Ms De Buck and Dr Lushaba at the 7 December 2021 annual general meeting, Mr Bongani Nqwababa and Mr Martin Prinsloo were since appointed as independent non-executive directors and members of this committee effective 18 May 2022. The rest of the members were re-elected by shareholders at the 2021 annual general meeting. All members have the appropriate academic qualifications, financial literacy, business and financial acumen. As at the date of this report, the committee has five members, all of whom are independent non-executive directors.

For further detail on their qualifications, expertise and experience, refer to our website at **https://www.harmony.co.za/who-we-are/board**.

Refer to **Directors' report** for further detail.

The chairman of the board is not a member of the committee but may attend meetings by invitation. Board members are entitled to attend committee meetings as observers. However, non-committee members are not entitled to participate without the consent of the chair, do not have a vote and are not entitled to fees for attendance.

The group chief executive officer (CEO) and financial director (FD) – together with members of the executive team and senior managers representing areas relevant to the discussions at the committee, as well as the external auditors, the chief audit executive and assurance providers attend meetings either by standing invitation or as and when required.

The internal and external auditors have unlimited access to the chairperson of the committee. The chief audit executive reports directly to the committee.

Responsibilities

The responsibilities of the committee are set out in the committee terms of reference and include, among others:

- To ensure the integrity of financial statements and related reporting, that they comply with International Financial Reporting Standards (IFRS), the SAICA Financial Reporting Guides and other relevant regulatory bodies stated above and fairly represent the financial position of the group, the company and our operations
- To monitor internal controls, the internal audit function, combined assurance and matters pertaining to the external auditors
- To oversee corporate governance, particularly in relation to legislative and regulatory compliance
- To oversee the management of risk, as well as information technology (IT) governance and cyber security.

The committee believes that it complied with its legal, regulatory and other responsibilities during the past financial year. No major concerns were raised in FY22.

For more on the committee and its activities during the year, see **Board committees** in our **ESG report 2022**.

Reporting

The committee reviewed the appropriateness of the following FY22 reports and their related processes:

- Integrated annual report and its related suite of reports
- Mineral Resource and Mineral Reserve statement
- Annual financial statements and accounting practices
- Annual report filed on Form 20-F with the United States Securities and Exchange Commission.

The committee submits that these reports represent a fair view of the group's performance for FY22 and recommended them to the board for approval.

Duties discharged in FY22

- Reviewed the company's quarterly and annual financial results
- Ensured it has access to all the financial information of Harmony to allow the company to effectively prepare and report on its financial statements
- Monitored the internal control environment in Harmony and found it to be effective
- Discussed the appropriateness of accounting principles, critical accounting policies, management's judgements, estimates and impairments, all of which were found to be appropriate
- Executed its responsibility by ensuring that Harmony has established the appropriate financial reporting procedures and these procedures are operating. These procedures, include consideration of all entities included in the consolidated group IFRS financial statements, to ensure that it has access to all the financial information to allow Harmony to effectively prepare and report on its financial statements
- Considered the JSE's latest report on the proactive monitoring of financial statements
- Considered the appointment of the external auditor, PricewaterhouseCoopers Inc. (PwC), as the registered independent auditor for the ensuing year*
- Considered the mandatory audit firm rotation*
- Ensured that the appointment of PwC as the external audit firm for the financial year ending 30 June 2023, and the appointment of Ernst & Young Incorporated (EY), as the external audit firm for the financial year commencing on 1 July 2023, are presented and included as resolutions at the forthcoming annual general meeting*
- Considered the suitability, and satisfied itself, of the external audit partner firm following assessment of the information provided by that firm, in terms of paragraph 3.84(g)(iii) and paragraph 22.15(h) of the JSE Listings Requirements, to determine the suitability of its appointment as the external audit firm and of the designated individual partner
- Ensured that the appointment of the external audit firm is presented and included as a resolution at the annual general meeting
- Satisfied itself that the external audit firm, PwC, was suitable and independent from the company
- Reviewed and approved external audit plans, terms of engagement and fees, as well as the nature and extent of non-audit services rendered by the external auditors
- Evaluated the independence and effectiveness of the internal audit function
- Reviewed and approved internal audit budget, the internal audit charter and risk-based plans
- Evaluated and coordinated the internal audit, external audit and sustainability assurance processes
- Received and considered reports from the external and internal auditors
- Considered the appropriateness, expertise and experience of the FD and the finance function – both were found to be adequate and appropriate
- Evaluated and considered Harmony's risks, and measures taken to mitigate those risks
- Considered whether IT risks are adequately addressed and whether appropriate controls are in place to address these risks. The committee oversees and monitors the governance of IT on behalf of the board, a task it views as a critical aspect of risk management
- Considered and confirmed the company as a going concern
- Considered and approved the company's non-audit services policy
- Reviewed and recommended changes to the committee's terms of reference to the board for approval
- Reviewed the adequacy of the group's insurance coverage
- Reviewed legal matters that could have a significant impact on the company's business.

* *Refer to audit firm rotation process in the external auditor section below.*

Key focus areas in FY22

Interim and annual financial statements

The annual financial statements have been prepared in accordance with IFRS, SAICA Financial Reporting Guides, the requirements of the South African Companies Act 71 of 2008, the Listings Requirements of the JSE Limited and the recommendations of King IV.

In terms of paragraph 3.84(k) of the JSE Listings Requirements, the committee reviewed and assessed the process implemented by management to enable the CEO and the FD to pronounce on the annual financial statements and the system of internal control over financial reporting. The results from the process were communicated to the committee. The committee considered any deficiencies as well as the appropriateness of management's response including remediation, reliance on compensating controls and additional review procedures. The committee, on behalf of the board, has noted the final confirmation of the CEO and FD.

The **Chief executive officer and financial director confirmation** appears in the **Financial report**.

External auditor – appointment, independence and tenure

Having considered the external auditor's previous appointments and the extent of other work undertaken for the group, the committee is satisfied that PwC is independent of the group, as per section 94(8) of the Act. The committee also satisfied itself as to the suitability of PwC and the designated audit partner.

A formal procedure has been adopted to govern the process whereby the external auditor may be considered for non-audit services and the extent of these services is closely monitored by the committee. Total fees approved for the external auditor for the year were R52 million, of which R45 million was for audit services, R6 million for audit-related services and R1 million for non-audit services.

PwC has been Harmony's external auditor for 72 years. At the 2021 annual general meeting, PwC was reappointed as the independent external auditor and undertook to hold office until the end of the 2022 annual general meeting on 29 November 2022.

Mr S Masondo remained the registered lead audit partner responsible for the audit for the financial year ended 30 June 2022.

As part of Harmony's commitment to transformation, PwC continued to partner on its audit with Ngubane & Co, a level 1 broad-based black economic empowerment company. To facilitate the transfer of skills in the audit of mining companies and registrants on the Securities and Exchange Commission in the United States, Ngubane & Co assisted PwC on the audit of our South African operations. PwC had overall responsibility for the audit and signed off the financial statements.

Audit firm rotation

As audit firm rotation will be mandatory from the financial year beginning on or after 1 April 2023, this will apply from the 2024 financial year for the company.

In compliance with paragraph 3.75 to 3.78 of the JSE Listings Requirements, and in accordance with the mandatory audit firm rotation rule issued by the Independent Regulatory Board for Auditors, shareholders were advised on 1 July 2022 that Harmony intends to appoint EY as the external auditor for the company with effect from the financial year commencing 1 July 2023, being the 2024 financial year. The committee has recommended, and the board endorsed, the proposed appointment following the conclusion of a comprehensive and rigorous tender process. The appointment will be subject to shareholder approval at the forthcoming annual general meeting to be held on 29 November 2022.

PwC will continue to act as external auditors of the company for the 2022 and 2023 financial years, subject to shareholder approval at the 29 November 2022 annual general meeting.

The company, again, thanks PwC for their services over the years and looks forward to beginning a new chapter with EY.

Refer to **Notice of the annual general meeting**.

Internal controls and internal audit

Having reviewed the design, implementation and effectiveness of the group's system of internal financial controls, the committee is satisfied that these are effective and form a reliable basis for the preparation of the financial statements. No findings came to the attention of the committee to indicate any material breakdown in internal controls during the past financial year.

In terms of internal audit, the committee is responsible for:

- Ensuring that the group's internal audit function is independent and has the necessary resources, standing and authority within the group to enable it to perform its duties
- Overseeing cooperation between internal audit and the external auditors, and serving as a link between the board of directors and these functions.

In line with King IV and its recommendations, the committee has confirmed the effectiveness of the group chief audit executive, Ms Besky Maluleka-Ngunjiri, and is satisfied that she has the appropriate expertise and experience to meet the responsibilities of this position. The chief audit executive reports quarterly, or as necessary, to the committee on internal audit and has direct access to the committee, primarily through its chairperson.

The committee is satisfied that internal audit follows an approved risk-based internal audit plan and regularly reviews the group's risk profile. Internal audit submits an overall statement on the effectiveness of the group's governance, risk management and control processes.

Audit and risk committee: Chairperson's report continued

Combined assurance

The combined assurance framework was refined during the course of the year.

The committee is satisfied that the group has optimised the assurance coverage obtained from management, and internal and external assurance providers. The committee is also satisfied that the various external assurances that are obtained and related systems and procedures are effective in achieving the following objectives:

- Enabling an effective internal control environment
- Supporting the integrity of information used for internal decision-making by management, the board and its committees
- Supporting the integrity of external reports
- Minimising assurance fatigue.

Governance of risk

The committee fulfils a dual function – as an audit committee and as a risk committee. Internal audit conducts regular and full assessments of the risk management function and framework, on which it reports to the committee. The committee is satisfied with the effectiveness of its oversight of risk governance in the group.

A detailed report on risk and its management, as recommended in King IV, is contained in our **Integrated annual report** in the **Our risks and opportunities** section. A report on risk is also shared with the board on a quarterly basis.

In the past year, the committee continued to monitor the newly developed enterprise risk management and resilience policy, risk management guidelines and risk management framework to ensure continued focus on the company's material risks. The board further approves the group's risk appetite and tolerance framework.

Appropriateness and experience of FD and effectiveness of the finance function

The committee confirms that it is satisfied that Ms Boipelo Lekubo, the current FD, possesses the appropriate expertise and experience to meet the responsibilities of this position. The finance function was also considered and the committee found the expertise and experience to be adequate and appropriate.

Oversight of derivative programme

The committee also monitors and reviews the group's derivative and hedging strategy. The derivative programmes currently in place were introduced in FY16. In terms of these programmes, up to 20% of gold production may be hedged while transactions for up to 25% of foreign exchange exposure may be entered into.

For more on how these derivative programmes have performed, see the **Financial director's report** in our **Integrated annual report 2022**.

Technology and information governance

We recognise the increasing importance of technology as both a source of future opportunities and a means by which we conduct our business and improve organisational efficiencies. Accordingly, this committee monitors the governance of technology and information quarterly.

The committee has delegated responsibility to management for digitising the company, implementing enterprise-wide technology and information management policy, and embedding it into the organisation's day-to-day, medium- and long-term decision-making activities and culture. This ensures operational excellence and delivery on our first strategic pillar.

Given the multiple critical information system changes implemented simultaneously across the organisation, this was a major focus area for the committee during the year. Progress was closely monitored, with management providing detailed quarterly updates on this and on challenges encountered and the steps taken to address such challenges.

In particular, during the past year, as part of the process to digitise the company, the committee oversaw management's implementation of two significant upgrade projects aimed at improving our operating and business efficiencies. The company completed the first phase of the centralised human resource management system (HRMS) focused on core human resource (HR) processes. Furthermore, the second and third phases were initiated to improve human capital management (HCM) efficiencies. In addition, the upgrade of the enterprise resource planning (ERP) system was completed, with no material issues or risks realised.

Due to the nature of ever-changing cybercrime attack vectors, significant effort and focus is required to keep pace and abreast of cyber-related threats. To this end, it is imperative to balance the risks, controls and investment associated with these threats, which is a major focus area for the committee. As a result, effectiveness is closely monitored, with management providing detailed quarterly updates.

Dividend policy and dividends declaration

The board declared an interim ordinary dividend of 40 cents for the year ended 30 June 2022, with R247 million paid on 11 April 2022. And further declared a final ordinary dividend of 22 SA cents for the year ended 30 June 2022, paid on 17 October 2022. In addition, dividend payments were made in 2021 and 2022 to the non-controlling interest holders in Tswelopele Beneficiation Operation of R7 million and R16 million, respectively.

Harmony declared an annual preference share dividend to the Harmony Gold Community Trust (the Trust). The board declared a preference dividend of R9 million and it was paid to the Trust on 11 August 2022 (2021: R9 million on 10 August 2021).

In considering the payment of dividends, the board, with the assistance of the audit and risk committee, took into account the current financial status of the company and the payment of a proposed dividend subject to the successful application of the solvency and liquidity test as set out in section 4 of the Companies Act of 2008.

The company's dividend policy remains to pay a return of 20% on net free cash generated to shareholders, at the discretion of the board of directors.

Going concern

The committee has reviewed a documented assessment, including key assumptions prepared by management, of the going concern status of the group.

The board's statement on the going concern status of the group, as supported by the committee, appears in the **Directors' report**.

Integrated annual report

The committee has overseen the integrated reporting process, reviewed the report and has recommended the 2022 Integrated annual report and consolidated financial statements for approval by the board.

Events post year end

- On 29 August 2022, a final dividend of 22 SA cents per ordinary share was declared, paid on 17 October 2022
- During the budgeting process for the 2023 financial year, a decision was taken to restructure the Tshepong Operations into two separate operations, being the Tshepong North and the Tshepong South operations. This decision was taken to create immediately profitable operations and had the impact of reducing the life-of-mine of Tshepong North from 19 years to seven years. From 1 July 2022, the operations will be reported on separately to the chief operating decision maker and as a result be disclosed as two reportable segments
- On 6 October 2022, Harmony entered into an agreement with Copper Mountain Mining Corporation (Copper Mountain), to acquire its wholly owned Eva Copper Project and its 2 295km^2 exploration land package in Queensland, Australia (collectively the acquired assets) for a total consideration of up to US$230 million.

  Under the terms of the transaction, the acquisition consideration consists of the following:
  - US$170 million in upfront cash payable on closing of the transaction
  - Up to US$30 million in cash, based on a contingent payment arrangement where Harmony will pay Copper Mountain 10% of the incremental revenue generated from the acquired assets which is above revenue based on a US$3.80/lb copper price
  - Up to US$30 million in cash, based on a contingent payment arrangement where Harmony will pay Copper Mountain US$0.03 per pound of contained copper for any SAMREC copper resource discovered and declared on a new deposit within the acquired assets after the closing of the transaction.

Harmony plans to fund the upfront purchase price using available cash and revolving credit facilities.

The closing of the transaction is subject to certain customary conditions, including approval from the Foreign Investment Review Board in Australia and Copper Mountain bondholder approval. The transaction has received approval from the South African Reserve Bank.

Management will assess the accounting treatment upon the closure of the transaction.

In closing

I wish to thank my fellow committee members for discharging their duties professionally and in accordance with the committee mandate, terms of reference and statutory responsibilities.

John L Wetton
Chairperson: audit and risk committee

25 October 2022

Social and ethics committee: Chairperson's report

Dear stakeholder

Once again, we are pleased to publish our ESG Report 2022, complementing our 2022 suite of annual reports. It is an honour and a privilege to preside over this committee at a time when ESG is so pivotal to our company's purpose and shared value intent. This report will provide further insight on our environmental, social and governance (ESG) performance. Many of the challenges facing the world today, such as climate change, water scarcity, inequality and hunger, can only be resolved by promoting and striving for development that is sustainable in the long term. Harmony understands and supports that our business can have a positive influence in all ESG spheres and in doing so, create shared value for all our stakeholders. Mining with purpose is ingrained in our business strategy, models and processes.

Consequently, the work of the social and ethics committee has become even more significant. Our sustainable development framework and associated policies are evidence of our commitment to responsible stewardship. In compiling our framework, policies and related procedures, we have considered the principles of the International Council on Mining and Metals, the United Nations Global Compact and the Voluntary Principles on Security and Human Rights.

Integrating the six capitals into our organisational strategy enables us to unlock profits while fulfilling our purpose to deliver optimal bottom line results. This while also ensuring we build trust with our employees and stakeholders, as we aim to protect the delicate natural environment for future generations.

At Harmony, good corporate citizenship and tangible acts of moral responsibility have become the way we do business. We have demonstrated our intent of a harmonious coexistence with host communities and working collaboratively with our suppliers, communities and partners to ensure the development of healthy, inclusive communities.

This committee has a unique mandate set out by the Companies Act. It is also responsible for overseeing governance and our performance in terms of our sustainable development activities. These include ESG considerations; ethics management; stakeholder engagement; employee relations (including empowerment, transformation, employee health and wellness); environmental management and stewardship; socio-economic development and upliftment; and public health and safety. The committee also considered the inevitable trade-offs between capitals to ensure Harmony continues to create shared value.

The committee thus complied with its regulatory, legal and other responsibilities mandated by the board. Accordingly, we have applied the principles of King IV with greater emphasis on ethical governance and conduct, as well as responsible corporate citizenship to support the sustainable growth of the company.

For further details on the committee, its members and activities in the review period, refer to **Corporate governance** in the **ESG report**.

Value creation – Key focus areas in FY22

As part of ongoing initiatives to create and share value, this committee continues to assess, review and approve the ethics policy, stakeholder engagement policy, environmental policy, employment equity as well as the preferential procurement policy and strategy.

Although some gaps are still being addressed, we are particularly pleased with the company's progress against short-, medium- and long-term targets.

In the review period, the committee focused on ESG issues and its oversight role. Understanding that our business may have an impact on ecosystems, we ensured that our environmental management programmes are robust and effective.

Harmony's energy transition

Pivotal to our environmental strategy is our climate-change and decarbonisation strategy. Since 2016, we have focused on using less energy as well as being more efficient in the use of that energy. Given that South Africa and Papua New Guinea are members of the 2015 Paris Agreement (a legally binding international treaty on climate change); Harmony, with operations in both countries, recognises its impact on carbon emissions as well as its obligation to combat climate change.

The committee recommended Harmony's decarbonisation strategy for board approval and supported the science based targets for 2026, 2031 and 2036. The committee further endorsed the intent to achieve net zero by 2045. This is underpinned by an aggressive renewable energy plan and a substantive green loan.

See **Climate change, energy and emissions management** in the **ESG report** for further detail.

Ethics management

The Ethics Institute of South Africa continued to assist management and the committee to embed and further improve the governance of organisational ethics. While the governance of ethics is mandated to this committee, the board sets the group's approach to ethics and is equally responsible and committed to the highest standards of ethical conduct throughout Harmony.

See Organisational ethics in **Corporate governance** in the **ESG report**.

We understand that implementing sound corporate governance practices to mine ethically cannot be compromised or negotiated – our licence to operate rests on legitimate and ethical leadership. Equally, the principles of sustainable development are fundamental in ensuring sustainability and profitability for our stakeholders.

The negative impact of illegal mining in South Africa remains a challenge for our economy and stakeholders alike. Although Harmony has intensified its partnerships to combat the issue, we remain cognisant that further partnerships and collaborations are required to develop innovative solutions in this regard. The committee continued to monitor and assess key improvement areas to address this challenge in Harmony and the industry at large.

See **Land rehabilitation and management** in the **ESG report**.

Kareerand tailings storage facility

As part of our commitment to our strategic pillar of responsible stewardship, our responsible tailings management measures at Kareerand limit environmental impact, particularly on the nearby Vaal River which is a crucial water source for South Africa, and neighbouring communities.

The board approved an investment of R2 billion in the Kareerand expansion project. The extension design includes a full geomembrane liner and a comprehensive cut-off drainage system to avoid groundwater and surface impacts by shifting 70% of deposition. As with Kareerand's current siting, the extension will be on stable geology and away from dolomites.

See **Tailings and waste management** in the **ESG report**.

Social responsibility

Harmony continues to support the spirit of the mining charter as it relates to transformation and we are making good progress against the key tenets. As it relates to our social and labour plans, we are making good traction in delivering on our commitments. That said, our mine community development programmes are behind plan for the financial year, however, we are currently expediting delivery and are making good progress.

The committee continued to monitor the company's improved stakeholder engagement to proactively reach all levels of government and host communities in South Africa and Papua New Guinea. This stakeholder-inclusive approach focuses on reactive and proactive engagements, which positions Harmony well with its stakeholders and increases our social and reputational capital.

The successful three-year wage agreement signed in September 2021 with all five organised-labour representatives is testament to our inclusive approach. An agreement of this nature secures a stable labour force with limited business interruptions.

The safety and health of our workforce remains a key focal point of Harmony's sustainability. Safety is an important consideration for the committee in terms of ESG and during board discussions. The technical committee has specific oversight of employee safety, while this committee focuses on employee health and public safety.

For more on our approach and initiatives on employee safety, see the **Chief executive's report** in our **Integrated report** and **Safety** and **Health** in the **ESG report**.

The board, through the remuneration committee, ensures the implementation of Harmony's remuneration policies as approved by shareholders. We remunerate fairly and responsibly by ensuring that our remuneration is market-related and in line with the performance of the company. Our safety and ESG outcomes are therefore carefully considered and reinforced in our remuneration policy.

For more detail on our remuneration policy, refer to the **Remuneration report** in this report.

Social and ethics committee: Chairperson's report continued

Preferential procurement

The committee continued to monitor the implementation of the company's preferential procurement strategy and enterprise supplier development in South Africa and Papua New Guinea to assess our contribution and impact in local communities. In South Africa, Harmony has made steady progress with its preferential procurement strategy to integrate black-owned businesses into its supply chain. We must ensure that these transformation initiatives include our communities, and Harmony has been resolute about advancing opportunities to entrepreneurs in host communities. We remain challenged on women and youth inclusion and are working hard to close this gap.

We are grateful to our supply-chain partners who work with us to promote inclusive participation by black-owned, black women-owned and youth-owned companies. Harmony has already achieved its targets for FY25 by spending over 80% of its discretionary expenditure with companies that have more than 25% black ownership, which includes over 50% with companies that have more than 50% black ownership.

TCFD

In FY20, we published our first report in line with recommendations of the TCFD in our suite of annual reports. The purpose of this report was to demonstrate our risk management processes and articulate the likely financial impact of climate change. This report was well received and we have published a similar report this year. For ten years, prior to FY20, we had submitted reports to the CDP Climate Change and CDP Water (formerly the Carbon Disclosure Project). We believe that the TCFD disclosure provides better understanding and context of the implications, financial and otherwise, for Harmony on climate change. It also facilitates the company's evolution to a low-carbon economy.

See **Environmental management and stewardship** in the **ESG report**.

World Gold Council – responsible gold mining principles

The World Gold Council's (WGC) responsible gold mining principles acknowledge the unique roles of gold and gold mining in many countries and communities. In South Africa especially, the gold mining industry plays a unique role. The 10 principles encapsulate key ESG issues and provide a single, consolidated framework of what constitutes responsible gold mining. This provides comfort to consumers, investors and downstream supply chain that the gold we produce has been responsibly mined and processed.

Harmony champions responsible mining and we believe the WGC framework will reinforce good practices at our operations. We are therefore formally implementing the framework.

United Nations Sustainable Development Goals (SDGs)

As in the previous year, Harmony interrogated the individual SDGs and our contribution to achieving these goals by 2030. In the **ESG report** – see **ESG in practice** – we explain the goals that are central to our core business and strategy (tier 1), and those where we can contribute through our socio-economic development activities (tier 2).

For more information, see **Caring for our employees, Empowering communities, Environmental management and stewardship**, **Safety** and **Health** in the **ESG report**.

In closing

Our intention and commitment remain to continue focusing on: ensuring employee safety and health, contributing to self-sustaining communities and responsible closure planning, mitigating the environmental impacts of our mining activities, ensuring an enabling culture and empowering our workforce and navigating political and regulatory uncertainty.

I wish to thank my fellow committee members, the board and management for their support and contribution to ensuring Harmony's progress towards a sustainable future. I wish to extend a special word of thanks to my predecessor, Dr Simo Lushaba, who stood at the helm as committee chairperson for the first half of FY22. A concerted effort has been placed on creating value for our stakeholders, particularly our employees and the communities within which we operate. The board continues to fully support the committee in this commitment.

Karabo Nondumo
Chairperson: social and ethics committee

25 October 2022

Remuneration report

Dear shareholder

It gives me great pleasure to present the 2022 remuneration report on behalf of the remuneration committee (Remco).

Through the Remco, the board continues to make strides in sustaining remuneration policies and practices that are aligned with Harmony's strategic objectives. This is outlined throughout Harmony's integrated reporting suite.

Despite a challenging local and global macro-economic environment, the rising costs of living (driven by post pandemic inflation rates), a volatile gold price as well as the energy crisis created by the conflict in Europe, Harmony remains committed to its growth strategy through appropriate investments to reduce its all-in sustaining costs, increase safe production and ensure operational continuity. To enable this, the appropriate human resource driven by diversity and appropriate pay remains the key focus of this committee. This is further supported by ensuring that Harmony pays a living wage to its workforce. Page 23 demonstrates Harmony's entry level (category 4 – 8) employee salaries, reaffirming our commitment.

2022 focus areas

Our remuneration policy was updated to provide for vesting at the original dates, with no prorating for no-fault terminations for deferred shares awarded in terms of the total incentive plan. This was approved by a majority of our shareholders at the December 2021 AGM and implemented during the year.

We continue to monitor the implementation of the multi term wage agreement, as introduced last year.

In the spirit of applying fair and responsible pay principles in FY22, an average increase of 5% in guaranteed remuneration packages for non-bargaining-unit employees was awarded and 7.08% for bargaining-unit employees, in line with collective bargaining agreements.

The Palma Income ratio has been selected to enable the committee to track the income dispersion between high- and low-income earners more efficiently. The Palma Income ratio is calculated by comparing the average income of the top 10% of earners compared to the average of the lowest 40% earners at Harmony (South African operations). Harmony's Palma Income ratio is expected to be 5.02 in 2022 compared to 5.82 in 2021, 5.3 in 2020 and 5.5 in 2019. The latest Palma Income ratio for corporate employers in South Africa is 8.5, as determined by recent analysis of survey data provided by RemChannel.

Growth strategy and performance highlights

Over the past three years, Harmony has added gold ounces by acquiring Moab Khotsong, reinvesting in Hidden Valley (Papua New Guinea), and the FY21 acquisition of Mponeng and related assets. We have demonstrated our ability to successfully integrate our new acquisitions to increase our production profile in South Africa and Papua New Guinea while sustaining communities around our mining operations and preserving jobs. The closure of Unisel and Bambanani allowed for a transfer of employees to other group operations, which enhanced efficiencies without contributing to current unemployment rates in South Africa.

Safety

The remuneration committee acknowledges and mourns the tragic loss of 13 employees at our South African operations in FY22.

The nature of our business places an emphasis on safe production as our number one priority. To that end, we continue to follow an integrated risk management approach, which includes safety training, awareness campaigns, safety days at each operation and equipping our employees with the necessary skills to identify hazards and act safely. Safe production is a responsibility that we take very seriously. Every person has the right to withdraw from an unsafe area and employees are encouraged to report unsafe working conditions. With each accident, a thorough investigation is conducted, and lessons learnt are shared throughout the company.

Harmony recognises that the number of loss-of-life incidents across the group is unacceptable and that every effort is continuously being made to achieve a state of reduced harm. To this end, a comprehensive broad based strategy is being implemented across the organisation that covers medical care and wellness, risk management and individual assessment of risk propensity and a leadership learning and training programme.

It is envisaged that this intervention will take between 5 to 7 years to fully embed and complete. We are currently in year 6 of its implementation. Initial benefits of the programme are beginning to be recorded at individual operations.

Additionally, employees are held accountable for not complying with safety regulations. Initiatives to improve safety cannot, however, focus solely on discipline and training. They also include mining practice and the use of monitoring technology. The desired safety outcomes are therefore pivotal and reinforced in our remuneration policy.

Safety carries a weighting of 15% of the total score on the balanced scorecard. A score of 0% was awarded in the FY22 balanced scorecard for lost-time injury frequency rate (LTIFR) as a final outcome in accordance with the policy regarding loss-of-life incidents. This is applied at the discretion of the remuneration committee after due consideration.

For more on our safety performance, see **Safety** in our **ESG report 2022**.

Changes to the Remuneration policy for FY23

Harmony ESOP

Harmony established the Harmony Employee Share Ownership Scheme (also known as the Sisonke share scheme or ESOP) on 15 January 2019 to provide employees with an ownership interest in Harmony and to empower and create potential wealth for employees. The Harmony ESOP had a lock-in three-year period that expired on 15 January 2022.

All permanent employees in Category 4-8, Miners and Artisans, and Officials Bargaining Unit that were in service on 11 February 2019 received a once-off allocation of 225 units (shares), while new appointments from 9 May 2019 received a pro rata allocation based on the number of months these employees participated in the ESOP up to its expiry on 15 January 2022.

A new ESOP is being considered in collaboration with all stakeholders to further create and enhance shared value for all beneficiaries and will be implemented in 2024, subject to shareholder approval.

Key Performance Indicator (KPI) alignment for Balanced Scorecard:

An alignment of the cost measure for the South-east Asia operations (SEA ops) with the South African operations (SA ops) was approved by the board to ensure that the cost metric is not double penalised or rewarded in the case of the SEA Ops.

	South African operations	South-east Asia operations
Previous	Total production cost	All-in sustaining cost per ounce (USD)
Current	Total production cost	Total production cost*

* *Total production cost consists of:*
- *Operating cost – excluding royalties, Covid-19 related cost, accounting adjustments and by-product credits*
- *Capital expenditure – sustainable capital, deferred stripping cost and leased asset payments*
- *Corporate cost allocation.*

King IV principles

The remuneration committee continues to compare local and global remuneration trends with our remuneration strategy. At the 2021 annual general meeting, the non-binding advisory vote on the remuneration policy was supported by 98.46% of the votes exercised on the resolution. The implementation of the remuneration report was, however, only supported by 76.32%.

Feedback from our shareholders on the implementation report indicated that they did not support the 5% discretionary upwards adjustment to the vesting of the deferred share awards. This was made to reflect the substantial additional efforts of management to address the operational challenges presented by the Covid-19 pandemic. The Remco has noted the opposition of institutional shareholders to such discretionary changes, and this feedback is well noted. No such changes have been effected this year and the outcome of the group scorecard governing the vesting of the total incentive plan awards for the year has been applied without any adjustment.

As required by the Companies Act and King IV, in the event that either the remuneration policy or the implementation report, or both, are voted against by 25% or more, the board will engage with shareholders to understand concerns raised. This engagement may be done by virtual meeting or in writing and will be implemented at a time after the release of the voting results. Where possible and prudent, objections are taken into consideration when formulating any amendments to the company's remuneration policy and implementation report in the following financial year.

The committee is also satisfied that the remuneration policy has achieved its stated objectives for the year.

For more on the committee and its activities in FY22, see the section on **Board committees** in our **ESG report 2022**.

Use of consultants and their independence

During the year, we employed the services of 21st Century Pay Solutions, RemChannel (Old Mutual) and Bowmans for advice on remuneration matters. The committee is satisfied that their advice was independent and objective.

Statement on effectiveness of policy

We are satisfied that our policy has generally achieved its objectives, although much room exists for improvement of our safe production performance. We remain confident that the total incentive plan will further enhance our company performance, deliver returns to shareholders and support our growth objectives.

In closing

I remain grateful to the board, remuneration committee members and executive management for their support and commitment in FY22. The committee is confident that it has discharged its duties with diligence, ensuring that fair and responsible remuneration practices are executed equitably.

No member of the committee has a personal interest in the outcome of decisions made in the review period, and three of its four members are independent non-executive directors. The chairman of the board is not a member of the committee.

Vishnu Pillay
Chairperson: remuneration committee

25 October 2022

PART 1: REMUNERATION POLICY

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.

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 their 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 on page 17.

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 executive directors and prescribed officers, and 33% 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.

A provision for no fault terminations has been approved. This means that the awards of executives who leave the company in good standing, do not vest early, on a time-prorated basis, on termination of employment but will continue in force to vest on the original vesting dates.

Each element of the total incentive plan is described below.

<table>
<tr><th colspan="2">Element</th><th colspan="2">Description</th></tr>
<tr><td colspan="2">Guaranteed pay</td><td colspan="2">Guaranteed pay excludes short- and long-term incentives. To compete effectively for skills in a challenging employment market, we identify the target market to use in benchmarking guaranteed pay. This target market includes organisations or companies that employ similar skills sets to those we require. Comparisons are made predominantly within the South African mining sector to ensure that Harmony remains competitive. The median of the target market is used as the basis of our pay ranges. This same philosophy is applied to our South-east Asia operations.</td></tr>
<tr><td colspan="2" rowspan="3">Participation factor</td><td>Employee</td><td>% guaranteed pay</td></tr>
<tr><td>Chief executive officer</td><td>250%</td></tr>
<tr><td>Financial director, other executive directors and prescribed officers</td><td>230%</td></tr>
<tr><td rowspan="5">Balanced scorecard result</td><td rowspan="4">Cash portion of total incentive (40%)</td><td>A portion of the total incentive is settled in cash immediately when the balanced scorecard results for the financial year have been determined and approved by the board.</td><td></td></tr>
<tr><td>Cash portion (balance settled in deferred shares)</td><td>% of incentive</td></tr>
<tr><td>Chief executive officer</td><td>40%</td></tr>
<tr><td>Financial director, other executive directors and prescribed officers</td><td>40%</td></tr>
<tr><td>Deferred share portion of total incentive (60%)</td><td colspan="2">The balance of the total incentive is settled in deferred shares, vesting at a rate of 20% per annum over the next five years for executive directors and prescribed officers, and 33% per annum over the next three years for management.</td></tr>
</table>

FY23 balanced scorecard

	Scorecard component	Group (%)	South Africa operations (%)	South-east Asia operations (%)
Shareholder value	Total shareholder return (absolute)	8.34	6.67	6.67
	Total shareholder return (relative to SA JSE-listed gold-mining comparators)	8.33	6.67	6.67
	Total shareholder return (relative to FTSE Gold Mines Index)	8.33	6.66	6.66
Financial and operational	Production	20.00	35.00	35.00
	Total production cost	15.00	20.00	20.00
	Free cash flow	10.00	—	—
Growth	Development	—	10.00	10.00
	Additions to Mineral Reserves	10.00	—	—
	Project execution (for future measurement)	—	—	—
Sustainability	Safety performance: Lost-time injury frequency rate (LTIFR)	15.00	15.00	15.00
	Environmental, social and governance (ESG)	5.00	—	—
Total		**100.00**	**100.00**	**100.00**

The balanced scorecard will be applied to eligible employees as follows:

- **Group:** Prescribed officers, executives in the office of the CEO and all off-shaft services operational managers (South Africa)
- **South Africa operations:** Operational executive managers and all on-shaft operational managers
- **South-east Asia operations:** Operational executive managers and all operational managers.

For each of these performance measures, 60% of the maximum weighting is scored for target performance and 100% of the maximum weighting is only reflected for meeting the stretch performance objective for that measure.

Details of the FY22 balanced scorecard for the total incentive and actual performance outcomes are disclosed in the remuneration implementation section (part 2).

Scorecard components

Total shareholder return

Shareholder value is measured as total shareholder return (TSR) over a trailing three-year period (measurements are generally taken at the end of August). It comprises two components:

- Absolute performance over the measurement period, compared to the company's cost of equity (COE), taking into account the growth in the company's share price and the value of dividends paid
- Relative performance of the company versus SA JSE-listed gold-mining comparators and FTSE Gold Mines Index over the measurement period
  - The threshold, target and stretch performance criteria for TSR are set out below:

	Scorecard component	Principle	Threshold 40%	Target 60%	Stretch 100%
Shareholder value	TSR (absolute)	To be measured over a three-year period	COE + 0% per year	COE + 3% per year	COE + 6% per year
	TSR (relative)	To be measured over a three-year period relative to South African JSE-listed gold-mining comparators	On index	Index plus 10%	Index plus 20%
	TSR (relative)	To be measured over a three-year period relative to the FTSE Gold Mines Index	On index	Index plus 10%	Index plus 20%

Financial and operational performance

Financial and operational performance comprises gold production and cost management for the financial year measured against the board-approved business plan.

- Production
  - Total gold production against board-approved business plan for the year
- Total production cost
  - Operating cost – excluding royalties, Covid-19 related cost, accounting adjustments and by-product credits
  - Capital expenditure – sustainable capital, deferred stripping cost and leased asset payments
  - Corporate cost allocation
- Free cash flow
  - Cash flow generated by operations adjusted for exploration capital, dividends and the effect of commodity price and exchange rate changes in excess of 10% (higher or lower).

The threshold, target and stretch performance criteria are set out below:

	Scorecard component	Principle	Threshold 40%	Target 60%	Stretch 100%
Financial and operational	Production	To be measured against board-approved plan	(5)%	Plan	5%
	Total production cost	To be measured against board-approved plan	(5)%	Plan	5%
	Free cash flow	To be measured against board-approved plan	(30)%	Plan	30%

Growth

Growth comprises three areas:

- Development
  - Development is measured against the board-approved business plan of ongoing capital development – the development of reef and waste metres (South Africa) and waste tonnes (South-east Asia) for the financial year.
- Addition to Mineral Reserves
  - Addition to Mineral Reserves through acquisitions and major capital projects is calculated for the financial year.
- Project execution.

The threshold, target and stretch performance criteria are set out below:

	Scorecard component	Principle	Threshold 40%	Target 60%	Stretch 100%
Growth	Development	To be measured against board-approved plan as a leading indicator of medium to long-term sustainability	(5)%	Plan	5%
	Addition to Mineral Reserves	Will measure Ore Reserve addition on a year-on-year pre-depletion basis excluding asset sales	+1Moz	+1.5Moz	+2Moz
	Project execution	For future measurement			

Sustainability

Sustainability comprises two components:
- Safety performance: LTIFR
  - LTIFR will be measured against the board-approved plan
- ESG
  - ESG will be measured on the basis of continued inclusion in the FTSE4Good Index as verified by FTSE Russell.

The threshold, target and stretch performance criteria are set out below:

<table>
<tr><th></th><th>Scorecard component</th><th>Principle</th><th>Threshold 40%</th><th>Target 60%</th><th>Stretch 100%</th></tr>
<tr><td rowspan="3">Growth</td><td>LTIFR</td><td>To be measured against board-approved plan</td><td>(5)%</td><td>Plan</td><td>5%</td></tr>
<tr><td rowspan="2">ESG</td><td rowspan="2">To be measured on the basis of continued inclusion in the FTSE4Good Index as verified by FTSE Russell</td><td colspan="2">Yes</td><td>No</td></tr>
<tr><td colspan="2">5%</td><td>N/a</td></tr>
</table>

Minimum shareholding requirement

We have encouraged executive directors and prescribed officers to retain performance shares when they vest and a minimum shareholding requirement (MSR) was again confirmed in the new total incentive plan to achieve this. The requirement provides that:
- 50% of the shares that will vest to an executive director or prescribed officer will, immediately prior to the applicable vesting date, be automatically locked up on the terms and in accordance with the MSR
- The lock-up will apply for as long as the relevant target MSR applicable to the executive director or prescribed officer has not been met
- An executive director or prescribed officer may elect to voluntarily lock-up shares that vest in terms of the 2006 share plan to meet their target MSR
- Once the relevant target MSR has been met, any deferred shares that subsequently vest in and are settled to an executive director or prescribed officer will vest and be settled in accordance with the terms of the deferred share plan
- An executive director or prescribed officer may elect to voluntarily lock-up shares that vest in terms of the 2006 share plan or deferred share plan even if it results in locked-up shares exceeding the target MSR – if the locked-up shares exceed the target MSR, the excess shares will remain in lock-up until the next vesting date (in terms of any relevant Harmony share incentive plans applicable at the time) at which point the excess shares will be released from lock-up and settled in accordance with the terms of the deferred share plan.

The minimum shareholding requirement will continue to apply to an executive director or prescribed officer as long as they remain an executive director or prescribed officer.

If an executive director or prescribed officer ceases to be employed by the group for any reason, their locked-up shares will be released from the lock-up on the date of terminating employment.

Target MSR

The target MSR is the relevant target minimum shareholding value (expressed in South African Rand) that is required to be held by an executive director or prescribed officer from time to time pursuant to this MSR being a minimum of 100% of their respective cost to company.

Measurement of target MSR

Each tranche of locked-up shares will be deemed to have a value for the purposes of determining whether the target MSR has been met, equal to the one-day volume-weighted average price (VWAP) of a share in South African Rand (ZAR) at the date of such lock-up, multiplied by the number of shares to be locked up in such tranche. This value will be increased yearly by the applicable consumer price index (CPI) rate for the year.

Any locked up shares in terms of the 2006 Harmony share plan MSR will remain locked up and will be taken into account for purposes of determining whether the target MSR has been met.

Trading restriction
Appropriate entries in the relevant registers will be made to record that all the executive director or prescribed officer's shares, which are subject to the lock-up, will be noted by the relevant central securities depository participant in terms of section 39 of the Financial Markets Act and the appropriate flag placed on the relevant securities account.

Voting and dividends
An executive director or prescribed officer will, in respect of vested shares that are subject to the lock-up:
- Exercise all voting rights in respect of such shares
- Receive all distributions payable in respect of such shares.

Application to foreign prescribed officer
The target MSR of the foreign prescribed officer will be determined on the date on which this MSR is adopted or first applies to the foreign prescribed officer (whichever occurs first). In calculating the target MSR of the foreign prescribed officer, the company will use the cost to company (in ZAR) of the chief operating officer: South Africa operations.

The ZAR value of any shares that are to be locked up (in terms of this MSR) will be determined on the applicable vesting date with reference to the share price on that date.

To determine whether the target MSR has been satisfied, the pre-tax value of the locked-up shares will be taken into account.

Deferred share plan limit
The overall limit for deferred shares, issued under the 2018 deferred share plan, is 5% of the shares in issue at the time the plan was approved, amounting to 25 000 000 shares. The individual limit is 0.6%, amounting to 3 000 000 shares.

Harmony ESOP Trust (IT001237/2018(G))
At the special general meeting on 1 February 2018, shareholders approved the issue of 6.7 million authorised but unissued ordinary shares to the new Harmony ESOP Trust, commonly referred to as the Sisonke Trust. The scheme covers all employees in non-managerial categories.

In terms of the allocation criteria in the trust deed, each eligible employee who qualified as an employee beneficiary on the formation of the trust, or within six months afterwards, received 225 ESOP units which are directly attributable to 225 ESOP Trust shares. After that, ESOP units are allocated on a pro rata basis depending on the period such persons join/qualify as eligible employees.

The scheme ended after the three-year lock-in period on 15 January 2022.

The following process was followed:
- All the vested units converted to Harmony shares
- As a default, beneficiaries received a cash payment
- Beneficiaries who wished to exercise the option of keeping their Harmony shares needed to inform the ESOP Trust administrators through Tamela. Six beneficiaries opted to keep their 1 045 shares
- Beneficiaries who did not wish to retain shares automatically received the cash proceeds from the sale of their shares unless they communicated per the above. The Harmony ESOP Trust, through its administrators, sold the shares and the cash payment was made via Harmony payroll during the month of March 2022.

As a precaution, employees were warned to be extra careful of potential fraudulent activities during this time and were advised to report any individual(s) pretending to offer help, fraudulent emails, calls or messages immediately to the Harmony Ethics Hotline on 0800 20 42 56. Furthermore, employees were advised to make use of the financial counselling services existing in the Company.

Payroll payment
The table below depicts a high-level summary of the total payment:

Number of employees	Dividend	Share payment	Total payment
34 898	7 169 756	383 203 652	390 373 408

- Average payment before tax: **R11 186**
- Share price at **R58.22**

The tables below depicts an analysis of payment per Condition of Employment:

Category 4 to 8		Mine & Artisans	
Number of employees	Total payment	Number of employees	Total payment
26 945	303 302 002	3 413	37 629 755

Monthly Paid		Officials	
Number of employees	Total payment	Number of employees	Total payment
450	5 023 194	4 041	44 145 857

Promotion to Management/ Good Leaver		Grand total	
Number of employees	Total payment	Number of employees	Total payment
49	273 600	34 898	390 373 408

A few beneficiaries had SARS penalties resulting in negligible net proceeds. This affected about 4 320 employees as depicted below.

	Number of employees	Total sum of SARS penalties
Grand total	4 320	17 163 549

- Average penalty: **R3 973**

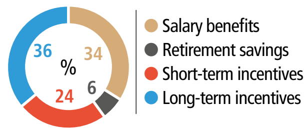
Pay mix for prescribed officers

The tables below illustrate the pay mix for prescribed officers, based on achieving minimum, on-target and stretch performance. The composition of total remuneration outcomes for FY22 and FY23 is illustrated below.

Chief executive officer
FY22 and FY23 pay mix

	Minimum (%)	On-target (%)	Stretch (%)
Salary benefits	85	85	85
Retirement savings and contributions	15	15	15
Guaranteed pay	**100**	**100**	**100**
Short-term incentive	—	60	100
Long-term incentive	—	90	150
Total remuneration	**100**	**250**	**350**

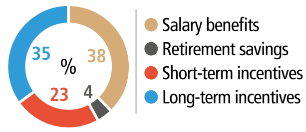
CEO – on-target pay mix



Other executives (financial director, other executive directors and prescribed officers)
FY22 and FY23 pay mix

	Minimum (%)	On-target (%)	Stretch (%)
Salary benefits	90	90	90
Retirement savings and contributions	10	10	10
Guaranteed pay	**100**	**100**	**100**
Short-term incentive	—	55	92
Long-term incentive	—	83	138
Total remuneration	**100**	**238**	**330**

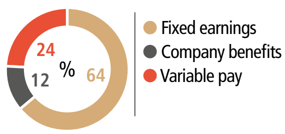
Other executives – on-target pay mix



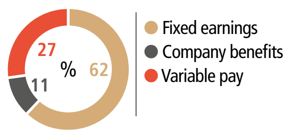
Average monthly wages and benefits
FY22 policy

Total remuneration	Category 4 (%)	Category 8 (%)
Fixed earnings	64	62
Company benefits	12	11
Guaranteed pay	**76**	**73**
Variable pay	24	27
Total remuneration	**100**	**100**

Category 4 underground



Category 8 underground



Each component includes:

- **Fixed earning:** Basic pay, service increment, 13th cheque, living-out allowance
- **Variable income:** Average overtime, shift allowance, average bonus, meal allowance, unemployment insurance fund/skills development levy, insurance benefit
- **Company benefits:** Employer provident/pension fund and medical aid.

Non-executive director fees

Market comparisons, the fiduciary risks carried by non-executive directors, their workload, time commitments, expertise and preparation expected of each non-executive director role are considered when reviewing our non-executive director fees.

Harmony's philosophy on remunerating non-executive directors is to ensure that they are fairly rewarded for their contribution to the company's governance. Non-executive directors' fees are reviewed annually and compared to the market median of companies of comparable size and complexity to ensure they remain fair and competitive.

The benchmarking exercise in September 2019 indicated that fees for certain roles were significantly below the applicable market median and a three-year process of adjustment to market was initiated. This process was paused in 2020 due to the Covid-19 pandemic and an inflationary increase implemented for all roles, but resumed in 2021 and will continue for the final year in 2022.

An increase of 6% is proposed in FY23 for non-executive director fees that are already in line with the market. This is consistent with executive increases. Additional increases are proposed for roles that are below market to align them with the market median.

In line with the recommendations of King IV, our non-executive directors are paid a retainer for board meetings and attendance fee for every board meeting attended. Non-executive directors also receive a retainer for serving on a committee. In addition, a per-day ad hoc fee is paid for site visits, special meetings or attending to company business. This fee is reduced commensurately to reflect time actually spent in this regard which is shorter than a full day.

Non-executive directors do not receive share options or other incentive awards correlated with the share price or group performance, as these may impair their ability to provide impartial oversight and advice. The proposed fees for FY23 are set out in the **Notice of annual general meeting**.

Performance of management

The personal performance of employees will not be taken into account in determining the total incentive plan outcome. Harmony follows a team-based balanced scorecard approach in determining incentive awards. All management employees are assessed every year against set key performance indicators which are used to guide the development and promotion of such employees.

For more information on assessing the performance of the CEO, please refer to **Corporate governance** in the **ESG report 2022**.

Contracts, severance and termination

Executive directors and executive managers have employment contracts with Harmony that include notice periods of up to 90 days. There are no balloon payments on termination, automatic entitlement to bonuses or automatic entitlement to share-based payments other than in terms of the company's approved share incentive plans.

Malus and clawback

Malus is the forfeiture of a variable pay award before it vests or is settled, and clawback refers to a requirement to repay some or all of an award after it has vested or is settled.

The remuneration committee has the discretion to determine that a prescribed officer or executive manager's total share plan award is subject to reduction, forfeiture or clawback (in whole or in part) if:

- There is reasonable evidence of misbehaviour or material error by a prescribed officer or executive manager
- The financial performance of the group, company, employer company or relevant business unit for any financial year, used to determine an award, have subsequently appeared to be materially inaccurate
- The group, company, employer company or relevant business unit suffers a material downturn in its financial performance for which the prescribed officer or executive manager can be seen to have some liability
- The group, company, employer company or relevant business unit suffers a material failure of risk management for which the prescribed officer or executive manager can be seen to have some liability or in any other circumstances if the remuneration committee determines that it is reasonable to subject the awards of one or more prescribed officers or executive managers to reduction or forfeiture.

Procedures to impose any malus or clawback provisions must be initiated within three years of the award. To eliminate doubt, the provisions of this malus and clawback policy do not detract from any other legal rights or measures the company has as recourse for acts of fraud, wrongdoing and/or negligence by its prescribed officers or executive management.

Shareholder feedback

We maintain open communication channels with our shareholders, listen to feedback and take action where this is deemed to be in the best interests of the company.

PART 2: REMUNERATION IMPLEMENTATION REPORT ON THE POLICY APPLICABLE IN FY22

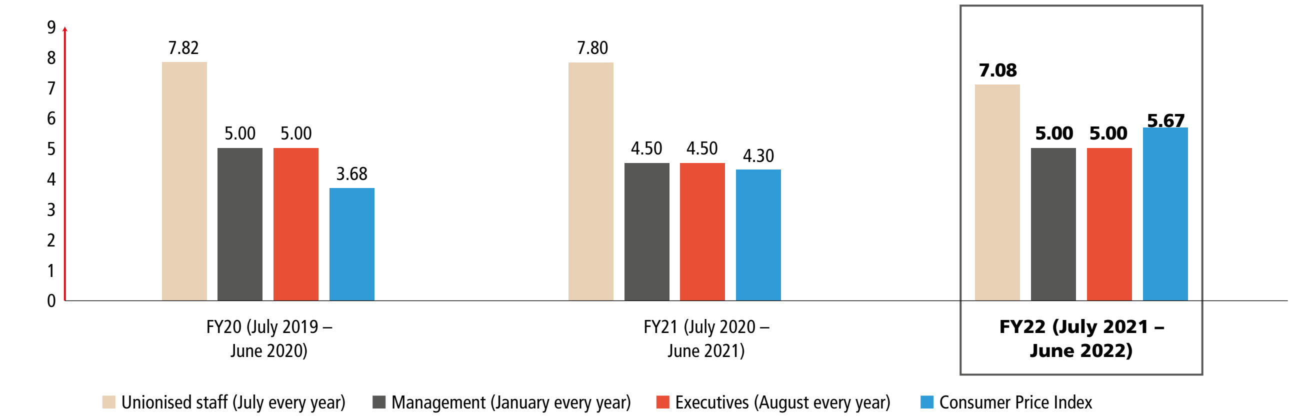
This section of the report includes details of the implementation and outcomes of the remuneration policy for FY22. We report on the increase in guaranteed packages and performance outcomes for the total incentive plan.

We have also included disclosure of total single-figure remuneration, the schedule of unvested awards and cash flows for executive directors and prescribed officers in line with the applicable King IV requirements, and with the guidance statement from the Institute of Directors and the South African Reward Association. The remuneration of non-executive directors is disclosed as required by King IV and the Companies Act.

Increases to guaranteed packages during the year

An assessment of executive remuneration was undertaken during the year. Taking into consideration prevailing market conditions, affordability and shareholders' expectations, an average increase of 5% to guaranteed remuneration packages of management was made in FY22. The average percentage increases awarded to executives, management and bargaining-unit employees staff in, FY20, FY21 and FY22 are illustrated below.

Increase to guaranteed packages (%)



Pay fairness and equality

In FY22, an average increase of 5% in guaranteed remuneration packages for management and executives. The bargaining-unit employees received a 7.08% increase as approved in the June 2021 wage agreement. Bargaining-unit employees have received above-inflation increases for the past six years. The average total monthly remuneration of our category 4-8 employees is set out below. We continue to focus on fairly remunerating our employees at this level to address the challenges of inequality and poverty.

Grade	Fixed earnings (R)	Variable income (R)	Company benefits (R)	Total per month (R)
Category 4 underground employee (general worker)	16 420	6 046	3 100	25 566
Category 8 underground employee (team leader)	20 569	8 931	3 672	33 172

Refer to **Caring for our employees** in our **ESG report 2022** for more information.

Remuneration report continued

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)							
	– TSR absolute	56.09%	(10.45)%	(10.50)%	NO	8.34	0.00%	0.00%
	– TSR versus SA JSE-listed gold-mining comparators	10.00%	(4.27)%	(4.30)%	NO	8.33	0.00%	0.00%
	– TSR versus FTSE Gold Mines	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 versus 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.

FY22 total incentive award calculation

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

** Please refer to table on total single-figure remuneration on page 25.*

Executive directors and prescribed officers	Cost to company*	Participation factor	BSC results	TIP value*	% settled in cash	TIP cash value*	% settled in shares	DSP awarded**	Vesting years
				Total incentive plan (TIP) FY22 award					
PW Steenkamp	10 823	250%	35.00%	9 340	40%	3 736	60%	149	5
BP Lekubo	7 132	230%	35.00%	5 741	40%	2 296	60%	91	5
HE Mashego	5 595	230%	35.00%	4 504	40%	1 801	60%	71	5
AZ Buthelezi	5 266	230%	35.00%	3 914	40%	1 565	60%	62	5
M Naidoo-Vermaak	5 266	230%	35.00%	4 239	40%	1 695	60%	67	5
BB Nel	6 500	230%	29.73%	4 444	40%	1 777	60%	70	5
MP Van Der Walt	5 266	230%	35.00%	3 879	40%	1 551	60%	61	5
JJ Van Heerden	8 687	230%	26.95%	4 943	40%	1 977	60%	78	5

** Figures in R'000.*
*** Figures in '000.*

Remuneration of executive directors and prescribed officers

Total single-figure remuneration

Executive director and prescribed officer remuneration, in terms of total single-figure remuneration, as required by King IV and in line with the guideline note issued by the Institute of Directors South Africa and the South African Reward Association (the guideline note), is detailed below.

Remuneration paid for the year ended 30 June 2022

	Salary and benefits	Retirement savings and contributions	Total incentive cash portion accrued	Total incentive deferred share portion accrued	Total single figure of remuneration	Less: amount accrued not settled in FY22	Plus: amount of previous accruals settled in FY22	Total cash remuneration
Executive directors								
PW Steenkamp	9 199 648	1 589 154	3 736 028	5 604 043	20 128 873	(9 340 071)	6 933 693	17 722 495
BP Lekubo	6 713 098	389 996	2 296 544	3 444 816	12 844 454	(5 741 361)	4 134 667	11 237 760
HE Mashego	4 914 375	744 094	1 801 904	2 702 856	10 163 229	(4 504 760)	3 298 342	8 956 811
Prescribed officers								
AZ Buthelezi[1]	1 569 192	189 690	1 565 812	2 348 719	5 673 413	(3 914 531)	2 735 249	4 494 131
M Naidoo Vermaak[1]	1 560 115	195 665	1 695 910	2 543 864	5 995 554	(4 239 774)	2 809 316	4 565 096
BB Nel	5 530 304	912 050	1 777 854	2 666 781	10 886 989	(4 444 635)	3 391 895	9 834 249
VP Tobias[2]	5 407 721	312 839	—	—	5 720 560	—	3 588 186	9 308 746
MP van der Walt	4 630 796	616 535	1 551 873	2 327 810	9 127 014	(3 879 683)	3 078 807	8 326 138
JJ van Heerden[3]	8 037 000	304 000	1 977 537	2 966 305	13 284 842	(4 943 842)	3 715 000	12 056 000

1 *Classified as Prescribed Officer on 23 February 2022.*
2 *Resigned effective 14 November 2021.*
3 *Salary is paid in A$ and the Rand equivalent is influenced by the weakening or strengthening of the Rand/A$ exchange rate.*

Subsequent to the departure of Mr Phillip Tobias, the work under his portfolio was split between Mr Beyers Nel and Mr Johannes van Heerden. Mr Nel was allocated South African projects and execution thereof, while Mr van Heerden was allocated the new business portfolio.

Their guaranteed pay was adjusted based on independent benchmarking exercises conducted for South Africa and Australia to test comparators of a similar size to Harmony in terms of total average compa ratio, the cost of living in Australia as well as the increased size and complexity of both roles.

Remuneration report continued

Schedule of unvested awards and cash flows

A schedule of the unvested awards and cash flows from long-term incentive awards of executive directors and prescribed officers, as required by King IV and in line with the guideline note, is provided below.

Unvested awards and cash flows for FY22

Executive directors	Share Award	Award Date	Vesting Date	Award Price R	Opening	Awarded	Pledged	Settled	Closing	Cash on Settlement R	Year-end Fair Value R
Peter Steenkamp	**Deferred Shares**										
	2019 Deferred Shares tranche 2	Sep-19	Sep-21	46.89	15 567		7 783	7 784		367 701	
	2019 Deferred Shares tranche 3	Sep-19	Sep-22	46.89	15 567				15 567		807 616
	2019 Deferred Shares tranche 4	Sep-19	Sep-23	46.89	15 567				15 567		807 616
	2019 Deferred Shares tranche 5	Sep-19	Sep-24	46.89	15 570				15 570		807 772
	2020 Deferred Shares tranche 1	Sep-20	Sep-21	97.95	18 965		9 482	9 483		447 958	
	2020 Deferred Shares tranche 2	Sep-20	Sep-22	97.95	18 965				18 965		983 904
	2020 Deferred Shares tranche 3	Sep-20	Sep-23	97.95	18 965				18 965		983 904
	2020 Deferred Shares tranche 4	Sep-20	Sep-24	97.95	18 965				18 965		983 904
	2020 Deferred Shares tranche 5	Sep-20	Sep-25	97.95	18 967				18 967		984 008
	2021 Deferred Shares tranche 1	Sep-21	Sep-22	46.79		44 456			44 456		2 306 377
	2021 Deferred Shares tranche 2	Sep-21	Sep-23	46.79		44 456			44 456		2 306 377
	2021 Deferred Shares tranche 3	Sep-21	Sep-24	46.79		44 456			44 456		2 306 377
	2021 Deferred Shares tranche 4	Sep-21	Sep-25	46.79		44 456			44 456		2 306 377
	2021 Deferred Shares tranche 5	Sep-21	Sep-26	46.79		44 457			44 457		2 306 429
	Sub total				**157 098**	**222 281**	**17 265**	**17 267**	**344 847**	**815 659**	**17 890 661**
	Vested Awards Pledged to MSR										
	2016 Pledged Performance Shares				295 718				295 718		15 341 850
	2019 Pledged Deferred Shares tranche 1				15 567				15 567		807 616
	2019 Pledged Deferred Shares tranche 2								7 783		403 782
	2020 Pledged Deferred Shares tranche 1								9 482		491 926
	Sub total				**311 285**				**328 550**		**17 045 174**
Total					**468 383**	**222 281**	**17 265**	**17 267**	**673 397**	**815 659**	**34 935 835**

Executive directors	Share Award	Award Date	Vesting Date	Award Price R	Opening	Awarded	Pledged	Settled	Closing	Cash on Settlement R	Year-end Fair Value R
Boipelo Lekubo	**Deferred Shares**										
	2019 Deferred Shares tranche 2	Sep-19	Sep-21	46.89	6 694			6 694		316 211	
	2019 Deferred Shares tranche 3	Sep-19	Sep-22	46.89	6 696				6 696		347 388
	2020 Deferred Shares tranche 1	Sep-20	Sep-21	97.95	11 498		5 749	5 749		271 571	
	2020 Deferred Shares tranche 2	Sep-20	Sep-22	97.95	11 498				11 498		596 516
	2020 Deferred Shares tranche 3	Sep-20	Sep-23	97.95	11 498				11 498		596 516
	2020 Deferred Shares tranche 4	Sep-20	Sep-24	97.95	11 498				11 498		596 516
	2020 Deferred Shares tranche 5	Sep-20	Sep-25	97.95	11 500				11 500		596 620
	2021 Deferred Shares tranche 1	Sep-21	Sep-22	46.79		26 510			26 510		1 375 339
	2021 Deferred Shares tranche 2	Sep-21	Sep-23	46.79		26 510			26 510		1 375 339
	2021 Deferred Shares tranche 3	Sep-21	Sep-24	46.79		26 510			26 510		1 375 339
	2021 Deferred Shares tranche 4	Sep-21	Sep-25	46.79		26 510			26 510		1 375 339
	2021 Deferred Shares tranche 5	Sep-21	Sep-26	46.79		26 510			26 510		1 375 339
	Sub total				**70 882**	**132 550**	**5 749**	**12 443**	**185 240**	**587 782**	**9 610 251**
	Vested Awards Pledged to MSR										
	2020 Pledged Deferred Shares tranche 1								5 749		298 258
	Sub total								**5 749**		**298 258**
Total					**70 882**	**132 550**	**5 749**	**12 443**	**190 989**	**587 782**	**9 908 509**

Remuneration report continued

Executive directors	Share Award	Award Date	Vesting Date	Award Price R	Opening	Awarded	Pledged	Settled	Closing	Cash on Settlement R	Year-end Fair Value R
Harry Mashego	**Deferred Shares**										
	2019 Deferred Shares tranche 2	Sep-19	Sep-21	46.89	6 639		3 319	3 320		156 830	
	2019 Deferred Shares tranche 3	Sep-19	Sep-22	46.89	6 639				6 639		344 431
	2019 Deferred Shares tranche 4	Sep-19	Sep-23	46.89	6 639				6 639		344 431
	2019 Deferred Shares tranche 5	Sep-19	Sep-24	46.89	6 641				6 641		344 535
	2020 Deferred Shares tranche 1	Sep-20	Sep-21	97.95	8 416		4 208	4 208		198 778	
	2020 Deferred Shares tranche 2	Sep-20	Sep-22	97.95	8 416				8 416		436 622
	2020 Deferred Shares tranche 3	Sep-20	Sep-23	97.95	8 416				8 416		436 622
	2020 Deferred Shares tranche 4	Sep-20	Sep-24	97.95	8 416				8 416		436 622
	2020 Deferred Shares tranche 5	Sep-20	Sep-25	97.95	8 416				8 416		436 622
	2021 Deferred Shares tranche 1	Sep-21	Sep-22	46.79		21 147			21 147		1 097 106
	2021 Deferred Shares tranche 2	Sep-21	Sep-23	46.79		21 147			21 147		1 097 106
	2021 Deferred Shares tranche 3	Sep-21	Sep-24	46.79		21 147			21 147		1 097 106
	2021 Deferred Shares tranche 4	Sep-21	Sep-25	46.79		21 147			21 147		1 097 106
	2021 Deferred Shares tranche 5	Sep-21	Sep-26	46.79		21 151			21 151		1 097 314
	Sub total				**68 638**	**105 739**	**7 527**	**7 528**	**159 322**	**355 608**	**8 265 623**
	Vested Awards Pledged to MSR										
	2019 Pledged Deferred Shares tranche 1				3 319				3 319		172 190
	2019 Pledged Deferred Shares tranche 2								3 319		172 190
	2020 Pledged Deferred Shares tranche 1								4 208		218 311
	Sub total				**3 319**				**10 846**		**562 691**
Total					**71 957**	**105 739**	**7 527**	**7 528**	**170 168**	**355 608**	**8 828 314**

Prescribed Officer	Share Award	Award Date	Vesting Date	Award Price R	Opening	Awarded	Pledged	Settled	Closing	Cash on Settlement R	Year-end Fair Value R
Anton Buthelezi*	**Deferred Shares**										
	2019 Deferred Shares tranche 2	Sep-19	Sep-21	46.89	5 086			5 086		240 252	
	2019 Deferred Shares tranche 3	Sep-19	Sep-22	46.89	5 086				5 086		263 862
	2020 Deferred Shares tranche 1	Sep-20	Sep-21	97.95	7 103			7 103		335 532	
	2020 Deferred Shares tranche 2	Sep-20	Sep-22	97.95	7 103				7 103		368 504
	2020 Deferred Shares tranche 3	Sep-20	Sep-23	97.95	7 104				7 104		368 556
	2021 Deferred Shares tranche 1	Sep-21	Sep-22	46.79		19 486			19 486		1 010 934
	2021 Deferred Shares tranche 2	Sep-21	Sep-23	46.79		19 486			19 486		1 010 934
	2021 Deferred Shares tranche 3	Sep-21	Sep-24	46.79		19 486			19 486		1 010 934
Total					**31 482**	**58 458**	**—**	**12 189**	**77 751**	**575 784**	**4 033 724**

Prescribed Officer	Share Award	Award Date	Vesting Date	Award Price R	Opening	Awarded	Pledged	Settled	Closing	Cash on Settlement R	Year-end Fair Value R
Melanie Naidoo-Vermaak*	**Deferred Shares**										
	2019 Deferred Shares tranche 2	Sep-19	Sep-21	46.89	6 374			6 374		301 095	
	2019 Deferred Shares tranche 3	Sep-19	Sep-22	46.89	6 374				6 374		330 683
	2020 Deferred Shares tranche 1	Sep-20	Sep-21	97.95	8 514			8 514		402 184	
	2020 Deferred Shares tranche 2	Sep-20	Sep-22	97.95	8 514				8 514		441 706
	2020 Deferred Shares tranche 3	Sep-20	Sep-23	97.95	8 516				8 516		441 810
	2021 Deferred Shares tranche 1	Sep-21	Sep-22	46.79		20 013			20 013		1 038 274
	2021 Deferred Shares tranche 2	Sep-21	Sep-23	46.79		20 013			20 013		1 038 274
	2021 Deferred Shares tranche 3	Sep-21	Sep-24	46.79		20 015			20 015		1 038 378
Total					**38 292**	**60 041**	**—**	**14 888**	**83 445**	**703 279**	**4 329 125**

* *Classified as a prescribed officer on 23 February 2022.*

Prescribed Officer	Share Award	Award Date	Vesting Date	Award Price R	Opening	Awarded	Pledged	Settled	Closing	Cash on Settlement R	Year-end Fair Value R
Beyers Nel	**Deferred Shares**										
	2019 Deferred Shares tranche 2	Sep-19	Sep-21	46.89	6 595		3 297	3 298		155 791	
	2019 Deferred Shares tranche 3	Sep-19	Sep-22	46.89	6 595				6 595		342 149
	2019 Deferred Shares tranche 4	Sep-19	Sep-23	46.89	6 595				6 595		342 149
	2019 Deferred Shares tranche 5	Sep-19	Sep-24	46.89	6 596				6 596		342 200
	2020 Deferred Shares tranche 1	Sep-20	Sep-21	97.95	8 498		4 249	4 249		200 714	
	2020 Deferred Shares tranche 2	Sep-20	Sep-22	97.95	8 498				8 498		440 876
	2020 Deferred Shares tranche 3	Sep-20	Sep-23	97.95	8 498				8 498		440 876
	2020 Deferred Shares tranche 4	Sep-20	Sep-24	97.95	8 498				8 498		440 876
	2020 Deferred Shares tranche 5	Sep-20	Sep-25	97.95	8 499				8 499		440 928
	2021 Deferred Shares tranche 1	Sep-21	Sep-22	46.79		21 747			21 747		1 128 234
	2021 Deferred Shares tranche 2	Sep-21	Sep-23	46.79		21 747			21 747		1 128 234
	2021 Deferred Shares tranche 3	Sep-21	Sep-24	46.79		21 747			21 747		1 128 234
	2021 Deferred Shares tranche 4	Sep-21	Sep-25	46.79		21 747			21 747		1 128 234
	2021 Deferred Shares tranche 5	Sep-21	Sep-26	46.79		21 750			21 750		1 128 390
	Sub total				**68 872**	**108 738**	**7 546**	**7 547**	**162 517**	**356 505**	**8 431 380**
	Vested Awards Pledged to MSR										
	2014 Pledged Performance Shares				24 933				24 933		1 293 524
	2019 Deferred Shares tranche 1				3 297				3 297		171 048
	2019 Deferred Shares tranche 2								3 297		171 048
	2020 Deferred Shares tranche 1								4 249		220 438
	Sub total				**28 230**				**35 776**		**1 856 058**
Total					**97 102**	**108 738**	**7 546**	**7 547**	**198 293**	**356 505**	**10 287 438**

Prescribed Officer	Share Award	Award Date	Vesting Date	Award Price R	Opening	Awarded	Pledged	Settled	Closing	Cash on Settlement R	Year-end Fair Value R
Phillip Tobias	**Deferred Shares**										
	2019 Deferred Shares tranche 2	Sep-19	Sep-21	46.89	7 742		3 871	3 871		182 858	
	2019 Deferred Shares tranche 3	Sep-19	Sep-22	46.89	7 742*						
	2019 Deferred Shares tranche 4	Sep-19	Sep-23	46.89	7 742*						
	2019 Deferred Shares tranche 5	Sep-19	Sep-24	46.89	7 746*						
	2020 Deferred Shares Tranche 1	Sep-20	Sep-21	97.95	9 814		4 907	4 907		231 797	
	2020 Deferred Shares Tranche 2	Sep-20	Sep-22	97.95	9 814*						
	2020 Deferred Shares Tranche 3	Sep-20	Sep-23	97.95	9 814*						
	2020 Deferred Shares Tranche 4	Sep-20	Sep-24	97.95	9 814*						
	2020 Deferred Shares Tranche 5	Sep-20	Sep-25	97.95	9 817*						
	2021 Deferred Shares tranche 1	Sep-21	Sep-22	46.79		23 006*					
	2021 Deferred Shares tranche 2	Sep-21	Sep-23	46.79		23 006*					
	2021 Deferred Shares tranche 3	Sep-21	Sep-24	46.79		23 006*					
	2021 Deferred Shares tranche 4	Sep-21	Sep-25	46.79		23 006*					
	2021 Deferred Shares tranche 5	Sep-21	Sep-26	46.79		23 007*					
	Sub total				**80 045**	**115 031**	**8 778**	**8 778**		**414 655**	
	Vested Awards pledged to MSR										
	2014 Pledged Performance Shares				31 166			31 166		2 068 694	
	2019 Pledged Deferred Shares tranche 1				3 871			3 871		255 218	
	2019 Pledged Deferred Shares tranche 2						(3 871)	3 871		255 218	
	2020 Pledged Deferred Shares tranche 1						(4 907)	4 907		323 522	
	Sub total				**35 037**		**(8 778)**	**43 815**		**2 902 652**	
Total					**115 082**	**115 031**	**—**	**52 593**		**3 317 307**	

* *Phillip Tobias resigned effective 14 November 2021 thus forfeiting the shares associated with the above share schemes.*

Prescribed Officer	Share Award	Award Date	Vesting Date	Award Price R	Opening	Awarded	Pledged	Settled	Closing	Cash on Settlement R	Year-end Fair Value R
Marian Van der Walt	**Deferred Shares**										
	2019 Deferred Shares tranche 2	Sep-19	Sep-21	46.89	6 411			6 411		302 843	
	2019 Deferred Shares tranche 3	Sep-19	Sep-22	46.89	6 411				6 411		332 603
	2020 Deferred Shares tranche 1	Sep-20	Sep-21	97.95	8 538			8 538		403 318	
	2020 Deferred Shares tranche 2	Sep-20	Sep-22	97.95	8 538				8 538		442 951
	2020 Deferred Shares tranche 3	Sep-20	Sep-23	97.95	8 538				8 538		442 951
	2021 Deferred Shares tranche 1	Sep-21	Sep-22	46.79		19 740			19 740		1 024 111
	2021 Deferred Shares tranche 2	Sep-21	Sep-23	46.79		19 740			19 740		1 024 111
	2021 Deferred Shares tranche 3	Sep-21	Sep-24	46.79		19 740			19 740		1 024 111
	2021 Deferred Shares tranche 4	Sep-21	Sep-25	46.79		19 740			19 740		1 024 111
	2021 Deferred Shares tranche 5	Sep-21	Sep-26	46.79		19 741			19 741		1 024 163
Total					**38 436**	**98 701**	**—**	**14 949**	**122 188**	**706 161**	**6 339 112**

Prescribed Officer	Share Award	Award Date	Vesting Date	Award Price R	Opening	Awarded	Pledged	Settled	Closing	Cash on Settlement R	Year-end Fair Value R
Johannes van Heerden	**Deferred Shares**										
	2019 Deferred Shares tranche 2	Sep-19	Sep-21	46.89	12 313		6 156	6 157		290 844	
	2019 Deferred Shares tranche 3	Sep-19	Sep-22	46.89	12 313				12 313		638 798
	2019 Deferred Shares tranche 4	Sep-19	Sep-23	46.89	12 313				12 313		638 798
	2019 Deferred Shares tranche 5	Sep-19	Sep-24	46.89	12 314				12 314		638 850
	2020 Deferred Shares tranche 1	Sep-20	Sep-21	97.95	12 265		6 132	6 133		289 711	
	2020 Deferred Shares tranche 2	Sep-20	Sep-22	97.95	12 265				12 265		636 308
	2020 Deferred Shares tranche 3	Sep-20	Sep-23	97.95	12 265				12 265		636 308
	2020 Deferred Shares tranche 4	Sep-20	Sep-24	97.95	12 265				12 265		636 308
	2020 Deferred Shares tranche 5	Sep-20	Sep-25	97.95	12 267				12 267		636 412
	2021 Deferred Shares tranche 1	Sep-21	Sep-22	46.79		23 156			23 156		1 201 333
	2021 Deferred Shares tranche 2	Sep-21	Sep-23	46.79		23 156			23 156		1 201 333
	2021 Deferred Shares tranche 3	Sep-21	Sep-24	46.79		23 156			23 156		1 201 333
	2021 Deferred Shares tranche 4	Sep-21	Sep-25	46.79		23 156			23 156		1 201 333
	2021 Deferred Shares tranche 5	Sep-21	Sep-26	46.79		23 159			23 159		1 201 489
	Sub total				**110 580**	**115 783**	**12 288**	**12 290**	**201 785**	**580 555**	**10 468 603**
	Vested Awards Pledged to MSR										
	2019 Pledged Deferred Shares tranche 1				6 156				6 156		319 373
	2019 Pledged Deferred Shares tranche 2								6 156		319 373
	2020 Pledged Deferred Shares tranche 1								6 132		318 128
	Sub total				**6 156**				**18 444**		**956 874**
Total					**116 736**	**115 783**	**12 288**	**12 290**	**220 229**	**580 555**	**11 425 477**

Non-executive directors' fees

On the recommendation of the remuneration committee, the board proposed increases in fees ranging from 5% to 20% for non-executive directors fees, depending on the extent to which the fee for the role was below benchmark, which was approved at the annual general meeting in December 2021. Non-executive director fees paid in FY21 and F22 are set out below:

Director (R000)	Note	2022[1]	2021[1]
Dr Patrice Motsepe		**1 636**	1 440
Karabo Nondumo		**1 183**	923
Dr Mavuso Msimang		**1 076**	968
Joachim Chissano		**724**	636
Fikile De Buck[2]		**637**	1 382
Ken Dicks[3]		**—**	198
Dr Simo Lushaba[2]		**591**	1 160
Grathel Motau[4]		**—**	280
Modise Motloba[5]		**1 494**	1 550
Bongani Nqwababa[6]		**111**	—
Vishnu Pillay		**1 220**	1 130
Martin Prinsloo[6]		**111**	—
Given Sibiya		**820**	676
Max Sisulu[7]		**—**	107
Peter Turner		**977**	329
John Wetton		**1 310**	1 084
Andre Wilkens		**1 028**	986
Total		**12 918**	12 849

Notes

[1] Directors' remuneration excludes value added tax.
[2] Retired as non-executive director effective 7 December 2021.
[3] Resigned as non-executive director effective 30 September 2020.
[4] Resigned as non-executive director effective 18 December 2020.
[5] Resigned as non-executive director effective 27 June 2022.
[6] Appointed as non-executive director on the 18 May 2022.
[7] Resigned as non-executive director effective 30 September 2020.

The fees proposed for FY23 are included in the **Notice of the annual general meeting** 2022.

Directors' report

Nature of business

The Harmony group of companies conducts gold mining and exploration in South Africa and Papua New Guinea.

A general review of the group's business and operations is provided in the **Integrated annual report 2022**, and with more detail available in the **ESG report 2022** and **Operational report 2022**.

The company's primary listing is in South Africa on the JSE. Harmony's ordinary shares are also listed in the form of American depositary receipts (ADRs) on the New York Stock Exchange.

Integrated annual report

As required by the King IV report and the JSE Listings Requirements, the board has reviewed and approved the Integrated annual report 2022 on the recommendation of the audit and risk committee, supported by the social and ethics committee.

The **Integrated annual report 2022** is at **www.harmony.co.za**.

Statement by the board

The annual financial statements are drawn up in accordance with the Companies Act, JSE Listings Requirements, IFRS and the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee, and the Financial Pronouncements, as issued by Financial Reporting Standards Council.

The board of directors is of the opinion that the Integrated annual report 2022 and the accompanying consolidated financial statements fairly reflect the true financial position of the group at 30 June 2022 and its performance for the year.

Audit and risk committee and social and ethics committee reports

The **Audit and risk committee: chairperson's report** is on page 5 of this report and that of the **Social and ethics committee: chairperson's report** on page 10 of this report.

Company secretary

The group company secretary is Ms Shela Mohatla. Her business and postal addresses appear on the inside back cover. The certificate by the group company secretary is on page 38.
Ms Mohatla was appointed group company secretary with effect from 14 August 2020, subsequent to her appointment in an acting capacity on 27 January 2020.

Board of directors

Changes to the composition of Harmony's board of directors during the review period included:

- Retirement of Dr Simo Lushaba and Ms Fikile De Buck as independent non-executive directors with effect from 7 December 2021
- Resignation of Mr Modise Motloba as a non-independent non-executive director and deputy chairman of the board with effect from 27 June 2022
- Appointment of Messrs Bongani Nqwababa and Martin Prinsloo as independent non-executive directors with effect from 18 May 2022
- Appointment of Ms Karabo Nondumo as deputy chairman of the board with effect from 18 August 2022.

Biographical details of current directors appear at **www.harmony.co.za**.

In terms of the company's Memorandum of Incorporation (MOI), the directors of the company shall rotate in accordance with the following provisions:

- At each AGM, one-third (1/3) of the non-executive directors for the time being, or if their number is not three (3) or a multiple of 3, the number nearest to 1/3, but not less than 1/3, shall retire from office, provided that if a director is appointed as an executive director or as an employee of the company in any other capacity, he or she shall not, while he or she continues to hold that position or office, be subject to retirement by rotation and he or she shall not, in such case, be taken into account in determining the retirement of directors by rotation
- The non-executive directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who were elected as directors on the same day, those to retire shall, unless they otherwise agree among themselves, be determined by lot
- A retiring director shall be eligible for re-election.

As part of Harmony's board composition transitional plan, Mr Joaquim Chissano and Mr Andre Wilkens, who retire by rotation this year, although eligible, will not be seeking re-election to the board effective as of the conclusion of the 2022 Annual General Meeting.

Refer to **Governance** in our **ESG report 2022** for further information.

Directors and associates' interests

At 30 June 2022, the CEO Peter Steenkamp held 772 589 shares, FD Boipelo Lekubo held 15 988 shares, executive director Harry Mashego held 14 875 shares and non-executive director André Wilkens held 101 301 shares in Harmony.

None of the directors' and associates held any direct or indirect shareholding in the company's issued share capital. No other director held or acquired any shares in the company, other than through share incentive schemes (executive directors only) during FY22.

Refer to the **Remuneration report** on page 13 for details of share incentives awarded to executive directors.

Going concern

The annual financial statements have been prepared on a going concern basis.

In accordance with the solvency and liquidity test in terms of section 4 of the Companies Act, the board is of the opinion that the company has adequate resources and that the:

- Company's assets, fairly valued, exceed the fair value of its liabilities
- Company will be able to pay its debts as they become due in the ordinary course of business for the 12 months following 30 June 2022.

Financial results

The audited consolidated and company annual financial statements as well as the discussion on the group's financial performance are included in the **Financial report 2022**. The **Summarised consolidated financial statements** are included in this report starting on page 39. Confirmation of the financial statements by the CEO and FD appears in the **Financial report 2022**.

Share capital

During the June 2022 year, 473 505 shares were issued to settle the exercise of share options by employees relating to Harmony's management share option schemes.

Full details of the authorised, issued and unissued share capital of the company as at 30 June 2022 are set out in the **Financial report 2022**.

Shareholders

The company does not have a controlling shareholder. Information on shareholder spread, the range of shareholdings and public shareholders, as well as major shareholders, is presented in the shareholders' information section in the **Integrated annual report 2022.**

Dividend policy

The company's dividend policy is to pay a return of 20% on net free cash generated to shareholders, at the discretion of the board of directors.

Dividends declared

The board declared an interim dividend of 40 SA cents and a final ordinary dividend of 22 SA cents for the year ended 30 June 2022. Harmony declared an annual preference share dividend of R9 million (2021: R9 million) to the Harmony Gold Community Trust (the Trust). As the Trust is consolidated by Harmony, the dividend is eliminated on consolidation.

Investments

A schedule of investments in subsidiaries, associates and joint arrangements appears in **Annexure A – Statement of group companies** in the **Financial report 2022**.

Contingencies

None of Harmony's properties is the subject of pending material legal proceedings. We are involved in legal and arbitration proceedings that are incidental to the normal conduct of our business.

Refer to note 14 of the **Summarised consolidated financial statements** for further discussion.

Borrowings

Borrowing powers are detailed in the company's memorandum of incorporation.

Movement in borrowings: see note 10 of the **Summarised consolidated financial statements**

Disposals

There were no material disposals in FY22.

Acquisitions

There were no material acquisitions in FY22.

Related-party transactions

None of the directors or major shareholders of Harmony or, to Harmony's knowledge, their families, had an interest, directly or indirectly, in any transaction during the review period or in any proposed transaction that has affected or will materially affect Harmony or its subsidiaries, other than as discussed below.

Mr Modise Motloba, Harmony's former deputy chairman and non-independent non-executive director (resigned from the company with effect 27 June 2022), is a director of Tysys (Proprietary) Limited (Tysys). Tysys entered into a contract with the group in February 2017 to provide services relating to the group's small- and medium-enterprise development projects. The contract has a value of up to R5 million per annum. Approximately R5 million (2021: R5 million) was paid in the 2022 financial year relating to services rendered in the current and prior financial years. The contract has a 30-day notice period.

Material transactions with associates, joint arrangements and structured entities

Refer to note 15 of the **Summarised consolidated financial statements** for details on transactions conducted during the period under review.

Compliance with the laws and memorandum of incorporation

The board believes that during the period 1 July 2021 to 30 June 2022, Harmony has complied with the provisions of the Companies Act and operated in conformity with its memorandum of incorporation and/or relevant constitutional documents.

Events subsequent to 30 June 2022

- On 29 August 2022, a final dividend of 22 SA cents was declared, paid on 17 October 2022
- During the budgeting process for the 2023 financial year, a decision was taken to restructure the Tshepong Operations into two separate operations, being the Tshepong North and the Tshepong South operations. This decision was taken to create immediately profitable operations and had the impact of reducing the life-of-mine of Tshepong North from 19 years to seven years. From 1 July 2022, the operations will be reported on separately to the chief operating decision maker and as a result be disclosed as two reportable segments.
- On 6 October 2022, Harmony entered into an agreement with Copper Mountain Mining Corporation (Copper Mountain), to acquire its wholly-owned Eva Copper Project and its 2 295km^2 exploration land package in Queensland, Australia (collectively the acquired assets) for a total consideration of up to US$230 million.

  Under the terms of the transaction, the acquisition consideration consists of the following:
  - US$170 million in upfront cash payable on closing of the transaction
  - Up to US$30 million in cash, based on a contingent payment arrangement where Harmony will pay Copper Mountain 10% of the incremental revenue generated from the acquired assets which is above revenue based on a US$3.80/lb copper price
  - Up to US$30 million in cash, based on a contingent payment arrangement where Harmony will pay Copper Mountain US$0.03 per pound of contained copper for any SAMREC copper resource discovered and declared on a new deposit within the acquired assets after the closing of the transaction.

  Harmony plans to fund the upfront purchase price using available cash and revolving credit facilities.

  The closing of the transaction is subject to certain customary conditions, including approval from the Foreign Investment Review Board in Australia and Copper Mountain bondholder approval. The transaction has received approval from the South African Reserve Bank.

  Management will assess the accounting treatment upon the closure of the transaction.

Directors' statement of responsibility

Financial statements

The directors have the pleasure in presenting the consolidated and company annual financial statements (collectively the annual financial statements) for the year ended 30 June 2022 and the summarised consolidated financial statements (included in the Report to shareholders) for the same period. The annual financial statements were audited by PricewaterhouseCoopers Inc. who expressed an unmodified opinion thereon. The audited annual financial statements and the auditor's report thereon are available for inspection at the company's registered office. The summarised consolidated financial statements are extracted from the audited financial statements, but are not themselves audited.

The annual financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB) and IFRIC Interpretations Committee (IFRIC) Interpretations (collectively IFRS), the SAICA Financial Reporting Guidelines as issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council and the Companies Act of South Africa.

The directors are responsible for the preparation, integrity and fair presentation of the annual financial statements of the company and its subsidiaries. The annual financial statements have been prepared by Harmony Gold Mining Company Limited's corporate reporting team, headed by Michelle Kriel CA(SA). This process was supervised by the financial director, Boipelo Lekubo CA(SA). The directors take full responsibility for the preparation of the summarised report and the financial information has been correctly extracted from the underlying consolidated annual financial statements.

The directors are also responsible for the maintenance of effective systems of internal control which are based on established organisational structure and procedures. These systems are designed to provide reasonable assurance as to the reliability of the annual financial statements, and to prevent and detect material misstatement and loss.

Nothing has come to the attention of the board that caused it to believe that the systems of internal controls and risk management are not effective for the period under review and that the internal financial controls do not form a sound basis for the preparation of reliable financial statements. The board's opinion is underpinned by the audit and risk committee's statement.

The annual financial statements have been prepared on a going concern basis and the directors believe that the company and group will continue to be in operation in the foreseeable future.

Approval

The annual financial statements were approved by the board of directors and signed on its behalf by:

PW Steenkamp
Chief executive officer
Randfontein
South Africa

BP Lekubo
Financial director
Randfontein
South Africa

25 October 2022

Group company secretary's certificate

In terms of section 88(2)(e) of the Companies Act No 71 of 2008, as amended (the Act), I certify that for the year ended 30 June 2022, Harmony Gold Mining Company Limited, to the best of my knowledge and belief, has lodged with the Companies and Intellectual Property Commission all such returns and notices as are required of a public company in terms of the Act, and that all such returns and notices appear to be true, correct and up to date.

S Mohatla
Group company secretary

25 October 2022

Summarised consolidated income statement

For the year ended 30 June 2022

		SA Rand		
Figures in million	Notes	**2022**	2021	2020
Revenue	4	**42 645**	41 733	29 245
Cost of sales	5	**(41 927)**	(35 489)	(25 908)
Production costs		**(33 099)**	(29 774)	(22 048)
Amortisation and depreciation		**(3 683)**	(3 875)	(3 508)
Impairment of assets		**(4 433)**	(1 124)	—
Other items		**(712)**	(716)	(352)
Gross profit/(loss)		**718**	6 244	3 337
Corporate, administration and other expenditure		**(984)**	(1 068)	(611)
Exploration expenditure		**(214)**	(177)	(205)
Gains/(losses) on derivatives	8	**53**	1 022	(1 678)
Foreign exchange translation gain/(loss)	10	**(327)**	670	(892)
Other operating expenses		**(1)**	(241)	(309)
Operating profit/(loss)		**(755)**	6 450	(358)
Gain on bargain purchase		**—**	303	—
Acquisition-related costs		**—**	(124)	(45)
Share of profits from associate		**63**	83	94
Investment income		**352**	331	375
Finance costs		**(718)**	(661)	(661)
Profit/(loss) before taxation		**(1 058)**	6 382	(595)
Taxation	6	**46**	(1 258)	(255)
Net profit/(loss) for the year		**(1 012)**	5 124	(850)
Attributable to:				
Non-controlling interest		**40**	37	28
Owners of the parent		**(1 052)**	5 087	(878)
Earnings/(loss) per ordinary share (cents)				
Total earnings/(loss)	7	**(172)**	842	(164)
Diluted earnings/(loss) per ordinary share (cents)				
Total earnings/(loss)	7	**(172)**	825	(166)

The accompanying notes are an integral part of these summarised financial statements.

These summarised consolidated financial statements are extracted from the audited consolidated financial statements, but are not audited or reviewed themselves.

Summarised consolidated statement of comprehensive income

For the year ended 30 June 2022

		SA Rand		
Figures in million	Notes	**2022**	2021	2020
Net profit/(loss) for the year		**(1 012)**	5 124	(850)
Other comprehensive income for the year, net of income tax		**202**	3 251	(1 958)
Items that may be reclassified subsequently to profit or loss		**171**	3 233	(1 998)
Foreign exchange translation gain/(loss)	3	**742**	(1 234)	1 199
Remeasurement of gold hedging contracts	8	**(571)**	4 467	(3 197)
Items that will not be reclassified to profit or loss		**31**	18	40
Total comprehensive income for the year		**(810)**	8 375	(2 808)
Attributable to:				
Non-controlling interest		**40**	58	12
Owners of the parent		**(850)**	8 317	(2 820)

The accompanying notes are an integral part of these summarised financial statements.

Summarised consolidated balance sheet

At 30 June 2022

Figures in million	Notes	SA Rand **At 30 June 2022**	 At 30 June 2021
Assets			
Non-current assets			
Property, plant and equipment	5	**32 872**	33 597
Intangible assets	5	**48**	365
Restricted cash and investments		**5 555**	5 232
Investments in associates		**125**	126
Deferred tax assets	6	**203**	272
Other non-current assets		**374**	332
Derivative financial assets	8	**137**	328
Total non-current assets		**39 314**	40 252
Current assets			
Inventories		**2 818**	2 542
Restricted cash and investments		**27**	67
Trade and other receivables		**1 682**	1 652
Derivative financial assets	8	**519**	1 471
Cash and cash equivalents		**2 448**	2 819
Total current assets		**7 494**	8 551
Total assets		**46 808**	48 803
Equity and liabilities			
Share capital and reserves			
Attributable to equity holders of the parent company		**30 039**	31 160
Share capital and premium		**32 934**	32 934
Other reserves		**6 744**	6 399
Accumulated loss		**(9 639)**	(8 173)
Non-controlling interest		**78**	54
Total equity		**30 117**	31 214
Non-current liabilities			
Deferred tax liabilities	6	**1 586**	2 178
Provision for environmental rehabilitation	9	**5 013**	4 662
Other provisions		**932**	926
Borrowings	10	**3 180**	2 974
Contingent consideration liability	11	**356**	417
Other non-current liabilities		**268**	178
Derivative financial liabilities	8	**3**	6
Streaming contract liability	12	**378**	695
Total non-current liabilities		**11 716**	12 036
Current liabilities			
Other provisions		**139**	175
Borrowings	10	**25**	387
Trade and other payables		**4 494**	4 389
Derivative financial liabilities	8	**8**	206
Streaming contract liability	12	**309**	396
Total current liabilities		**4 975**	5 553
Total equity and liabilities		**46 808**	48 803

The accompanying notes are an integral part of these summarised financial statements.

Summarised consolidated statement of changes in shareholders' equity

For the year ended 30 June 2022

	SA Rand					
Figures in million	Number of ordinary shares issued	Share capital and premium	Accumulated loss	Other reserves	Non-controlling interest	Total
Balance – 30 June 2019	539 841 195	29 551	(11 710)	4 773	—	22 614
Issue of shares						
– Shares issued and fully paid	60 278 260	3 386	—	—	—	3 386
– Exercise of employee share options	3 023 251	—	—	—	—	—
Share-based payments	—	—	—	186	—	186
Recognition of non-controlling interest	—	—	5	—	(5)	—
Net loss for the year	—	—	(878)	—	28	(850)
Other comprehensive income for the year	—	—	—	(1 942)	(16)	(1 958)
Dividends paid	—	—	—	—	(3)	(3)
Balance – 30 June 2020	603 142 706	32 937	(12 583)	3 017	4	23 375
Issue of shares						
– Exercise of employee share options	12 909 491	—	—	—	—	—
Share issue costs	—	(3)	—	—	—	(3)
Share-based payments	—	—	—	156	—	156
Partial purchase of non-controlling interest	—	—	—	(4)	(1)	(5)
Net profit for the year	—	—	5 087	—	37	5 124
Other comprehensive income for the year	—	—	—	3 230	21	3 251
Dividends paid	—	—	(677)	—	(7)	(684)
Balance – 30 June 2021	616 052 197	32 934	(8 173)	6 399	54	31 214
Issue of shares						
– Exercise of employee share options	**473 505**	**—**	**—**	**—**	**—**	**—**
Share-based payments	**—**	**—**	**—**	**143**	**—**	**143**
Net profit for the year	**—**	**—**	**(1 052)**	**—**	**40**	**(1 012)**
Other comprehensive income for the year	**—**	**—**	**—**	**202**	**—**	**202**
Dividends paid	**—**	**—**	**(414)**	**—**	**(16)**	**(430)**
Balance – 30 June 2022	**616 525 702**	**32 934**	**(9 639)**	**6 744**	**78**	**30 117**

The accompanying notes are an integral part of these summarised financial statements.

Summarised consolidated cash flow statement

For the year ended 30 June 2022

		SA Rand		
Figures in million	Notes	**2022**	2021	2020
Cash flow from operating activities				
Cash generated by operations		**7 378**	9 741	5 031
Dividends received		**74**	85	—
Interest received		**87**	171	86
Interest paid		**(319)**	(234)	(370)
Income and mining taxes paid		**(296)**	(584)	(24)
Cash generated by operating activities		**6 924**	9 179	4 723
Cash flow from investing activities				
Increase in restricted cash and investments		**(128)**	(48)	(21)
Amounts refunded from restricted cash and investments		**53**	34	5
Redemption of preference shares from associates		**—**	36	59
Acquisition of Mponeng operations and related assets		**—**	(3 363)	—
ARM BBEE Trust loan repayment		**65**	264	—
ARM BBEE Trust loan advanced		**—**	(264)	—
Capital distributions from investments		**—**	8	7
Proceeds from disposal of property, plant and equipment		**24**	11	2
Additions to property, plant and equipment		**(6 214)**	(5 142)	(3 610)
Cash utilised by investing activities		**(6 200)**	(8 464)	(3 558)
Cash flow from financing activities				
Borrowings raised	10	**3 057**	—	6 541
Borrowings repaid	10	**(3 601)**	(3 491)	(5 661)
Proceeds from the issue of shares		**—**	—	3 466
Partial repurchase of non-controlling interest		**—**	(5)	—
Dividend paid		**(430)**	(684)	(3)
Lease payments		**(177)**	(119)	(38)
Cash generated/(utilised) from financing activities		**(1 151)**	(4 299)	4 305
Foreign currency translation adjustments		**56**	46	(106)
Net increase/(decrease) in cash and cash equivalents		**(371)**	(3 538)	5 364
Cash and cash equivalents – beginning of year		**2 819**	6 357	993
Cash and cash equivalents – end of year		**2 448**	2 819	6 357

The accompanying notes are an integral part of these summarised financial statements.

Notes to the summarised consolidated financial statements

For the year ended 30 June 2022

1 General information

Harmony Gold Mining Company Limited (the company) and its subsidiaries (collectively Harmony or the group) are engaged in gold mining and related activities, including exploration, extraction and processing. Gold bullion, the group's principal product, is currently produced at its operations in South Africa and Papua New Guinea. Uranium and silver are produced as by-products.

The company is a public company, incorporated and domiciled in South Africa. The address of its registered office is Randfontein Office Park, Corner Main Reef Road and Ward Avenue, Randfontein, 1759.

The consolidated financial statements were authorised for issue by the board of directors on 25 October 2022.

2 Accounting policies

Basis of preparation

The summarised consolidated financial statements for the year ended 30 June 2022 are prepared in accordance with the requirements of the JSE Listings Requirements for abridged reports and the requirements of the Companies Act applicable to the summarised financial statements. The Listings Requirements require abridged reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of the IFRS and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34 *Interim Financial Reporting*. The summarised consolidated financial statements should be read in conjunction with the consolidated annual financial statements for the year ended 30 June 2022 (included in the Financial report 2022 available at **www.harmony.co.za**), which have been prepared in accordance with IFRS. The accounting policies are consistent with those described in the consolidated annual financial statements. The principal accounting policies applied in the preparation of the consolidated financial statements are consistent with those applied in the previous consolidated annual financial statements.

The consolidated financial statements have been prepared on a going concern basis.

The consolidated financial statements have been prepared to the nearest million and rounding may cause differences.

During the year ended 30 June 2022, Mine Waste Solutions (MWS) was identified as a separate reportable segment as a result of it exceeding the quantitative threshold of 10% of total reported profit as set out in IFRS 8 *Operating Segments*. This resulted in MWS's segment information being disaggregated from the All other surface operations segment. In accordance with the requirements of IFRS, the June 2021 comparative information has been re-presented in the segment report.

Note 15 includes the revised figures for certain prescribed officers' shares held at 30 June 2021.

Recent accounting developments

During the financial year, there were no new standards, amendments to standards or interpretations that became effective that affected the group's results or financial position materially.

3 Impact of changes in global operating and economic environment

Covid-19

In South Africa, the national lockdown that began on 27 March 2020 to curb the spread of the Coronavirus (Covid-19) came to an end during April 2022. This led to the discontinuance of all Covid-19 regulations which had been put in place. In Papua New Guinea, where the Hidden Valley operation is located, significant decreases in positive cases have been experienced for the first part of the 2022 calendar year. In prior years, the group had been able to carry out its operations in Papua New Guinea during the state of emergency which had been imposed by the government.

The virus will still be prevalent in normal day-to-day living. However, unlike before, a significant percentage of the population has been vaccinated against Covid-19. This puts Harmony in a favourable position to manage Covid-19 as part of normal day-to-day activities and as a result management does not expect any further disruptions.

Cost and inflationary pressures

During the second half of the 2022 financial year, Harmony experienced heightened input costs driven by inflationary pressures related to global supply chain constraints due to the Covid-19 pandemic, which was then further exacerbated by Russia's invasion of Ukraine. The effect has been especially pronounced on certain key items such as oil (directly affecting diesel supply and cost), steel and certain chemical reagents used by the treatment plants. These cost pressures had an impact on, among others, the FY23 budget and life-of-mine planning process, impairment assessments performed for the group's cash generating units and determination of deferred tax rates for the group's mining entities. Refer to notes 5 and 6 respectively for further disclosure.

3 Impact of changes in global operating and economic environment continued

Discount rates

In recent months, central banks globally have been increasing interest rates as a measure of combating rising inflation. In the current financial year, the US Federal Reserve has increased interest rates by 150 basis points, while the South African Reserve Bank (SARB) has raised the repurchase interest rate by 125 basis points for the same period. This contributed to increased bond yields realised in the market, which resulted in an increased cost of equity, as used for purposes of impairment assessments, and risk-free rates used for discounting of the provision for environmental rehabilitation. Refer to note 5 and 9 respectively for further disclosure.

Commodity prices and exchange rates

Gold traded within a range of US$1 726/oz and US$2 052/oz (2021: US$1 681/oz and US$2 063/oz) during the current financial year, reaffirming its safe haven status with investors during times of global uncertainty and market volatility. These uncertainties have also resulted in increased volatility in the R/US$ and R/A$ exchange rates. The currencies traded in ranges of R14.15/US$1 to R16.30/US$1 (2021: R13.43/US$1 to R17.68/US$1) and R10.43/A$1 to R11.63/A$1 (2021: R10.41/A$1 to R12.66/A$1) respectively during the current financial year. Management believes this volatility could be a reflection of growing concern in market sentiment fears surrounding recessions in key economies and current and/or further geopolitical tensions.

As part of the underlying assumptions used in valuing certain line items, management used a consensus of market analysts' forecasts in determining short-, medium- and long-term commodity prices and exchange rates. These economic assumptions are used in certain fair value calculations. Based on the consensus forecasts used, a marked increase was seen in US$ gold price and R/US$ exchange rate assumptions applied.

ESG and climate change-related financial disclosures

Due to the increased focus on sustainability, Environmental, Social and Governance (ESG) matters and climate change, various regulators have released guidance or proposed regulations for required disclosures during the year. In March 2022, the newly formed International Sustainability Standards Board (ISSB) released exposure drafts on general requirements of sustainability reporting and climate-related disclosures. During March 2022, the Securities and Exchange Commission (SEC) issued proposed rules that are intended to provide more consistent, comparable and reliable information so that investors can better evaluate the impact of climate-related matters on entities. During June 2022, the Johannesburg Stock Exchange (JSE) released its Sustainability and Climate Disclosure guidance.

The comment periods on the SEC and ISSB proposals have closed and the regulators are continuing with their processes. It is expected that the proposals will affect the information reported as "other information" by entities and may include specific requirements on assurance of certain ESG key performance indicators. However, the SEC's proposal included certain disclosures in the financial statements. It is unknown at this stage if these will be retained in the final regulation.

Management will continue to monitor announcements made by the ISSB, SEC and JSE that will affect the reporting by the group.

4 Revenue

	SA Rand		
Figures in million	**2022**	2021	2020
Revenue from contracts with customers	**41 677**	43 632	30 642
Gold (a)	**40 774**	42 597	29 704
Silver (b)	**663**	857	839
Uranium (c)	**240**	178	99
Consideration from streaming contract[1]	**471**	397	—
Hedging gain/(loss)[2]	**497**	(2 296)	(1 397)
Total revenue[3]	**42 645**	41 733	29 245

[1] *Relates to the recognition of non-cash consideration recognised as part of revenue for the streaming arrangement. Refer to note 12 for further information.*
[2] *Relates to the realised effective portion of the hedge-accounted gold derivatives. Refer to note 8 for further information.*
[3] *A geographical analysis of revenue is provided in the segment report. Refer to note 16 for further information.*

(a) The decrease in gold revenue during the 2022 financial year is mainly due to the decrease in gold production by 3% to 46 236kg from 47 755kg in 2021. The decrease is a result of mining constraints at Doornkop, Moab Khotsong and Tshepong Operations resulting in lower grade recovered, the seismic issues experienced at Bambanani as well as the geotechnical instability affecting Stage 6 and a conveyor belt failure at Hidden Valley. In addition, the average gold spot price received decreased by 2% from R899 563/kg in the 2021 year to R883 453/kg in 2022. The decrease was partially offset by an increase in production at Mponeng and Mine Waste Solutions as they contributed for the full year compared to nine months in 2021.

4 Revenue continued

(a) The decrease in gold revenue **continued**

The increase in gold revenue during the 2021 financial year is mainly due to the acquisition of the Mponeng operations and related assets and a higher gold price. The acquired operations contributed R7.5 billion in revenue during the period. In addition, the average gold spot price received increased by 17% to R899 563/kg in 2021.

(b) Silver is derived from the Hidden Valley mine in Papua New Guinea. Silver produced decreased by 12% to 59 489kg from 67 295kg in 2021 as a result of operational issues experienced at Hidden Valley, as mentioned above. The average silver price decreased by 10% to R11 293/kg in 2022.

Silver produced decreased by 31% to 67 295kg in 2021 from 97 332kg in 2020, however, the average silver price increased by 49% to R12 602/kg in 2021.

(c) Uranium is derived from the Moab Khotsong operation. Uranium produced increased by 11% to 167 696kg from 150 778kg in 2021 and the average uranium price increased by 50% to R1 514/kg in 2022.

Uranium produced increased by 10% to 150 778kg in 2021 from 137 298kg in 2020 and the average uranium price increased by 15% to R1 010/kg in 2021.

5 Cost of sales

	SA Rand		
Figures in million	**2022**	2021	2020
Production costs (a)	**33 099**	29 774	22 048
Amortisation and depreciation of mining assets (b)	**3 622**	3 777	3 409
Amortisation and depreciation of assets other than mining assets (b)	**61**	98	99
Rehabilitation expenditure	**136**	135	47
Care and maintenance costs of restructured shafts	**273**	144	146
Employment termination and restructuring costs	**218**	332	40
Share-based payments	**143**	114	130
Impairment of assets (c)	**4 433**	1 124	—
Other	**(58)**	(9)	(11)
Total cost of sales	**41 927**	35 489	25 908

(a) Production costs include mine production, transport and refinery costs, applicable general administrative costs, movement in inventories and ore stockpiles, ongoing environmental rehabilitation costs and transfers for stripping activities. Employee termination costs are included, except for employee termination costs associated with major restructuring and shaft closures, which are separately disclosed.

Production costs increased by R3 325 million (11% year on year) during 2022. These costs increased mainly due to the inclusion of the Mponeng operations and related assets for a full financial year, and inflationary pressures on costs including labour, electricity and consumables. This was partially offset by a reduction in the royalty expense in the current year due to lower profits which impacted the rates at which the royalties are calculated.

Production costs increased by R7 726 million (35% year on year) during the 2021 year. These costs increased mainly as a result of the acquisition of the Mponeng operations and related assets, which contributed R5 230 million to the increase. The remaining increase is mainly attributable to higher utilities and labour costs as a result of annual increases. Also contributing is the royalty expense which increased due to increased profitability as a result of the higher gold prices, which also impacted on the rates at which royalties are calculated.

(b) The decrease for the 2022 year is predominantly as a result of the operational challenges experienced at the Hidden Valley operation, which resulted in lower production and therefore a decrease in depreciation year on year of R651 million. This was partially offset by increased depreciation at the other operations. Notably, Mine Waste Solutions had a year-on-year increase of R227 million, primarily due to new assets being brought into use. Mponeng also recorded an increase, due to the consolidation for the full year for 2022 compared to nine months for 2021, amounting to R54 million. With the closure of Bambanani earlier than initially planned, additional depreciation of R56 million was recorded due to the shortened life of the operation

The increase for the 2021 year is as a result of the operations running for the entire year with no lockdown while the charge for 2020 was impacted by lower production due to the closure of underground operations as a result of the Covid-19 pandemic. The inclusion of the Mponeng operations and related assets in the asset base also contributes to the increase year on year.

Amortisation and depreciation of assets other than mining assets includes the amortisation of intangible assets.

5 Cost of sales continued

(c) Management performed an assessment for indicators of impairment as well as indicators of reversal of previously recorded impairment losses at 30 June 2022. Due to the net asset value (before any impairments recognised) exceeding the market capitalisation of Harmony as at 30 June 2022, as well as increased operating costs, the recoverable amounts for all cash generating units (CGUs) were calculated. The recoverable amounts for these assets were determined on a fair value less cost to sell basis using assumptions in the discounted cash flow models and attributable resource values. These are fair value measurements classified as level 3. Based on the impairment tests performed, impairments were recorded on certain operations for the 2022 year.

Where CGUs had previously been impaired, management considered whether the impairment loss (or the contributors to the previously recognised impairment loss) no longer exists or might have decreased. Management considered general and specific factors for each CGU and concluded that although overall the gold price environment had improved from the time that the impairment losses had been recognised, the specific circumstances that led to the original impairments had not reversed. Furthermore, the service potential of the asset has not increased. Management therefore resolved it to be appropriate for no reversal of previously recognised impairment losses to be recorded for the year ended 30 June 2022. There also was no reversal of impairment for the 2021 or 2020 financial years.

The impairment of assets consists of the following:

	SA Rand		
Figures in million	**2022**	2021	2020
Tshepong Operations	**3 622**	759	—
Moab Khotsong	**522**	—	—
Kusasalethu	**145**	—	—
Bambanani	**144**	187	—
Target 3	**—**	178	—
Total impairment of assets	**4 433**	1 124	—

The Tshepong Operations were disaggregated into two 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. Going forward, however, Tshepong North and Tshepong South will be disclosed as separate reportable segments.

Critical accounting estimates and judgements – impairment of assets

The recoverable amount of mining assets is generally determined utilising real discounted future cash flows (post tax). Management also considers such factors as the quality of the individual orebody, market risk, asset-specific risks and country risk in determining the fair value.

Key assumptions for the calculations of the mining assets' recoverable amounts are the commodity prices, resource values, marketable discount rates, costs to sell, exchange rates and the annual life-of-mine plans. In determining the commodity prices and resource values to be used, management assesses the long-term views of several reputable institutions on commodity prices and based on this, derives the commodity prices and resource values.

The life-of-mine plans are based on the Proved and Probable reserves as included in the Reserve Declaration, which are determined in terms of SAMREC, as well as resources where management has high confidence in the orebody and economical recovery of gold, based on historic and similar geological experience.

5 Cost of sales continued

Critical accounting estimates and judgements – impairment of assets continued

During the year under review, the group calculated the recoverable amounts (generally fair value less costs to sell) based on updated life-of-mine plans and the following gold price, silver price and exchange rates assumptions:

	2022	2021	2020
US$ gold price per ounce			
– Year 1	**1 861**	1 805	1 610
– Year 2	**1 744**	1 673	1 558
– Year 3	**1 664**	1 582	1 469
– Long term (Year 4 onwards)	**1 546**	1 500	1 350
US$ silver price per ounce			
– Year 1	**23.85**	25.72	17.00
– Year 2	**22.42**	23.22	17.00
– Year 3	**21.46**	21.70	17.00
– Long term (Year 4 onwards)	**19.38**	20.70	17.00
US$ copper price per pound	**3.30**	3.00	3.00
Exchange rate (R/US$)			
– Year 1	**15.55**	14.54	16.72
– Year 2	**15.34**	14.36	15.47
– Year 3	**15.26**	14.44	15.29
– Long term (Year 4 onwards)	**15.35**	14.51	14.51
Exchange rate (PGK/US$)	**3.50**	3.50	3.45
Rand gold price (R/kg)			
– Year 1	**931 000**	843 000	865 000
– Year 2	**860 000**	772 000	775 000
– Year 3	**816 000**	735 000	722 000
– Long term (Year 4 onwards)	**763 000**	700 000	630 000

The following are the attributable gold resource value assumptions:

	South Africa			Hidden Valley		
US dollar per ounce	**2022**	2021	2020	**2022**	2021	2020
Underground resources						
Measured	**16.50**	16.50	25.00	**n/a**	n/a	n/a
Indicated	**9.00**	9.00	8.00	**n/a**	n/a	n/a
Inferred	**3.60**	3.60	2.80	**n/a**	n/a	n/a
Surface resources						
Measured	**30.00**	30.00	n/a	**n/a**	n/a	n/a
Indicated	**17.50**	17.50	n/a	**9.00**	9.00	8.00
Inferred	**8.00**	8.00	n/a	**n/a**	n/a	n/a

The recoverable amount of mining assets is determined utilising real discounted future cash flows or resource multiples in the case of undeveloped properties and certain resource bases. The underground resource value has been applied to Target North, Doornkop's Kimberly Reef and the Wafi-Golpu Project. The surface resource values have been applied to the Mispah Tailings resource, Vaal River and West Wits surface sources.

One of the most significant assumptions that influence the group's operations' life-of-mine plans, and therefore the impairment assessment, is the expected commodity prices. Management continues to differentiate between short-, medium- and long-term assumptions used in the models. The long-term price was determined as part of the annual budgeting process and is used in the life-of-mine plans and is also the cut-off price for calculating reserves included in the declaration of reserves and resources in terms of SAMREC.

The resource multiple values have remained consistent with the prior year, as no new market transactions have taken place in the South African gold mining industry that would provide more recent information compared with prior-year information. In 2021, the resource multiple values were updated based on the recent transaction between Anglogold Ashanti Limited and Harmony for the purchase of the Mponeng operations and related assets. The resource multiple was further updated to differentiate between underground operations and surface source operations due to the new information and applied to the relevant resource bases.

5 Cost of sales continued

Critical accounting estimates and judgements – impairment of assets continued

Due to the volatilities experienced in the markets and the uncertainty in forecasting future cash flows as a result of the impact of the Covid-19 pandemic, management has used various probability scenarios in determining the recoverable amounts for the CGUs at 30 June 2021 and 2020. As discussed in note 3, the uncertainty that existed in prior years surrounding the potential impact of Covid-19 has dissipated and therefore management believes that it is no longer appropriate to apply Covid-adjusted probability scenarios in determining recoverable amounts for the CGUs at 30 June 2022.

The factors considered in the scenarios for 2020 and 2021 were:
- Infection rates and the timing of the expected peaks in the areas that Harmony's operations are situated in
- Expected disruptions to production together with the mitigation strategies management had in place
- Expectation of the completion date of the vaccination programme at Harmony and a governmental level
- Potential duration of the impact of the virus (prior and post vaccination) and the related restrictions in operations.

Estimates of the staffing costs for screening and monitoring employees at work and in quarantine, together with the cost of the vaccination programme, were included, while the scenarios used by management included further potential costs if vaccinations were required in the future at various intervals.

In preparing the various scenarios, management considered and varied:
- The potential impact on production and therefore on the revenue cash flows, based on historical trends that have been extrapolated to account for varying disruption levels
- The duration of potential disruptions to production, ranging from 12 months to 24 months
- The infection rates and associated costs as well as vaccination costs. This included impacts on production as well as considerations of the potential requirement to re-vaccinate in coming years.

The calculated cash flows were then weighted based on management's expectation of each of the scenarios occurring. The resulting amounts were discounted using the specific discount rate for each operation in order to determine the recoverable amount.

The post-tax real discount rate for Hidden Valley was 11.42% (2021: 10.30%) (2020: 9.02%) and the post-tax real discount rates for the South African operations ranged between 10.20% and 13.10% (2021: 9.40% and 12.00%) (2020: 9.62% and 11.53%), depending on the asset, were used to determine the recoverable amounts. Cash flows used in the impairment calculations are based on life-of-mine plans which exceed five years for the majority of the mines. Cash flows from potential projects, life-of-mine extensions and residual ounces can also be included in the impairment assessment where deemed appropriate. An additional risk premium is added to the post-tax real discount rates in these instances.

Should management's estimate of the future not reflect actual events, further impairments may be identified.

Factors affecting the estimates include:
- Changes to Proved and Probable ore reserves
- Economical recovery of resources
- The grade of the ore reserves may vary significantly from time to time
- Review of strategy
- Unforeseen operational issues at the mines
- Differences between actual commodity prices and commodity price assumptions
- Changes in the discount rate and foreign exchange rates
- Changes in capital, operating mining, processing and reclamation costs
- Mines' ability to convert resources into reserves
- Potential production stoppages for indefinite periods
- The impact of the Covid-19 pandemic
- Carbon tax.

5 Cost of sales continued

Critical accounting estimates and judgements – impairment of assets continued

Sensitivity analysis – impairment of assets

One of the most significant assumptions that influence the life-of-mine plans and therefore impairment assessments is the expected commodity prices. Management determined a reasonably possible long-term change of 10% in gold prices based on the standard deviation of both Harmony's long-term gold price assumption over the past five financial years and market analysts' forecasted long-term gold price assumptions. A 10% increase/decrease (pre-impairment and -scrapping recognition) in the gold price and resource values used, with the resultant adjustment to mining royalties (with all other variables held constant and not taking any actions, such as stopping capital projects, into account) would have resulted in the following post-tax impairment being recorded (including the impairments recorded in the current period) as at 30 June 2022:

	SA Rand	
Figures in million	**2022**	2021
-10% decrease		
Tshepong North[1]	**4 074**	n/a
Moab Khotsong[2]	**3 869**	1 916
Tshepong South[1]	**2 339**	n/a
Doornkop	**1 690**	1 914
Mponeng	**1 443**	2 249
Target 1	**1 121**	1 267
Joel	**762**	359
Kusasalethu	**689**	821
Mine Waste Solutions	**493**	96
Kalgold	**304**	390
Other assets	**208**	101
Hidden Valley	**96**	—
Central Plant Reclamation	**32**	—
West Wits	**—**	35
Tshepong Operations[1]	**n/a**	5 325
Bambanani[2]	**n/a**	413
Target 3	**n/a**	178
+10% increase		
Tshepong South[1]	**224**	n/a
Target 3	**n/a**	178

[1] *The Tshepong Operations have been tested separately for impairment at 30 June 2022.*
[2] *The carrying amounts of these CGUs include goodwill and any impairment losses are allocated first to goodwill and then to the identifiable assets.*

At all other operations, a 10% increase in the gold price would have resulted in no impairments being recorded.

6 Taxation

The taxation (expense)/credit for the year is as follows:

	SA Rand		
Figures in million	**2022**	2021	2020
SA taxation			
Mining tax (a)	**(182)**	(464)	(56)
– Current year	**(194)**	(467)	(61)
– Prior year	**12**	3	5
Non-mining tax (b)	**(125)**	(80)	(2)
– Current year	**(121)**	(81)	(2)
– Prior year	**(4)**	1	—
Deferred tax (c)	**353**	(714)	(197)
– Current year	**353**	(714)	(197)
Total taxation (expense)/credit	**46**	(1 258)	(255)

Notes to the summarised consolidated financial statements continued

For the year ended 30 June 2022

6 Taxation continued

(a) Mining tax on gold mining taxable income in South Africa is determined according to a formula, based on the taxable income from mining operations. 5% of total revenue is exempt from taxation, while the remainder is taxable at a higher rate (up to a maximum of 34%) than non-mining income (28%) as a result of applying the gold mining formula. Mining and non-mining income of Australian and PNG entities are taxed at a standard rate of 30%.

All qualifying mining capital expenditure is deducted from taxable mining income to the extent that it does not result in an assessed loss. Accounting depreciation is eliminated when calculating the South African mining taxable income. Excess capital expenditure is carried forward as unredeemed capital to be claimed from future mining taxable income. The group has several tax paying entities in South Africa. In terms of the mining ring-fencing application, each ring-fenced mine is treated separately and deductions can normally only be utilised against mining income generated from the relevant ring-fenced mine.

The movement in foreign exchange translation from gains in the 2021 year to losses in 2022 and a decline in mining taxable income resulted in the decrease in the current tax expense during the 2022 year. The movement in foreign exchange translation from losses in the 2020 year to gains in 2021 as well as higher mining taxable income due to the increase of revenue resulted in the increase in the current tax expense during the 2021 year. This was also impacted by certain companies within the group using their unredeemed capital allowances as well as assessed losses during 2021.

(b) Non-mining taxable income of mining companies and the taxable income for non-mining companies are taxed at the statutory corporate rate of 28%. The expense for 2022 and 2021 relates to non-mining tax arising from derivative gains (realised and unrealised) recognised on the foreign currency derivatives as well as the realised gains on the commodity forward sale contracts. During 2020, the losses on the derivative contracts resulted in non-mining tax losses. Refer to note 8 for details on the group's derivative gains and losses recorded.

(c) The deferred tax rate used to calculate deferred tax is based on the current estimate of future profitability when temporary differences will reverse based on tax rates and tax laws that have been enacted at the balance sheet date. Depending on the profitability of the operations, the deferred tax rate can consequently be significantly different from year to year.

Following the completion of the annual life-of-mine plans, management revised the weighted average deferred tax rates for all the South African operations. As part of the determination of the deferred tax rates, consideration was given to the amended corporate income tax rate of 27% from 28% as well as the change in the mining tax rate from 34% to 33% for the 2023 financial year. The annual limitation of assessed loss utilisation to 80% of taxable income was incorporated in the calculation. The changes were considered to be substantively enacted at 30 June 2022 and would affect forecast tax estimations or cash flows. They were also taken into account in the determination of recoverable amounts for impairment purposes. Refer to note 5.

Changes to the deferred income tax rates were significant for the following entities:

		Percent (%)	
	2022	2021	2020
Harmony	**25.1**	27.4	29.8
Freegold (Harmony) (Proprietary) Limited (Freegold)	**7.0**	12.1	11.4
Randfontein Estates Limited (Randfontein)	**8.7**	5.1	10.1
Harmony Moab Khotsong Operations (Proprietary) Limited (Moab)	**14.7**	17.6	17.3
Golden Core Trade and Invest (Proprietary) Ltd (Mponeng)	**12.8**	11.3	n/a

These changes, together with changes in the temporary differences, had the following impacts:

- The change in rates, with majority decreasing year on year at the individual company level (other than hedge accounted derivatives), resulted in a decrease in the deferred tax expense and liability to the amount of R386 million (2021: R55 million decrease)
- The impact of impairments at the individual CGU level resulted in a decrease in the deferred tax expense and liability of R312 million
- Unwinding of temporary differences related to unredeemed capital expenditure balances resulted in an increase of R86 million in the deferred tax expense (2021: R301 million)
- The Rand weakened during the 2022 year and the number of outstanding Rand gold contracts at 30 June 2022 decreased, resulting in a negative impact on the valuation of the Rand gold derivatives at year end. Refer to notes 8 and 13 for detail. The temporary differences related to the Rand gold derivatives therefore also decreased, resulting in a R170 million decrease in the deferred tax liability and deferred tax expense (2021: R782 million increase). Management assessed the rates at which the temporary differences are expected to reverse and revised the rate for the vast majority of the companies from the previous non-mining tax rate of 28% rate to the non-mining tax rate of 27% which will be applicable from 2023 onwards.

6 **Taxation** continued

Income and mining tax rates

The tax rate remained unchanged for the 2020, 2021 and 2022 years.

Major items causing the group's income tax provision to differ from the South African mining statutory tax rate of 34% were:

	SA Rand		
Figures in million	**2022**	2021	2020
Tax (expense)/credit on net profit/loss at the mining statutory tax rate	**360**	(2 170)	202
Non-allowable deductions and non-taxable items	**(328)**	(153)	(221)
Equity-settled share-based payments	**(49)**	(49)	(62)
Gain on bargain purchase	**—**	102	—
Acquisition and integration costs	**—**	(75)	—
Impairment of assets	**(114)**	(64)	—
Exploration expenditure	**(79)**	(15)	(55)
Finance costs	**(52)**	(50)	(76)
Other	**(34)**	(2)	(28)
Movement in temporary differences related to property, plant and equipment[1]	**(1 447)**	378	(355)
Movements in temporary differences related to other assets and liabilities	**(174)**	(465)	(452)
Difference between effective mining tax rate and statutory mining rate on mining income	**125**	145	10
Difference between non-mining tax rate and statutory mining rate on non-mining income	**26**	17	—
Effect on temporary differences due to changes in effective tax rates[2]	**386**	(55)	(469)
Prior-year adjustment	**10**	(4)	5
Capital allowances[3]	**973**	860	766
Deferred tax asset not recognised[4]	**115**	189	34
Deferred tax asset previously not recognised now recorded[5]	**—**	—	225
Income and mining taxation (expense)/credit	**46**	(1 258)	(255)
Effective income and mining tax rate (%)	**4**	20	(43)

[1] The change in 2022 is mainly as a result of the decrease in the net carrying value of Freegold and Moab's assets due to the impairment recognised (refer to note 5) as well as an increase in the unredeemed capital expenditure balance of Avgold.

[2] Refer to (c) above for detail of the deferred tax rate changes.

[3] This relates to the additional capital allowance that may be deducted from taxable income from mining operations in South Africa. A significant portion relates to Avgold Limited (Avgold) which has a 0% effective tax rate.

[4] This relates to tax losses and deductible temporary differences for which future taxable profits are uncertain and are not considered probable.

[5] In 2020, the assessment on whether there would be future profits for Harmony Company as well as taxable temporary differences, which the deductible temporary differences can be reversed against, was performed. Management concluded that there would be and therefore the deferred tax asset not recognised in the 2019 year was recognised at 30 June 2020.

7 **Earnings/(loss) per share**

Basic earnings/(loss) per share

Basic earnings/(loss) per share is calculated by dividing the net income attributable to shareholders by the weighted number of ordinary shares in issue during the year.

	2022	2021	2020
Basic weighted average number of ordinary shares in issue (000)	**612 455**	604 286	535 336
Total net profit/(loss) attributable to shareholders (R million)	**(1 052)**	5 087	(878)
Total basic earnings/(loss) per share (SA cents)	**(172)**	842	(164)

Notes to the summarised consolidated financial statements continued

For the year ended 30 June 2022

7 Earnings/(loss) per share continued

Diluted earnings/(loss) per share

	2022	2021	2020
Weighted average number of ordinary shares for diluted earnings per share (000)[1]	**614 614**	616 385	547 194
Total diluted earnings/(loss) per share (cents)[2]	**(172)**	825	(166)

[1] Due to net loss attributable to the shareholders in 2022 and 2020, the inclusion of the share options as potential ordinary shares had an anti-dilutive effect on the loss, therefore the diluted loss per share was set at the basic loss per share for these years. The issue price and the exercise of share options issued to the employees include the fair value of any services to be supplied to the entity in the future under the share option or other share-based payment arrangements.

[2] The dilution in 2020 is as a result of the potential reduction in earnings attributable to equity holders of the parent company as a result of the exercise of the Tswelopele Beneficiation Operation (TBO) option. TBO contributed a profit and therefore the reduction in earnings attributable to Harmony would increase the loss and loss per share. Following the vesting of the option in December 2019, there has been no further impact.

Headline earnings/(loss) per share

The calculation of headline earnings/(loss), net of tax, per share is based on the basic earnings/(loss) per share calculation adjusted for the following items:

	SA Rand		
Figures in million	**2022**	2021	2020
Net profit/(loss) attributable to shareholders	**(1 052)**	5 087	(878)
Adjusted for:			
Impairment of assets[1]	**4 433**	1 124	—
Taxation effect on impairment of assets	**(312)**	(93)	—
Gain on bargain purchase[2]	**—**	(303)	—
Profit on sale of property, plant and equipment	**(24)**	(11)	(2)
Taxation effect on profit on sale of property, plant and equipment	**4**	2	—
Loss on scrapping of property, plant and equipment	**7**	161	62
Taxation effect on loss on scrapping of property, plant and equipment	**(1)**	(8)	(10)
Headline earnings/(loss)	**3 055**	5 959	(828)
Basic headline earnings/(loss) per share (cents)	**499**	987	(154)
Diluted headline earnings/(loss) per share (cents)[3]	**497**	967	(157)

[1] This total includes the impairment of goodwill, which does not have a tax effect.

[2] There is no taxation effect on this item.

[3] Due to the net loss attributable to shareholders, the inclusion of the share options as potential ordinary shares had an anti-dilutive effect on the earnings per share in 2020 (2022 and 2021: dilutive effect on the headline earnings per share). The 2020 diluted headline loss per share also includes the potential impact of exercising the Tswelopele Beneficiation Operation option as explained above.

Dividends

- The board declared an interim ordinary dividend of 40 SA cents for the year ended 30 June 2022 (2021: 110 SA cents). R247 million was paid on 11 April 2022 (2021: R677 million was paid on 19 April 2021). A final dividend of 27 SA cents for the 2021 year was declared by the board, amounting to R167 million which was paid on 18 October 2021. No dividends were paid on ordinary shares by Harmony during 2020.
- The board declared a final ordinary dividend of 22 SA cents for the year ended 30 June 2022, paid on 17 October 2022.

	SA Rand		
	2022	2021	2020
Dividends declared (millions)	**414**	677	—
Dividend per share (cents)	**67**	110	—

8 Derivative financial instruments

The group has the following derivative financial instruments:

Figures in million (SA Rand)	Rand gold hedging contracts	US$ gold hedging contracts	US$ silver contracts	Foreign exchange contracts	Total
At 30 June 2022					
Derivative financial assets	523	44	77	12	656
Non-current	113	18	6	—	137
Current	410	26	71	12	519
Derivative financial liabilities	—	(11)	—	—	(11)
Non-current	—	(3)	—	—	(3)
Current	—	(8)	—	—	(8)
Net derivative financial instruments	523	33	77	12	645
Unrealised gains included in other reserves, net of tax	441	39	—	—	480
Movements for the year ended 30 June 2022					
Realised gains/(losses) included in revenue	602	(105)	—	—	497
Unrealised gains/(losses) on gold contracts recognised in other comprehensive income	(292)	50	—	—	(242)
Gains/(losses) on derivatives	—	—	114	(16)	98
Day one loss amortisation	(39)	(6)	—	—	(45)
Total gains/(losses) on derivatives	(39)	(6)	114	(16)	53
Hedge effectiveness					
Changes in the fair value of the hedging instrument used as the basis for recognising hedge ineffectiveness	(292)	50	—	—	(242)
Changes in the fair value of the hedged item used as the basis for recognising hedge ineffectiveness	292	(50)	—	—	242

8 Derivative financial instruments continued

Figures in million (SA Rand)	Rand gold hedging contracts (a)	US$ gold hedging contracts	US$ silver contracts	Foreign exchange contracts	Rand gold derivative contracts	Total
At 30 June 2021						
Derivative financial assets	1 358	48	10	383	—	1 799
Non-current	279	40	9	—	—	328
Current	1 079	8	1	383	—	1 471
Derivative financial liabilities	(41)	(73)	(98)	—	—	(212)
Non-current	—	—	(6)	—	—	(6)
Current	(41)	(73)	(92)	—	—	(206)
Net derivative financial instruments	1 317	(25)	(88)	383	—	1 587
Unrealised gains/(losses) included in other reserves, net of tax	1 069	(18)	—	—	—	1 051
Movements for the year ended 30 June 2021						
Realised losses included in revenue	(2 023)	(273)	—	—	—	(2 296)
Unrealised gains/(losses) on gold contracts recognised in other comprehensive income	2 999	(7)	—	—	—	2 992
Gains/(losses) on derivatives	—	—	(256)	1 217	111	1 072
Day one loss amortisation	(42)	(8)	—	—	—	(50)
Total gains/(losses) on derivatives	(42)	(8)	(256)	1 217	111	1 022
Hedge effectiveness						
Changes in the fair value of the hedging instrument used as the basis for recognising hedge ineffectiveness	2 999	(7)	—	—	—	2 992
Changes in the fair value of the hedged item used as the basis for recognising hedge ineffectiveness	(2 999)	7	—	—	—	(2 992)

(a) Rand gold contracts

All Rand gold forward contracts entered into after 1 October 2020 were apportioned to the South African operations which included Mponeng and Mine Waste Solutions operation.

Figures in million (SA Rand)	Rand gold hedging contracts	US$ gold hedging contracts	US$ silver contracts	Foreign exchange contracts	Rand gold derivative contracts	Total
Movements for the year ended 30 June 2020						
Realised losses included in revenue	(1 263)	(134)	—	—	—	(1 397)
Unrealised losses on gold contracts recognised in other comprehensive income	(4 820)	(391)	—	—	—	(5 211)
Gains/(losses) on derivatives	—	—	6	(1 235)	(174)	(1 403)
Unrealised losses reclassified to profit or loss as a result of discontinuance of hedge accounting	(235)	—	—	—	—	(235)
Day one loss amortisation	(34)	(6)	—	—	—	(40)
Total gains/(losses) on derivatives	(269)	(6)	6	(1 235)	(174)	(1 678)

8 Derivative financial instruments continued

The reconciliation of the hedge reserve is as follows:

	SA Rand	
Figures in million	**2022**	2021
Balance at beginning of year	**1 051**	(3 395)
Remeasurement of gold hedging contracts	**(571)**	4 467
Unrealised gain/(loss) on gold hedging contracts	**(242)**	2 992
Released to revenue on maturity of the gold hedging contracts	**(497)**	2 296
Foreign exchange translation	**(2)**	(39)
Deferred taxation thereon	**170**	(782)
Attributable to non-controlling interest	**—**	(21)
Balance at end of year	**480**	1 051
Attributable to:		
Rand gold hedging contracts	**441**	1 069
US dollar gold hedging contracts	**39**	(18)

9 Provision for environmental rehabilitation

The increase in the provision for environmental rehabilitation during the 2022 financial year of R351 million is mainly due to a reduction of the life of certain operations, which impacted the discounting of the provision (R185 million). Also contributing is the weakening Rand/A$ exchange rate which impacted the translation of the balance year on year for South-east Asia (R151 million). The remaining increase relates to the increase of discount rates. Refer to note 3 for a discussion thereof.

10 Borrowings

Summary of facilities' terms

	Commenced	Tenor (years)	Matures	Secured	Security	Interest payment basis	Interest charge	Repayment term	Repaid
Existing									
R2.5 billion revolving credit facility – sustainability linked	May 2022	Three	May 2025[2]	Yes	Unsecured	Variable	JIBAR + 2.40%	On maturity	n/a
US$400 million facility – sustainability linked	May 2022	Three	May 2025[2]	Yes	Unsecured	Variable		On maturity	n/a
- US$100 million term facility							SOFR + 2.85%[4]		
- US$300 million revolving credit facility							SOFR + 2.70%[4]		
R1.5 billion facility (green term loan)[1]	May 2022	Six and a half	November 2028	Yes	Unsecured	Variable	JIBAR + 2.65%	Bi-annual[3]	n/a
US$24 million Westpac loan	July 2018	Four	July 2022	Yes	Cession and pledge of vehicles and machinery	Variable	LIBOR + 3.20%	Quarterly instalments	n/a

[1] *This facility can only be drawn down from November 2022.*
[2] *Does not take into account the two extension options of 12 months each.*
[3] *Ten equal bi-annual instalments starting from May 2024 with the final instalment on maturity.*
[4] *Secured Overnight Financing Rate. The SOFR is a secured interbank overnight interest rate that has been established as an alternative to LIBOR. Please refer to note 13 for more detail.*

10 Borrowings continued

Refinancing of facilities

During May 2022, Harmony refinanced its facilities, replacing its existing R2 billion and US$400 million facility with the following facilities held with a syndicate of local and international lenders:

- R2.5 billion revolving credit facility (Rand RCF)
- US$100 million term facility (US$ term loan)
- US$300 million revolving credit facility (US$ RCF)
- R1.5 billion green term loan (Green loan).

The Green loan can only be used for eligible renewable energy projects as defined in the agreement.

The Rand RCF, US$ RCF and US$ term loans 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 adjustments to interest rate margins for each financial year's ESG performance would impact the following financial year. The respective ESG KPIs are as follows:

KPI	Unit of measurement	Scope	Sustainability performance targets		
			FY23	FY24	FY25
Greenhouse gas emissions	000 tonnes of Scope 1 and Scope 2 CO_2e emissions	All operations	4 485	4 279	4 074
Renewable energy	Renewable energy consumption as % of total electricity consumed	SA operations	2%	8%	20%
Water consumption	Potable water consumed (Mℓ)	SA operations	20 453	19 833	19 436

Depending on Harmony's performance in relation to these ESG KPIs, the potential change in interest rate margin is as follows:

Cumulative benefit/penalty for each financial year (basis points)	FY23	FY24	FY25
KPI			
Greenhouse gas emissions	1	2	3
Renewable energy	1	2	3
Water consumption	1	2	3

Debt covenants

The debt covenant tests for both the Rand and US dollar facilities are as follows:

- The group's interest cover ratio shall be more than five times (EBITDA[1]/ Total interest paid)
- Leverage[2] shall not be more than 2.5 times.

[1] *Earnings before interest, taxes, depreciation and amortisation (EBITDA), as defined in the agreement, excludes unusual items such as impairment and restructuring cost.*
[2] *Leverage is defined as total net debt to EBITDA.*

During the refinancing process, the tangible net worth to total net debt ratio that was relevant to the previous facilities has been removed as a debt covenant, while the interest cover and leverage ratios remained unchanged.

Loan covenants tests were performed for both the old and new loan facilities for the 2022 and 2021 financial years and no breaches were noted. For the 2022 financial year, the group's interest cover ratio was 43.4 times (2021: 42.8 times), while the group's leverage was 0.1 (2021: 0.1). As mentioned above, the tangible net worth to total net debt ratio was removed as a loan covenant during the current financial year (2021: 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 debt levels.

The cash flows from the refinancing process were directed by Harmony and are therefore reflected in the cash flow statement. The transaction costs of R172 million are included as part of the interest paid line in the cash flow statement.

Notes to the summarised consolidated financial statements continued

For the year ended 30 June 2022

10 Borrowings continued

Interest-bearing borrowings

	SA Rand	
Figures in million	**2022**	2021
Non-current borrowings		
R2 billion facility	—	153
Westpac fleet loan	—	22
US$400 million facility – sustainability linked	**3 180**	—
US$400 million facility	—	2 799
Total non-current borrowings	**3 180**	2 974
Current borrowings		
R2 billion facility	—	300
Westpac fleet loan	**25**	87
Total current borrowings	**25**	387
Total interest-bearing borrowings	**3 205**	3 361

The following repayments/draw downs were made during the 2022 year:
- R2 billion facility (matured): R450 million repayment
- US$400 million facility (matured): US$200 million (R3 057 million) repayment
- Westpac fleet loan: R94 million repayment
- US$400 million facility – sustainability linked: US$200 million (R3 057 million) draw down.

	SA Rand	
Figures in million	**2022**	2021
The maturity of borrowings is as follows:		
Current	**25**	387
Between one to two years	—	175
Between two to three years	**3 180**	2 799
	3 205	3 361

	SA Rand	
Figures in million	**2022**	2021
Undrawn committed borrowing facilities		
Expiring within one year	—	—
Expiring after one year	**7 254**	4 254
	7 254	4 254

	2022	2021
Effective interest rates (%)		
R2 billion facility	**6.7**	6.6
Westpac fleet loan	**3.4**	3.4
US$400 million facility	**3.4**	4.0
US$400 million – sustainability linked	**4.3**	—

Figures in million	**2022**	2021	2020
Foreign exchange translation gain/(loss) on borrowings[1]	**(411)**	894	(970)
Rand/US dollar exchange rate:			
Closing/spot	**16.27**	14.27	17.32
Average	**15.21**	15.40	15.66

[1] *The remainder of foreign exchange transaction gain or loss included in profit or loss relates to the translation of cash from a foreign currency to the functional currencies of the operating entities.*

11 Contingent consideration

Critical accounting estimates and judgements

The contingent consideration liability was initially valued using the discounted cash flow valuation method, discounted at a post-tax real rate of 10.6%. Other assumptions are the forecast Rand/US dollar exchange rate and life-of-mine plans. Subsequent to initial recognition, the assumptions applied for the valuation of the liability were updated. As at 30 June 2022, the contingent consideration was valued using a post-tax real discount rate of 10.2% (2021: 10.3%). Refer to note 5 for exchange rate assumptions and other estimates used in the life-of-mine plans. The fair value calculated for the contingent consideration is level 3 in the fair value hierarchy due to the use of unobservable inputs. As at 1 October 2020, and the financial years ended 30 June 2021 and 30 June 2022, the contingent consideration attributable to the below infrastructure ounces of gold was valued at Rnil, as no ounces from below infrastructure sections of the orebody have been included in the life-of-mine plan of Mponeng.

The movement in the contingent consideration liability is as follows:

	SA Rand	
Figures in million	**2022**	2021
Balance at beginning of year	**417**	—
Initial recognition as at 1 October 2020	**—**	544
Remeasurement of contingent consideration[1]	**(61)**	(127)
Balance at end of year	**356**	417

[1] *The remeasurement of the liability relates primarily to a change in the production profile, which is based on Harmony's life-of-mine plan for the Mponeng operation.*

12 Streaming arrangements

Streaming arrangement with Franco-Nevada Barbados

Harmony's subsidiary, Chemwes, which owns the Mine Waste Solutions operation (MWS), has a contract with Franco-Nevada Barbados (Franco-Nevada). Franco-Nevada is entitled to receive 25% of all the gold produced through MWS. As part of the acquisition of MWS, Harmony assumed the obligations enforced by the Franco-Nevada contract.

The contract is a streaming agreement that commenced on 17 December 2008 for which Franco-Nevada paid US$125 million upfront for the right to purchase 25% of the gold production through MWS for a fixed amount of consideration until the balance of gold cap is delivered. As at 1 October 2020, the US$125 million upfront payment has been settled. The gold cap is a provision included in the contract, which stipulates the maximum quantity of gold to be sold to Franco-Nevada over the term of the agreement. The consideration is determined as the lower of the quoted spot gold price as per the London Metals Exchange or US$400 per ounce, adjusted with an annual escalation adjustment.

Contract liability and gold delivered

Reconciliation of the ounces owed to Franco-Nevada:

Figures in ounces (oz)	**2022**	2021
Balance at beginning of year	**84 429**	—
Initial recognition as at 1 October 2020	**—**	100 686
Delivered	**(23 272)**	(16 257)
Balance at end of year	**61 157**	84 429

The contract price receivable in US$/oz for each ounce of gold delivered is as follows:

- 1 October 2020 – 16 December 2020: US$433/oz
- 17 December 2020 – 16 December 2021: US$437/oz
- 17 December 2021 – 30 June 2022: US$442/oz.

Reconciliation of the streaming contract liability:

	SA Rand	
Figures in million	**2022**	2021
Balance at beginning of year	**1 091**	—
Initial recognition as at 1 October 2020	**—**	1 417
Finance costs related to significant financing component	**67**	71
Non-cash consideration for delivery of gold ounces (included in Revenue)	**(471)**	(397)
Balance at end of year	**687**	1 091
Current portion of streaming contract liability	**309**	396
Non-current portion of streaming contract liability	**378**	695

Notes to the summarised consolidated financial statements continued

For the year ended 30 June 2022

13 Financial risk management

Market risk

Foreign exchange risk

Harmony's revenues are sensitive to the R/US$ exchange rate as all revenues are generated by commodity sales denominated in US$. Harmony may enter into hedging transactions to reduce this risk. The limit currently set by the board is 25% of the group's foreign exchange risk exposure for a period of 24 months. Refer to note 8 and the fair value determination for financial assets and liabilities section below for details of the contracts. The audit and risk committee reviews the details of the programme quarterly.

The Rand weakened during the 2022 year from R14.27/US$1 on 30 June 2021 to close at R16.27/US$1 on 30 June 2022. The volatility in the exchange rate is driven by global economic factors. The weakening negatively impacted on the derivative valuations as well as the translation of the US$ debt facilities at 30 June 2022.

The group is exposed to foreign exchange risk arising from borrowings and cash denominated in a currency other than the functional currency of that entity. As of 1 October 2020, the contingent consideration liability has also been included. Refer to note 11 for details. These exposures are mainly to the US$. The Rand's levels impacted negatively on the translation of the US$ debt facilities at 30 June 2022. Refer to note 10 for further detail.

Translation of the international net assets was impacted by a weakening of the Rand against the Australian dollar from R10.72/A$1 at 30 June 2021 to R11.25/A$1 on 30 June 2022. A gain of R742 million has been recognised in other comprehensive income relating to the translation of the international net assets to Rand.

Commodity price sensitivity

The profitability of the group's operations, and the cash flows generated by those operations, are affected by changes in the market price of gold, and in the case of Hidden Valley, silver as well. Harmony entered into Rand gold and US dollar forward gold sale contracts to manage the variability in cash flows from the group's production to create cash certainty and protect the group against lower commodity prices. The general limit for gold hedging currently set by the board is 20% for a 24-month period. The limit set by the board is 50% of silver exposure over a 24-month period. Management continues to top up these programmes as and when opportunities arise to lock in attractive margins for the business, but are not required to maintain hedging at these levels. The audit and risk committee reviews the details of the programme quarterly.

The Rand weakened during the year (as discussed above), which had the effect of decreasing the gains on the contracts that matured during the 2022 financial year as well as negatively impacting those that were outstanding at 30 June 2022.

Interest rate risk

During the 2022 year, the US Federal Reserve increased the fund rate by 150 basis points. Similarly, the SARB increased the repo rate by 125 basis points causing the higher interest rates to have a non-favourable impact on the group's cost of debt. This was offset by lower debt balances. The SOFR (Secured Overnight Financing Rate) has been used for the refinanced US$ borrowings, as opposed to LIBOR (London Interbank Offered Rate) that was used for the historic borrowings. This is due to LIBOR being phased out. During the refinancing process, the group was able to secure slightly improved margins on its facilities. Even though it can be expected that the increase in the repo rate will result in a higher cost of debt as financial institutions will increase their lending rates, the group has not entered into interest rate swap agreements. The audit and risk committee reviews the group's risk exposure quarterly.

Credit risk

Financial instruments that are subject to credit risk are restricted cash and investments, derivative financial instruments and cash and cash equivalents, all of which are invested with financial institutions that meet the group's policy requirements for credit quality, as well as trade and other receivables (excluding non-financial instruments). In assessing the creditworthiness of local institutions, management uses the national scale long-term ratings.

At 30 June 2022, the rating of major SA banks remained unchanged at AA+, which is in line with the group's credit risk policy. An assessment of the expected credit losses (ECLs) for the financial assets measured at amortised costs at 30 June 2022 resulted in an immaterial amount for each instrument. The credit rating of the group's Australian counterparts remained unchanged at A+ resulting in the assessed ECL remaining immaterial.

Management will continue to review the underlying strength of the economies we operate in as well as the creditworthiness of the financial institutions and make any changes deemed necessary to safeguard the assets and reduce the credit risk.

13 Financial risk management continued

Capital risk management

The weakening of the Rand has resulted in foreign exchange translation losses on foreign borrowings, being the major contributor to the group's increased net debt compared to 30 June 2021. It remains the group's objective to adhere to a conservative approach to debt and maintain low levels of gearing.

Net debt is as follows:

	SA Rand	
Figures in million	**2022**	2021
Cash and cash equivalents	**2 448**	2 819
Borrowings	**(3 205)**	(3 361)
Net debt	**(757)**	(542)

Fair value determination

The fair value levels of hierarchy are as follows:

Level 1: Quoted prices (unadjusted) in active markets

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset, either directly (that is, as prices) or indirectly (that is, derived from other prices)

Level 3: Inputs for the asset that are not based on observable market data (that is, unobservable inputs).

The following table sets out the group's assets and liabilities measured at fair value by level within the fair value hierarchy:

	SA Rand					
Figures in million	**At 30 June 2022**			At 30 June 2021		
	Level 1	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
Fair value through other comprehensive income						
Other non-current assets (a)	**—**	**—**	**75**	—	—	74
Restricted cash and investments (b)	**292**	**—**	**—**	252	—	—
Fair value through profit or loss						
Restricted cash and investments (b)	**—**	**1 162**	**—**	—	1 391	—
Derivative financial assets (c)	**—**	**656**	**—**	—	1 799	—
Derivative financial liabilities (c)	**—**	**(11)**	**—**	—	(212)	—
Loan to ARM BBEE Trust (d)	**—**	**—**	**148**	—	—	177
Contingent consideration liability (e)	**—**	**—**	**(356)**	—	—	(417)

(a) The majority of the balance relates to the equity investment in Rand Mutual Assurance. The fair value of the investment was estimated with reference to an independent valuation. A combination of the "Embedded Valuation" and "Net Asset Value" techniques were applied to revalue the investment at the reporting dates. In evaluating the group's share of the business, common practice marketability and minority discounts as well as additional specific risk discounts were applied. There are no inputs to the valuation that a reasonably possible change would result in a material change in the fair value of the investment.

(b) The majority of the level 2 valued assets are directly derived from the Top 40 index on the JSE, and are discounted at market interest rates. This relates to equity-linked deposits in the group's environmental rehabilitation trust funds. The level 1 valued assets comprise listed equity securities designated as fair value through other comprehensive income instruments. The remaining balance of the environmental trust funds is carried at amortised cost and therefore not disclosed here.

(c) The mark-to-market remeasurement of the derivative contracts was determined as follows:
- Foreign exchange contracts comprise of zero cost collars and FECs: The zero cost collars were valued using a Black-Scholes valuation technique derived from spot Rand/US$ exchange rate inputs, implied volatilities on the Rand/US$ exchange rate, Rand/US$ inter-bank interest rates and discounted at a market interest rate (zero-coupon interest rate curve). The value of the FECs is derived from the forward Rand/US$ exchange rate and discounted at a market interest rate (zero coupon interest rate curve)
- Rand gold contracts (forward sale contracts): spot Rand/US$ exchange rate, Rand and dollar interest rates (forward points), spot US$ gold price, differential between the US interest rate and gold lease interest rate which is discounted at a market interest rate
- US$ gold contracts (forward sale contracts): spot US$ gold price, differential between the US interest rate and gold lease interest rate and discounted at a market interest rate
- Silver contracts (zero cost collars): a Black-Scholes valuation technique, derived from the spot US$ silver price, strike price, implied volatilities, time to maturity and interest rates and discounted at a market interest rate.

13 Financial risk management continued

Fair value determination continued

(d) At 30 June 2022, the fair value movement was calculated using a discounted cash flow model, taking into account forecast dividend payments over the estimated repayment period of the loan at a rate of 9.3% (2021: 7.9%). A 99 basis points (2021: 74 basis points) change in the discount rate, which would represent a reasonably possible change based on expected movements in lending rates, would not cause a material change in the fair value of the loan. The loan balance forms part of other non-current assets in the balance sheet.

(e) The contingent consideration liability related to the Mponeng operation (refer to note 11) was determined using the expected gold production profile for Mponeng at a post-tax real rate of 10.2% (2021: 10.3%). Should the expected gold production profile increase by 7.6% or decrease by 7.6%, the contingent consideration liability would increase by R251 million (2021: R208 million at 7%) or decrease by R189 million (2021: R183 million at 7%) respectively. This represents reasonably expected changes which were determined based on the standard deviation of previous years' production of the Mponeng operation. No other reasonably expected changes in key unobservable inputs would have caused a material change in the fair value of the liability.

The carrying values (less any impairment allowance) of short-term financial instruments are assumed to approximate their fair values. This includes restricted cash and investments carried at amortised cost. The fair values of borrowings are not materially different to their carrying amounts since the interest payable on those borrowings is at floating interest rates.

14 Commitments and contingencies

Commitments and guarantees

	SA Rand	
Figures in million	**2022**	2021
Capital expenditure commitments		
Contracts for capital expenditure[1]	**1 839**	341
Share of joint operation's contracts for capital expenditure	**105**	32
Authorised by the directors but not contracted for	**6 300**	7 425
Total capital commitments	**8 244**	7 798

[1] *The increase year on year relates predominantly to the Kareerand Expansion project at MWS, for which regulatory approvals were obtained during June 2022.*

This expenditure will be financed from existing resources and, where appropriate, borrowings.

Contractual obligations in respect of mineral tenement leases amount to R16 million (2021: R17 million). This relates to the Wafi-Golpu joint operation.

	SA Rand	
Figures in million	**2022**	2021
Guarantees		
Guarantees and suretyships	**500**	481
Environmental guarantees[1]	**479**	479
Total guarantees	**979**	960

[1] *At 30 June 2022 R150 million (2021: R146 million) has been pledged as collateral for environmental guarantees in favour of certain financial institutions.*

Contingent liabilities

During June 2022, the Water Use Licence (WUL) for Mine Waste Solutions' Kareerand tailings storage facility was approved by the Department of Water and Sanitation. We are still awaiting approvals of the WULs for our Free State operations as well as Doornkop.

For detailed disclosure on contingent liabilities, refer to the **Financial report 2022** (available at **www.har.co.za**). There were no significant changes in contingencies since 30 June 2021.

15 Related parties

None of the directors or major shareholders of Harmony or, to the knowledge of Harmony, their families, had an interest, directly or indirectly, in any transaction from 1 July 2019 or in any proposed transaction that has affected or will materially affect Harmony or its subsidiaries, other than as stated below.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the group, directly or indirectly, including any director (whether executive or otherwise) of the group. The remuneration of directors, prescribed officers and executive management is fully disclosed in **Annexure B** of the **Financial report 2022** (available at **www.harmony.co.za**).

On 7 December 2021, Harmony announced the retirement of Ms Fikile De Buck and Dr Simo Lushaba as independent non-executive directors with effect from 7 December 2021.

On 21 February 2022, Ms Melanie Naidoo-Vermaak and Mr Anton Buthelezi were appointed as senior executive: Sustainable Development and senior executive: Human Capital respectively and have been classified as prescribed officers.

On 19 May 2022, Harmony announced the appointment of Mr Bongani Nqwababa and Mr Martin Prinsloo to the board of directors of Harmony as independent non-executive directors with effect from 18 May 2022.

On 28 June 2022, Harmony announced the resignation of Mr Modise Motloba as a non-independent non-executive director with effect from 27 June 2022.

Modise Motloba, Harmony's former deputy chairman, is a director of Tysys Proprietary Limited (Tysys). Tysys entered into a contract with the group during the 2017 financial year to provide services relating to the group's small and medium enterprise development projects. The contract has a value of up to R5 million per annum. Approximately R5 million (2021: R5 million) was paid during the 2022 financial year relating to services rendered in the current and prior financial years. The contract has a 30-day notice period.

There were no other changes to the directors' interest between the reporting date and the date of the approval of the financial statements other than indicated above.

All the production of the group's South African operations is sent to Rand Refinery in which Harmony holds a 10.38% interest.

A list of the group's subsidiaries, associates and joint operations have been included in **Annexure A** of the **Financial report 2022.**

The following directors and prescribed officers owned shares in Harmony at year-end:

	Number of shares	
Name of director/prescribed officer	**2022**	2021*
Directors		
Peter Steenkamp[1]	**772 589**	746 085
Boipelo Lekubo[1]	**15 988**	3 581
Andre Wilkens	**101 301**	101 301
Harry 'Mashego' Mashego[1]	**14 875**	3 319
Prescribed officers		
Beyers Nel[1,4]	**110 207**	198 622
Philip Tobias[1,2,4]	**n/a**	321 084
Marian van der Walt[1,4]	**100 000**	159 438
Melanie Naidoo-Vermaak[1,3]	**7 966**	n/a
Johannes van Heerden[1,4]	**30 734**	6 156

**Certain figures have been revised. Refer to footnote 4 below.*

[1] The balance of shares held is attributable to shares held privately and in terms of the minimum shareholding requirement as set out in our remuneration policy.

[2] Philip Tobias resigned effective 14 November 2021.

[3] Melanie Naidoo-Vermaak classified as a prescribed officer effective 21 February 2022.

[4] During the year a misstatement was identified in the balance of the shares owned by certain prescribed officers for the year ended 30 June 2021. The previously disclosed balance at 30 June 2021 did not consider shares traded in the prescribed officers' personal capacity, and as a result were misstated. These figures have been revised. Shares held at 30 June 2021 were previously disclosed as: Beyers Nel, 216 175 shares, Marian van der Walt, 139 356 shares, Philip Tobias, 347 462 shares and Johannes van Heerden, 166 156 shares.

Notes to the summarised consolidated financial statements continued

For the year ended 30 June 2022

16 Segment report

The group has one main economic product, being gold. In order to determine operating and reportable segments, management reviewed various factors, including geographical location as well as managerial structure. It was determined that an operating segment consists of a shaft or a group of shafts or open pit mine managed by an operational management team.

After applying the qualitative and quantitative thresholds from IFRS 8 *Operating Segments*, the reportable segments were determined as: Tshepong Operations, Moab Khotsong, Bambanani, Joel, Doornkop, Target 1, Kusasalethu, Masimong, Unisel, Mponeng, Mine Waste Solutions (as of 1 July 2021) and Hidden Valley. All other operating segments have been grouped together under all other surface operations.

The chief operating decision maker (CODM) has been identified as the CEO's office consisting of the:

- Chief executive officer
- Financial director
- Executive director: Stakeholder relations and Corporate affairs
- Chief executive officer: South-east Asia
- Chief operating officer: South Africa operations
- Chief financial officer: Treasury
- Senior executive: Enterprise risk and Investor relations
- Senior executive: Sustainable Development
- Senior executive: Human Capital
- Executive: Ore Reserve Management.

When assessing profitability, the CODM considers the revenue and production costs of each segment. The net of these amounts is the production profit or loss. Therefore, production profit has been disclosed in the segment report as the measure of profit or loss. The CODM also considers capital expenditure, gold production and tonnes milled when assessing the overall economic sustainability of each segment. The CODM, however, does not consider depreciation or impairment and therefore these amounts have not been disclosed in the segment report.

Segment assets consist of mining assets and mining assets under construction included under property, plant and equipment which can be attributed to the segment. Current and non-current group assets that are not allocated at a segment level form part of the reconciliation to total assets.

A reconciliation of the segment totals to the group financial statements has been included in note 17.

	Revenue 30 June			Production cost 30 June			Production profit/(loss) 30 June			Segment assets 30 June			Capital expenditure# 30 June			Kilograms produced* 30 June			Tonnes milled* 30 June		
	2022	2021	2020	**2022**	2021	2020	**2022**	2021	2020	**2022**	2021	2020	**2022**	2021	2020	**2022**	2021	2020	**2022**	2021	2020
	Rand million			Rand million			Rand million			Rand million			Rand million			Kg			000t		
South Africa																					
Underground																					
Tshepong Operations	**6 351**	6 214	5 452	**5 084**	4 865	4 298	**1 267**	1 349	1 154	**3 779**	6 541	6 733	**1 514**	1 112	930	**7 022**	7 419	7 293	**1 561**	1 558	1 417
Moab Khotsong	**5 779**	6 048	5 008	**4 038**	3 842	3 344	**1 741**	2 206	1 664	**4 324**	4 008	3 842	**894**	633	498	**6 508**	7 166	6 592	**959**	903	746
Mponeng	**5 620**	4 750	—	**4 487**	2 938	—	**1 133**	1 812	—	**4 433**	4 321	—	**605**	493	—	**6 086**	5 446	—	**840**	683	—
Bambanani[1]	**1 286**	1 687	1 591	**1 163**	1 156	1 040	**123**	531	551	**—**	327	443	**25**	71	50	**1 433**	1 992	2 132	**176**	227	200
Joel	**1 411**	1 199	1 037	**1 308**	1 124	1 010	**103**	75	27	**1 244**	1 166	1 080	**225**	172	151	**1 556**	1 424	1 391	**434**	359	349
Doornkop	**3 106**	3 077	2 270	**2 453**	2 140	1 730	**653**	937	540	**3 222**	2 994	2 841	**491**	425	281	**3 444**	3 670	2 994	**874**	851	681
Target 1	**1 648**	1 410	1 524	**1 812**	1 667	1 499	**(164)**	(257)	25	**1 517**	1 367	1 276	**384**	368	347	**1 800**	1 603	2 244	**455**	488	543
Kusasalethu	**4 139**	3 400	2 293	**3 086**	2 955	2 577	**1 053**	445	(284)	**822**	1 057	1 253	**210**	205	188	**4 567**	3 999	3 015	**607**	708	615
Masimong	**1 733**	1 636	1 401	**1 504**	1 427	1 258	**229**	209	143	**17**	26	41	**49**	29	24	**1 910**	2 012	1 999	**486**	510	489
Unisel[2]	**—**	224	681	**—**	182	580	**—**	42	101	**—**	—	6	**—**	—	7	**—**	247	982	**—**	57	219
Surface																					
Mine Waste Solutions[3]	**2 642**	1 889	—	**1 588**	1 137	—	**1 054**	751	—	**1 027**	1 031	—	**264**	70	—	**2 899**	2 057	—	**23 443**	17 665	—
All other surface operations	**4 868**	5 136	3 302	**3 551**	3 587	2 135	**1 317**	1 550	1 167	**1 066**	890	745	**282**	265	118	**5 304**	6 031	4 349	**20 737**	21 824	16 264
Total South Africa	**38 583**	36 670	24 559	**30 074**	27 020	19 471	**8 509**	9 650	5 088	**21 451**	23 728	18 260	**4 943**	3 843	2 594	**42 529**	43 066	32 991	**50 572**	45 833	21 523
International																					
Hidden Valley	**3 159**	4 028	3 748	**2 122**	1 719	1 639	**1 037**	2 309	2 109	**4 141**	3 128	3 810	**1 249**	1 260	959	**3 707**	4 689	4 872	**3 229**	3 420	3 906
Total international	**3 159**	4 028	3 748	**2 122**	1 719	1 639	**1 037**	2 309	2 109	**4 141**	3 128	3 810	**1 249**	1 260	959	**3 707**	4 689	4 872	**3 229**	3 420	3 906
Total operations	**41 742**	40 698	28 307	**32 196**	28 739	21 110	**9 546**	11 959	7 197	**25 592**	26 856	22 070	**6 192**	5 103	3 553	**46 236**	47 755	37 863	**53 801**	49 253	25 429
Reconciliation of segment information to the consolidated income statement and balance sheet	**903**	1 035	938	**903**	1 035	938	**—**	—	—	**21 216**	21 947	22 622	**—**	—	—	**—**	—	—	**—**	—	—
	42 645	41 733	29 245	**33 099**	29 774	22 048	**9 546**	11 959	7 197	**46 808**	48 803	44 692	**6 192**	5 103	3 553	**46 236**	47 755	37 863	**53 801**	49 253	25 429

Capital expenditure for international operations excludes expenditure spent on Wafi-Golpu of R22 million (2021: R34 million) (2020: R54 million).
* *Production statistics are unaudited.*
[1] *The Bambanani operation closed during June 2022.*
[2] *The Unisel operation closed during October 2020.*
[3] *The Mine Waste Solutions and All other surface operations line items were disaggregated as a result of Mine Waste Solutions meeting the 10% profit quantitative threshold for a reportable segment.*

Notes to the summarised consolidated financial statements continued

For the year ended 30 June 2022

17 Reconciliation of segment information to consolidated income statement and balance sheet

	SA Rand		
Figures in million	**2022**	2021	2020
Reconciliation of production profit to consolidated profit/(loss) before taxation			
Revenue per segment report	**41 742**	40 698	28 307
Revenue per income statement	**42 645**	41 733	29 245
Other metal sales treated as by-product credits in the segment report	**(903)**	(1 035)	(938)
Production costs per segment report	**(32 196)**	(28 739)	(21 110)
Production costs per income statement	**(33 099)**	(29 774)	(22 048)
Other metal sales treated as by-product credits in the segment report	**903**	1 035	938
Production profit per segment report	**9 546**	11 959	7 197
Cost of sales items other than production costs	**(8 828)**	(5 715)	(3 860)
Amortisation and depreciation of mining assets	**(3 622)**	(3 777)	(3 409)
Amortisation and depreciation of assets other than mining assets	**(61)**	(98)	(99)
Rehabilitation expenditure	**(136)**	(135)	(47)
Care and maintenance cost of restructured shafts	**(273)**	(144)	(146)
Employment termination and restructuring costs	**(218)**	(332)	(40)
Share-based payments	**(143)**	(114)	(130)
Impairment of assets	**(4 433)**	(1 124)	—
Other	**58**	9	11
Gross profit	**718**	6 244	3 337
Corporate, administration and other expenditure	**(984)**	(1 068)	(611)
Exploration expenditure	**(214)**	(177)	(205)
Gains/(losses) on derivatives	**53**	1 022	(1 678)
Foreign exchange translation gain/(loss)	**(327)**	670	(892)
Other operating expenses	**(1)**	(241)	(309)
Operating profit/(loss)	**(755)**	6 450	(358)
Gain on bargain purchase	**—**	303	—
Acquisition-related costs	**—**	(124)	(45)
Share of profit from associate	**63**	83	94
Investment income	**352**	331	375
Finance costs	**(718)**	(661)	(661)
Profit/(loss) before taxation	**(1 058)**	6 382	(595)

17 Reconciliation of segment information to consolidated income statement and balance sheet continued

	SA Rand		
Figures in million	**2022**	2021	2020
Reconciliation of total segment assets to consolidated assets includes the following:			
Non-current assets			
Property, plant and equipment not allocated to a segment	**7 280**	6 741	7 116
Mining assets (a)	**943**	757	1 062
Undeveloped property (b)	**4 004**	3 989	4 025
Other non-mining assets	**510**	411	115
Assets under construction (c)	**1 823**	1 584	1 914
Intangible assets	**48**	365	536
Restricted cash and investments	**5 555**	5 232	3 642
Investments in associates	**125**	126	146
Deferred tax assets	**203**	272	531
Other non-current assets	**374**	332	435
Derivative financial assets	**137**	328	50
Current assets			
Inventories	**2 818**	2 542	2 421
Restricted cash and investments	**27**	67	62
Trade and other receivables	**1 682**	1 652	1 308
Derivative financial assets	**519**	1 471	18
Cash and cash equivalents	**2 448**	2 819	6 357
Total	**21 216**	21 947	22 622

(a) These balances relate to Wafi-Golpu assets and assets that provide services to several CGUs, such as Harmony One Plant.

(b) Undeveloped properties comprise the Target North property as well as Wafi-Golpu's undeveloped properties.

(c) Assets under construction consist of the Wafi-Golpu assets.

18 Subsequent events

(a) On 29 August 2022, a final dividend of 22 SA cents was declared, paid on 17 October 2022.

(b) During the budgeting process for the 2023 financial year, a decision was taken to restructure the Tshepong Operations into two separate operations, being the Tshepong North and the Tshepong South operations. This decision was taken to create immediately profitable operations and had the impact of reducing the life-of-mine of Tshepong North from 19 years to seven years. From 1 July 2022, the operations will be reported on separately to the CODM and, as a result, be disclosed as two reportable segments.

(c) On 6 October 2022, Harmony entered into an agreement with Copper Mountain Mining Corporation (Copper Mountain), to acquire its wholly-owned Eva Copper Project and its 2 295km^2 exploration land package in Queensland, Australia (collectively the acquired assets) for a total consideration of up to US$230 million.

Under the terms of the transaction, the acquisition consideration consists of the following:
- US$170 million in upfront cash payable on closing of the transaction
- Up to US$30 million in cash, based on a contingent payment arrangement where Harmony will pay Copper Mountain 10% of the incremental revenue generated from the acquired assets which is above revenue based on a US$3.80/lb copper price
- Up to US$30 million in cash, based on a contingent payment arrangement where Harmony will pay Copper Mountain US$0.03 per pound of contained copper for any SAMREC copper resource discovered and declared on a new deposit within the acquired assets after the closing of the transaction.

Harmony plans to fund the upfront purchase price using available cash and revolving credit facilities.

The closing of the transaction is subject to certain customary conditions, including approval from the Foreign Investment Review Board in Australia and Copper Mountain bondholder approval. The transaction has received approval from the South African Reserve Bank.

Management will assess the accounting treatment upon the closure of the transaction.

NOTICE OF ANNUAL GENERAL MEETING

*Notice is hereby given to shareholders that the annual general meeting ("**AGM**") of Harmony Gold Mining Company Limited ("**Harmony** or **Company**") will, as contemplated by section 63(2)(a) of the Companies Act 71 of 2008, as amended ("**Act**") and clause 19 of the Company's memorandum of incorporation ("**MOI**"), be held entirely by electronic communication on Tuesday, 29 November 2022 at 09:00 (SA time), to conduct the business set out below and to consider, and adopt, if deemed fit, with or without modification, the ordinary and special resolutions set out in this Notice of AGM ("**Notice**")*

For more information about the online facility and the prescribed procedures and means of connecting thereto, please see the section titled "Electronic Participation" below in this Notice of AGM.

In terms of section 59(1)(a) and (b) of the Act, the board of directors of the Company ("**Board**") has set the record date for the purpose of determining which shareholders of the Company are entitled to:

- receive this Notice of AGM (being the date on which a shareholder must be registered in the Company's securities register to receive this Notice of AGM) as Friday, 14 October 2022; and
- participate in and vote at the AGM (being the date on which a shareholder must be registered in the Company's securities register to participate in and vote at the AGM) as Friday, 18 November 2022. Accordingly, the last date to trade in order to participate in and vote at the meeting is Tuesday, 15 November 2022.

As the AGM will cater for Electronic Participation only, it will not be desirable nor practical for voting to take place by way of show of hands. Accordingly, the chairman has already determined that all voting will be by way of poll through the facility provided by the electronic online facilities. See further the section titled: "Electronic Participation" below in this Notice of AGM.

PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

The audited consolidated annual financial statements of the Company, incorporating the reports of the auditors, the audit and risk committee, and the directors for the year ended 30 June 2022 will be presented to the shareholders of the Company at the AGM as required in terms of section 30(3)(d) of the Act, read with section 61(8)(a) of the Act.

Summarised consolidated financial statements are included on pages 39 to 67 of the report to which this Notice of AGM is attached.

The complete audited consolidated annual financial statements of the Company are available on Harmony's website at **www.har.co.za**.

PRESENTATION OF GROUP SOCIAL AND ETHICS COMMITTEE REPORT

In accordance with regulation 43(5)(c) of the Act, the social and ethics committee's report on pages 10 to 12 of the report to which this Notice of AGM is attached (and also available on Harmony's website at **www.har.co.za**) will be presented to shareholders at the AGM.

RESOLUTIONS FOR CONSIDERATION AND ADOPTION

1. Ordinary resolution number 1:

Election of a new director

"RESOLVED THAT Bongani Nqwababa (appointed by the board on 18 May 2022) be and is hereby elected as a director of the Company with immediate effect." (See Bongani Nqwababa's resumé below).

> Bongani was appointed to the board on 18 May 2022. He was Joint CEO of Sasol Limited. Prior to that, he was Chief financial officer and executive director at Sasol, Anglo American Platinum, Eskom and Shell Southern Africa.
>
> He has over 25 years' experience in the mining, petrochemicals, and energy sectors globally and in South Africa.
>
> Bongani is currently an independent non-executive director of the Development Bank of Southern Africa (DBSA) and Chairman of Babcock Ntuthuko Engineering and Babcock Plant Services in South Africa. He previously served on the board of Old Mutual plc as an independent non-executive director and chaired the SARS Audit Committee.

The percentage of voting rights required for ordinary resolution number 1 to be adopted: more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders of the Company present at the AGM or represented by proxy and entitled to exercise voting rights on ordinary resolution number 1.

2. Ordinary resolution number 2:
Election of a new director

"RESOLVED THAT Martin Prinsloo (appointed by the board on 18 May 2022) be and is hereby elected as a director of the Company with immediate effect." (See Martin Prinsloo's resumé below).

Martin was appointed to the board on 18 May 2022. He has 28 years of corporate, project and structured finance experience, including eight years as financial director (CFO) of a JSE-listed company. Martin's early career progressed from KPMG through the Industrial Development Corporation after which he joined BoE Merchant Bank as director of Specialised Finance where he implemented several listing and funding transactions predominantly in the resources industry.

In 2003, he was appointed to Anglo Platinum as head of Corporate Finance and Business Development and acted in the capacity of executive head finance (CFO) for just over a year before joining Royal Bafokeng Platinum as CFO in 2009.

Martin invested into a private equity business, Fledge Capital in March 2019 and is also a non-executive director of Genric Insurance Limited and Oasis Water Holdings Proprietary Limited.

The percentage of voting rights required for ordinary resolution number 2 to be adopted: more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders of the Company present at the AGM or represented by proxy and entitled to exercise voting rights on ordinary resolution number 2.

3. Ordinary resolution number 3:
Re-election of director

"RESOLVED THAT Given Sibiya, who retires by rotation at this annual general meeting in accordance with the MOI, and who is eligible and available for re-election, be and is hereby re-elected as a director of the Company with immediate effect." (See Given Sibiya's resumé below).

Given was appointed to the board on 13 May 2019. She is a Chartered Accountant and until 31 August 2014 was Head: Internal Audit at SekelaXabiso Proprietary Limited. She has over 29 years' experience in internal and external auditing, risk management, management consulting, corporate governance and forensic auditing. Prior to joining SekelaXabiso Proprietary Limited, she spent nine years at SizweNtsaluba VSP where she was Director: Forensics and where from 2005 she headed the Corporate Governance Services Division. She also worked for Anglo American Corporation as an internal auditor in the Group Audit Services Department from April 1994 to May 1996. Prior to that, she served articles at KPMG Aiken & Peat from 1991 to early 1994.

She has served as a member of the audit and risk committee for a number of entities, including as chairperson of the audit committee for Basil Read Holdings Limited, South African Express Airways SOC Limited and Brand South Africa. She currently serves as a non-executive board member of Ithala SOC Limited, where she chairs both the audit and compliance committee and the social, ethics and sustainability committee. She is the audit committee chairperson of The Presidency and the audit and risk committee chairperson of the Composers, Authors and Publishers Association (CAPASSO).

The percentage of voting rights required for ordinary resolution number 3 to be adopted: more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders of the Company present at the AGM or represented by proxy and entitled to exercise voting rights on ordinary resolution number 3.

4. Ordinary resolution number 4:
Re-election of director

"RESOLVED THAT Mavuso Msimang, who retires by rotation at this AGM in accordance with the MOI, and who is eligible and available for re-election, be and is hereby re-elected as a director of the Company with immediate effect." (See Mavuso Msimang's resumé below).

Mavuso was appointed to the board on 26 March 2011. He has 28 years' experience in management at executive level, and was involved in the successful transformation and restructuring of several state-owned entities over a period of 16 years until 2010.

He held several senior positions in public sector organisations, including South African Tourism, South African National Parks and the State IT Agency (SITA), where he successively served as chief executive officer. He also worked for a couple of South African non-governmental organisations. Mavuso retired from the civil service in 2010 following a three-year stint as Director-General at the Department of Home Affairs. Before the onset of democracy on South Africa, he worked for international development agencies, the World University Service of Canada and CARE International which posted him to Ethiopia and Kenya, respectively, as their country representative. He also held senior management positions with the United Nations Children's Fund and the World Food Programme. Currently, Mavuso serves on various civic society, environmental management and private sector boards. He is the immediate-past chairman of Corruption Watch and is a public commentator on good governance, and against corruption.

The percentage of voting rights required for ordinary resolution number 4 to be adopted: more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders of the Company present at the AGM or represented by proxy and entitled to exercise voting rights on ordinary resolution number 4.

5. Ordinary resolution number 5:

Re-election of audit and risk committee member

"RESOLVED THAT John Wetton, who is a non-executive director of the Company, be and is hereby re-elected as a member of the Company's audit and risk committee, with immediate effect, to hold office until the next AGM." (See John Wetton's resumé below).

John was appointed to the board on 1 July 2011. He spent his professional career with Ernst & Young (EY) in the United Kingdom and South Africa mainly in corporate audit.

He attended several post qualification programmes including those presented by the University of Cape Town Graduate School of Business, Harvard Business School and Gordon Institute of Business Science.

When EY integrated globally, he had a business development role across sub-Saharan Africa and was also part of the team that led the strategic integration of EY's practices and services throughout sub-Saharan Africa.

For several years he led EY's mining group and acted as senior partner for many of the firm's major mining and construction clients. He was a member of EY's executive management committee (board) and was, until retirement, a member of the EY Africa Governance Board.

The percentage of voting rights required for ordinary resolution number 5 to be adopted: more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders of the Company present at the AGM or represented by proxy and entitled to exercise voting rights on ordinary resolution number 5.

6. Ordinary resolution number 6:

Re-election of audit and risk committee member

"RESOLVED THAT Karabo Nondumo, who is a non-executive director of the Company, be and is hereby re-elected as a member of the Company's audit and risk committee, with immediate effect, to hold office until the next AGM." (See Karabo Nondumo's resumé below).

Karabo was appointed to the board on 3 May 2013. She is an entrepreneur who has interests in provision of Industrial supplies & Investments. She held Executive Head roles within Vodacom Business and Mergers & Acquisitions at Vodacom Group. She's a previous CEO of AWCA Investment Holdings Limited. She was an associate as well as executive assistant to the chairman at Shanduka Group.

Karabo is a qualified Chartered Accountant and a member of the South African Institute of Chartered Accountants (SAICA) and African Women Chartered Accountants (AWCA). She has extensive experience in the Telecommunications, Financial Services and Mining sectors. She is an independent non-executive director of: Harmony Gold Mining Company Limited (Chair: social and ethics; member of nomination; investment; and audit and risk subcommittees); Sanlam Limited (Chair: social and ethics; member of risk and compliance; audit and actuarial, HR and nomination subcommittees); TCI-Tiso Proprietary Limited (Chair: finance and risk committee) and MTN Group Operating companies in Swaziland, Zambia, Uganda and Rwanda (Chair: audit and risk committee).

She is an advisory member of Senatla Capital and a trustee of Mabindu and Ubuntu-Botho Women's Trusts.

Previous board roles include MTN Group Operating companies in Sudan and South Sudan, Brightrock Holdings Limited; Merafe Resources Limited; SA Express Airways SOC Limited; Rolfes Holdings Limited and Richards Bay Coal Terminal.

The percentage of voting rights required for ordinary resolution number 6 to be adopted: more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders of the Company present at the AGM or represented by proxy and entitled to exercise voting rights on ordinary resolution number 6.

7. Ordinary resolution number 7:
Re-election of audit and risk committee member

"RESOLVED THAT, subject to ordinary resolution number 3 being passed, Given Sibiya, who is a non-executive director of the Company, be and is hereby re-elected as a member of the Company's audit and risk committee with immediate effect to hold office until the next AGM." (See Given Sibiya's resumé under ordinary resolution number 3).

The percentage of voting rights required for ordinary resolution number 7 to be adopted: more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders of the Company present at the AGM or represented by proxy and entitled to exercise voting rights on ordinary resolution number 7.

8. Ordinary resolution number 8:
Election of audit and risk committee member

"RESOLVED THAT, subject to ordinary resolution number 1 being passed, Bongani Nqwababa, who is a non-executive director of the Company, be and is hereby elected as a member of the Company's audit and risk committee with immediate effect to hold office until the next AGM." (See Bongani Nqwababa's resumé under ordinary resolution number 1).

The percentage of voting rights required for ordinary resolution number 8 to be adopted: more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders of the Company present at the AGM or represented by proxy and entitled to exercise voting rights on ordinary resolution number 8.

9. Ordinary resolution number 9:
Election of audit and risk committee member

"RESOLVED THAT, subject to ordinary resolution number 2 being passed, Martin Prinsloo, who is a non-executive director of the Company, be and is hereby elected as a member of the Company's audit and risk committee with immediate effect to hold office until the next AGM." (See Martin Prinsloo's resumé under ordinary resolution number 2).

The percentage of voting rights required for ordinary resolution number 9 to be adopted: more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders of the Company present at the AGM or represented by proxy and entitled to exercise voting rights on ordinary resolution number 9.

10. Ordinary resolution number 10:
Re-appointment of external auditors

"RESOLVED THAT PricewaterhouseCoopers Incorporated be and is hereby reappointed as the external auditor of the Company to hold office from this AGM until conclusion of the next AGM."

The percentage of voting rights required for ordinary resolution number 10 to be adopted: more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders of the Company present at the AGM or represented by proxy and entitled to exercise voting rights on ordinary resolution number 10.

11. Ordinary resolution number 11:
Appointment of external auditors

"RESOLVED THAT Ernst & Young Incorporated be and is hereby appointed as the external auditor of the Company, from 1 July 2023 until conclusion of the next AGM."

The percentage of voting rights required for ordinary resolution number 11 to be adopted: more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders of the Company present at the AGM or represented by proxy and entitled to exercise voting rights on ordinary resolution number 11.

12. Ordinary resolution number 12:
Approval of remuneration policy

"RESOLVED, as a non-binding advisory vote in accordance with the recommendations of King IV Report on Corporate Governance for South Africa, 2016 ("**King IV**"), that the remuneration policy of the Company, as set out on pages 16 to 22 of the report to which this Notice of AGM is attached (and also available on Harmony's website at **www.har.co.za**), be and is hereby approved."

As this matter is non-binding, no minimum voting threshold is needed. However, in the event that 25% (twenty five percent) or more of the voting rights exercised on ordinary resolution number 12 are against such resolution, the Company shall engage with dissenting shareholders and implement measures, in the manner set out in the remuneration policy read with King IV.

13. Ordinary resolution number 13:
Approval of the implementation report

"RESOLVED, as a non-binding advisory vote in accordance with the recommendations of King IV, that the implementation report of the Company, as set out on pages 23 to 34 of the report to which this Notice of AGM is attached (and also available on Harmony's website at **www.har.co.za**) be and is hereby approved."

As this matter is non-binding, no minimum voting threshold is needed. However, in the event that 25% (twenty five percent) or more of the voting rights exercised on ordinary resolution number 13 are against such resolution, the Company shall engage with dissenting shareholders and implement measures, in the manner set out in the implementation report read with King IV.

14. Ordinary resolution number 14:
General authority to issue shares for cash

"RESOLVED THAT the Board be and is hereby authorised as a general authority to issue authorised but unissued shares in the capital of the Company (including the grant or issue of options or convertible securities that are convertible into an existing class of equity securities) for cash (or the extinction of a liability, obligation or commitment, restraint or settlement of expenses) on such terms and conditions as the Board may, from time to time, in its sole discretion deem fit, subject to the provisions of the Act and the Listings Requirements of the JSE Limited ("**JSE Listings Requirements**" and "**JSE**" respectively), provided that:

(a) the equity securities which are the subject of the issue for cash must be of a class already in issue, or where this is not the case, must be limited to such securities or rights that are convertible into a class already in issue;
(b) the equity securities must be issued to public shareholders, as defined in the JSE Listings Requirements, and subject to (e) below not to related parties;
(c) securities which are the subject of general issues for cash in the aggregate may not exceed 5% (five percent) of the Company's shares in issue as at the date of this Notice of AGM, excluding treasury shares – the number of shares available for the issue of shares for cash will therefore be limited to 30 901 230 shares, provided that;
  (i) this authority shall be valid until the Company's next AGM or for 15 (fifteen) months from the date on which this resolution is passed, whichever period is shorter, subject to the requirements of the JSE and any other restrictions set out in this authority;
  (ii) the calculation of the Company's listed equity securities must be a factual assessment of the Company's listed equity securities as at the date of this Notice of AGM, excluding treasury shares;
  (iii) any equity securities issued for cash under this authority during the period contemplated in (i) shall be deducted from the number set out in (c); and
  (iv) in the event of sub-division or consolidation of issued equity securities during the period contemplated in (i), the existing authority will be adjusted accordingly to represent the same allocation ratio;
(d) the maximum discount at which equity securities may be issued is 10% (ten percent) of the weighted average traded price of such equity securities measured over the 30 (thirty) business days prior to the date that the price of the issue is agreed between the Company and the party subscribing for the securities; and
(e) this approval expressly allows related parties to participate in a general issue for cash through a bookbuild process provided that –
  (i) related parties may only participate with a maximum bid price at which they are prepared to take-up shares or at book close price. In the event of a maximum bid price and the book closes at a higher price, the relevant related party will be "out of the book" and not be allocated shares; and
  (ii) equity securities must be allocated equitably "in the book" through the bookbuild process and the measures to be applied must be disclosed in the SENS announcement launching the bookbuild.

In terms of the JSE Listings Requirements, the passing of ordinary resolution number 14 requires the approval of at least a 75% (seventy five percent) majority of the votes cast by shareholders of the Company present at the AGM or represented by proxy at this AGM, and entitled to exercise voting rights on ordinary resolution number 14.

15. Special resolution number 1:

Pre-approval of non-executive directors' remuneration

"RESOLVED, in terms of section 66(8), read with section 66(9) of the Act, that the Company be and is hereby authorised to pay the following annual remuneration to its non-executive directors for their services as non-executive directors (together with the value-added tax thereon, if applicable) for a period of (two) 2 years from the date of this AGM or until the non-executive directors' remuneration is amended by way of special resolution of the shareholders, whichever comes first:

Directors' remuneration (R'000)

	Board					Committee									
	Annual Retainer				Attendance Fee[1]	Audit and risk		Social and ethics		Remuneration		Nomination/Investment		Technical	
	Chairman	Deputy chair	LID[2]	Member	Member	Chairperson	Member	Chairperson	Member	Chairperson	Member	Chairperson	Member	Chairperson	Member
Current	1 499.5	622.7	492.7	344.3	27.1	362.5	182.5	254.0	144.6	254.0	138.3	254.0	138.3	254.0	138.3
Proposed	1 799.4	660.1	591.2	395.9	31.2	384.3	193.5	269.2	153.3	269.2	146.6	269.2	146.6	269.2	146.6
Increase	20.0%	6.0%	20.0%	15.0%	15.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%

[1] *Only payable per board meeting attended.*
[2] *Lead independent director.*

Ad hoc fees: R21 284.80 ad hoc meeting/attendance to company business per day.

The directors' remuneration set out above excludes value-added tax which the Company is authorised to pay, in addition to the above directors' remuneration, to those non-executive directors who are obliged to charge value added tax on their directors' remuneration.

The percentage of voting rights required for special resolution number 1 to be adopted: at least 75% (seventy five percent) of the voting rights exercised on the resolution by shareholders of the Company present at the AGM or represented by proxy and entitled to exercise voting rights on special resolution number 1.

ELECTRONIC PARTICIPATION

In accordance with the provisions of the Act and the MOI, the AGM will be conducted entirely through electronic communication. The electronic meeting facilities will permit all participants to be able to communicate concurrently with each other without an intermediary, and to participate reasonably effectively in the meeting. Voting via the electronic facility will be the only method available to shareholders to vote their shares at the AGM.

Shareholders who wish to electronically participate in and/or vote at the AGM are required to complete the Electronic Participation Application Form attached hereto and email same to The Meeting Specialist Proprietary Limited ("**TMS**") at **proxy@tmsmeetings.co.za** or contact them on +2781 711 4255/+2784 433 4836/ +2761 440 0654 as soon as possible, but in any event no later than 09:00 (SA time) on Friday, 25 November 2022.

If shareholders who hold dematerialised shares without own name registration wish to participate in the AGM, they should instruct their central securities depository participant ("**CSDP**") or broker to issue them with the necessary letter of representation to participate in the AGM, in the manner stipulated in their Custody Agreement. These instructions must be provided to the CSDP or broker by the cut-off time and date advised by the CSDP or broker, to accommodate such requests.

TMS will assist shareholders with the requirements for electronic participation in, and/or voting at the AGM. TMS is further obliged to validate (in correspondence with Harmony and, in particular, Harmony's transfer secretaries, JSE Investor Services Proprietary Limited ("Transfer Secretaries") and shareholders' CSDPs) each such shareholder's entitlement to participate in and/or vote at the AGM, before providing it with the necessary means to access the AGM and/or the associated voting platform.

Shareholders will be liable for their own network charges in relation to electronic participation in and/ or voting at the AGM. Any such charges will not be for the account of the JSE, Harmony, the Transfer Secretaries and/or TMS.

None of Harmony, the Transfer Secretaries or TMS can be held accountable in the case of loss of network connectivity or other network failure due to insufficient airtime, internet connectivity, internet bandwidth and/or power outages which prevents any such Shareholder from participating in and/or voting at the AGM.

Shareholders are strongly encouraged to have a stable internet connection with sufficient bandwidth capabilities to participate in the AGM. Shareholders are strongly encouraged to submit their proxies beforehand, even if they intend to participate in the AGM, to ensure that their votes are counted in the event of any delays or disruptions to the shareholder's network connectivity and/or loss of network connectivity by such shareholder during any part of the AGM.

IDENTIFICATION, PROXIES AND VOTING

Shareholders are reminded that:

- a shareholder eligible to participate in and vote at the AGM is entitled to appoint a proxy (or proxies) to participate in and vote at the AGM in place of the shareholder – shareholders are referred to the proxy form attached to this Notice of AGM in this regard;
- a proxy need not also be a shareholder of the Company;
- in terms of section 63(1) of the Act, any person participating in a meeting of shareholders must present reasonably satisfactory identification and the person presiding at the AGM must be reasonably satisfied that the right of any person to participate in and vote (whether as shareholder or as proxy for a shareholder) has been reasonably verified – acceptable forms of verification include a green bar-coded or smart card identification document issued by the South African Department of Home Affairs, a South African driver's licence or a valid passport; and
- this Notice of AGM includes the attached form of proxy.

All beneficial owners whose shares have been dematerialised through a CSDP or broker, other than with "own name" registration, must provide their CSDP or broker with their voting instructions in terms of their custody agreement should they wish to vote at the AGM. Alternatively, they may request their CSDP or broker to provide them with a letter of representation, in terms of their custody agreements, should they wish to participate in the AGM.

Unless you advise your CSDP or broker, in terms of your agreement, by the cut-off time stipulated therein, that you wish to participate in the AGM or send a proxy to represent you, your CSDP or broker may assume that you do not wish to participate in the AGM or send a proxy.

Forms of proxy attached hereto must be dated and signed by the shareholder of the Company appointing a proxy and, for the sake of good order, are urged (but not required) to be submitted to the offices of the Transfer Secretaries by no later than 09:00 (SA time) on Friday, 25 November 2022.

In compliance with section 58(8)(b)(i) of the Act, a summary of the rights of a shareholder to be represented by proxy is set out immediately below:

- **An ordinary shareholder entitled participate in and vote at the AGM may appoint any individual (or individuals) as a proxy or proxies to participate in and vote at the AGM in the place of such shareholder. A proxy need not be a shareholder of the Company.**
- **A proxy appointment must be in writing, dated and signed by the shareholder of the Company appointing a proxy and, subject to the rights of a shareholder to revoke such appointment (as set out below), remains valid only until the end of the AGM.**
- **A proxy may delegate its authority to act on behalf of a shareholder of the Company to another person, subject to any restrictions set out in the instrument appointing the proxy.**
- **Irrespective of the form of instrument used to appoint a proxy, the appointment of a proxy is suspended at any time and to the extent that the shareholder of the Company who appointed such proxy chooses to act directly and in person in exercising any rights as a shareholder of the Company.**
- **Unless the proxy appointment expressly provides otherwise, the appointment of a proxy is revocable by the shareholder of the Company in question cancelling it in writing, or making a later inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and to the Company. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder of the Company as of the later of (a) the date stated in the revocation instrument, if any; and (b) the date on which the revocation instrument is delivered to the Company as required in the first sentence of this paragraph.**
- **If the instrument appointing the proxy or proxies has been delivered to the Company, as long as that appointment remains in effect, any notice required by the Act or the MOI to be delivered by the Company to the shareholder of the Company, must be delivered by the Company to (a) the shareholder of the Company, or (b) the proxy or proxies, if the shareholder of the Company has (i) directed the Company to do so in writing; and (ii) paid any reasonable fee charged by the Company for doing so.**

Attention is also drawn to the notes to the form of proxy.

Completing a form of proxy does not preclude any shareholder of the Company from participating in the AGM.

By order of the Board

Harmony Gold Mining Company Limited
S Mohatla
Group company secretary
Randfontein
25 October 2022

ANNUAL GENERAL MEETING EXPLANATORY NOTES

Presentation of annual financial statements

At the AGM, the directors must present the annual financial statements for the year ended 30 June 2021 to shareholders as required in terms of section 30(3)(d) of the Act, together with the reports of the directors, audit and risk committee and the auditors.

Presentation of group social and ethics committee report

At the AGM, the social and ethics committee must report, through one of its members, on matters within its mandate as required in terms of Regulation 43(5)(c) of the Act.

Ordinary Resolution Number 1:
Election of a new director

In accordance with the JSE Listings Requirements, the MOI, section 68(1) read with section 70(3)(b)(i) of the Act, Bongani Nqwababa's appointment by the Board as a director of the Company must be confirmed at this AGM of the Company by a new election. (See Bongani Nqwababa's resumé under ordinary resolution number 1).

Ordinary Resolution Number 2:
Election of a new director

In accordance with the JSE Listings Requirements, the MOI, section 68(1) read with section 70(3)(b)(i) of the Act, Martin Prinsloo's appointment by the Board as a director of the Company must be confirmed at this AGM of the Company by a new election. (See Martin Prinsloo's resumé under ordinary resolution number 2).

Ordinary Resolutions Numbers 3 and 4:
Re-election of directors

In accordance with the MOI, one third of directors are required to retire at each AGM and may offer themselves for re-election. As such, Ms Given Sibiya and Dr Mavuso Msimang who retire by rotation are eligible and have availed themselves for re-election (See their resumés on page 69 of this Notice of AGM). However, Mr Joaquim Chissano and Mr Andre Wilkens who also retire by rotation, although eligible, have not availed themselves for re-election and will be retiring from the Board effective as of the conclusion of the 2022 Annual General Meeting

Ordinary Resolutions Numbers 5 to 9:
Re-election and election of audit and risk committee

In terms of section 94(2) of the Act, a public company must, at each AGM, elect an audit committee comprising at least 3 (three) members who are directors and who meet the criteria of section 94(4) of the Act. Regulation 42 to the Act specifies that one third of the members of the audit committee must have appropriate academic qualifications or experience in the areas as listed in the regulation.

The Board is satisfied that the proposed members of the audit and risk committee meet all relevant requirements.

Ordinary Resolution Number 10:
Re-appointment of external auditors

As announced on 1 July 2022 and in accordance with the mandatory audit firm rotation rule issued by the Independent Regulatory Board for Auditors, the Company intends to appoint Ernst & Young Incorporated ("EY") as the external auditor for the Company with effect from the financial year commencing 1 July 2023, being the 2024 financial year. The Audit and Risk Committee has recommended, and the Board endorsed, the proposed appointment following the conclusion of a comprehensive tender process. The appointment is subject to shareholder approval at this AGM, 29 November 2022

PricewaterhouseCoopers Incorporated has indicated its willingness to continue in office until the next AGM and ordinary resolution 10 proposes the reappointment of that firm as the Company's auditors. Section 90(3) of the Act requires the designated audit partner to meet the criteria as set out in section 90(2) of the Act.

PricewaterhouseCoopers Incorporated, will continue to act as external auditors of the Company for the 2022 and 2023 financial years.

The Board is satisfied that both PricewaterhouseCoopers Incorporated and the designated audit partner meet all relevant requirements.

Ordinary Resolution Number 11:
Appointment of external auditors

Ernst & Young Incorporated has indicated its willingness to serve as auditors of the Company for the respective time period and ordinary resolution 11 proposes the appointment of that firm as the Company's auditors. Section 90(3) of the Act requires the designated audit partner to meet the criteria as set out in section 90(2) of the Act.

The Board is satisfied that both Ernst & Young Incorporated and the designated audit partner meet all relevant requirements.

Ordinary Resolution Number 12:
Remuneration policy

King IV recommends that the remuneration policy of the Company be submitted to shareholders for consideration and for an advisory, non-binding vote to give shareholders an opportunity to indicate their support for or opposition to the material provisions of the remuneration policy.

Ordinary Resolution Number 13:
Approval of Implementation report

King IV recommends that the implementation report of the Company be submitted to shareholders for consideration and for an advisory, non-binding vote to give shareholders an opportunity to indicate their support for or opposition to the material provisions of the implementation of the remuneration policy.

In the event that 25% (twenty-five percent) or more of the votes are cast against ordinary resolutions number 12 and/or 13, the company undertakes to engage with dissenting shareholders in the manner stipulated in the remuneration report read with King IV.

Ordinary Resolution Number 14:
General authority to issue shares for cash

Ordinary resolution number 14 seeks to give the directors authority to issue the Company's listed securities for cash as permitted by the Act, the MOI and the JSE Listings Requirements.

The Board confirms that there is no specific intention to use this authority as at the date of this Notice of AGM, but considers it advantageous to have the flexibility to take advantage of any business opportunity that may arise in future.

Special Resolution Number 1:
Pre-approval of non-executive directors' remuneration

In terms of section 66(8) read with section 66(9) of the Act, companies may pay remuneration to directors for their services as directors unless otherwise provided by the MOI and on approval of shareholders by way of a special resolution. Executive directors are not specifically remunerated for their services as directors but as employees of the Company and, as such, the resolution, as included in this Notice of AGM, requests approval only for the remuneration paid to non-executive directors for their service as directors of the Company. The proposed fees are recommended for approval for a period of 2 (two) years from the date of this AGM or until such time as the non-executive directors' remuneration is amended by way of special resolution of shareholders, whichever comes first.

GENERAL

Shareholders and proxies participating in the AGM are reminded that section 63(1) of the Act requires that reasonably satisfactory identification be presented for such shareholder or proxy to be allowed to participate in the AGM.

FORM OF PROXY

To be completed by certificated shareholders and dematerialised shareholders with 'own name registration only

Harmony Gold Mining Company Limited
(Incorporated in South Africa)
(Registration number: 1950/038232/06)JSE share code: HAR ISIN: ZAE000015228 JSE share code: HAR NYSE: HMY
("**Harmony**" or the "**Company**")

For use by certificated shareholders and dematerialised shareholders with "own-name" registration who are unable to attend and vote at the AGM to be held entirely by electronic communication on Tuesday, 29 November 2022 at 09:00 (South African Standard Time) or at any adjournment thereof.

Dematerialised Shareholders without "own-name" registration must not complete this Form of Proxy but should timeously inform their nominee, or, if applicable, their CSDP or stockbroker of their intention to participate in and vote at the AGM electronically and request such nominee, CSDP or stockbroker to issue them with the necessary letter of representation to attend or provide such nominee, CSDP or stockbroker with their voting instructions should they not wish to attend the AGM electronically but wish to be represented by proxy at such meeting. Such shareholders must not return this Form of Proxy to the Transfer Secretaries.

Each Shareholder is entitled to appoint a proxy (who need not be a member of the Company) to attend, speak and vote in place of that Shareholder at the AGM. Please read the notes to this form of proxy below.

I/We (please print names in full)	
of (address)	
being the holder/s of	shares in the Company, do hereby appoint:
1	or, failing him/her
2	or, failing him/her

The chairman of the annual general meeting, as my/our proxy to attend, speak and, on a poll or ballot, vote on my/our behalf at this annual general meeting of members or at any adjournment, and to vote or abstain from voting as follows on the ordinary and special resolutions to be proposed at such meeting:

ORDINARY RESOLUTIONS	For	Against	Abstain
Ordinary Resolution Number 1: To elect Bongani Nqwababa as a director			
Ordinary Resolution Number 2: To elect Martin Prinsloo as a director			
Ordinary Resolution Number 3: To re-elect Given Sibiya as a director			
Ordinary Resolution Number 4: To re-elect Mavuso Msimang as a director			
Ordinary Resolution Number 5: To re-elect John Wetton as a member of the audit and risk committee			
Ordinary Resolution Number 6: To re-elect Karabo Nondumo as a member of the audit and risk committee			
Ordinary Resolution Number 7: To re-elect Given Sibiya as a member of the audit and risk committee			
Ordinary Resolution Number 8: To elect Bongani Nqwababa as a member of the audit and risk committee			
Ordinary Resolution Number 9: To elect Martin Prinsloo as a member of the audit and risk committee			
Ordinary Resolution Number 10: To reappoint the external auditors			
Ordinary Resolution Number 11: To appoint the external auditors			
Ordinary Resolution Number 12: To approve the remuneration policy			
Ordinary Resolution Number 13: To approve the implementation report			
Ordinary Resolution Number 14: To approve a general authority to issue shares for cash			
SPECIAL RESOLUTIONS			
Special Resolution Number 1: To pre-approve non-executive directors' remuneration			

Please indicate with an 'X' in the appropriate spaces above how you wish your vote to be cast. If no indication is given, the proxy may vote or abstain as he/she sees fit.

Signed at	this	day of	2022
Signature			
Assisted by me, where applicable (name and signature)			

Completed Forms of Proxy must be dated and signed by the shareholder appointing a proxy and must be lodged electronically with Transfer Secretaries. Shareholders are urged (but not required) to electronically deliver their completed Form of Proxy by no later than **09:00 (South African Standard Time)** on **Friday, 25 November 2022** to **meetingservices@jseinvestorservices.co.za**.

Please read the notes and instructions on the reverse side.

NOTES TO FORM OF PROXY

1. A Form of Proxy is only to be completed by those shareholders who are:
   a. registered holders of shares in certificated form; or
   b. holders of dematerialised shares of the Company in their own name.
2. If you have already dematerialised your shares through a CSDP or broker and wish to participate in and vote at the AGM, you must request your CSDP or broker to provide you with a letter of representation or instruct your CSDP or broker to vote by proxy on your behalf in terms of the agreement entered into between yourself and your CSDP or broker.
3. A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space provided. The person whose name stands first on the Form of Proxy and who is present at the AGM will be entitled to act to the exclusion of those whose names follow.
4. On a poll, a shareholder who is present or represented by proxy will be entitled to that proportion of the total votes in the Company which the aggregate amount of the nominal value of the shares held by him/her bears to the aggregate amount of the nominal value of all the shares issued by the Company.
5. A shareholder's instructions to the proxy must be indicated by inserting the relevant numbers of votes exercisable by the shareholder in the appropriate box. Failure to comply will be deemed to authorise the proxy to vote or to abstain from voting at the AGM as he/ she deems fit in respect of all the shareholder's votes exercisable. A shareholder or the proxy is not obliged to use all the votes exercisable by the shareholder or by the proxy, but the total of votes cast and in respect of which abstention is recorded may not exceed the total of votes exercisable by the shareholder or by the proxy.
6. Forms of Proxy (enclosed) must be dated and signed by the shareholder appointing a proxy and must be lodged electronically with JSE Investor Services Proprietary Limited. Shareholders are urged (but not required) to electronically deliver their completed Form of Proxy by no later than 09:00 (South African Standard Time) on Friday, 25 November 2022 to the offices of the Transfer Secretaries, JSE Investor Services Proprietary Limited, 13th Floor, 19 Ameshoff Street, Braamfontein, Johannesburg, 2001 (PO Box 4844, Johannesburg, 2000, fax number: +27 86 674 2450, email **meetingservices@jseinvestorservices.co.za**).
7. Completing and lodging this Form of Proxy will not preclude the relevant shareholder from electronically attending the AGM and speaking and voting electronically to the exclusion of any proxy appointed in terms hereof.
8. Documentary evidence establishing the authority of a person signing this Form of Proxy in a representative capacity or other legal capacity must be attached to this Form of Proxy, unless previously recorded by the Transfer Secretaries or waived by the chairman of the AGM.
9. The completion of blank spaces overleaf need not be initialled. Any alteration or correction made to this Form of Proxy must be initialled by the signatory(ies).
10. Despite the aforegoing, the chairman of the AGM may waive any formalities that would otherwise be a prerequisite for a valid proxy.
11. If any shares are jointly held, all joint shareholders must sign this Form of Proxy. If more than one of those shareholders is present at the AGM either electronically or by proxy, the person whose name appears first in the Register will be entitled to vote.

ELECTRONIC PARTICIPATION FORM

Electronic participation in the Harmony Gold Mining Company Limited electronic annual general meeting to be held on 29 November 2022

Harmony Gold Mining Company Limited
(Incorporated in South Africa)
(Registration number: 1950/038232/06)JSE share code: HAR ISIN: ZAE000015228 JSE share code: HAR NYSE: HMY
("**Harmony**" or the "**Company**")

- Shareholders or their proxies who wish to participate in the annual general meeting via electronic communication ("**Participants**"), must apply to the Company's meeting scrutineers to do so by emailing the form below ("**the application**") to the email address of the Company's meeting scrutineers, The Meeting Specialist (Proprietary) Limited ("**TMS**"), by no later than 09:00 (SA time) on 25 November 2022. The email address is as follows: **proxy@tmsmeetings.co.za**
- Shareholders who have dematerialised their shares, other than those shareholders who have dematerialised their shares with 'own name' registration, should contact their Central Securities Depository Participant ("**CSDP**") or broker in the manner and time stipulated in their agreement with their CSDP or Broker:
  - to furnish them with their voting instructions; and
  - in the event that they wish to participate in the meeting, to obtain the necessary authority to do so.
- Participants will be able to vote during the annual general meeting through an electronic participation platform. Such participants, should they wish to have their vote(s) counted at the annual general meeting, must provide TMS with the information requested below.
- Each shareholder, who has complied with the requirements below, will be contacted between 25 and 29 November 2022 via email/mobile with a unique link to allow them to participate in the electronic annual general meeting.
- The cost of the participant's phone call or data usage will be at his/her own expense and will be billed separately by his/her own telephone service provider.
- The cut-off time, for administrative purposes, to participate in the meeting will be **09:00am (SA time) on 25 November 2022**.
- The participant's unique access credentials will be forwarded to the email/mobile telephone provided below.

Application form

Name and surname of shareholder	
Name and surname of shareholder representative (if applicable)	
ID number of shareholder or representative	
Email address	
Mobile/cell number/Telephone number	
Name of CSDP or Broker (if shares are held in dematerialised format)	
SCA number/Broker account number or Own name account number	
Number of shares	
Signature	

By signing this form, I agree and consent to the processing of my personal information above for the purpose of participation in the general meeting.

Terms and conditions for participation at the Harmony Gold Mining Company Limited annual general meeting to be held on 29 November 2022 via electronic communication

- The cost of dialling in using a telecommunication line/webcast/web-streaming to participate in the annual general meeting is for the expense of the participant and will be billed separately by the participant's own telephone service provider.
- The participant acknowledges that the telecommunication lines/webcast/web-streaming are provided by a third party and indemnifies Harmony Gold Mining Company Limited, the JSE Limited and TMS and/or their third-party service providers against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the telecommunication lines/webcast/web-streaming, whether or not the problem is caused by any act or omission on the part of the participant or anyone else. In particular, but not exclusively, the participant acknowledges that he/she will have no claim against Harmony Gold Mining Company Limited, the JSE Limited and TMS and/or its third-party service providers, whether for consequential damages or otherwise, arising from the use of the telecommunication lines/webcast/web-streaming or any defect in it or from total or partial failure of the telecommunication lines/webcast/web-streaming and connections linking the telecommunication lines/ webcast/web-streaming to the annual general meeting.
- Participants will be able to vote during the annual general meeting through an electronic participation platform. Such participants, should they wish to have their vote(s) counted at the annual general meeting, must act in accordance with the requirements set out above.
- Once the participant has received the link, the onus to safeguard this information remains with the participant.
- The application will only be deemed successful if this application form has been fully completed and signed by the participant and delivered or emailed to TMS at **proxy@tmsmeetings.co.za**

Shareholder name: ______________________

Signature: ______________________

Date: ______________________

Important: You are required to attach a copy of your identity document/driver's licence/passport when submitting the application.

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 **Our risks and opportunities** in the **Integrated annual 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
Randfontein Office Park
PO Box 2, Randfontein 1760, South Africa
Corner Main Reef Road and Ward Avenue,
Randfontein, 1759, South Africa

Telephone: +27 11 411 2000

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
Email: **HarmonyIR@harmony.co.za**

Telephone: +27 11 411 6073 or +27 82 746 4120
Website: **www.harmony.co.za**

Company Secretariat
Email: companysecretariat@harmony.co.za

Telephone: +27 11 411 2359

Transfer secretaries
JSE Investor Services South Africa (Proprietary) Limited
(Registration number 2000/007239/07)
13th Floor, Rennie House, Ameshoff Street, Braamfontein
Johannesburg, South Africa

PO Box 4844, Johannesburg, 2000, South Africa

Email: info@jseinvestorservices.co.za

Telephone: +27 861 546 572 (South Africa)
Fax: +27 86 674 2450

American Depositary Receipts (ADRs)
Deutsche Bank Trust Company Americas
c/o American Stock Transfer and Trust Company
Operations Centre, 6201 15th Avenue, Brooklyn,
NY11219, United States

Email queries: db@astfinancial.com

Toll free (within US): +1 886 249 2593
Int: +1 718 921 8137
Fax: +1 718 921 8334

Sponsor
JP Morgan Equities South Africa (Proprietary) Limited
1 Fricker Road, corner Hurlingham Road, Illovo,
Johannesburg, 2196, South Africa
Private Bag X9936, Sandton, 2146, South Africa

Telephone: +27 11 507 0300
Fax: +27 11 507 0503

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.

HARMONY

www.harmony.co.za