



# MINING WITH PURPOSE

ESG REPORT  
**30 June 2023**

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Harmonite at Doornkop shaft

### Metrics and currency

Our reporting currency is South African rand. However, we provide US dollar equivalents of significant financial metrics and percentage movements to aid sector and peer comparisons. Transactions taking place throughout FY23 are converted at an average exchange rate for the financial year of R17.76/US\$. Amounts incurred or reported on at a specific date are converted at the relevant spot rate on that date, and the rate used will be appropriately disclosed. For 30 June 2023, this rate is R18.83/US\$.

The key metrics used in this report include:

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

📖 For our full glossary, refer to our [website](#).

## Quick reference

**Capitals**

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

**Strategic pillars**

Responsible stewardship	Cash certainty
Operational excellence	Effective capital allocation

**Report navigation**




Icons in this report aid navigation and connectivity and include:

- Cross-reference to information elsewhere in the report.
- Information online at [www.harmony.co.za](http://www.harmony.co.za).
- Print
- Home page
- Previous view
- Previous page
- Next page

**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](mailto:IARreports@harmony.co.za).

# MINING WITH PURPOSE

Mining with purpose is how we create shared value and is supported by our sustainable development framework. This is the golden thread that integrates our purpose with our strategy and business model. Harmony mines with purpose through:

Purpose	In Harmony	Impact
<p><b>Creating a profitable, sustainable company</b></p>	<p>Harmony is a world-class specialist gold producer with a growing copper footprint. We have over 70 years' experience as an emerging market specialist, operating in South Africa, Papua New Guinea and Australia. Our existing portfolio and pipeline of projects present substantial opportunities for us to leverage. We are investing in organic and acquisitive growth to ensure we continuously grow, adding higher-quality ounces and improving our margins while lowering our overall risk profile.</p> <p>📌 Refer to <b>Our business</b> in the <b>Integrated annual report</b> for details.</p>	<p>Through mining with purpose, we contribute to the economic and social development of the countries in which we operate. This ensures that we run profitable, sustainable businesses, delivering returns to shareholders and leaving a lasting positive impact for society and our ecosystems.</p>
<p><b>Creating and preserving value for all stakeholders</b></p>	<p>We create and preserve shared value through delivering on our strategic objectives and managing the resources we use and impact through our business activities.</p> <p>Harmony's stakeholder-centric approach means we balance stakeholder needs with those of the business. Meaningful and inclusive stakeholder engagement through partnerships and collaboration is how we operate and ensure we deliver on our strategy.</p> <p>📌 Refer to <b>How we create value</b> in the <b>Integrated annual report</b> for details.</p>	<p>We have embedded sustainability in our business strategy and by delivering on our four strategic pillars, we will continue creating shared value for years to come.</p> <p>Creating and preserving value for all our stakeholders is demonstrated through the infinite opportunities we create from a finite resource.</p>
<p><b>Delivering on our sustainable development and ESG commitments</b></p>	<p>Mining with purpose underscores the inextricable link between profitability and sustainability. Sustainable development consideration is ingrained in our business strategy and decision-making processes. Careful consideration is applied to our capital allocation process, ensuring we balance the various trade-offs between the six capitals.</p> <p>📄 Refer to <b>ESG in practice</b> for more information.</p> <p>Harmony takes an integrated approach to sustainable development and ESG, ensuring we conduct responsible, ethical and transparent mining practices. We aim to make a net positive impact on the environment, communities and broader society. To achieve this, we have clear ESG goals and measure our performance against these goals on a continuous basis.</p> <p>Our ESG goals include our commitment to:</p> <ul style="list-style-type: none"> <li>• <b>Environment:</b> Ecologically responsible mining and environmental stewardship, contributing to a low-carbon future and leaving a lasting positive legacy.</li> <li>• <b>Social:</b> Our duty of care, which begins with our employees who are at the heart of our business, and extends to our communities and broader society.</li> <li>• <b>Governance:</b> Building corporate trust, demonstrating transparency and being accountable at all times.</li> </ul>	<p>Our <b>sustainable development framework</b> ensures that we not only mine with purpose, but that we keep our ESG commitments top of mind. The framework keeps us accountable and guides our approach to contributing to meeting the <b>United Nations Sustainable Development Goals (UN SDGs)</b>.</p> <p><b>We meaningfuly impact:</b></p> <div style="display: flex; flex-direction: column; align-items: center;"> <p>Directly</p>  <p>Indirectly</p>  <p>Through collaboration</p>  </div>



# ABOUT THIS REPORT

Harmony’s ESG report is the primary platform to provide our stakeholders with an overview of how our integrated thinking and approach to mining with purpose impacts our sustainability and value creation. It is a balanced, holistic and transparent overview of our ESG journey and how we performed against our commitments.

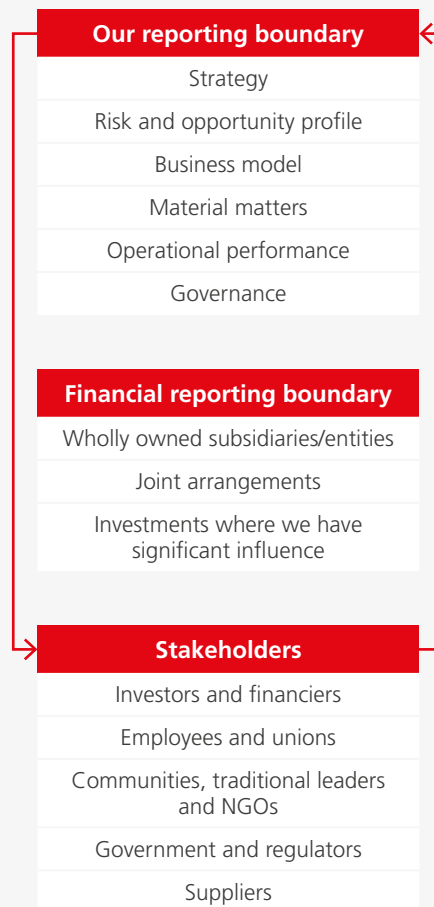
Our overarching governance framework, using an integrated risk-based approach, guides all our decisions and is critical in ensuring and protecting value creation and delivery of our strategic objectives.

### Scope and boundary

Harmony’s 2023 ESG report provides information about our operations and activities in South Africa and South-east Asia (Papua New Guinea and Australia) for the financial year ended 30 June 2023 (FY23). We include significant events between year end and the date of approving this report.

Harmony acquired full ownership of the Eva Copper Project in Queensland, Australia, which performance data will be included in our reporting once the mine becomes operational within the next three years.

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



### Materiality

Harmony follows the principle of materiality to determine our report content. In 2023, we conducted a double materiality assessment to identify those matters that impact our ability to create value (financial materiality) and our impact on society, communities and the environment (impact materiality). We consider these matters as key to our performance now or in future, and therefore our ability to deliver on our strategy.

Key to determining materiality is engaging with stakeholders to identify their primary concerns. For a better understanding, refer to **Stakeholder engagement**. Our materiality process, material matters and risks and opportunities are detailed in the **Integrated annual report**. These sections provide context for how we manage material matters.

### Reporting frameworks, guidelines and standards

In compiling our reporting suite, we are guided by:

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

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

### Assurance

Assurance on selected key performance indicators (KPIs) disclosed in this report is provided by RSM South Africa Inc. This was performed according to the revised International Standard on Assurance Engagements (ISAE 3000) assurance standard.

The scope of the assurance engagement, data assured and statement of assurance are provided on pages 182 to 185.



About this report *continued*

Our 2023 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.



Climate-related financial disclosures (TCFD report)

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.



Report to shareholders

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



Financial report

The financial report is a comprehensive report of our 2023 financial performance. It includes the consolidated and separate parent company annual financial statements.



Mineral Resources and Mineral Reserves

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



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.



Scan QR code to download our full suite of 2023 annual reports.

These reports and supporting documents are available at [www.harmony.co.za](http://www.harmony.co.za).



Tshepong renewable solar project




# ABOUT HARMONY

Harmony is a company that mines with purpose – creating shared value for all stakeholders while leaving a lasting positive legacy in the countries where we operate. We demonstrate true sustainability by delivering on our sustainable development and ESG commitments, which is woven into our strategy, ensuring that we consider and meet our stakeholders' needs and interest.

Mining with purpose, at Harmony, means that we care for, protect and empower our employees; we are responsible stewards of the environment; and we mine with social conscience, contributing to the economic development of our host communities and countries. In delivering on our purpose, we mine ethically while building corporate trust thus making us stronger and more resilient.

Our pursuit of positive impact and shared value beyond compliance is affected by dynamic internal and external factors. Mining with purpose allows us to navigate our complex operating environment and growing international footprint.

This chapter contextualises who we are, our approach to our sustainable development journey, how we manage impacts, as well as the ESG risks and opportunities we face and the material matters impacting our business and stakeholders.

 Read more about Harmony at [www.harmony.co.za](http://www.harmony.co.za)

# OVERVIEW

## Who we are

Harmony is a global, sustainable gold mining and exploration company with a growing copper footprint in our Tier 1 Wafi-Golpu Project as well as Eva Copper Project. We are also the largest producer of gold from the retreatment of old tailings dams, making us a major player in the circular economy of gold.

Headquartered in Randfontein, South Africa, Harmony has a primary listing on Johannesburg's stock exchange, the JSE Limited (HAR) and an American depository receipt programme listed on the New York Stock Exchange (HMY). Our shareholder base is geographically diverse and includes some of the largest fund managers globally. The largest shareholder base is in the United States (42%), followed by South Africa (37%).

➤ Refer to **Shareholder information** in the **Integrated annual report**.

## What we do

 <p><b>Exploration and acquisitions</b> Exploring for and evaluating economically viable gold-bearing orebodies and/or value-accretive acquisitions in gold and copper.</p>	 <p><b>Mining and processing</b> Establishing, developing and operating mines, reclamation sites and related processing infrastructure. Ore mined is milled and processed by our gold plants to produce gold doré bar.</p>
 <p><b>Sales and financial management</b> Generating revenue through the sale of gold produced and optimising efficiencies to maximise financial returns.</p>	 <p><b>Stewardship and responsible mine closure</b> Empowering communities and employees throughout and beyond the life of our mines. Being responsible to our environment during operations. Restoring mining-impacted land for alternative economic use post-mining and approving mine closure commitments.</p>

## How we do it

### Mining with purpose






Our purpose is to be a global, sustainable gold and copper producer, creating shared value for all stakeholders while leaving a lasting positive legacy through:

- Creating longevity, profitability and sustainability
- Committing to safe, ethical, social and ecologically responsible mining
- Positioning our business to contribute to a low-carbon future.

### Our mission

To create value by operating safely and sustainably, and to grow our margins.

### Our values

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

## Delivering impact

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

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

**70+ years'** gold mining experience in South Africa and almost two decades operating in Papua New Guinea

**1.47Moz** produced (2022: 1.49Moz) with 10.5% (154 550oz) being from reclamation activities

Market capitalisation of **R49.0 billion** (US\$2.6 billion) at 30 June 2023 (2022: R32.0 billion (US\$2 billion))

**39.3Moz** gold and gold equivalent Mineral Reserves (2022: 39.8Moz)



Overview *continued*

Our investment case

Doing what we **KNOW BEST**



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



- Safety – a core value that always precedes production
- Focus – quality ounces and cost reduction aimed at lowering all-in sustaining costs
- Digitisation – driving further improvements in our safety journey
- Decarbonisation – greener energy mix, focusing on renewables
- Collaboration – partnership are key to enabling our communities and allow us to maximise impact.



Quality ounces and long reserve life through organic growth and value-accretive acquisitions



- Meaningful value-enhancing improvement in South African recovered grade through acquisition and development
- Acquisition synergies and other investments have potential to reduce all-in sustaining costs
- Growing surface reclamation – safer, lower cost, energy efficient and higher margin operations.



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



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



Significant copper exposure through two international projects



- Transition to a low-cost gold-copper miner – Wafi-Golpu, a tier 1 copper-gold asset in Papua New Guinea as well as Eva Copper in Australia.



Gold mining specialists with strong technical and exploration capabilities



- Emerging-market specialist (South Africa and Papua New Guinea)
- Wealth of mining expertise – combined, senior executive management have decades of industry experience
- Proven track record – investing in, sustaining and prolonging operating lives of deep-level mines.



Flexible balance sheet with good cash generation enables our growth strategy



- Strengthened balance sheet supports future growth and capital returns
- Capital allocation towards high-grade underground assets and high-margin surface operations to deliver superior returns and improved cash flow generation
- Locking in high margin for future returns
- Positive shareholder returns through sustainable.

## Overview *continued*

### Salient features for 2023

To produce safe, profitable ounces and improve margins through operational excellence and value-accretive acquisitions.



#### Responsible stewardship



- Group LTIFR at 5.49, below 6.00 for the second consecutive financial year as we continue to embed a proactive safety culture
- Decarbonisation through renewable energy with Phase 1 of 30MW renewable solar power now commissioned
- Growing our investment in copper, a future-facing metal, now over 20% of Mineral Resources
- Supporting the circular economy through the retreatment of tailings dams and recycling our water
- SBTi targets agreed
- Completed our five-year social and labour plans for South African operations
- Partner of choice, sharing the benefits with all our stakeholders.



#### Cash certainty



- **↑ Revenue** increased by 15.5% to **R49.3 billion** (US\$2.8 billion) (2022: R42.6 billion (US\$2.8 billion))
- **↑ 107.6%** increase in **group operating free cash flow** to R6.0 billion (US\$339 million) from R2.9 billion (US\$191 million).



#### Operational excellence



##### Financial indicators

- **↑ 46.4%** increase in **production profit** to **R14.0 billion** (US\$787 million) (2022: R9.5 billion (US\$628 million))
- **↑ Average gold price** received increased by 15.4% to **R1 032 646/kg** (US\$1 808/oz)
- **↑ Group all-in sustaining cost** increased by 6.4% to **R889 766/kg** (US\$1 558/oz).

##### Operational indicators

- **↓ 1.3%** decrease in **production to 45 651kg** (1 467 715oz) (2022: 46 236kg (1 486 517oz))
- **↑ 7.6%** increase in underground recovered grade to 5.78g/t.

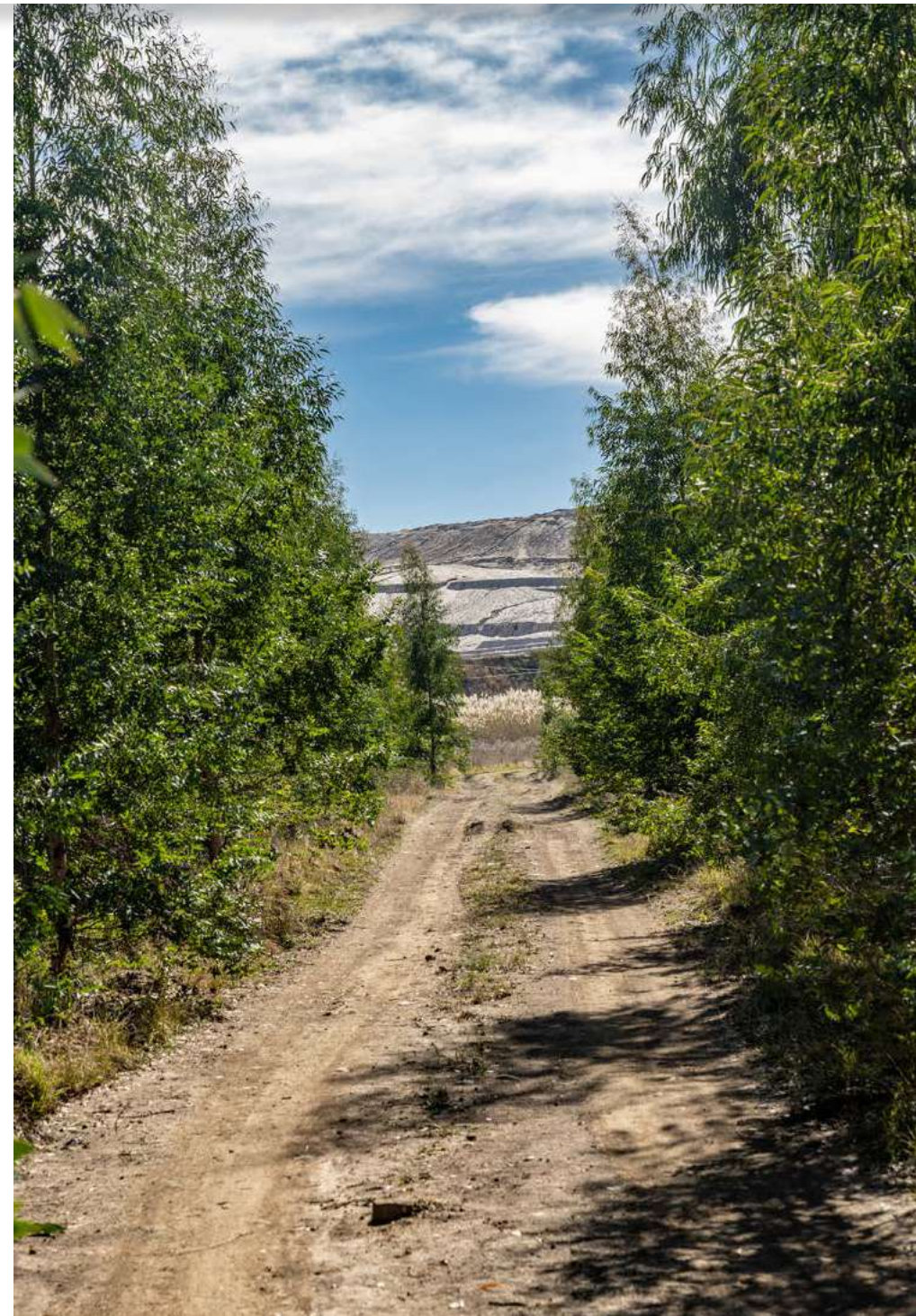


#### Effective capital allocation



- Approved **capital of R8.5 billion** (US\$526 million) and **spent R7.6 billion** (US\$428 million)
- Progressing Eva Copper feasibility study update in Queensland, Australia
- **Total dividend** of 75 SA cents (4.03 US cents) per share declared (2022: 62 SA cents (4.0 US cents))
- Repaid R2.1 billion (US\$118 million) in debt to maintain balance sheet flexibility
- **Total dividend yield** of 1.1%# (2022: 1.1%).

# As at 25 August 2023.




# OUR OPERATIONS

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

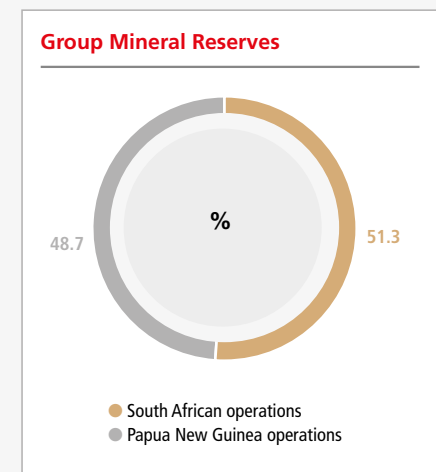
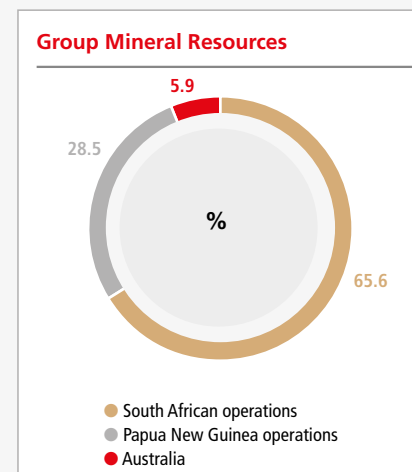
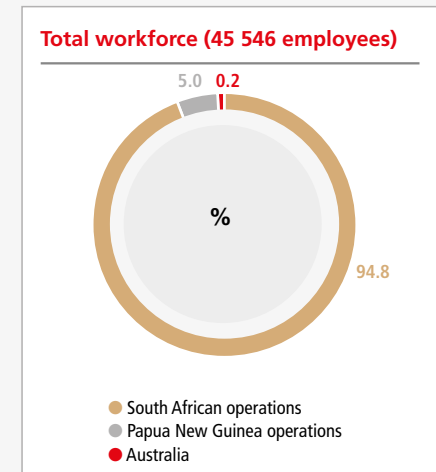
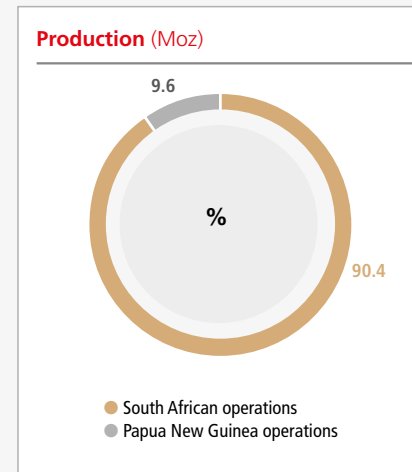
We have actively pursued opportunities to extend the life of some of our larger and higher-grade assets, adding lower-risk, higher-margin ounces to our portfolio. This included re-engineering our portfolio between 2017 and 2023 through the Hidden Valley, Moab Khotsong, Mponeng and Eva Copper acquisitions and identifying substantial opportunities in our existing portfolio through exploration and brownfield projects.

Acquired in December 2022, Eva Copper strengthens our strategic exposure to copper, a critical mineral for the net zero transition, and the Tier 1 Queensland mining jurisdiction, which is poised to become a leading critical minerals province. The project positions Harmony as a positive contributor to a carbon-neutral future and augments our existing copper exposure afforded by the Wafi-Golpu Project in Papua New Guinea. Recognising our responsibility to ensure economic benefits accrue locally to the extent possible, we undertook significant outreach after the acquisition to understand the capacity and aspirations of local businesses and the long-term objectives of policymakers.

Major capital has been allocated to our high-margin surface retreatment facility at Mine Waste Solutions for the Kareerand tailings extension as well as the high-grade Zaaiplaats project at Moab Khotsong. These projects are in line with our strategy of optimal shareholder return through assets already in our portfolio. They extend the life of these operations and drive future shareholder value.

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

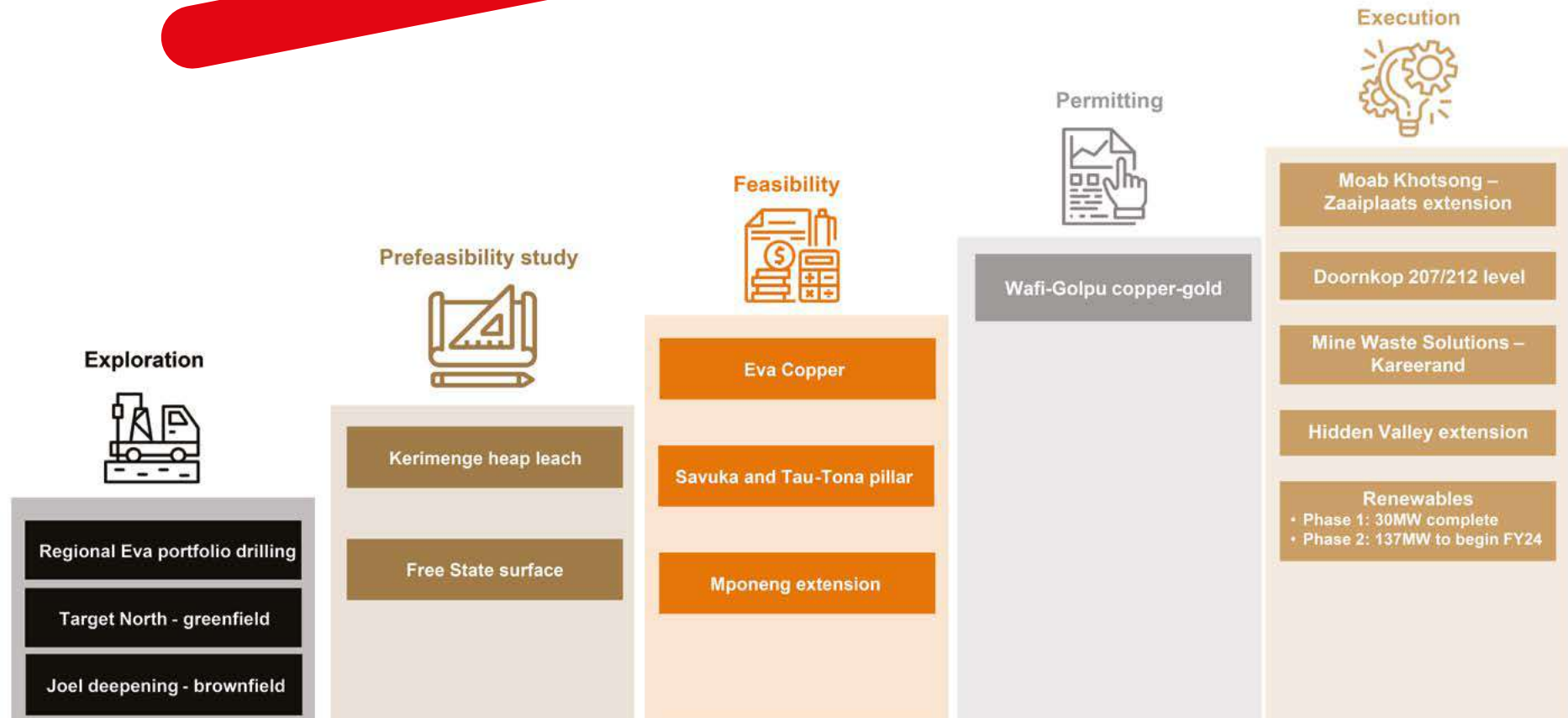
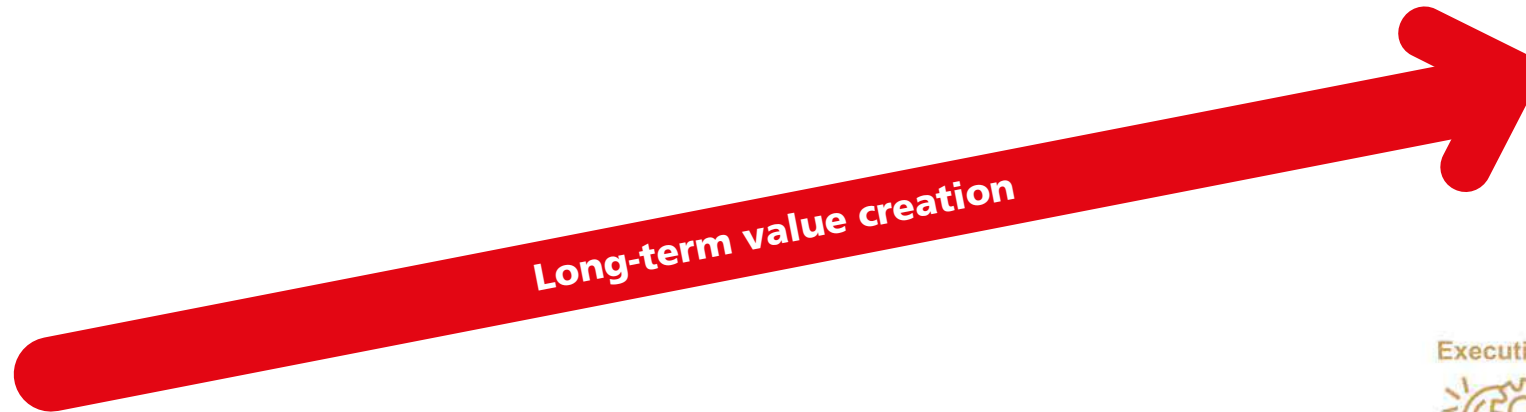
 A summary of our operations is presented below and detailed information can be found in the **Operational report**.



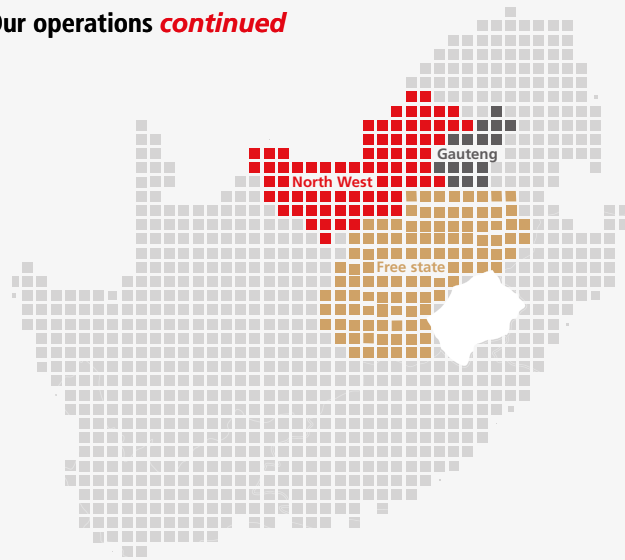


Our operations *continued*

Quality growth pipeline



**Our operations *continued***



 **South Africa**

**Location:** Witwatersrand Basin and Kraaipan Greenstone Belt  
**Production:** 1.33Moz (90.4%) (FY22: 1.37Moz (92.0%))  
**Total workforce:** 43 175

- Assets:**
- **Eight** underground operations
  - **One** open-pit mine
  - **Several** surface source operations.

We have grouped our assets based on grade and life-of-mine (LoM) as per our equity strategy:

- High-grade underground operations: Moab Khotsoeng and Mponeng
- Underground optimised operations with a focus on free-cash generation: Tshepong North, Tshepong South, Doornkop, Joel, Target 1, Kusasaletu and Masimong.

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

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

At 30 June 2023, our South African operations accounted for 65.6% of group Mineral Resources and 51.3% of group Mineral Reserves, both inclusive of gold and gold equivalent ounces.



 **Papua New Guinea**

**Location:** New Guinea Mobile Belt in Morobe  
**Production:** 0.14Moz (9.6%) (FY22: 0.12Moz (8.0%))  
**Total workforce:** 2 267

- Assets:**
- **Hidden Valley** (open-pit gold and silver mine)
  - **Wafi-Golpu** project (significant copper-gold portfolio)
  - **Multiple** exploration areas.

At 30 June 2023, our Papua New Guinea operation accounted for 27.5% of group Mineral Resources and 48.7% of group Mineral Reserves, both inclusive of gold and gold equivalent ounces.



 **Australia**

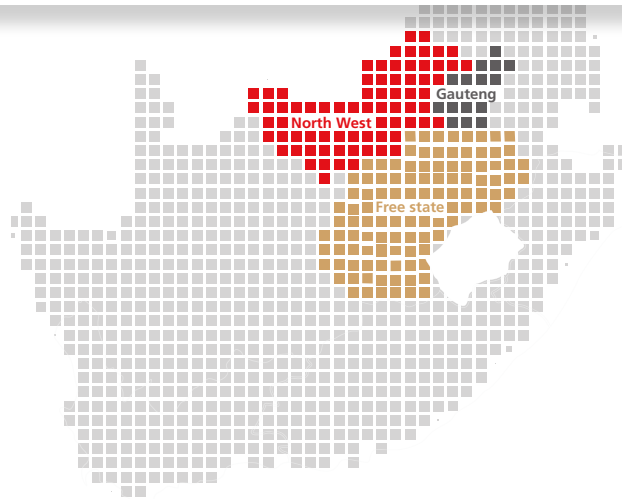
**Location:** Mt Isa Inlier, Queensland, Australia  
**Production:** Project feasibility stage and exploration  
**Total Workforce:** 104\*

- Assets:**
- Eva Copper Project
  - Rosby exploration tenements.

Harmony announced the inaugural Resource estimate for the Eva Copper Project, unveiling a significant Resource of 1.5 million tonnes of copper and 431 000 ounces of gold. This accounts for 5.9% of group Mineral Resources. Since the acquisition of the project, Harmony has commenced an extensive drilling campaign and undertaken comprehensive studies to enhance the project's data profile. These initiatives are geared towards facilitating an informed update of the feasibility study, with anticipated release of results slated for FY24.

\* Includes Australia head office.

Our operations *continued*



<b>WORKFORCE</b> At 30 June 2023 (includes permanent employees and contractors)	<b>PRODUCTION FOR FY23</b>	<b>LOM PER FY24 PLAN</b>



Moab Khotsong



North West Moab Khotsong	West Rand <sup>1</sup>		
	Doornkop	Kusasaletu	Mponeng
6 713	4 358	3 970	5 156
214 381oz 7.25g/t grade	135 451oz 4.69g/t grade	111 242oz 6.10g/t grade	239 490oz 8.43g/t grade
<b>21 years<sup>2</sup></b> 9.5Moz Resources 3.7Moz Reserves	<b>15 years</b> 7.2Moz Resources 1.9Moz Reserves	<b>3 years</b> 3.5Moz Resources 0.4Moz Reserves	<b>7 years</b> 24.0Moz Resources 1.8Moz Reserves



Target 1



Free State				
Tshepong North <sup>3</sup>	Tshepong South <sup>3</sup>	Target 1	Joel	Masimong
3 706	3 386	2 001	2 062	2 064
107 834oz 4.22g/t grade	110 310oz 6.78g/t grade	40 992oz 3.49g/t grade	62 598oz 4.48g/t grade	63 047oz 4.17g/t grade
<b>7 years</b> 9.8Moz Resources 0.6Moz Reserves	<b>7 years</b> 14.5Moz Resources 0.9Moz Reserves	<b>6 years</b> 3.5Moz Resources 0.5Moz Reserves	<b>7 years</b> 1.9Moz Resources 0.5Moz Reserves	<b>2 years</b> 0.9Moz Resources 0.2Moz Reserves

<sup>1</sup> Border between Gauteng and North West.

<sup>2</sup> Includes Zaaiplaats.

<sup>3</sup> From FY23, Tshepong Operations has been reported on separately as Tshepong North and Tshepong South.



Our operations *continued*

 **South Africa**  
**Surface**



Surface	Waste Rock		
Kalgold	Free State	North West	West Rand
725	841*	759*	808*
37 778oz 0.85g/t grade	29 257oz 0.44g/t grade	5 176oz 0.36g/t grade	15 111oz 0.33g/t grade
<b>9 years</b> 1.8Moz Resources 0.4Moz Reserves	<b>±1 year</b> 0.25Moz Resources	<b>±1 year</b> 0.04Moz Resources	<b>±1 year</b> 0.003Moz Resources

 **South Africa**  
**Tailings**



North West	Free State		West Rand
Mine Waste Solutions (MWS)	Phoenix	Central Plant Reclamation (CPR)	Savuka
2 185	350	265	203
90 150oz 0.122g/t grade	26 782oz 0.134g/t grade	18 552oz 0.145g/t grade	19 066oz 0.153g/t grade
<b>16 years</b> 2.5Moz Resources 2.1Moz Reserves	<b>5 years</b> 0.4Moz Resources 0.3Moz Reserves	<b>12 years</b> 0.4Moz Resources 0.4Moz Reserves	<b>13 years</b> 0.4Moz Resources 0.2Moz Reserves

\* The numbers for the Free State, North West and West Rand facilities above exclude MWS, Phoenix, CPR, Savuka and Kalgold.

Our operations *continued*



Papua New Guinea



Hidden Valley

Surface

Hidden Valley



2 189



140 498oz  
1.14g/t grade



5 years

2.9Moz Resources  
1.3Moz Reserves



Wafi-Golpu Project

Project

Wafi-Golpu

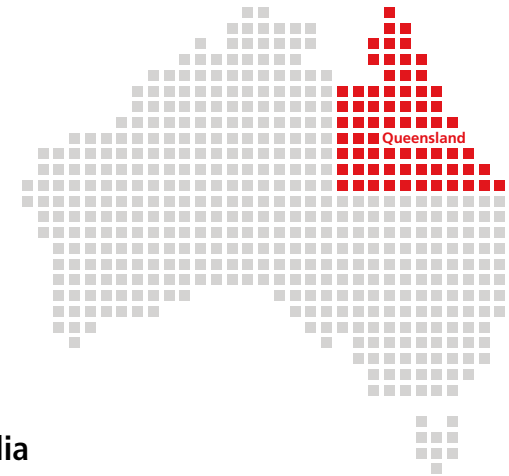


61



27 years

39.4Moz Resources  
17.9Moz Reserves



Australia



Eva community hub

Project

Eva Copper Project



70



18 years

8.1Moz Resources



## OUR RISK AND OPPORTUNITY **PROFILE**

Harmony follows an integrated risk-based approach to business that is fully aligned with global best practice. Our exposure to risks and opportunities is inherent to mining and includes our external environment. We identify and analyse these risks and opportunities to understand their potential impact on our ability to achieve our strategy and deliver sustainable returns over time.

By identifying and understanding our material risk drivers and their interrelated dynamics, we can improve how we manage their impacts and position Harmony to capitalise on opportunities, meet future challenges and deliver on our growth prospects. This approach also creates value by enabling Harmonites to make risk-based decisions considering Harmony's strategy, risks and resilience through established risk management practices.

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

### **Our enterprise risk management (ERM) process**

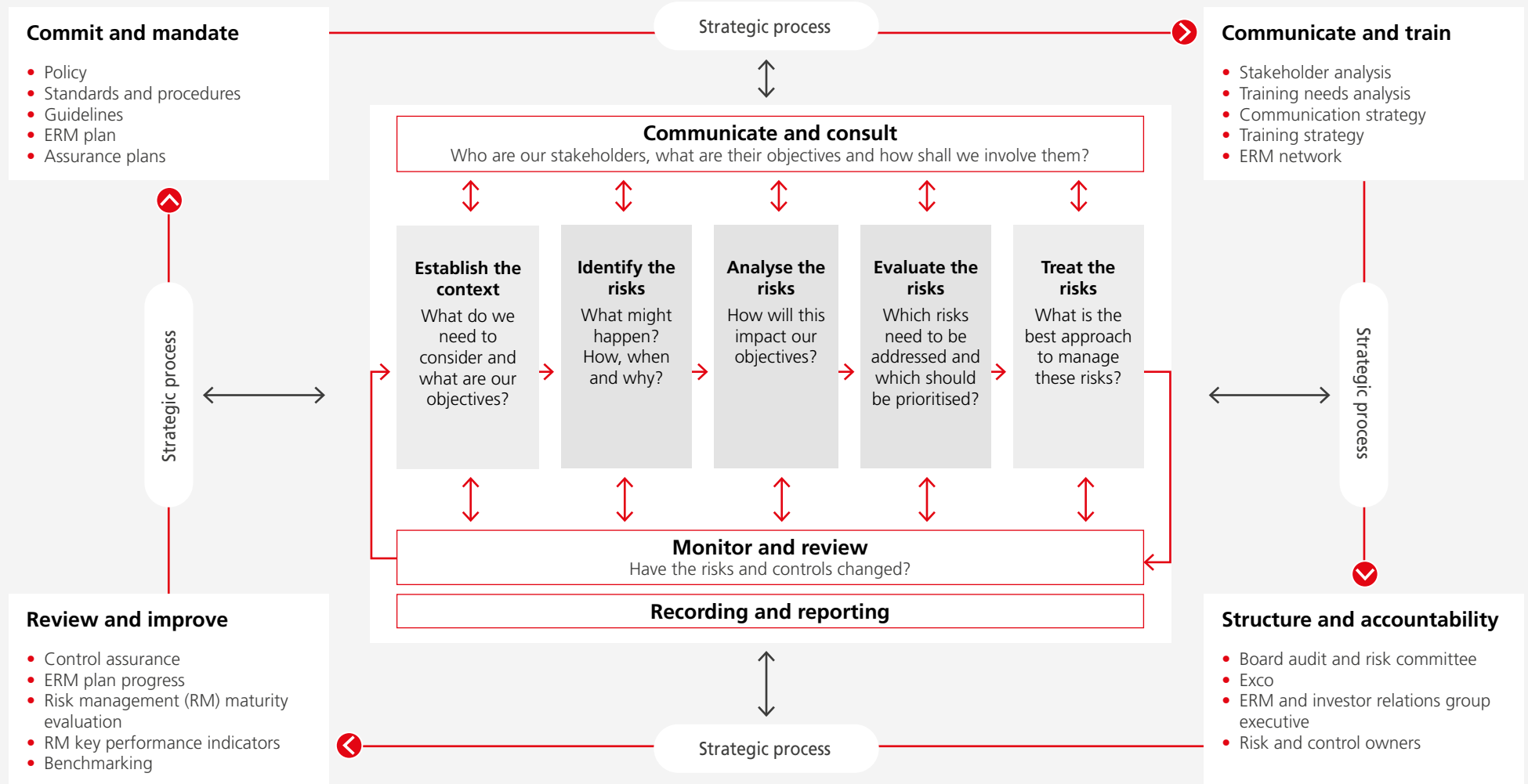
Our approach is to implement and maintain an integrated risk and resilience management framework, methodology and system that enables us to apply an integrated risk-based approach to our strategy, business planning and business management, which promotes sustainability and resilience. Our process aligns with the ISO 31000:2018 Risk Management Guidelines and our ERM framework, ensuring we implement global leading practice risk management.

Our risk management approach informs our business strategy and related objectives. To achieve our goals, it is vital to identify and understand the factors that could limit our ability to deliver on our strategy. Equally, we need to understand which factors present opportunities. The following visual depicts the strategic process the group follows to make risk-based decisions:





Our risk and opportunity profile *continued*

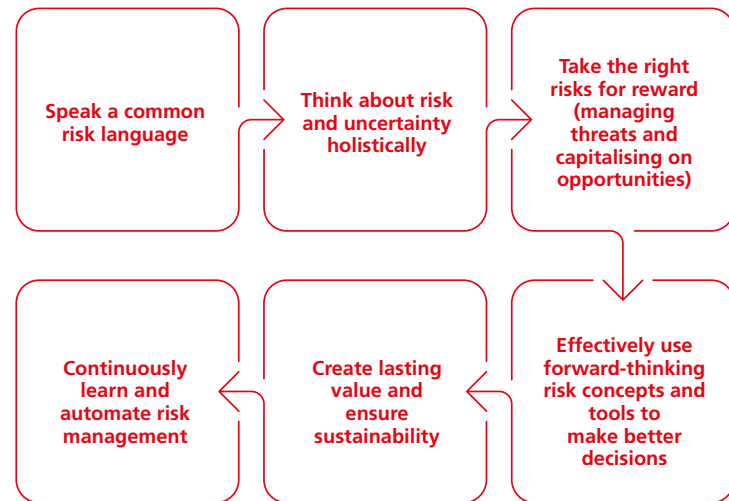


**Our risk and opportunity profile *continued***

**Our journey to becoming a risk intelligent organisation**

Harmony is moving away from having risk competent risk management practices to becoming a risk intelligent organisation. We started this journey with a maturity project guided by the Institute of Risk Management South Africa. The four-year maturity project started in 2020 and will be completed by the end of 2023. Our annual independent risk maturity assessment tracks our performance. In 2022 we scored 4.5 out of 5, which re-affirms that our implementation is on track and our ERM plan is effective. In December 2022, the Institute of Risk Management South Africa recognised Harmony as the best risk management organisation in the mining industry in South Africa.

**A risk intelligent Harmony means the ability to:**



↗ For a detailed discussion on risk mitigation, and our risks and opportunities, see **Our risk and opportunity profile** in the **Integrated annual report**.

**Group risk and opportunity profiles**

**Strategic risk profile – top risks**

The below list contains risks that were reported to the audit and risk committee in the fourth quarter of FY23. The highlighted risks are the top strategic risks that fall outside our risk appetite and tolerance levels, and we effectively mitigate and manage these.

**Top strategic risks**

- a Safety and health
- b Security of electricity/power supply and the impact of higher electricity costs
- c Not achieving operational objectives at our critical operations
- d Political tensions (geo-political and local)
- e Unsuccessful project execution
- f Supply chain disruptions (including supply of goods and increasing costs)
- g Gold price and forex fluctuations (varying from planned levels)
- h Systemic failure of public infrastructure

**Group risk exposure**

- Our business is gold, with a copper footprint – a high-risk/ high-reward business
- We operate across the gold mining value chain – from exploration, to feasibility studies, to building and buying mines, to operating mines, to closure followed by rehabilitation
- We are exposed to gold price and exchange rate volatility – we mitigate some of this exposure through derivative programmes
- We operate well in emerging economies and manage associated socio-political impacts
- We continue investing in exploration – one of the most effective ways to grow an orebody and create value
- We have an appetite for change and continuous improvement – we continuously look for innovative ways to improve our existing mines and acquire assets that we can improve operationally.



**Our risk and opportunity profile *continued***

**Risk appetite and tolerance**

**Purpose**

The risk appetite and tolerance framework (RATF) aims to define the boundaries of risk that Harmony accepts when setting targets and making business decisions, ensuring we meet strategic objectives and the company remains resilient and sustainable.

**Approach**

The revised RATF aligns with Harmony's strategic pillars to allow decision-makers to make risk-based decisions that will achieve Harmony's strategic objectives. Each strategic pillar is supported by:

- An overarching risk statement
- Supporting risk categories
- Targets.

**Risk statements in support of each strategic pillar**

**Note:** Reputational risk is implied in all of the risk categories.



Nyala solar plant

**Top group opportunities**

**Strategic opportunity profile**

The below list contains seven grouped opportunities that were reported in the fourth quarter of FY23 to the audit and risk committee. Opportunities go hand in hand with our strategic risks and are very important for our future growth and sustainability aspirations.

**Top strategic opportunities**

- a Organic growth opportunities to increase the quality of our ounces and drive down costs
- b Including copper in the Harmony share price
- c Productivity improvement projects
- d Exploring value-accretive merger and acquisition and divestment opportunities
- e Unlocking the full potential of our surface source ounces, lower-risk, higher-cash-margin opportunities
- f Reducing our reliability on Eskom and the potential impact of carbon taxes by exploring alternative ways to generate power
- g Exploring Harmony water resources and supply to surrounding communities

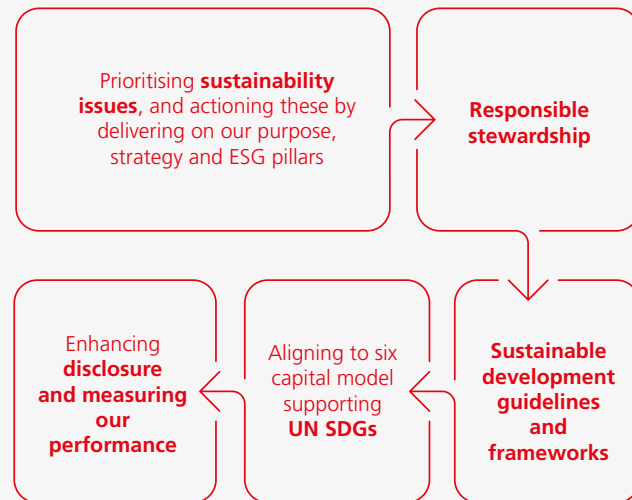


# ESG IN PRACTICE

Key drivers of sustainability within Harmony are reducing risk, maximising opportunities and leaving positive impact and shared value – it is why we mine with purpose.

Guided by our sustainable development framework, delivering on our ESG commitments continues to inform our strategic direction and decision making. The framework enables us to maximise our positive impact and mitigate or manage our negative impact with clear, measurable goals, while keeping our stakeholders' needs and interests top of mind.

## Our approach



## Linking capitals to UN SDGs

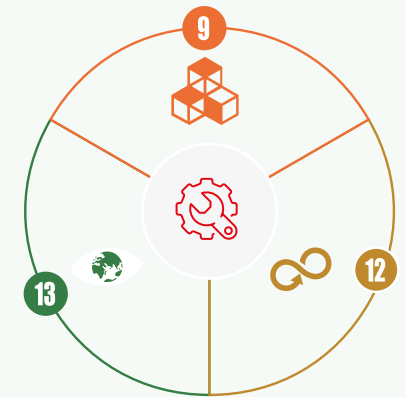
**Human capital:** Addresses poverty and aims to improve the wellbeing of individuals and communities.



**Financial capital:** Involves investments in agricultural development and food security programmes.



**Manufactured capital:** Focuses on improving agricultural infrastructure and farming methods.



**Intellectual capital:** Encourages innovation in agriculture and food production.



**Natural capital:** Promotes sustainable agriculture and responsible land and water use.



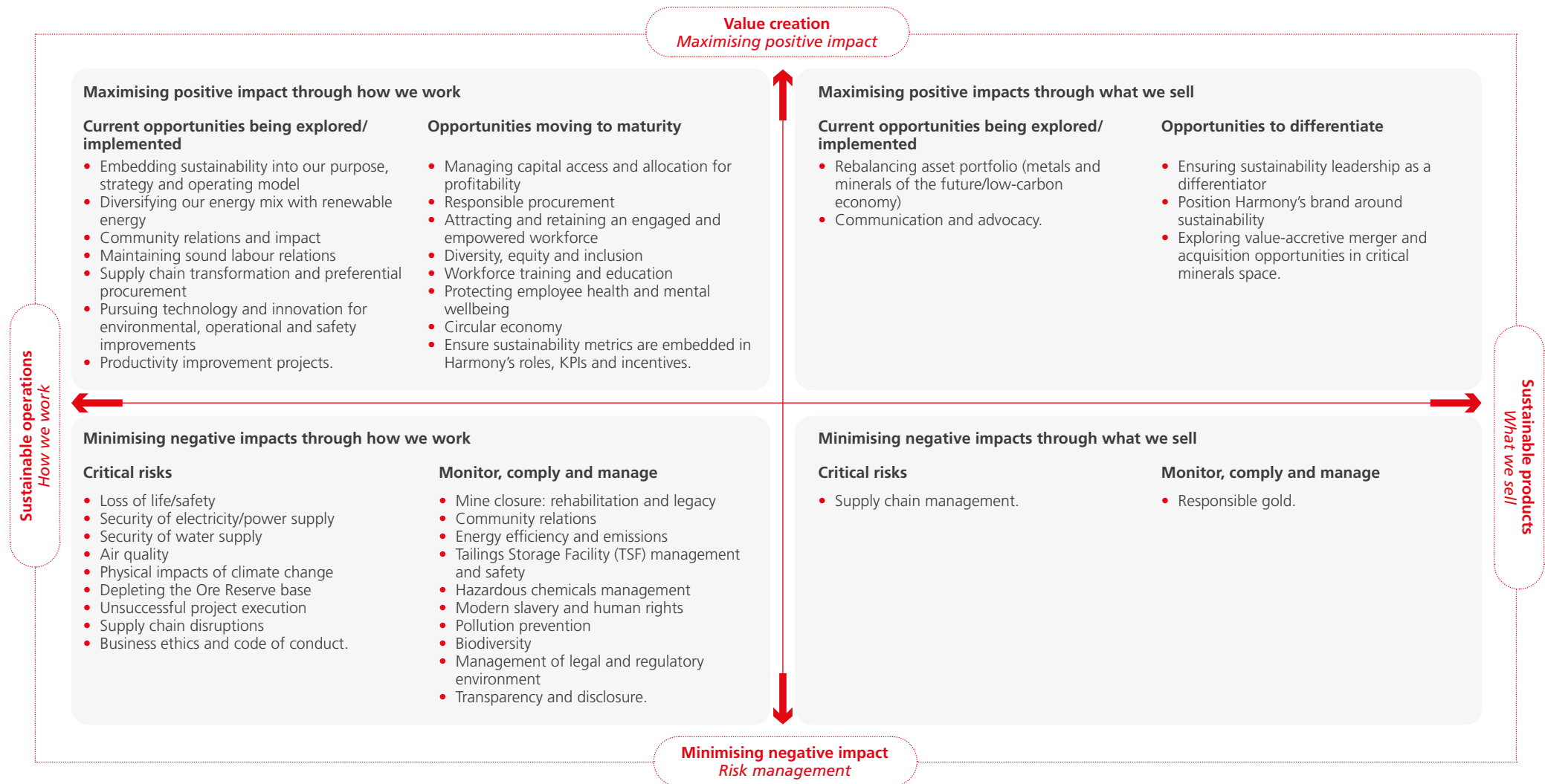
**Social capital:** Food security and access to food are critical for community wellbeing.



ESG in practice *continued*









**Prioritising sustainability issues**

Our integrated, risk-based approach to sustainability ensures that we are geared to respond to a multitude of local and global ESG drivers while going beyond compliance. We have identified sustainability-related risks and opportunities that are most important to us and our stakeholders (as shown below) that will enable us to prioritise and focus our efforts.



ESG in practice *continued*

We aim to achieve this by delivering on the following:

<p><b>Purpose</b></p>	<p style="text-align: center;"><b>Mining with purpose</b> To deliver on our strategy of producing safe, profitable ounces and increasing margins</p>			
<p><b>Business strategy and outcomes</b></p>	<p>Extracting while minimising impacts, preserving and protecting the environment, leaving a cleaner, healthier planet for future generations</p>	<p>Prioritising employees’ safety, health and wellbeing while cultivating talent and developing the skills required for the future</p>	<p>Keeping sustainability at the centre of all strategic decisions</p>	<p>To achieve our ambition of low-carbon gold, Harmony has committed to prioritising strategic investments in renewables in high-grade assets</p>
<p><b>Strategic pillars</b></p>	<p> <b>Responsible stewardship</b></p>	<p> <b>Operational excellence</b></p>	<p> <b>Cash certainty</b></p>	<p> <b>Effective capital allocation</b></p>
<p><b>Embedding sustainability strategic pillars</b></p>	<p style="text-align: center;"><b>Our embedded ESG practices will create lasting legacies and ensure a sustainable future for all our stakeholders</b></p>			
	<p> <b>Environmental stewardship</b></p> <p>Harmony’s commitment to protecting and regenerating the environment through ecologically responsible mining involves driving environmental sustainability and leadership. We strive for a greener, zero-emissions business with a lasting positive legacy. To coexist with the natural environment it is crucial that we understand and appreciate the negative effects of our operations.</p> <p>Our environmental strategy enables us to manage, mitigate and offset environmental risks associated with our activities.</p>	<p> <b>Social stewardship</b></p> <p>What we do as a business has a broader impact on the communities surrounding our operations and society at large.</p> <p>Harmony is guided by our socio-economic strategy to deliver on our responsibility of:</p> <ul style="list-style-type: none"> <li>• Fostering relationships of trust with our employees, suppliers, host communities and government</li> <li>• Promoting shared value for all and delivering impact through going beyond compliance</li> <li>• Responsibly closing our operations to ensure we create and preserve value wherever we operate.</li> </ul> <p>Our social compact is further underpinned by and complies with Harmony’s Social Labour Plans (SLPs) and mining rights, the Hidden Valley memorandum of agreement (MoA), and the recently established Wafi-Golpu Framework memorandum of understanding (MoU).</p>	<p> <b>Governance stewardship</b></p> <p>Good governance lies at the heart of our performance and reporting. Guided by our policies and codes, we aim to do the right thing and tell our story honestly. Harmony is a business, but we operate in a broader, interlinked context. Considering every element of those links in our thinking and actions will make Harmony a sustainable business – poised for growth.</p> <p>For Harmony, ethical mining equals ethical leadership that equals corporate trust.</p>	<p> <b>Business and operational excellence</b></p> <p>How we ensure that Harmony is pursuing operational sustainability, creating economic benefit and managing business resilience.</p>



## ESG in practice *continued*

To achieve our purpose, our sustainable development framework is the cornerstone of our commitment to responsible stewardship. It comprises four pillars and 13 priorities. The framework was reviewed and updated this year to ensure it remains relevant.

	<b>Environmental stewardship</b>	<b>Social stewardship</b>	<b>Governance stewardship</b>	<b>Business and operational excellence</b>
<b>Priorities</b>	<ul style="list-style-type: none"> <li>• <b>Climate action:</b> Decarbonise the business through energy efficiency and Harmony's renewable energy programme</li> <li>• <b>Climate resilience:</b> Ensure Harmony and its infrastructure, sites and operations are adapted to withstand and mitigate the effects of climate change</li> <li>• <b>Biodiversity:</b> Mitigate impacts to biodiversity and work towards offsetting through restoring sustainable value to land disturbed by our operations</li> <li>• <b>Water:</b> Prioritise security of supply, protection of resource and responsible utilisation and recycling of water resources.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Health, safety and wellbeing:</b> Prioritise a strong safety culture, ensuring employee health, safety, wellbeing and zero loss of life</li> <li>• <b>Supporting our people:</b> Providing and promoting strong leadership and an enabling culture that ensures we attract and retain an engaged, empowered, diverse and inclusive workforce; maintaining sound labour relations; and providing workforce training and education</li> <li>• <b>Partnering for thriving, sustainable communities and our social licence to operate:</b> Strengthen stakeholder engagement and partner for sustainable communities while driving responsible procurement and supply chain transformation.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Transparent and ethical mining:</b> Drive ethical business practices, meet or exceed regulatory requirements, and partner with key stakeholders</li> <li>• <b>Ethical and accountable leadership:</b> Internalise our commitment and accountability to Harmony's responsible corporate citizenship, ethical leadership and robust governance standards</li> <li>• <b>Governance excellence:</b> Follow a proactive, strategic approach to governance, building on existing strengths to ensure best-in-class governance approaches, embedding ESG into our core strategy and taking a proactive approach to go beyond compliance with ESG legislation.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Managing business resilience:</b> Anticipate, identify and understand external influences and risks that affect our business, and develop appropriate responses to improve our economic impact and performance</li> <li>• <b>Pursuing technology and innovation for environmental, operational and safety improvements:</b> Advance innovation capabilities to unlock and improve our sustainability</li> <li>• <b>Managing capital access and allocation for safe profitable ounces:</b> Capital allocation is aimed at producing safe, profitable ounces and increasing margins through meeting approved capital allocation parameters.</li> </ul> <p> Refer to the <b>Integrated annual report</b> for more information.</p>

Our sustainable development framework can be found [online](#).

We report on our progress against these priorities in the sub-sections under the environment, social and governance chapters in this report.

### Reporting and disclosure

Reporting and disclosure are important components of our framework:

- We voluntarily report in accordance with guidelines issued by the GRI. Harmony has a self-declared compliance to the core level of the GRI Standards
- We report on environmental information aligned with CDP Water
- Our reporting aligns with TCFD. See our [TCFD report](#) available at [www.har.co.za](http://www.har.co.za).

### Assurance

Corporate credibility is crucial to our business and reinforces the need for us to build on our reputational capital. We achieve heightened credibility through our sustainable development performance and reporting. We assure 21 material indicators, of which six are subject to reasonable assurance and 15 to limited assurance. In FY23 we assured conformance to the World Gold Council's Responsible Gold Mining Principles. Based on the outcomes of the assurance audit undertaken by an independent service provider, the following were concluded as per pages 182 to 185 of this report.

We continue improving our assurance programme to cover key performance indicators and the level of assurance.

## ESG in practice *continued*

### Accountability and responsibility

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

### Responsible stewardship

As one of our four strategic pillars, responsible stewardship supports our operating philosophy of profit with purpose and guides all strategic decisions. We are mindful of our responsibilities as a corporate citizen, environmental stewards and in truly living our values. Key to delivering on this pillar is meaningful stakeholder relationships, engagement and collaboration.

Going forward, we will continue to strengthen our delivery on sustainable development KPIs (page 30) and the SDG targets most relevant to our business.

### Guidelines and frameworks



We have prioritised those SDGs to which we can meaningfully contribute through our sustainable development framework and by meeting our socio-economic development commitments.

Refer to [Aligning with the SDGs](#) for more information.

We are committed to making a meaningful contribution to the SDGs and we understand our role in contributing to broader sustainable development issues. We have aligned our sustainable development framework to the SDGs since 2018.



The World Gold Council's Responsible Gold Mining Principles address key ESG issues for the gold mining sector and set out clear expectations for consumers, investors and the downstream supply chain on what constitutes responsible gold mining. Harmony has concluded its third year of alignment to the World Gold Council's Responsible Gold Mining Principles (RGMPs). Subsequent to our third year on-site verification audit, Harmony can demonstrate that our operations conform to the RGMPs. The conformance was independently assured by RSM South Africa Inc as per the assurance report on page 182 of this report.



For the past five years, Harmony's transparent reporting on our climate change strategies and actions has aligned with TCFD recommendations. This has informed our approach to repositioning our business as a climate resilient operation.

Harmony's [2023 TCFD report](#) is available online.



To help us manage the unique water-related risks and opportunities we face in the countries where we operate, we submit an annual performance report to CDP Water.

The [2023 CDP report](#) is available online.



As a member of the Minerals Council South Africa, we subscribe to its membership compact, a mandatory code of ethical business conduct, and its guiding principles.

Our sustainable development framework is aligned to the **International Council on Mining and Metals (ICMM)** principles, the **UNGC** principles and **UN Voluntary Principles on Security and Human Rights**. Although not a member or signatory to these organisations, we have adopted their principles in various sustainable development policies and position statements.

Harmony considers the **Organisation for Economic Co-operation and Development's (OECD)** guidelines for responsible investment.

We strive to ensure compliance with local and international guidelines by adopting tailings management best practice.

**ESG in practice *continued***

**Aligning with the SDGs**

By mining with purpose, Harmony contributes to broader sustainable development goals as demonstrated by our commitment to helping achieve the SDGs. In our pursuit of delivering positive impact and lessening our negative impact, Harmony collaborates with our stakeholders and makes a targeted effort to:

- Take action against climate change and fossil-fuelled energy consumption
- End poverty
- Efficiently manage our use of scarce natural resources such as water and land
- Protect biodiversity
- Observe human rights.

We are equally committed to supporting the governments in South Africa and Papua New Guinea in achieving the SDGs. We will be able to measure the extent of our broader impact in Australia as Eva Copper progresses.

Harmony identified and prioritised 15 SDGs that we can meaningfully impact:

- Eight SDGs directly align with our business strategy and its four pillars (direct SDGs)
- Seven SDGs indirectly align to our business strategy whereby we can meaningfully contribute through our sustainable development framework and by meeting our socio-economic development commitments.

Many of the SDGs are interconnected, and collaboration is a key SDG to all the others. SDG 17 calls for partnerships, and pooled efforts and resources to bring sustained beneficial change to our people.

**Collaboration**

We partner and collaborate with various stakeholders to strengthen our impact on SDGs

Harmony considers collaboration a critical factor in delivering on our ESG commitments because mutually beneficial relationships enable SDG achievement and are key to leaving a lasting positive legacy and value creation.

We partner with, among others, communities, municipalities, tertiary institutions, small businesses and governments, locally and nationally, for sustainable development. We continue strengthening current partnerships as well as building new partnerships by having constructive engagements and addressing our stakeholders' needs and concerns.

 Refer to **Stakeholder engagement** for more information.



eMarikeni trees in a pot community project, South Africa



**A snapshot of how we demonstrate our commitment to SDG 17**

<p>The Harmony Gold Tripartite is a key partnership in creating a proactive safety culture</p>	<p>We collaborate and partner with government institutions to implement our CSI initiatives</p>	<p>We collaborate with industry peers on water management programmes</p>	<p>We partner with local communities in our biodiversity conservation programmes</p>	<p>Partnering with industry organisations like the Minerals Council to address issues such as gender-based violence facing South Africa is critical to delivering on our social commitments</p>
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Details of our collaboration and partnerships are included throughout the report.



## ESG in practice *continued*

### Direct – central to our core business and strategy



Ensure **good health** and promote the **wellbeing** of all

We care about the safety, health and wellbeing of our employees. All employees should return home unharmed and healthy.

We contribute to the achievement of SDG 3 through our duty of care informed by our deep-seated values which ensure that our impact extends beyond the mine boundary to the communities affected by our operations and where many of our employees live. We believe that contributing to the health and wellbeing of our communities facilitates an ecosystem in which our business and all stakeholders can thrive.

Refer to **Safety** and **Health** for more information.



Promote **gender equality** and empower women and girls

By delivering on our gender equality and inclusivity targets and actively increasing the number of women employed across the company at all levels, we contribute to achieving SDG 5. Gender equality, diversity and inclusion are an important aspect of our human resources policy.

Refer to **Caring for our employees** and **Corporate governance** for more information.



Ensure **availability** and sustainable **management** of **water** and **sanitation** for all

Our water management strategies consider the risks, needs and impact of each geography, mine, the surrounding environment and communities who benefit from our business.

We manage and mitigate our impact on water catchment areas by ensuring we do not degrade the quality or affect ecosystem health. Our overarching objective is to conserve this natural resource by improving our water efficiencies through reuse and recycling.

We contribute to achieving SDG 6 through socio-economic projects that include assisting municipalities in managing their waste water.

Refer to **Water use** for more information.



Ensure access to **affordable**, **reliable**, **sustainable** and **modern energy** for all

We drive the achievement of SDG 7 at Harmony through reducing our consumption of grid energy through our energy efficiency programme and a pipeline of projects at different stages of development which will depressurise the grid by adding circa 200MW to the grid in the short term. We are liberating land for green energy projects that will feed into the grid.

We are also investing in alternative energy sources, including three solar photovoltaic (PV) plants.

Refer to **Climate change, energy and emissions management** in this report and our **2023 TCFD report** for more information.



Promote **sustained**, **inclusive** and **sustainable economic growth**, **full and productive employment** and **decent work**

We aim to be a fair and responsible employer that respects the rights of employees to associate freely. We impact SDG 8 by enhancing the lives of our 45 546 employees through enabling them to improve their living conditions, and to have better access to social services, healthcare, education and training.

Refer to **Caring for our employees** for more information.

## ESG in practice *continued*



Ensure **sustainable, responsible consumption and production patterns**

A key pillar of our business strategy is operational excellence. By re-engineering our portfolio for quality assets, optimising our processes, grade management and costs, we improve and sustain productivity and efficiencies. This inherently involves the efficient use of natural resources, responsible waste management, sustainable procurement practices and regular reporting to stakeholders and therefore results in an impact on achieving SDG 12.

Refer to **Environmental management and stewardship** in this report and the **2023 Operational report**.



Take **urgent action to combat climate change and its impacts**

The energy we consume is mostly generated by fossil fuels in South Africa, a contributing factor to climate change.

Our decarbonisation strategy, net zero targets and investments in alternative energy sources enable us to combat climate change and its impacts. We are contributing to SDG 13 by systematically transforming our portfolio into low-carbon assets, as demonstrated by our renewable energy programme and the acquisition of Eva Copper.

Refer to **Climate change, energy and emissions management** in this report and our **2023 TCFD report** for more information.



Protect, restore and promote the sustainable use of terrestrial ecosystems, halt and reverse land degradation, and halt biodiversity loss

We have a growing responsibility to contribute to SDG 15 to ensure we leave a lasting positive legacy. This is because our mining activities negatively impact natural ecosystems.

Guided by our environmental strategy and related policies and procedures, we aim to mitigate these impacts by restoring land and biodiversity, and planning for post-mine closure.

Refer to **Land rehabilitation and management**, and **Biodiversity and conservation** for more details.

## ESG in practice *continued*

Indirect – SDGs we support through our existence and sustainable development activities

For more on our contribution to these SDGs, refer to Corporate social investment from page 152.



**End poverty in all its forms everywhere**

Our 45 546 employees support an estimated 475 000 dependants, local businesses and municipalities in the communities where they live.

We demonstrate our contribution to SDG 1 through many of our socio-economic initiatives. These initiatives create empowerment, employment and economic upliftment through, among others, sustainable economic activities – see SDG 11 – and help to combat poverty.



**End hunger, achieve food security and promote sustainable agriculture**

We impact SDG 2 by supporting broad-based agriculture and commercial agricultural ventures to establish alternative, sustainable economic activities and subsistence farming that will continue beyond mining operations and contribute to food security.



**Ensure inclusive and equitable quality education and promote lifelong learning opportunities**

We aim to advance mathematics, science and technology at secondary schools in our South African communities. By promoting training in entrepreneurial and portable skills, and in information and communication technology among the youth, we contribute to SDG 17.

Both in South Africa and Papua New Guinea, ongoing training and skills development for our employees are a business imperative.



**Build resilient infrastructure, promote sustainable industrialisation and foster innovation**

We collaborate with our peers, as members of the Minerals Council South Africa, in research and development initiatives to achieve SDG 9. We also hold the chair in rock engineering at the University of Pretoria. Our impact is evident in our pursuit of technology and innovation to modernise our operations, ensuring environmental, operational and safety improvements as well as re-engineering Harmony's portfolio and growing profitable ounces.

Refer to **Corporate governance** in this report and **Our business model** and **Modernising mining** in the **2023 Integrated annual report** for more information.



## ESG in practice *continued*



### Reduce inequality in our host countries

Harmony's gender diversity and employment equity policies and strategies, guiding our creation of equal opportunities for our employees and host communities wherever we operate, ensure we contribute to the achievement of SDG 10.

Ethical and accountable leadership drives our equity, inclusion and diversity goals.



### Make cities and human settlements inclusive, safe, resilient and sustainable

Our socio-economic development strategy focuses on agricultural, infrastructure and sustainable energy projects, which have greater potential to deliver sustainable benefits to communities. This is supported by preferential and local procurement, as well as enterprise and supplier development.

The aim is to help establish sustainable communities that are economically viable post-mining. Infrastructure projects (such as roads in South Africa and water and sanitation in Papua New Guinea) help boost host community resilience and therefore contribute to the achievement of SDG 17.



### Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

Through ethical and responsible mining, we aim to drive ethical business practices, meet or exceed regulatory requirements and continue partnering with key stakeholders. This enables our continued support of SDG 16.

We have established stakeholder forums to engage in dialogue with our various stakeholders to understand their needs and expectations. By being honest and transparent and delivering on commitments, we build credibility. We work closely with our local governments through various structures to ensure that we are jointly identifying opportunities to support our communities.







In Papua New Guinea, we have assisted with law and order infrastructure, including magistrates houses and police stations, among others, to improve access to peace and justice for our communities. We have also established a memorandum of agreement that allows our asset protection department to offer reserve policing capabilities.

ESG in practice *continued*

**Measuring our performance and improving disclosure**

Harmony largely aligns reporting with global leading practice. We consider feedback received from investors and ratings agencies to improve the consistency, transparency and granularity of our disclosure. We continuously monitor the regulatory environment to ensure Harmony remains aligned and complies with international and local ESG disclosure requirements.

We monitor our ESG scores closely, particularly any areas where we may be underperforming against our industry peers. Our ESG performance is annually assessed by global ratings agencies. In FY23, we received the following scores:

 <p>FTSE4Good</p>	<p>4.1 out of 5.0 FTSE Russell ESG rating:</p> <ul style="list-style-type: none"> <li>• Environment: 4.2</li> <li>• Social: 3.3</li> <li>• Governance 5.0.</li> </ul> <p>Harmony ranks in the 95th percentile in the Industry Classification Benchmark Supersector.</p>
 <p>MSCI</p>	<p>Harmony maintained the “B” rating. Overall, we performed better than the industry average.</p>
 <p>Sustainalytics</p>	<p>Harmony ranks in the top 50 under the gold sub-industry.</p>
 <p>Bloomberg Gender-Equality Index 2021</p>	<p>Harmony achieved an overall score of 71.7% with 100% for disclosure and 59.6% for data quality. We have been included in the Bloomberg Gender-Equality Index for the fifth consecutive year. This demonstrates our culture of and commitment to providing an inclusive work environment that fosters gender equality, inclusivity and diversity.</p>
 <p>CDP DISCLOSURE INSIGHT ACTION</p>	<p>CDP score of “A” for water management.</p> <p> Refer to our <a href="#">Water management strategy</a> on page 80.</p>

We also measure our sustainable development performance by group aggregate targets. We have set targets in accordance with the Science Based Targets Initiative (SBTi). The SBTi has confirmed Harmony's action plan to achieve the Paris Agreement's goal to limit global warming to 1.5°C with our aim to achieve net zero by 2045.



Doornkop shaft headgear



## ESG in practice *continued*

### Sustainable development KPIs<sup>1</sup>

KPIs	FIVE-YEAR BASELINE TARGET (FY18-22)		PROPOSED FIVE-YEAR BASELINE TARGET (FY23-27)
	Target	Cumulative actual	Recommended target
<b>Energy</b>			
Renewable energy (%) <sup>1</sup>	n/a	n/a	25% by 2027
SBTi: Absolute carbon emissions (m tonnes/CO <sub>2</sub> ) <sup>1</sup>	n/a	n/a	Below 3.8 by 2027
<b>Water</b>			
Water intensity improvement (% KI/tonne treated)	7	34	10% by 2027
Water recycling (water recycled % of total water)	6	103	50% by 2027
Reduction in potable water consumption (% of total water used) <sup>1</sup>	n/a	n/a	10% by 2027
<b>Waste</b>			
Non-hazardous waste recycled (% recycled) <sup>1</sup>	10	40	70% by 2027
<b>Land and biodiversity</b>			
Reduce impacted land available for rehabilitation (%)	3	—	1% by 2027
Implement Biodiversity Action Plans (%)	100	70	1
<b>Compliance</b>			
Environmental fines	—	—	—
<b>Safety and health</b>			
Significant injuries	—	2 808	—
Loss of life	—	41	—
Silicosis	—	358	0 new cases among unexposed employees to mining dust prior to 2018 based on current diagnostic testing
Noise-induced hearing loss	—	1 165	0 employees standard threshold shift shall exceed 25dB from baseline
<b>Human resources</b>			
Diversity and inclusivity	—	—	30% women in leadership <sup>3</sup> by 2027
	1	1	60% of management by designated groups
<b>Governance</b>			
Independence	no target	1	>60% non-executive directors by 2027
Representation	—	—	30% female representation at board by 2027
ESG	no target	0.15	20% ESG linked remuneration for leadership
<b>Social</b>			
Social upliftment	no target	no numeric target	to deliver a high impact legacy project in each of our regions

<sup>1</sup> New indicators introduced for FY23 and onwards.





ESG in practice *continued*

KPIs <sup>1</sup>	PROPOSED FIVE-YEAR BASELINE TARGET (FY23-27)		Year 1 (FY23)		On Track
	Recommended target	Target	Actual		
<b>Energy</b>					
Renewable energy (%)	25% by 2027	2 <sup>2</sup>	0.1		✘
SBTi: Absolute carbon emissions (m tonnes/CO <sub>2</sub> ) <sup>3</sup>	Below 3.8 by 2027	4.49 <sup>2</sup>	4.45		✔
<b>Water</b>					
Water intensity Improvement (% KI/tonne treated)	10% by 2027	2	9		✔
Water recycling (water recycled % of total water)	50% by 2027	10	77		✔
Reduction in potable water consumption (% of total water used)	10% by 2027	2 <sup>2</sup>	5		✔
<b>Waste</b>					
Non-hazardous waste recycled (% recycled)	70% by 2027	14	68		✔
<b>Land and biodiversity</b>					
Reduce impacted land available for rehabilitation (%)	1% by 2027	0.2	0.5		✔
Implement Biodiversity Action Plans (%)	1	76	70		✘
<b>Compliance</b>					
Environmental fines	—	—	—		✔
<b>Safety and health</b>					
Significant injuries	—	—	341		✘
Loss of life	—	—	6		✘
Silicosis	0 new cases among unexposed employees to mining dust prior to 2018 based on current diagnostic testing	—	—		✔
Noise-induced hearing loss	0 employees standard threshold shift shall exceed 25dB from baseline	—	158		✘
<b>Human resources</b>					
Diversity and inclusivity	30% women in leadership <sup>4</sup> by 2027	30	22		✘
	60% of management by designated groups	60	68		✔
<b>Governance</b>					
Independence	>60% non-executive directors by 2027	60	67		✔
Representation	30% female representation at board by 2027	30	25		✘
ESG	20% ESG linked remuneration for leadership	20	20		✔
<b>Social</b>					
Social upliftment	to deliver a high impact legacy project in each of our regions <sup>5</sup>	Completed	Done		✔

<sup>1</sup> We have set five-year targets for all our material ESG KPIs. Seven are currently not on track, however, action plans to meet these by FY27 will continuously be revised and implemented in order to meet the set targets.

<sup>2</sup> Sustainability-linked and green loan bank targets.

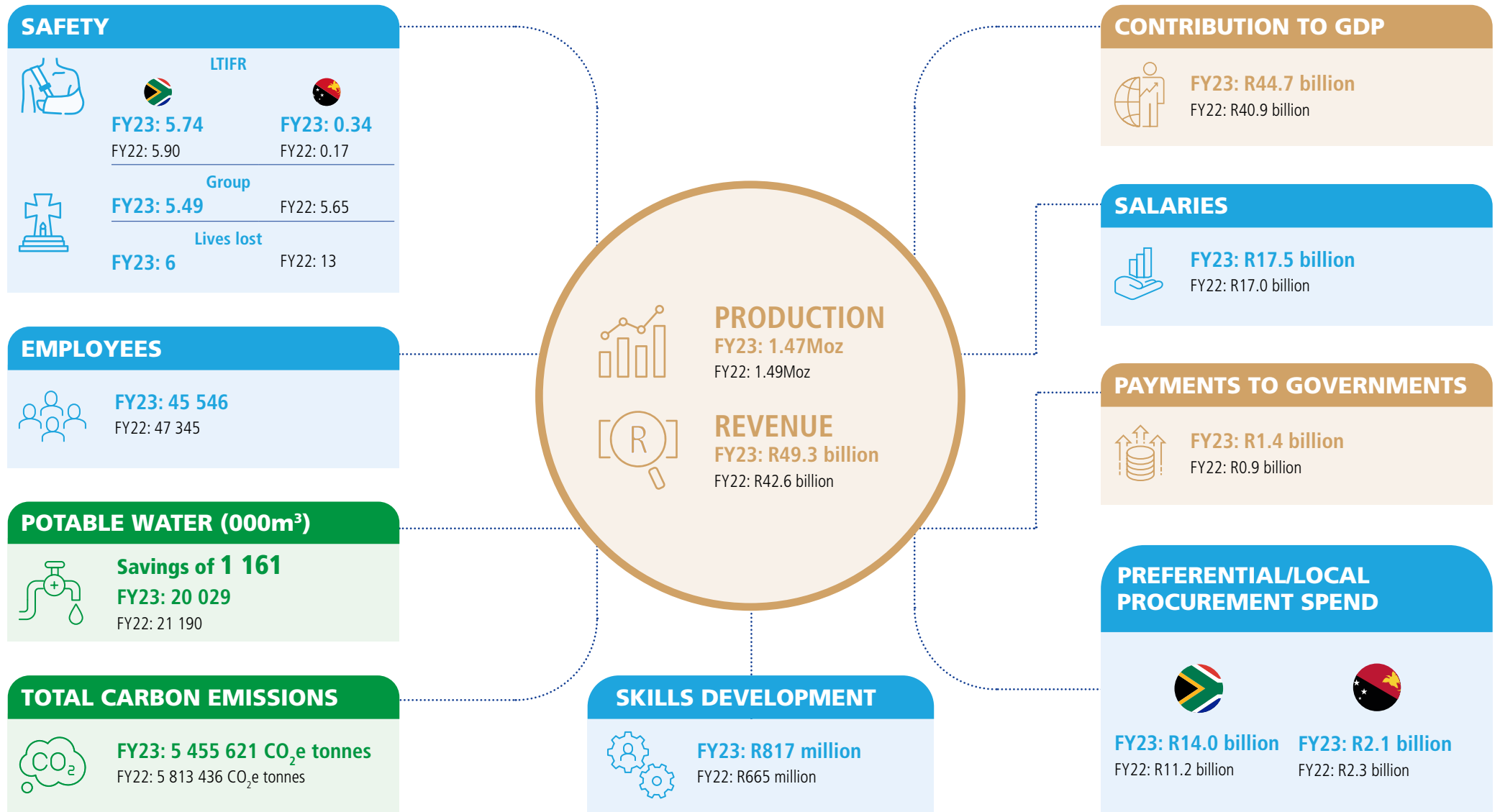
<sup>3</sup> Absolute carbon emissions included for Scope 1 and 2 only.

<sup>4</sup> Women in leadership encompasses females in all management positions (excludes executives and board).

<sup>5</sup> Achievement is based on the completion of South African operations' third-generation SLPs.

# GROUP **IMPACT**

Despite a challenging operating landscape, we delivered on our strategy of producing safe, profitable ounces whilst increasing margins and creating positive social and ecological impact.




# OUR MATERIAL MATTERS












Integrated thinking is embedded in our approach to mining with purpose. This supports our process for identifying material matters that we impact, and matters that could affect our ability to create and preserve value over time. Each year, we assess and review these matters and consider internal and external stakeholder input.

We identify material matters using a robust materiality determination process that includes our broader impact through a double materiality lens, ie how a material matter impacts the economy, society and the environment, or how it impacts our ability to create value over time. Harmony contracted Deloitte to facilitate a top-down, bottom-up and stakeholder-centric approach to determining materiality for our business. The gap analysis informed the roadmap, which has been approved by our social and ethics committee and will be rolled out in the next financial year.

The matters identified below inform the content of the integrated and ESG reports, and align with the capitals we impact, our risks, opportunities and strategy, and are prioritised and grouped into material and broader themes (social, environmental, governance and business-related).






 Refer to the **2023 Integrated annual report** for a detailed discussion about our materiality determination process.

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

Material social themes	Material social matters	SDGs impacted
<p> Refer to the <b>Social</b> chapter for more information</p> <p><b>Employee health and safety</b> Mining and extractive processes pose significant health and safety risks to our people and could negatively impact their wellbeing. Safety, health and wellbeing are a core value and key focus areas for Harmony.</p> <p>Moving Harmony towards zero harm with care, collaboration, conservation and action ensures a safe, healthy and resilient workforce.</p>	<p>Ensuring employee safety</p> <p>Protecting employee health and mental wellbeing</p>	  
<p><b>Supporting our people</b> A meaningful employee value proposition is critical to our success as a business because it reduces potential labour-related disruptions, among other people-related risks, and ensures employee retention.</p> <p>We create and maintain an engaged and empowered workforce through sound labour relations, supporting diversity, inclusivity and equality, and investing in and caring for our people. Harmony's social initiatives positively impact employees and communities by enabling them to improve their living conditions and have better access to social services, healthcare, education and training.</p> <p>Harmony is mindful of and respects the different cultures and their cultural heritage in the regions where we operate. As part of our impact assessment approach for exploration activities, new projects and expansion activities, we conduct cultural heritage investigations, and work with relevant stakeholders to create appropriate heritage management measures.</p>	<p>Maintaining sound labour relations</p> <p>Driving equity, inclusion and diversity</p> <p>Attracting and retaining an engaged, enabled and empowered workforce</p> <p>Respecting cultural heritage</p>	      



**Our material matters *continued***

<p><b>Material social themes</b></p> <p> Refer to the <b>Social</b> chapter for more information</p>	<p><b>Material social matters</b></p>	<p><b>SDGs impacted</b></p>
<p><b>Partnering for thriving, sustainable communities and our social licence to operate</b></p> <p>Local and indigenous people have a deep understanding of the social and environmental challenges facing their communities. Acknowledging and being respectful of traditions, norms and values are key to building deep and meaningful relationships and as such, meaningful engagements and partnerships with our communities builds trust and earns our social licence to operate.</p> <p>Harmony partners with communities, local municipalities, small businesses and various levels of government to ensure progress against meeting our social commitments and creating impact, including reducing inequality, supporting job creation and creating sustainable socio-economic development.</p> <p>We also believe that meaningful stakeholder engagement is key to sustainable value creation and preservation.</p> <p> Refer to <b>Stakeholder engagement</b> for details.</p>	<p>Stakeholder engagement and partnerships for sustainable communities</p> <p>Supply chain transformation and preferential procurement</p>	
<p><b>Material environmental themes</b></p> <p> Refer to the <b>Environment</b> chapter for more information</p>	<p><b>Material environmental matters</b></p>	<p><b>SDGs impacted</b></p>
<p>We use and affect natural resources while conducting our business activities:</p> <ul style="list-style-type: none"> <li>• Mining and extractive processes create pollution, deplete natural resources and disrupt land use and management</li> <li>• Our operations require natural resource inputs such as energy from renewable and non-renewable sources, water and the land we mine.</li> </ul> <p>Harmony must manage these finite, shared and fragile resources responsibly as an ethical, social and business imperative. Mismanagement could result in financial and environmental costs, and business risk and liability.</p> <p>We are committed to ecologically responsible mining, contributing to a low-carbon future, minimising and mitigating our footprint, and leaving a positive legacy in partnership with our stakeholders. Our responsible practices are embedded in everything we do and extend beyond our mine boundary to our supplier partners and market.</p>	<p>Climate change and extreme weather susceptibility and responsibility (including physical and transitional risks)</p> <p>Addressing energy use</p> <p>Water management</p> <p>Circular economy (maximising resource efficiency and reuse/recycling) and pollution prevention</p> <p>TSF management and safety</p> <p>Ensuring biodiversity and post-closure sustainability</p> <p>Pursuing zero emissions and renewable alternatives</p>	

**Our material matters *continued***

**Material business-related/financial performance and operational resilience themes**

*Refer to the **2023 Integrated annual report** for more information*

Factors in our external environment and the risks and opportunities inherent to mining can affect our ability to achieve strategic objectives and generate broad sustainable value:

- Mining is a cyclical business: as commodity prices fluctuate, so too does available funding for exploration and project development. Our shareholders expect a level of performance that ensures sustainable returns on their investment. In contrast, our broader stakeholder groups expect performance that ensures sustainable benefits. Balancing these expectations is a business imperative and reflects management’s ability to navigate a changing context
- Zero emissions: Our portfolio of assets is characterised by high energy use and will remain so, given our future deepening projects. This poses an environmental impact and cost implication linked to carbon tax. We are diversifying from a depleting Ore Reserve base to low-carbon assets to ensure a future production pipeline of quality reserves that will enable us to operate sustainably and profitably
- New technology: We pursue related opportunities to improve safety and enhance our ability to improve cost and productivity efficiencies, as well as overall financial management. However, failure to adopt digital technologies may influence the upskilling or reskilling of existing employees and retaining talent.

It is vital for our sustainability that we anticipate, identify and understand all external influences that affect our business, and develop appropriate responses. This will ensure that we can continue investing in our business and people while rewarding investors and, as a responsible corporate citizen, honouring our socio-economic commitments.

**Material business-related/financial performance and operational resilience matters**

Navigating commodity price and currency/forex fluctuations

Managing capital access and allocation for profitability

Re-engineering our portfolio and growing our profitable ounces (diversifying commodities, jurisdictions and a mix of ultra-deep level and surface sources)


Pursuing technology and innovation for environmental, operational and safety improvements

**SDGs impacted**



**Our material matters *continued***

**Material governance themes**

 Refer to the **Governance** chapter for more information

**Governance, ethics and accountable leadership**

Changing regulatory landscapes in our operating territories create uncertainty, delay key decisions, could affect investor sentiment towards Harmony and could impact our sustainability and licence to operate.

Business continuity management (BCM) has been formalised across all South African operations. BCM contributes to operational resilience by identifying and understanding potential threats and their impact on Harmony’s business operations.

Harmony continues enhancing its cybersecurity abilities by implementing state-of-the-art technologies and processes to identify threats, protect our environment and respond to cyber incidents.

Good governance is overarching and embodies everything we do as a business. Our board has a responsibility and commitment to Harmony’s responsible corporate citizenship, ethical leadership and robust governance standards in line with global good governance practice. The annual reviews of our board composition, fair and responsible remuneration practices as well as our governance frameworks and disclosures are aligned with best practice to ensure we are held accountable for delivering on our sustainability targets and ambition.

As a responsible employer, we adhere to corporate policies, comply with applicable laws and regulations, engage with our stakeholders regularly and contribute, directly or indirectly, to the general wellbeing of communities where we operate.

Risk management is a critical part of our journey and a significant component of governance, and as such, integrated into our daily operations and corporate culture.

**Material governance matters**

**SDGs impacted**

Crisis response and operational resilience



Fair and responsible remuneration



Upholding human rights and driving responsible procurement

Ensuring legal, regulatory and compliance excellence



Cybersecurity

Transparent and ethical business (anti-bribery and corruption)





# STAKEHOLDER **ENGAGEMENT**



## Impacting SDG 16

We have established stakeholder forums to engage in dialogue with our various stakeholders to understand their needs and expectations. By being honest and transparent and delivering on commitments, we build credibility. We work closely with our local governments through various structures to ensure that we are jointly identifying opportunities to support our communities. Through ethical and responsible mining, we aim to drive ethical business practices, meet or exceed regulatory requirements and continue partnering with key stakeholders.



## Impacting SDG 17

We engage with our stakeholders, principally employees, host communities, suppliers and government authorities, as part of our strategic pillar of responsible stewardship in support of our social purpose. This is particularly important as the geographically fixed nature of mineral deposits can pose unique socioeconomic, environmental, and political challenges. Through structured proactive stakeholder engagements, we better understand our stakeholders' needs and expectations; and timely address a wide range of issues while building trust, creating shared value, and fostering sustainable partnerships.

### Engaging for meaningful and lasting impact

**Effective stakeholder engagement builds partnerships and helps us understand stakeholders' needs and expectations, and perceptions of Harmony.**

We believe that our competitive strengths lie in our ability to effectively connect with our stakeholders. Operating in South Africa, Papua New Guinea, and recently Australia, has provided a rich background for stakeholder engagement and given us a clearer understanding of the aspirations, concerns, needs and challenges facing our broad range of host communities. Equally, we recognise the importance of balancing the needs, interests and expectations of different stakeholders.

### Our approach

**Our proactive stakeholder engagement approach aims to build and maintain trust through sustainable relationships and partnerships with our stakeholders; and manage potential risks and opportunities to enhance our social purpose.**

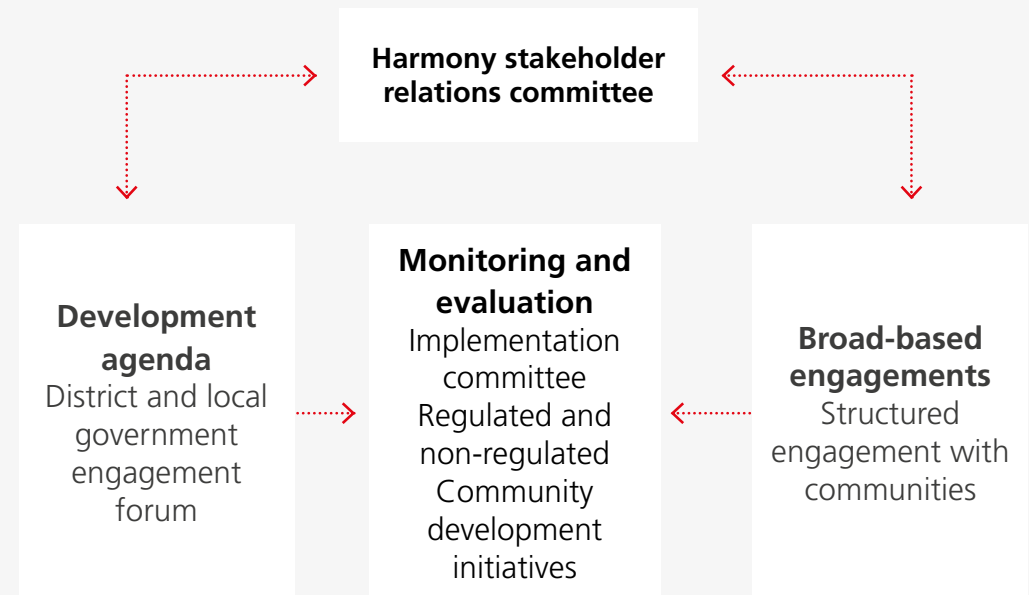
Our stakeholders engagement framework affirms our commitment to responsible stewardship as a strategic pillar. When engaging, we are guided by our values and strategic intent to:

- Develop and maintain relationships founded on integrity, transparency and trust
- Co-create with government and communities through collaborative partnerships
- Balance and align our goals and stakeholder expectations
- Establish accountability
- Manage stakeholders' concerns, complaints, and grievances
- Support shared value creation and awareness of broader economic and ESG issues.

We have tailored and adopted a tripartite engagement approach that enables us to stay connected and attuned to and have broad based engagements with all stakeholders including government, landowners, and communities, who form part of our key stakeholder groupings. This tripartite approach applies a three-tiered stakeholders engagement model that is steered by a cross-functional stakeholder relations committee that provides oversight and guidance on key stakeholder relations matters.

- Tier 1 – includes engagements with host governments around permitting, licensing and regulatory matters, and alignment with and contribution to local, state/provincial and national developmental agendas
- Tier 2 – constitutes engagements with landowners and traditional authorities which are mainly on socio-economic development of the host areas
- Tier 3 – includes broad-based engagements with all other stakeholders affected by our mining and production activities, including Non-Government Organisations (NGOs) and pressure groups, to discuss and manage expectations and concerns. These engagements are facilitated through established structures and forums.

### Harmony engagement approach and stakeholder map





## Stakeholder engagement *continued*

### Managing stakeholder relationships

The quality of relationships with stakeholders and how well these are managed affect our ability to deliver on our strategy. In addition, building long-term, stable, mutually beneficial relationships enhances our social purpose and creates shared value for all our stakeholders.

A stakeholder management strategy in place guides a proactive and collaborative approach in managing internal and external stakeholders, including a process of managing stakeholders concerns, complaints, and grievances.

### Stakeholder engagement initiatives

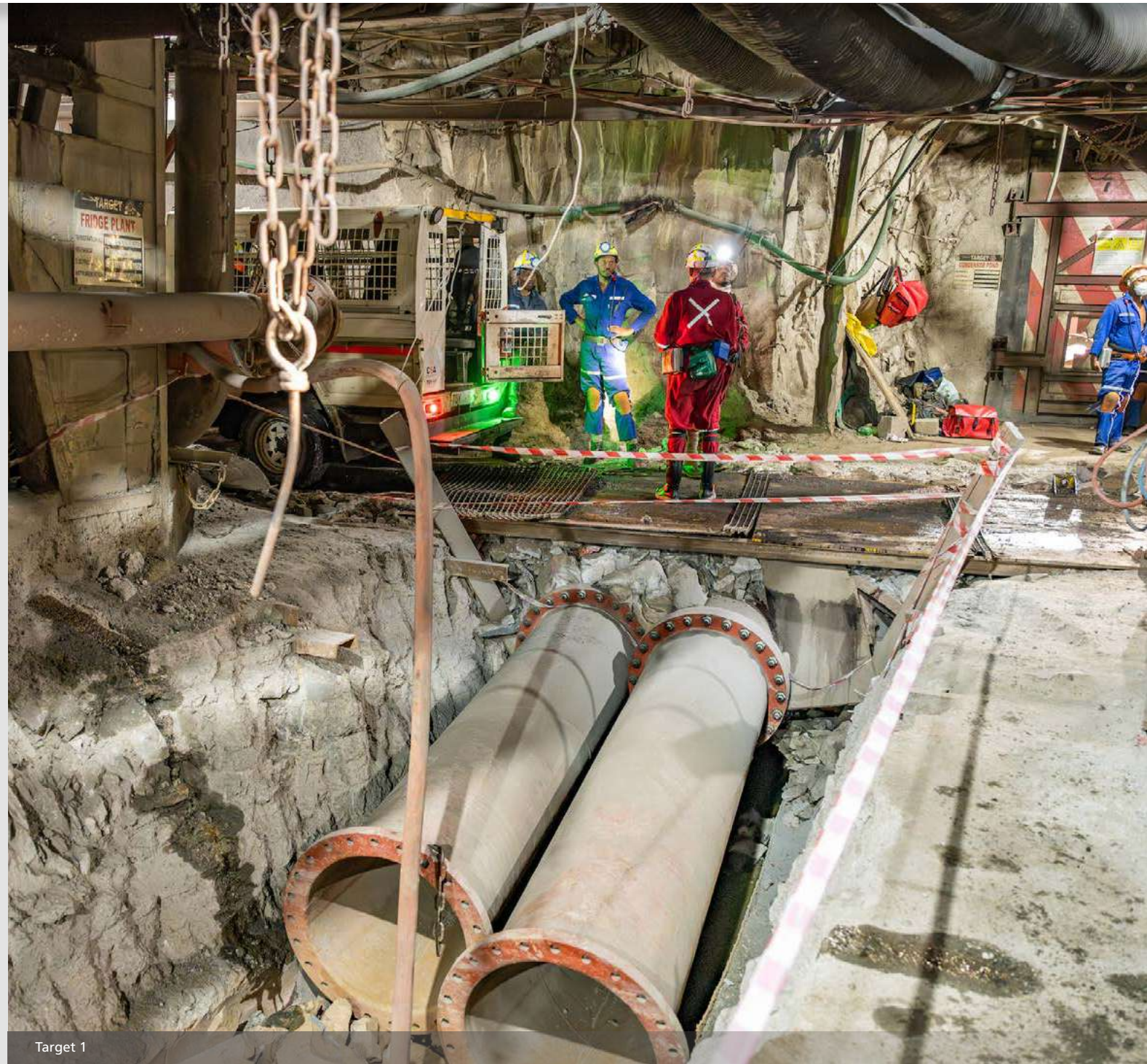
We take a proactive, broad-based and inclusive approach to engaging with our stakeholders.

The structured stakeholder engagement approach continues to mature and to be an effective platform to build and maintain amiable and mutually beneficial relationships and partnerships with key stakeholders. This approach provides a platform for:

- Promoting formal engagements and constructive dialogue
- Aligning and coordinating stakeholder engagement initiatives across all the operations
- Creating shared value and sustaining our social performance.

We include as stakeholders those people whose lives our business impacts or has the potential to impact, either in a positive or negative way.

Expansion of our footprint into copper mining in Australia comes with new stakeholders in a new business territory and may bring new issues to the fore, which we aim to understand and address through our engagement initiatives.





## Stakeholder engagement *continued*

### Investors and financiers

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

Capitals impacted



### Why we engage

We have meaningful engagements to maintain the confidence of existing investors and financiers, attract investments in our business and manage expectations of financial, operating and ESG performance. Engagements aim to inform these stakeholders about our progress on ESG commitments and delivering on our strategic objectives.

Engaging with investors and financiers enables us to sustain our business and growth as we can continue generating positive earnings and share price growth, while delivering shareholder returns.

### 2023 engagement topics

Harmony responded to questions regarding our safety record, which is the single most important ESG issue for investors, rating agencies and the media, including using technology to improve safety and developing assets to reduce losses of life. We also:

- Engaged with investors and ratings agencies to identify ways to improve our ESG ratings and further unpack requirements for stricter compliance and more transparent sustainability disclosure
- Responded to the increasingly politicised focus on ESG and its impacts, and concerns on how Harmony is responding the increased cost of living
- Communicated about how our renewable energy strategy aligns decarbonisation goals and is evolving in response to South Africa's unreliable energy supply and increasing tariff hikes
- Articulated our capital allocation plans, focused on projects that promote ESG and high-grade underground, surface and international assets, which continue in line with our strategy. The acquisition of Eva Copper demonstrates meaningful capital allocation to higher-margin assets; however; clear communication on timing is critical
- Shared future strategic opportunities, such as exploring beyond mining, further expansions into future-facing metals and into continental Africa, South-east Asia and Australia in copper and gold according to investment criteria.

### How we engage

- Results presentations
- Annual reporting
- Website
- One-on-one calls and industry conferences with banks and brokers (sell-side) and investors and asset managers (buy-side)
- Meetings and AGM
- Regulatory announcements
- Responding to emails sent to our database
- Site visits.

### Related material matters

- Ensuring employee safety
- Stakeholder engagement and partnerships for sustainable communities
- Navigating commodity price and currency/forex fluctuations
- Managing capital access and allocation for profitability
- Re-engineering our portfolio and growing our profitable ounces (diversifying from a depleting Ore Reserve base)
- Pursuing technology and innovation for environmental, operational and safety improvements
- Ensuring legal, regulatory and compliance excellence.

### Harmony's response

- Embedded risk management and humanistic safety culture to improve our safety performance
- Engaged with investors and ratings agencies to identify ways to improve our ESG ratings
- Hosted Sustainalytics in a two-session visit (a consultative session followed by an underground visit) to see safety in action and experience safe mining at Harmony
- Started investing in alternative energy, including ESG-linked loans and completed the construction of three 10MW solar PV plants
- Set SBTi-aligned targets
- Started reviewing the feasibility studies at Eva Copper.



## Stakeholder engagement *continued*

### Employees and unions

Provide human capital, including skills and experience.

Capitals impacted



### Why we engage

Harmony believes in being a fair and responsible employer, investing in and developing our workforce, and in addressing employees' needs and concerns through focused engagements. We aim to report transparently about our progress on delivering against our strategic objectives and ESG commitments while going beyond compliance.

### 2023 engagement topics

#### South Africa

We regularly and proactively engaged with our people to embed our safety culture through Thibakotsi as safety remains a top priority and concern for the industry, our business and our people. Through engagements, we identified a need to address working hours, and mental health challenges facing our employees.

Learning and development continues to be an engagement topic, as an investment in our people is an investment in the business and society more broadly. We continue to engage with employees about addressing key skills shortages, diversity, equity and inclusion, and overall talent management.

Harmony openly engaged with major unions and settled disputes, and maintained stable, constructive and peaceful labour relations.

#### Papua New Guinea

We engaged with our employees about employment of women and further addressing technical skills shortages.

 Refer to [Caring for our employees](#) in this report for more details.

### Related material matters

- Ensuring employee safety
- Protecting employee health and mental wellbeing
- Maintaining sound labour relations
- Driving equity, inclusion and diversity
- Attracting and retaining an engaged workforce with the right skills and experience
- Stakeholder engagement and partnering for sustainable communities
- Fair and responsible remuneration
- Upholding human rights and driving responsible procurement
- Ensuring legal, regulatory and compliance excellence
- Transparent and ethical business (anti-bribery and anti-corruption).

### How we engage

- Frequent engagement via mass meetings, briefs, intranet, newsletters, emails, internal broadcasts and social media
- Structured, formal and regular meetings with unions
- Structured regular meetings with employee representative committee in Papua New Guinea.

### Harmony's response

- Safety:
  - Adopted benchmarks for safety set by the mining industry and Minerals Council South Africa
  - Ongoing, intensive communication to raise safety awareness and encourage a more engaged and proactive safety culture, including VFL as part of the Thibakotsi programme and establishing the Harmony Gold Tripartite with various unions and regulators
- Health and mental wellbeing:
  - Established a joint task team to evaluate shift systems considering operational circumstances, Harmony's overall viability and sustainability, and compliance with the hours of work regulations within the Basic Conditions of Employment Act 75 of 1997
  - Ongoing psychosocial counselling services are offered onsite and telephonically for employees and their families
- Ongoing initiatives to improve transformation included:
  - Gender inclusion survey (covering, among others, inclusion, diversity and gender-based violence) which feedback we are working towards implementing
  - Making notable progress in meeting Mining Charter III targets for historically disadvantaged persons
- Employment and development:
  - Training matrices for core disciplines as well as the mining graduate programme were signed off
  - Ongoing employee recruitment and development efforts in line with MoA commitments in Papua New Guinea
- Employee and labour relations:
  - Settled disputes to maintain employee relations
  - Three-year wage agreements with all five representative unions in South Africa remain valid, covering 1 July 2021 to 30 June 2024
  - Annual training on human rights is conducted to reinforce the Voluntary Principles on Security and Human Rights and prevailing legislation.

## Stakeholder engagement *continued*

### Communities, traditional authorities and non-governmental organisations (NGOs)

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

Capitals impacted



#### Why we engage

The main aim of our engagements is to promote open and constructive dialogue with relevant key stakeholders. The communities surrounding our operations are an important part of what we do as they are impacted by our operations. We continue to work with communities to build and maintain trust and manage expectations while advancing towards achieving sustainable social performance and building mutually beneficial relationships.

In South Africa engagements with communities made it possible to understand mine communities' perspective and impact of relevant social, economic, and environmental issues that require collaborative effort at multiple facets to address.

Engagements with landowners and communities are of utmost importance to build understanding, address potential impacts and to realise shared benefits. Engagements with landowners is of utmost importance to promote coexisting and balance competing land use interests.

Engagements in Australia since Harmony's acquisition of Eva Copper have been important to better understand local issues, manage expectations and concerns, as well as progress regulatory obligations.

#### 2023 engagement topics

##### South Africa

We hosted multiple community forums where we engaged on:

- progress on our current social and labour plan (SLP) commitments and project implementation, addressing community education and skills development, local employment, procurement and enterprise development needs and opportunities;
- upliftment of mine host communities "beyond compliance" through the Corporate Social Investment (CSI) programme; and
- our environmental management programme activities.

Consultations for the incoming generation of SLPs were also conducted through local government and community forums.

##### Papua New Guinea

Extensive engagements were held with landowners and host communities for the Hidden Valley Mine, the Wafi-Golpu Project and our exploration operations. These engagements encompassed regular mine and project updates; community and business surveys; mine health and safety awareness campaigns including DSTP; delivery of community development programmes/projects; and employment and business opportunities.

##### Australia

Since acquiring Eva Copper in December 2022, engagement has focused on establishing relationships with local communities, traditional owners, pastoral leaseholders and local businesses to understand the expectations, ambitions and concerns of our key stakeholders as the project advances.

Refer to [Empowering communities](#) in this report for more details.

#### Related material matters

- Stakeholder engagement and partnering for sustainable communities
- Supply chain transformation and preferential procurement
- Circular economy
- Upholding human rights and responsible procurement
- Ensuring legal, regulatory and compliance excellence.

#### How we engage

Our stakeholder engagements are facilitated through, among others:

- Formal quarterly updates and meetings with host communities and key stakeholders
- Updates to communities through technology platforms, including social media
- Ad hoc and planned topic/issue-based meetings.

##### South Africa

- Scheduled meetings with formal Community Engagement Structures, community forums and Traditional Authorities
- Open days with NGOs in host communities.

##### Papua New Guinea

- Structured community engagements
- Elicit input through consultations and issue-based discussions with local communities facilitated by community affairs and village liaison officers
- Topic-specific socio-economic studies and engagements, for example, employment opportunities, community projects, mine closure planning, DSTP and tailings dam safety awareness and consultation
- Effective use of media to support engagement
- Public Information Centre for the Wafi-Golpu Project.

##### Australia

- Community information and consultation meetings
- Information centre in Cloncurry (community hub).

Refer to [Empowering communities](#) in this report for more details.

#### Harmony's response

##### South Africa

- Continued structured engagements with host communities to proactively identify and manage potential risks and opportunities, including impact of illegal mining and perceived increased unemployment as a result of mine closure
- Improved local business empowerment model
- Ongoing collaboration with government to revitalise rural and township economies
- Continued education of host communities on matters of mine health and safety including potential environmental impacts
- Partnership with government and industry on initiatives that seek to mitigate identified risks and issues.

##### Papua New Guinea

- Continued engagements to progress the Wafi-Golpu Joint Venture permitting.

##### Australia

- Proactive engagements with north-west Queensland communities to discuss the project, understand local issues and related opportunities.

## Stakeholder engagement *continued*

### Governments and regulators

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

Capitals impacted



### Why we engage

We engage with national, provincial and local governments about legislation, regulations, policies and guidelines that influence how we conduct business. By engaging, we aim to meet or exceed regulatory requirements and maintain our government and regulatory stakeholders' confidence as well as build a competitive advantage as a partner of choice for government.

While Harmony largely aligns to global leading practice, we continuously monitor the regulatory environment to ensure that the company remains aligned and complies with international and local ESG disclosure requirements.

### 2023 engagement topics

There is a growing focus by regulators on ESG fund disclosures following the increase in greenwashing and other ESG-related issues. Regulators have shown an interest in transparency and information on ratings agencies' methodologies. Below is a summary of topics that dominated engagements with government and regulators during the financial year.

#### South Africa

- Review of the Mineral and Petroleum Resources Development Act (MPRDA) by the Department of Mineral Resources and Energy (DMRE)
- Illegal mining
- Delayed authorisation of the Kalgold prospecting right (by the DMRE)
- Energy security and privatisation.

#### Papua New Guinea

Wafi-Golpu Framework MoU established to support project permitting, development and operation, and includes a target timeline for the project's permitting.

#### Australia

We have been engaging with all levels of government, landowners and traditional authorities, to introduce the company and our values and progress key issues of importance to the project such as infrastructure and the maximisation of socio-economic benefits to the north-west Queensland region.

Refer to **Social** in this report for more details.

### How we engage

- Formal reports
- Issue-based meetings
- Providing feedback, including via representative industry bodies, on proposals relevant to the mining industry
- Regular scheduled meetings aligned with stakeholder engagement plans
- Participating in conferences and workshops arranged by government
- Through industry bodies such as Minerals Council of South Africa.

### Related material matters

- Stakeholder engagement and partnering for sustainable communities
- Supply chain transformation and preferential procurement
- Ensuring legal, regulatory and compliance excellence.

### Harmony's response

- Increased partnership with government in the revitalisation of rural and township economies
- In-country investment supporting growth in operating countries
- Direct and indirect economic stimulation (inducing economic impact)
- Partnerships with provincial government to improve education outcomes
- Paid taxes and royalties.

#### South Africa

- Accelerated transformation programme
- Continued compliance with legislation
- More structured approach in improving relations at provincial and municipal levels.

#### Papua New Guinea

- Wafi-Golpu Framework MoU established to support project permitting, development and operation, and includes a target timeline for the project's permitting.

#### Australia

- Prioritisation of building positive relationships across all levels of government
- Actively contribute to industry engagement on policy initiatives
- Continued proactive engagement with north-west Queensland communities as the project progresses.



## Stakeholder engagement *continued*

### Suppliers

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

Capitals impacted



### Why we engage

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

### 2023 engagement topics

#### South Africa

We support the government's imperative to facilitate sustainable socio-economic development and broader participation in the economy, mainly through procurement and enterprise and supplier development. Harmony continues to strategically engage suppliers with less than 26% black ownership to transform. However, local content verification as prescribed by Mining Charter III remains a challenge throughout the mining industry. We are having meaningful discussions on heightened environmental compliance, including incorporating best environmental practices, and are discussing with our supply chain partners our collective responsibility to support the climate change agenda.

We also conducted a supplier survey on environmental matters to determine, among other things, their approach, impact assessment and target setting for water, plastics and climate change.

#### Papua New Guinea

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

#### Australia

With our acquisition of Eva Copper in December 2022, we are engaging across the north-west region of Queensland to understand and encourage the development of local business capabilities and capacity. Via our Industry Capability Network web portal, we also have a wider invitation in place for Australia companies to register interest in Eva Copper opportunities.

### How we engage

- Annual supplier days
- One-on-one, issue-based meetings
- Email and website
- Industry meetings, exhibitions and conferences
- Contracts and service agreements.

### Related material matters

- Stakeholder engagement and partnering for sustainable communities
- Driving equity, diversity and inclusion
- Supply chain transformation and preferential procurement
- Circular economy
- Transparent and ethical business.

### Harmony's response

- Change management carried out to enhance awareness of preferential procurement and enterprise and supplier development processes
- Continued effort to source locally and afford contract opportunities to landowner and local businesses in Papua New Guinea
- Engagement campaign across north-west region of Queensland to understand and encourage the development of local business capabilities and capacity, and a wider invitation across Australia via Industry Capability Network web portal to register for Eva Copper opportunities in Australia
- Continued connecting with potential suppliers to encourage participation in tender processes
- Foster partnerships between OEMs and local SMMEs for downstream opportunities to enhance participation of local SMMEs in supply chain
- Continued integration of local SMMEs into supply chain
- Continue progressing towards our targets and are advancing interventions for women-owned companies and local business communities
- Conducted a supplier survey on environmental matters, including topics such as target setting, approach and impact assessments for water security, plastics and climate change
- Maintained policies, procedures and employee communications regarding ethical conduct, anti-bribery and corruption to mitigate any potential collusion and insider trading.

## CASE STUDY

### Engaging with local businesses on supplier days



*Addressing a key concern raised in engagements with our host communities, Harmony's annual supplier days drive, increase and highlight procurement opportunities for local businesses.*

Supplier days create opportunities and suitable conditions for host communities to increasingly participate in our mining value chain through local procurement and business development, and enable Harmony to engage meaningfully with host communities.

At the event, our various departments participate and share information about Harmony's procurement processes with entrepreneurs. This encourages entrepreneurs to grow their businesses in partnership with Harmony. The supplier days also help us understand our suppliers' needs and how we can improve our transactions for mutual benefit.

The five supplier days held in FY23 reached 500 entrepreneurs.





## SOCIAL AND ETHICS COMMITTEE: CHAIRPERSON'S REPORT



**Karabo Nondumo**  
Chairperson: social and ethics committee

### Dear stakeholder

2023 has presented several disruptive events for the global population. Harmony too has had to navigate around issues of extreme weather events, evolving macro-economic conditions and geopolitical uncertainty. Despite this, Harmony has remained steadfast and successful through these challenges. We have proceeded with our decarbonisation agenda and expanded our portfolio of future facing metals to play our part in supporting worldwide transition to a low carbon future. We remain resolute in uplifting and sharing value with employees and our host communities. We further continue to value our reputation as an ethical and values-driven business.

Mining with purpose is ingrained in our business strategy, business model and processes and is further accentuated by the work of the social and ethics committee. In this year's ESG report, I am pleased to demonstrate how we moved forward in being purposeful and in creating shared value for our stakeholders.


The report outlines the collective impact of our ESG interventions which saw us achieve leadership positions in the ESG space. We improved our leadership position in the FTSE4Good ESG Index where we featured in the top 95<sup>th</sup> percentile in the ICB sector; we rank in the top 50 for Sustainalytics within the gold subindustry and our short term and net zero emissions targets have been approved by Science Based Targets Initiative (SBTi). We also maintained our inclusion in the Bloomberg gender equality index. This is testament to the firm commitment and high performance in the sustainability conversation in the organisation.

Good corporate citizenship and tangible acts of moral responsibility are 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 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 this report.

### Value creation – Key focus areas in FY23

To demonstrate our commitment in addressing our GHG emissions, we have fully commissioned our first 30MW of solar generation capacity in the Free State (phase 1) and we have board approval for the next 137MW of renewable energy (phase 2). We secured the ESG-linked financial transactions to execute phase 2.

Not only will these transactions help us to deliver on our environmental and social obligations and undertakings, they will also derisk the business and deliver many socio-economic benefits. 'Mining with purpose' is ensuring that our investors and other stakeholders continue to derive value and positive returns in a global climate of energy uncertainty.

We set out ambitious targets for lowering our water footprint, including the reduction of fresh water usage in water scarce areas by 2030 and initiated many water-stewardship projects. This includes building of our own water treatment plants and water infrastructure in host communities.

## Social and ethics committee: Chairperson's report *continued*

Additionally, we have completed our five-year SLP programme at the end of 2022 and invested R349 million over the period in catalysing socio-economic development through our mine community development programme. The programme focuses on food security, education, infrastructure and youth employment which we believe is the bedrock for a healthy community.

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

Massive traction was gained in our energy programme, through the setting of our short-term and net zero target. We are committed to achieving net zero by 2045 and are well on target to get to our first target of 20% reduction by 2026. Our targets have been endorsed by the SBTi. Similarly, we are pleased to be introducing our first green electrons into our grid and have a robust development pipeline of renewables.

See [Climate change, energy and emissions management](#) in this 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 this report.

We believe 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 this 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.

In 2021, board approved an investment of R2 billion in the Kareerand expansion project. The construction is well advanced in the reporting cycle and is a significant enabler to Mine Waste Solutions. As a responsible miner, we believe that mining is one of the biggest contributors to circular economies and to this end, Harmony has the largest reclamation business in the gold sector globally.

See [Tailings and waste management](#) in this report.

### Social responsibility

As Harmony, we cannot downplay or undervalue our ability to drive transformation in our host communities. Transformation of living conditions is achieved through our SLPs. Our next generation SLP commits to R175 million for our South African community.

Our employees, being our most valued asset, are a top priority for us. We have seen the mining industry tackle challenges pertaining to women in the industry. Gender inclusion remains very close to our values and we too have conducted a gender survey wherein we identified opportunities to improving our working environments, making this organisation more progressive and gender inclusive.

The committee continued to monitor the company's improved stakeholder engagement to proactively reach all levels of government and host communities in South Africa, Australia 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 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 and wellness](#) in this 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 the [Report to shareholders](#).

### 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 thank my committee members for their valued contribution and unwavering support. To all Harmonites and partners to Harmony, I extend my gratitude for your pursuit of success through your commitment and passion for mining with purpose.

### Karabo Nondumo

*Chairperson: social and ethics committee*

25 October 2023



# ENVIRONMENT



Mining with purpose directs our commitment to responsibly using natural resources and ensuring that we limit our impact on a very vital resource – our ecosystem.

Harmony is guided by our strategy in making decisions about responsibly using our natural resources and addressing the metals and mining sector's top concerns (water scarcity management, air pollution management, optimisation of biodiversity, decarbonisation and climate change).

Responsible stewardship encapsulates Harmony's ethical obligation to broader society and our commitment to environmental stewardship – both critical to ensuring our long-term business sustainability. To minimise our impact on the natural environment, we acknowledge the part we play and strengthen our operational and business resilience in the face of environmental and financial risks, while reducing our contribution to climate change.

Our strategy is proactive and responsive, enabling us to improve our environmental performance by:

- **Decarbonising Harmony** through energy efficiencies, a renewable energy programme and a green energy mix
- **Responsible water resource** management and conservation
- **GHG emission intensity** reductions of 7% year on year
- **Robust and meticulous tailings management** aligned with global best practice.

This chapter details our performance against our environment commitments, and future focus areas.



# ENVIRONMENTAL **IMPACT**

Harmony is committed to environmental stewardship through pollution prevention and remediation of our impacts, prudent use of natural resources, maximising the circular economy and shifting to a low-carbon future.

## ENVIRONMENTAL STEWARDSHIP EXPENDITURE



**R462 million**

FY22: R328 million

## LAND REHABILITATION LIABILITIES\*



**R6.1 billion**

FY22: R5.8 billion



**R1.5 billion**

FY22: R1.4 billion

\* Undiscounted liability.

## REHABILITATION



Implemented biodiversity action plans of

**R82 million** rehabilitating **72ha**

FY22: R52 million rehabilitating 31.8ha

## WATER FOR PRIMARY ACTIVITIES



**29 350 000m<sup>3</sup>**

FY22: 33 417 000m<sup>3</sup>

## TOTAL WATER USE



**29 350 000m<sup>3</sup>**  
**20 029 000m<sup>3</sup>**

of which  
(68%) was purchased

## WATER CONSUMPTION INTENSITY



FY23 achieved a cumulative **9%** KI/tonne treated against the proposed target by 2027 of **10%** KI/tonne

## ELECTRICITY



Used **4 111 000MWh**

FY22: 4 254 000MWh

Saved **295 000MWh**

FY22: 269 000MWh

## ENERGY CONSUMPTION



**1.3%** decrease from FY22 to FY23

Used **17 502 000GJ**

FY22: 17 726 000GJ

## TOTAL CO<sub>2</sub> EMISSIONS



**5 455 621t**

FY22: 5 813 436t

# LEAVING A LASTING POSITIVE LEGACY

Our purpose keeps us committed to ecologically responsible mining for a low-carbon future and lasting positive legacy.

Mining is among one of the industrial sectors with the most significant potential impact on the biophysical environment through pollution, depletion of natural resources and disrupting land use and management. Understanding this dynamic, the mining industry and Harmony has relentlessly been pursuing opportunities to mine smarter, to remediate better and to protect the environment more effectively. While we work to reduce our mining footprint, mining is fast becoming a fundamental enabler to protecting our environment for future generations as we pursue those minerals and metals that will steer us to a low-carbon future. As we mine to enable this, we are getting better at delivering our products more responsibly.

Harmony understands that environmental protection is ethical, required and essential to effectively run, and continue to grow, a sustainable business. From design to construction, operation, decommissioning and closure, our responsible practices extend beyond our mine boundary to our supplier partners and markets, such as Rand Refinery and Considerate Precious Metals.

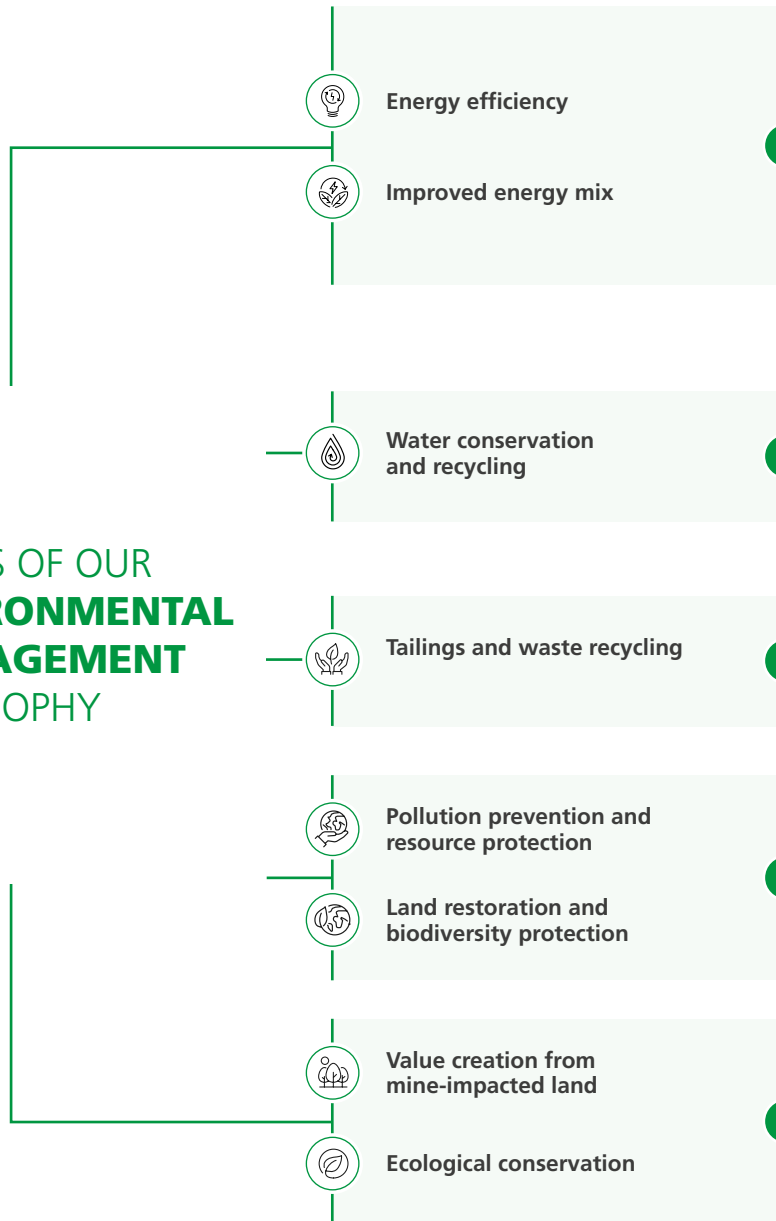


eMarikeni trees in a pot community project, Eastern Cape, South Africa



Leaving a lasting positive legacy *continued*

TENETS OF OUR ENVIRONMENTAL MANAGEMENT PHILOSOPHY

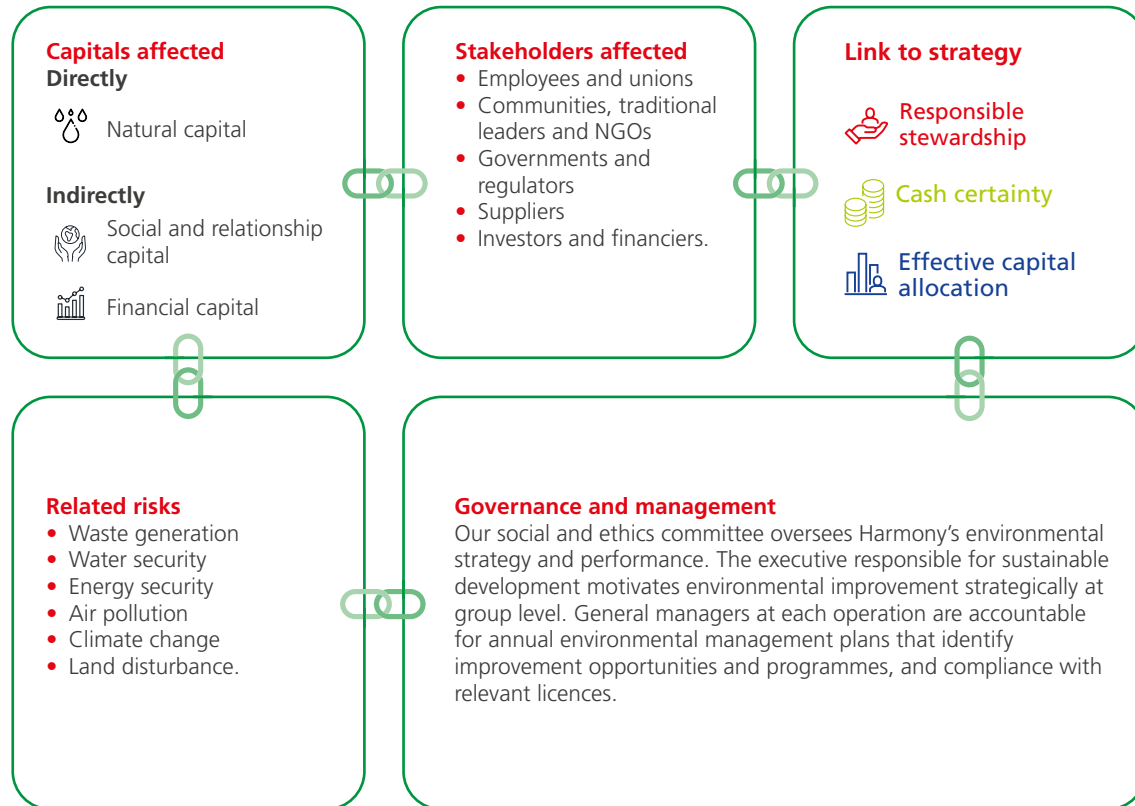


- Multiple phased renewable energy projects in implementation
- Near-term decarbonisation targets validated and approved by SBTi
- Sustainability-linked and green loans aligned to three KPIs:
  - Absolute reduction in greenhouse gas emissions
  - Increase in renewable energy consumption as a percentage of total energy mix
  - Absolute potable water consumption
- Reduced GHG intensity by 42.0% and 1.8Mt CO<sub>2</sub>e with over R1.7 billion cumulative savings since 2016.
- Potable water use decreased by 5.5% through water treatment plants commissioned at strategic operations
- 12.8% increase in water recycling rate when compared to FY22
- Increased water recycling rate by 14.2% over five years.
- Robust and meticulous tailings management in South Africa, Papua New Guinea and Australia
- Efficient and responsible waste management through repurposing mineral waste into product.
- Focused rehabilitation programme to restore land to viability post-mining
- Closure of shafts to prevent ingress by illegal miners.
- Land and biodiversity policy and strategies include carbon offset projects where we operate, and biodiversity conservation in sensitive environments
- Compliance to ISO 14001.





Leaving a lasting positive legacy *continued*



**Related SDGs**



- Water and energy conservation programme
- Cyanide management
- Land rehabilitation
- Waste management.



- Clean energy implementation
- Energy efficiency drive
- Net zero targets set
- Subscribed to SBTi.



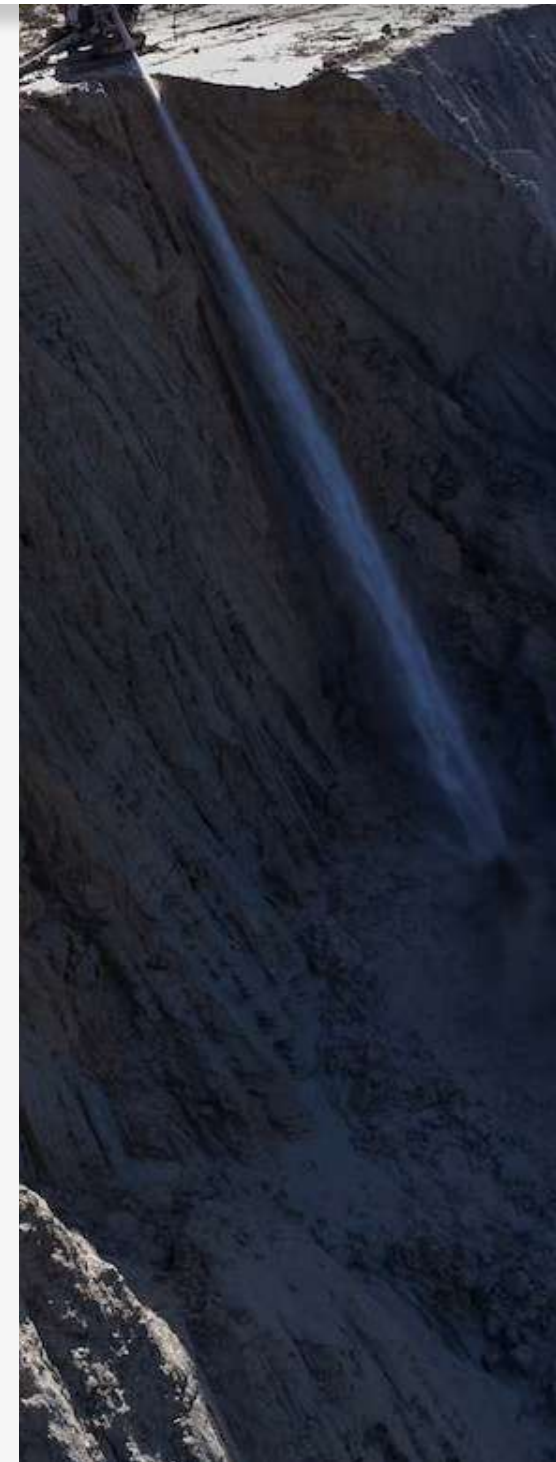
- Environmental conservation
- Rehabilitation programme.



- Partnerships with government and communities in host jurisdictions to collectively advance our endeavours to address environmental challenges facing Harmony and the communities in which we operate.

**GRI Standards**

We list the relevant GRI Standards in each section of this chapter and will include the GRI Sector Standards for Mining when published.



## Leaving a lasting positive legacy *continued*

### Related material themes and matters

#### ENVIRONMENTAL STEWARDSHIP

##### Climate change and extreme weather susceptibility and responsibility (including physical and transitional risks)

Climate change is the most serious environmental risk confronting our business. We are susceptible to extreme weather events such as storms, drought and flooding, and increasing temperatures that could affect underground ambient temperatures and food security. Land degradation is also a major contributor to climate change and a significant environmental risk. Climate-related risks will affect our future operating costs, infrastructure requirements, operations and operating conditions, host communities and supply chain.

##### Addressing energy use

Mining and extractive processes are highly energy-intensive with a considerable impact on our operating costs and environmental credentials. Rising electricity costs directly impact our business while carbon tax affects margins.

The energy we consume is mainly generated by fossil fuels, which contributes to climate change. Companies' responses to climate change affect reputational capital and access to financial markets. This could have implications for a growing organisation. Energy inefficiency is a related significant financial and environmental concern for Harmony. We remain committed to mitigating ever-increasing electricity costs, improving margins, ensuring energy security, improving our energy mix and reducing our carbon footprint.

##### Pursuing zero emissions and renewable alternatives

Our operations are energy-intensive and as such, we are pursuing better energy efficient assets and diversifying our energy mix. Transforming our business and diversifying our energy mix present financial and stewardship benefits with opportunities for funding through sustainability-linked bonds.

##### Water management

Water is a critical and scarce natural resource used in our mining and processing activities, and as potable water for our employees and communities. Harmony deals with the challenges of South Africa and Australia being severely water-stressed regions while Papua New Guinea has a tropical climate with high rainfall.

Harmony manages and mitigates any impact on water catchment areas by taking action to avoid degrading the quality or reducing the volume of water in surrounding areas. We also support host communities in addressing water challenges.

##### Circular economy and pollution prevention

Our operations generate mineral and non-mineral waste, including emissions that negatively impact the environment. Environmental management is essential to our business and we aim to identify, understand, offset and minimise our negative impact by reuse and recycling, and preventing pollution. Circular economy is about seeing waste as an opportunity in waiting and our surface reclamation business - the largest gold tailings reclamation programme globally is focusing on extracting gold, more safely, more economically and more responsibly from our tailings dams.

##### TSF management and safety

TSF failure has potentially catastrophic downstream consequences with severe financial and reputational risks for Harmony. The global spotlight on tailings management in recent years underscores the broader impact of mining activity. As an industry, we recognise the potential harm to our people, communities and the environment presented by tailings failure, waste and pollutants.

##### Ensuring biodiversity and post-closure sustainability

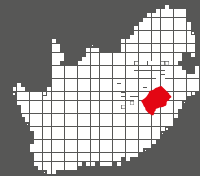
Potential positive and negative impacts arise at different points in the lifecycle of our assets, including at closure. Our holistic approach to closure planning starts early and continues throughout the asset lifecycle. We examine socio-economic and biodiversity aspects – considering how land rehabilitation and biodiversity management can bring benefits to our host communities and support post-mining uses and related economic activity.

# ENVIRONMENTAL MANAGEMENT AND STEWARDSHIP

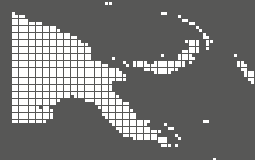


## Future focus areas

Harmony will continue its journey to ensure the prevention of pollution and the protection of surrounding environments in the areas in which we operate.



In South Africa, a more focused approach to water management catering for the impacts of climate change on our business, as well as moving forward on our net zero target.



In Papua New Guinea, we will be closely monitoring the effectiveness of our waste rock management strategy.



In Australia, extensive work is underway to understand the local environment and progress regulatory obligations for Eva Copper.

### GRI Standards

#### Prepared in accordance with

3-3, 301-1, 301-2, 301-3, 302-1, 302-2, 302-3, 302-4, 302-5, 303-1, 304-1, 304-2, 304-3, 304-4, 305-1, 305-2, 305-3, 305-4, 305-5, 305-6, 305-7, 306-1, 306-2, 306-3, 306-4 and 306-5.

### SDGs impacted



### Capitals affected

Natural capital

### Key deliverables

- Secure/maintain licence to operate
- Enhance credibility
- Pollution prevention
- Reduce and/or diversify energy and natural resource consumption
- Environmental footprint reduction.

We are committed to being environmental stewardship advocates through pollution prevention, prudent use of natural resources, maximising the circular economy and a transition to a low-carbon future therefore remediating the impacts of our operations on the environment.

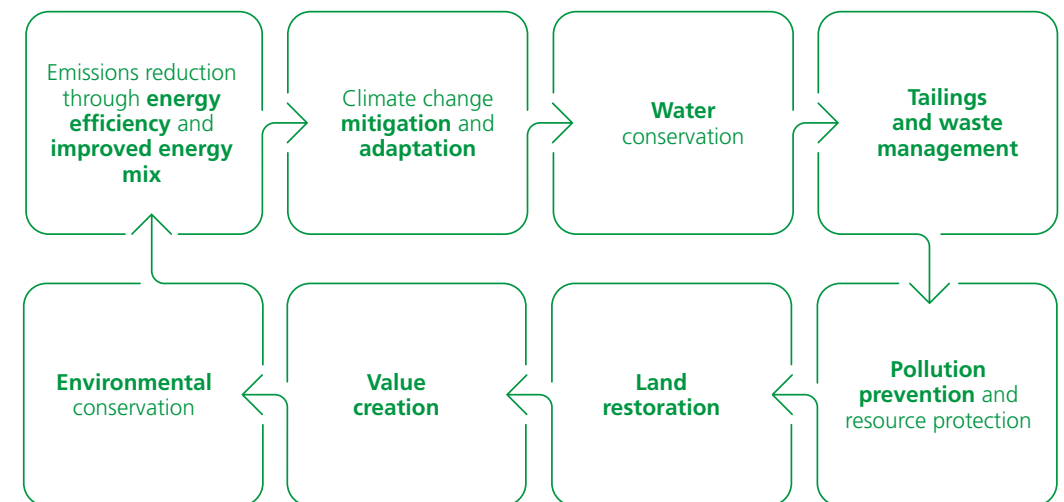
In South Africa, our activities are primarily regulated by the Mineral and Petroleum Resources Development Act and related environmental laws such as the National Environmental Management Act (and its supporting suite of Acts and regulations), the National Water Act and the National Nuclear Regulatory Act.

Our activities in Papua New Guinea are regulated by the Environment Act 2000 (administered by the Conservation and Environment Protection Authority) to ensure that we do not cause environmental harm, including through water extraction and wastewater discharge.

In Australia, Eva Copper has secured environmental authorisation under Queensland's Environmental Protection Act 1994.

### Our approach

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




Find our environmental policies on our [website](#) under sustainability.




## Environmental management and stewardship *continued*

Our environmental stewardship policies are underpinned by the following commitments, as set out in Harmony's sustainable development framework:

- Prevent pollution or minimise, mitigate and remediate our harmful environmental impacts and a transition to a low carbon future
- Compliance with all applicable host country environmental laws and regulations as a minimum
- Actively partner with governments, communities, labour and NGOs in environmental protection and conservation programmes at international, national, regional and local levels
- Continuously improve environmental management systems with:
  - Targets that promote efficient use of resources and reduce environmental exposure
  - Progress reporting to internal and external stakeholders
  - Responsible management of hazardous substances
- Protect biodiversity by considering ecological values and land use in investment, operational and closure decisions
- Transparent engagements with host communities about environmental matters
- Good governance and transparent reporting

 Our material KPIs are independently assured every year (see report on pages 182 to 185). Technical and performance standards, incorporated into environmental management systems, and implemented according to International Organization for Standardization (ISO) 14001 (2015), guide our operations. All our operations have approved environmental management programmes with closure objectives. We compile detailed closure plans prior to closure to expedite beneficial post-mining land use where possible, and undertake activities that promote sustainable community livelihoods.

Harmony's assets range from development projects to long and short-life operational, decommissioned and closed operations. Assets which at the beginning of FY23 had greater than five years remaining life-of-mine are ISO-certified. Short-life assets and decommissioned assets are compliant but not certified.

 We record improvements annually (see [Compliance and certification](#) in our [ESG data tables](#)).

We subscribe to global best practice. Although Harmony is not a member of the World Gold Council we implement its Responsible Gold Mining Principles. Harmony has concluded its third year of alignment to the World Gold Council's Responsible Gold Mining Principles (RGMPs). Subsequent to our third year on-site verification audit, Harmony can demonstrate that our operations conform to the RGMPs. The conformance was independently assured by RSM South Africa Inc.

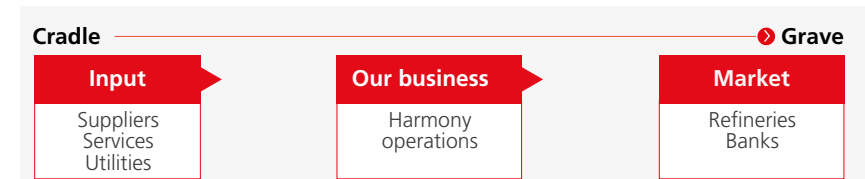
 Details of our assurance outcomes are in the [Assurance report](#) on pages 182 to 185.

### Environmental strategy

In line with Harmony's strategic priorities and to support our positive contribution to the SDGs, we measure our key environmental deliverables against targets.

### Responsible stewardship: suppliers and market Environmental impact consideration in our supply chain

We take a cradle to grave approach in terms of our environmental impacts, having to assess it from inputs, being our suppliers (including services and utilities). We also assess our own operational assets performance. Lastly, we have oversight of the refineries and end users, being predominantly financial institutions.



### Suppliers

In compliance with our code of ethics, suppliers adhere to our environmental management policies and standards, and observe laws and regulations governing water and air quality, among others.

As our extensive supply chain indirectly contributes to scope 3 GHG emissions, we encourage our top 20 suppliers to manage their carbon and water footprints to reduce emissions and associated climate change impacts. We conducted a supplier survey to determine our suppliers' approach and response to various environmental matters. Completed by some of our major suppliers, the survey indicated the following:

- **Water security** – 61.5% scored above average due to their related business activities, including the quantification of water usage and water targets being in place
- **Plastics** – 30.7% have mapped the use of plastics in the value chain as well as having reduction targets in place
- **Climate change** – 38.4% have determined their carbon footprint as the beginning of a climate change mitigation journey (irrespective of goods or services supplied).

In the next financial year, we plan to extend this survey to 80% of our supplier spend.


### Market


Harmony has an 10.4% stake in Rand Refinery. The company smelts, evaluates, refines and fabricates gold for investment and retail clients. The certified gold chain of custody is independently audited as required by independent bodies and legislation.

Rand Refinery shares Harmony's commitment to excellent environmental performance and compliance as well as internationally accepted responsible sourcing – specifically guidance by the London Bullion Market Association and the Organisation for Economic Cooperation and Development Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

Harmony's board oversees and influences Rand Refinery's ESG strategy and performance – one of our executive directors is a non-executive director and chair of Rand Refinery's social and ethics committee. Our collaborative cradle-to-grave approach to environmental management, with best practice in our downstream value chain, enables us to deliver gold ethically and responsibly.

### Mitigating environmental risks


 Our environmental risk matrix (page 59), included in our corporate risk register, underscores the importance of our natural capital and environmental strategy. This matrix details the most significant threats to our business, employees and communities over the medium to long term.


 Related risks (page 51) could affect future operating costs, infrastructure requirements, operations and operating conditions, host communities and the supply chain.

### Details on climate change as a risk


Material climate-related risks, with potential financial impacts include safety (due to excessive heat and heavy rainfall), regulatory changes such as South Africa's Carbon Tax Act, Papua New Guinea's Climate Change (Management) Act and Australia's National Greenhouse and Energy Reporting Act 2007 as well as major infrastructure incidents such as those caused by flash flooding.

We estimate that the impact of the carbon tax to our South African operations will be in the range of R500 million (US\$26.6 million) to R800 million (US\$42.5 million) by 2030 based on government's intent to increase the price of carbon and reduce allowances. We have a pipeline of renewables projects that we are advancing with urgency to derisk this for the company whilst we continue to engage with National Treasury about reviewing their carbon pricing strategy.

 For more on environment-related lost days, see our [TCFD report 2023](#).

 We continue to add value to the business through our ESG-linked financial transactions concluded in FY22 (page 50). The KPIs of this sustainability-linked funding focus on energy and associated GHG emissions and water (two major environmental concerns for Harmony and South Africa – please refer to page 56 for more details).


Water availability remains a risk to us when considering operational use and continuity of sites into the future. Future greenfields and brownfields projects require a secure water supply, and our reclamation programme is known to be water intensive. Securing adequate water supply and having access to the right quality of water is key to growing our business at Harmony. Coupled to this, ensuring that our use of water does not impact on ecosystem wellbeing in environments around us remains an important deliverable in our decision making processes.

 Details on water as a risk are on page 77.

The KPIs reflect an absolute reduction in GHG emissions, an increase in renewable energy consumption as a percentage of the total energy mix and reduction in absolute potable water consumption. These KPIs also address four of the six material environmental sustainability issues in the metals and mining industry, according to the Sustainability Accounting Standards Board materiality map: GHG emissions, air quality, energy management, water and wastewater management, waste and hazardous materials management, and ecological impacts.

Our environmental risk matrix shows how these KPIs address risks with a high business impact and a medium to high sustainability impact.

Another consideration in our environmental risk matrix is land degradation as a significant contributor to climate change. Land degradation is generally loss of CO<sub>2</sub> absorbing plants. This loss increases the likelihood of soil erosion during rain and dust storms (particularly detrimental to high arable land) and impacts biodiversity.

 For more on climate-related risks, see our [TCFD report 2023](#).



Tshepong solar plant

## Environmental management and stewardship *continued*

### Setting environmental targets

In FY23, we implemented our next set of five-year group environmental performance targets. These targets for FY23 to FY27 focus on our strategic imperatives and material risks (energy, water, waste, land and biodiversity) and are aligned with our adoption of science-based targets to achieve net zero emissions by 2045.

We committed to increase the reliance on renewable energy and to reduce absolute emissions to reach net zero by 2045. This will fundamentally improve our carbon intensity. With both organic and greenfield growth and potential mergers and acquisitions, we anticipate our absolute electricity and energy consumption to increase. Nonetheless, we still drive to ensure that much of this energy and electricity usage would be green electrons, and that intensities are still managed as a priority.

We recorded 12 months for all our assets. While consumption increased, our intensities and efficiencies improved in this reporting year.

### Group environmental targets

KPIs	Five-year baseline (FY18-22)	Five-year target (FY23 to FY27)		Year 1 (FY23)		
	Cumulative actual	Year 3 <sup>1</sup> (FY25)	Year 5 (FY27)	Target	Actual	Achieved
<b>Energy</b>						
Renewable energy group (% of total electricity consumption)	—	20	25	2 <sup>1</sup>	0.87	✘
Renewable energy <sup>2</sup> (% of total electricity consumption)	n/a	20	25	2 <sup>1</sup>	0.1	✘
SBTi: Absolute carbon emissions (Mt CO <sub>2</sub> ) <sup>3</sup>	n/a		4	4.49 <sup>1</sup>	4.45	✓
<b>Water</b>						
Water intensity improvement (% kl/tonne treated)	34		10	2	9	✓
Water recycling (Water recycled % of total water)	103		50	10	77	✓
Reduction in potable water consumption (% of total water used)	n/a		10	2 <sup>1</sup>	5	✓
<b>Waste</b>						
Non-hazardous waste recycled <sup>4</sup> (%)	40		70	14	44	✓
<b>Land and biodiversity</b>						
Reduce impacted land available for rehabilitation (%)	—		1	0.2	0.5	✓
Implement biodiversity action plans (%)	70		100	76	70	✘
<b>Compliance</b>						
Environmental fines (number)	—	—	—	—	—	✓

<sup>1</sup> These sustainability-linked KPIs are green loan bank targets.

<sup>2</sup> Sources that produce electricity for Harmony's consumption. Renewable sources are based on actual consumption, only applicable in South Africa and is an assured KPI.

<sup>3</sup> Absolute carbon emissions included for Scope 1 and 2 only.

<sup>4</sup> Timber, steel and plastic.



## Environmental management and stewardship *continued*

### Legislative framework

The legislative frameworks regulating the mining industry in South Africa, Papua New Guinea and Australia remain in flux with several new and amended Bills and draft policies before the respective parliaments. The associated implications for our business are outlined below.



#### South Africa

- **Financial provision regulations**

The mining industry continues to engage with the Department of Forestry, Fisheries and the Environment (DFFE) on financial provisioning for mitigation and rehabilitation of environmental damage caused by reconnaissance, prospecting, exploration, mining or production operations. Following draft reviews, implementation of these regulations is expected in February 2024. Harmony is concerned that some implications for our industry have not been addressed, and we have raised these issues again through our platforms with the regulators.

Proposed changes to the Carbon Tax Act include regulations that could substantially increase the base rate of the emission levy in phase 1 of carbon tax implementation (mentioned by the Minister of Finance in February 2022). In 2023, National Treasury gazetted the carbon tax rates up to 2030, but also expressed an intent to increase rates to US\$120 by 2050. This will have a significant financial impact on our business and here too we remain engaged with our regulators on more relevant pricing strategies.

- **Climate Change Bill**

Promulgation of this legislation is expected in 2023. It will enforce mandatory carbon budgets. Harmony will have a mandatory budget for scope 1 GHG emissions. We continue to engage with DFFE and National Treasury in this regard.

We further plan to use the solar power tax incentive for businesses announced by government in February 2023.



#### Papua New Guinea

- **Policy changes**

While the principal environmental legislation in Papua New Guinea (the Environment Act 2000) remains applicable, the authority continues to consider various national policy changes, including additional taxes and levies on resources industries.

- **Mine closure**

Revised mine closure policy and guidelines include provision for financial assurance as security for closure costs. Until such time legislation is amended, financial assurance is included as a condition of approval for new mining leases, or for mining lease extensions of term.

- **Climate change taxes**

Fees supporting the country's Climate Change (Management) Act include taxes on carbon in fuel products and a proposed green fee (departure tax for non-residents exiting the country). We are taxed on carbon in fuel through our bulk fuel supplier at a nominal rate per litre.

- **Protected Areas Bill**

In March 2022, the latest draft of the proposed Protected Areas Bill was tabled in the Papua New Guinea parliament. It aims to:

- Provide for conservation and replenishment of the environment, biodiversity, land and its sacred, scenic and historical qualities
- Regulate protected area management
- Fund national biodiversity offsets.

The Papua New Guinea Chamber of Mines and Petroleum working group has engaged with the regulator about the Bill since the first draft was released in 2016. Although this remains critical, engagements were limited in FY23.



#### Australia

- **Critical minerals policy**

At state level, we are following the development of The Queensland Critical Minerals Strategy, which aims to support mining of critical minerals – including copper – needed for the global economic and energy transition. At Commonwealth level, the Australian Government has announced a review of its critical minerals list which, as it currently stands, does not include copper. Inclusion on the list means stronger government support. We are preparing a submission through the Association of Mining and Exploration Companies advocating for inclusion of copper on the list.

- **Minerals exploration policy**

In a move to stimulate minerals exploration, the Queensland Government has announced a waiver of exploration permit rents for five years commencing 1 September 2023, from which Harmony will benefit.

- **Climate legislation – Safeguard mechanism**

We have recently commenced a study to further our understanding of Eva Copper's GHG gas emissions, the trajectory of these emissions over the life-of-mine, improvement opportunities, and any potential financial implications of the Safeguard Mechanism under the Australian National Greenhouse and Energy Reporting System (NGERS). Changes to the Safeguard Mechanism were introduced on 1 July 2023 which require Safeguard facilities (facilities with over 100 000 tCO<sub>2</sub>-e per annum of Scope 1 emissions) to reduce their emissions in line with Australia's climate targets.

## Environmental management and stewardship *continued*

### Our response to South Africa's carbon tax requirement Accounting for our direct and indirect carbon tax liability

In South Africa, carbon tax is levied on operations exceeding the regulated emissions threshold. These operations must also report annual emissions to DFFE.

Harmony's reported scope 1 GHG emissions liable for carbon tax are derived from:

- Combustion of diesel and jet fuel by generators
- Fuel combustion by boilers
- Railway diesel combustion
- Wastewater treatment and managed waste disposal sites.

### Phased approach to carbon tax and allowances

Phase 1 of carbon tax implementation is due to end in 2025 until when tax-free allowances will remain applicable in calculating the carbon tax liability. Basic tax-free allowances (60.0%) will reduce and likely fall away from 2026 to 2030 (phase 2).

In phase 2, the carbon offsets allowance will increase by 5.0%, the trade exposure is planned to stay the same and the carbon budget allowance could fall away. Changes to the tax-free allowances may affect the direct carbon tax liability and associated pass-through from Eskom.

### Decarbonisation strategy

 Our carbon tax considerations align with the successful implementation of our decarbonisation strategy (page 69). Carbon is priced into our business models as is the benefits from the implementation of energy efficiency and renewable solar energy (including wheeling) projects. We are also exploring the viability of natural gas, replacing diesel in our mining vehicles and electricity in heating applications.

The decarbonisation strategy aims to address carbon tax, GHG emissions and energy security, whilst reducing energy costs.

## FY23 focus areas and performance

### Annual expenditure on our environmental portfolio

	FY23		FY22		FY21	
	Rm	US\$m	Rm	US\$m	Rm	US\$m
<b>South Africa</b>						
Environmental compliance	349	19.6	249	16.4	198	12.9
Mine rehabilitation projects	82	4.6	52	3.4	49	3.2
<b>Total</b>	<b>431</b>	<b>24.2</b>	<b>301</b>	<b>19.8</b>	<b>247</b>	<b>16.0</b>
<b>Papua New Guinea</b>						
Environmental compliance	31	1.7	27	1.8	26	1.7
<b>Harmony total</b>	<b>462</b>	<b>25.9</b>	<b>328</b>	<b>21.6</b>	<b>273</b>	<b>17.8</b>

### Compliance and certification



#### South Africa

##### Compliance

No fines or penalties were recorded in this reporting period

The regulator issued a directive for discharging fissure water into Voëlpan from Target mine. Harmony successfully installed two water treatment plants at the facility, in response to the directive and completely ceased any further discharge to Voëlpan. In a separate incident, Doornkop Mine requested the DWS to issue a directive to assist the municipality with pumping its sewage away from the tailings facility and to enable them to access the pump station.

##### Certification

- All South African operations are ISO 14001-compliant (including Mponeng plants and Mine Waste Solutions)
- Bambanani and Unisel are not certified as both are in closure
- Central and Saaiplaas plants were certified in FY22
- Mponeng shaft's recertification was completed in FY23.



#### Papua New Guinea

##### Compliance

There were no formal regulatory inspections or audits undertaken at Hidden Valley during the year, and although the regulator was invited to site on a number of occasions, they were unable to attend.

Elevated manganese levels in seepage from the Hidden Valley mine waste rock dumps continues to result in non-compliance with the site's Environment Permit water quality criteria for manganese. In response, the regulator has been notified and an investigation, which included a detailed kinetic test work programme of the sites waste rock, has been completed. An amended waste rock management strategy informed by the outcomes of the investigation and test work is being implemented to address the non-compliance. The overarching waste rock management strategy remains effective in limiting AMD, and manganese is not considered a significant environmental hazard at the current levels detected in the receiving environment.

Hidden Valley continues to operate in accordance with the conditions of its environmental permit, last amended in March 2021, and the supporting environmental management plan.

##### Certification

Hidden Valley's environmental management system is aligned with the ISO 14001 standard.

**Environmental management and stewardship *continued***

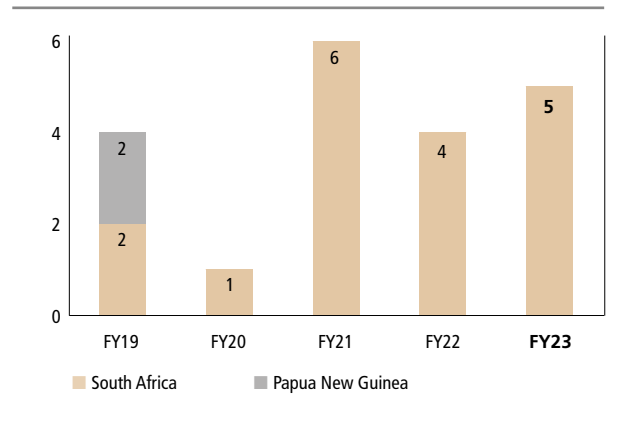
**Reportable environmental incidents**

Harmony reports environmental incidents in terms of a risk matrix (below) that evaluates the severity of the incident against the financial and reputational implications for the group. The matrix shows levels of severity, incident descriptions, financial and legal implications, and aligns with Harmony’s enterprise risk matrix.

Severity level	Mitigation costs	Environmental impact	Reputation impact	Legal impact
5	>R10 million	Irreversible damage to habitat or ecosystem	International condemnation	Potential director liability
4	<R10 million	Significant impact on habitat or ecosystem	National and international concern (NGO involved)	Very significant fines or prosecutions
3	<R5 million	Longer-term impacts and ecosystem compromised	Adverse media attention (locally and nationally)	Breach of legislation and likely consequences from the regulator
2	<R1 million	Moderate short-term effects but do not affect ecosystem function	Unresolved local complaints and possible local media attention	Minor breach of legislation
1	<R500 000	Localised affected area of low impact	Local complaints	No major breaches of legislation

South Africa experienced more frequent water-related incidents due to exceptionally high rainfall in FY23. All incidents were short and corrected immediately with limited impact on the receiving environments. Harmony recorded five level 3 (moderate) reportable environmental incidents in South Africa and zero in Papua New Guinea. We implemented appropriate remedial action in all instances.

**Reportable environmental incidents**



Reportable (level 3) environmental incidents in South Africa are summarised below. Details on the directives are on page 81.





Environmental management and stewardship *continued*

 South Africa

Location	Incident and description	Environmental impact
Target	Due to exceptionally high rainfall, Target intercepted more underground fissure water than usual, which could not be contained in its holding facilities. The operation had to discharge excess water into Voëlpan as an intermediate measure for safety measures. Harmony successfully built two water treatment plants to eliminate the discharge within the timeframes committed to the department.	Our contribution was of small volumes over a set period of time. Albeit that we are no longer contributing to the volumes in the pan, the flooding issues may not resolve until a solution is implemented for all water inputs into the pan. We continue to monitor quality impacts and will remediate the mining fingerprint if identified and required.
Doornkop	Exceptionally high rainfall and a non-functional municipal wastewater treatment plant caused a pan adjacent to our tailings dam to fill up, inundating properties of nearby communities. With permission from the regulator, Harmony has assisted the municipality in draining the pan to allow access to the inundated pumpstation for repairs to take place.	Excess water inundating surrounding communities and impacting surface water environments, and may have an impact on the tailings dam if left unabated.
Kalgold	A leaking residue pipeline led to the spillage of mine waste material into the nearby Morokwa Spruit, a non-perennial river. The extent of the spillage into the river was localised, as the river was dry at the time. Clean up of the spillage was immediate and completed timeously.	No significant environmental damage albeit that it is a non-compliance. The incident was reported to DWS whilst clean up ensued.
Kusasaletu	Two level 3 incidents were reported at the return water dam which overflowed into the Loopspruit on 31 May and 19 June 2023 respectively. The root cause identified was the extremely high rainfall event that occurred, coupled with the failure of the main pump station. Pumping infrastructure has been repaired with additional infrastructure built to prevent recurrences.	Water quality monitoring confirmed that there was no major impact to the receiving environment.

There were no environment-related lost production days during the year.



Doornkop headgear

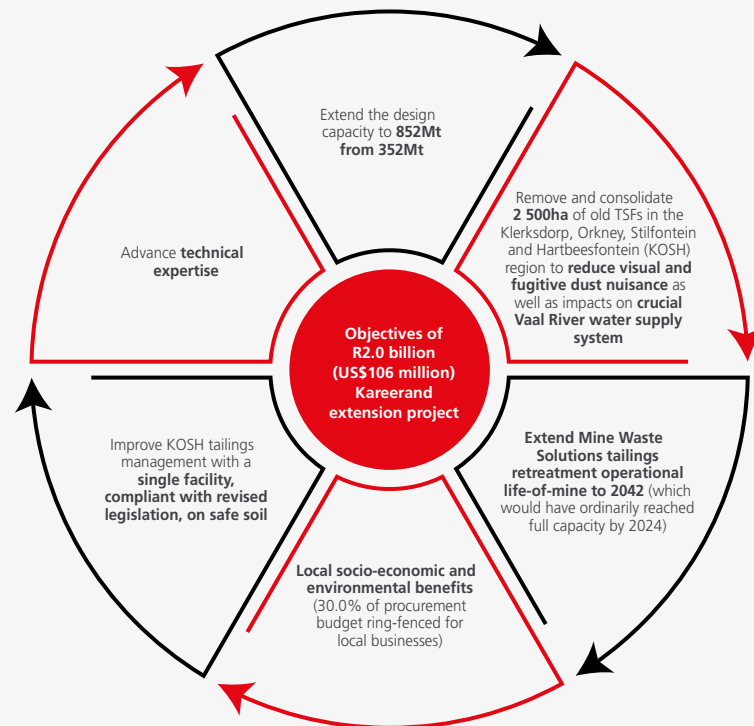
# CASE STUDY

## Kareerand: A robust design and impeccable operational management



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

Kareerand is necessary to one of our key circular economic initiatives in our organisation. We are a business that retreats our tailings dams to harvest gold from what would otherwise have been just a mineral waste dump. Harmony has the largest gold reclamation business globally. This initiative allows us to process gold in a safe and environmentally responsible and economical manner. It has the added advantage of being less energy intensive than conventional mining. It also provides an opportunity to process mine waste with modern techniques that ensures we deliver a less toxic, more stable footprint, that frees up large areas of land for productive use.



The first phase will include the construction of additional return water and stormwater handling facilities to enable closure of most old tailings dams on unstable dolomitic soil in the KOSH region. To this end, an additional 6km return water pipeline from Kareerand to the Midway distribution station has been completed. This additional pipeline increases the rate at which Mine Waste Solutions can return water to tailings reclamation operations and the processing plant. Return water is recycled to relieve pressure on stressed potable water sources.

Kareerand is of strategic importance to Harmony. It fulfils the criteria of a circular economy for gold, it has a lower energy intensity profile when compared to other operations, and it assists in consolidating tailings onto one footprint, rather than multiple footprints across various areas.

Extensive water management measures, primarily to ensure dam integrity by restricting water pooling on top of the facility, include:

- Maximum return water reuse
- Optimal water drainage and removal
- Berm walls and paddocks on side slopes to trap silt
- A geomembrane liner to avoid groundwater and surface impacts
- The phyto-evaporative transpiration cover to maximise basal coverage

Harmony also manages dust emanating from the TSF by monitoring results at sampling points and implementing mitigation measures where necessary.

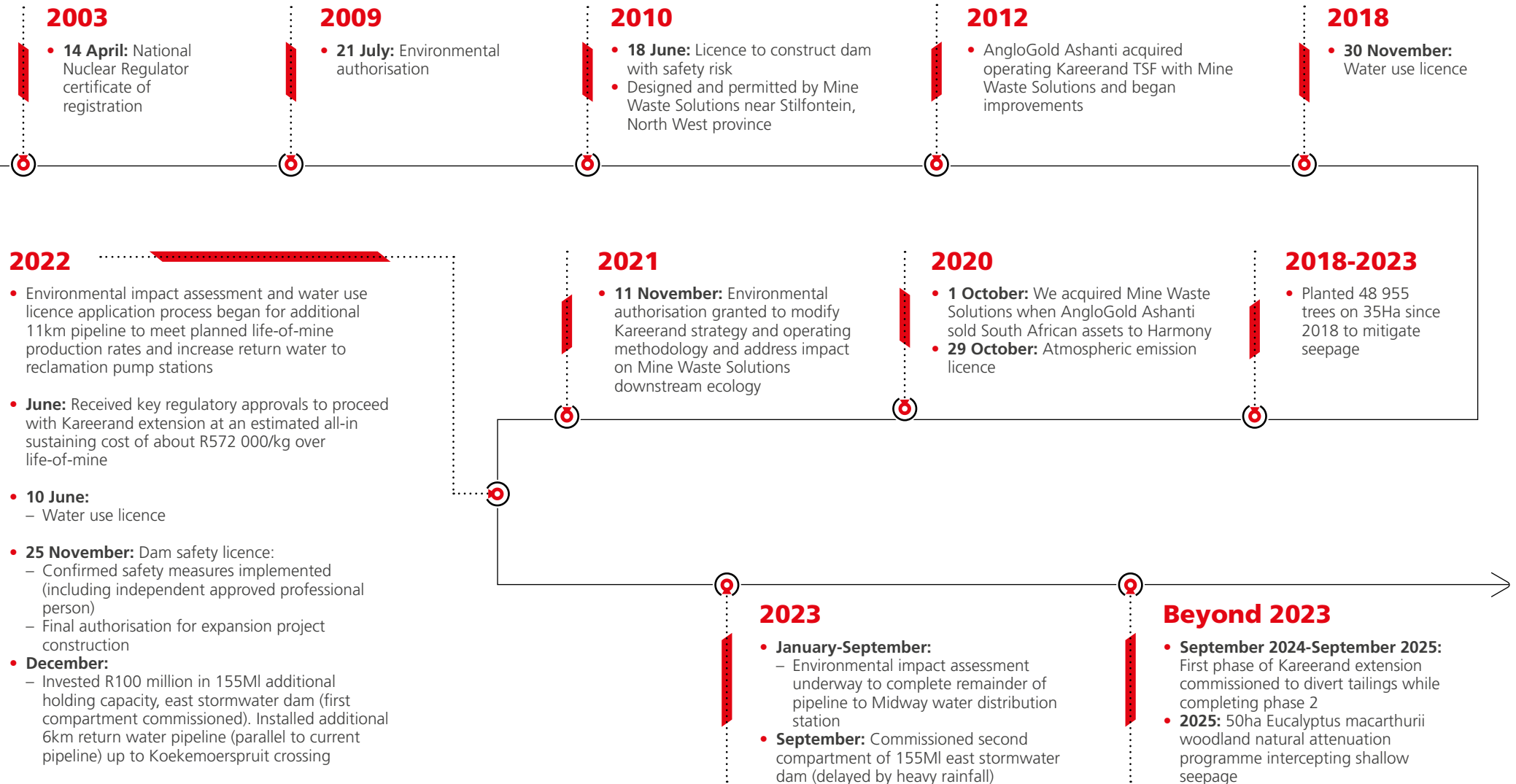
Refer to **Air quality** (page 92) for further details.

Kareerand is on stable geology certified by, among other regulations, the South African National Standard (SANS) for mine residue, SANS 1200 for the Standardisation Specification for Civil Engineering Construction and the Global Industry Standard on Tailings Management. We also regularly monitor and report the performance of the TSF to authorities, and continue engaging with key stakeholders on progress.

Our approach to integrating social, environmental and technical considerations in TSF management is outlined on page 86.

**Environmental management and stewardship *continued***

Over more than 12 years, the Kareerand TSF has been managed with the health and safety of people and the environment in mind. We continue to proactively mitigate potentially harmful impacts with sustainable innovative measures.





# LAND REHABILITATION AND **MANAGEMENT**



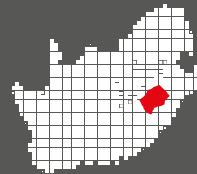
## Future focus areas

*Across the group, we are committed to reducing our impacted footprint year on year by liberating and restoring land for alternative use through our rehabilitation programme that aims for environmental dust mitigation and carbon sequestration with revegetation and related social benefits.*

*We will be setting five-year targets to monitor our progress.*



In Papua New Guinea, alongside our rehabilitation activities to safeguard infrastructure, we are progressing our closure planning project, including further stakeholder engagement, to advance our understanding and readiness for eventual mine closure. In line with the country's mine closure guidelines, our planning is focused on rehabilitated land that is physically and chemically stable and reasonably safe and healthy for humans, wildlife and the environment, and promoting a smooth socio-economic transition.



In South Africa, we are pursuing an opportunity for local communities to participate in our rehabilitation activities who will collaborate with us through our tailings management rehabilitation programme. We could thus relieve unemployment in local municipalities hosting our sites in Gauteng, North West and Free State – and contribute a considerable amount to the GDP of these provinces. To this end, we intend to finalise donation of our Scott and Kopanang waste rock dumps to communities in the coming financial year.



In Australia, Queensland regulation requires all holders of mining project environmental authorisations to submit a progressive rehabilitation and mine closure plan for government approval. In compliance with these requirements, concurrently with our Eva Copper feasibility study review, we are advancing Eva Copper's progressive rehabilitation and closure plan for submission in early 2024. The objective of this process is to plan how and where activities are carried out on the land in order to maximise progressive rehabilitation of land to a stable condition.

Our rehabilitation strategy will support our decarbonisation strategy in the coming financial year by focusing on our tailings dam footprint. The decarbonisation plan includes employing local people to reintroduce biodiversity by planting trees on our TSFs as well as repurposing land for agricultural and other projects. We will thus rehabilitate land while striving to achieve net zero emissions by 2045.

We offset the impact of our mining activities by restoring sustainable value to disturbed land with respect for local ecosystems and people.

Harmony aims to reduce the group-wide environmental footprint through concurrent and final rehabilitation. We are committed to our environmental management programme, reducing our environmental liability and mitigating the risk of illegal mining by, where feasible, repurposing infrastructure for alternative use by communities, and demolishing and rehabilitating decommissioned infrastructure where it is no longer needed.

Most disturbed areas at Hidden Valley actively support ongoing operations. Progressive rehabilitation mainly intends to stabilise exposed areas, prevent ground movement near critical infrastructure and limit off-site sediment transportation.

### Our approach

Our rehabilitation strategy objectives are to:

- Reduce our environmental liability and impacted footprint
- Utilise land for socio-economic activities
- Promote ecological value add
- Compile a rehabilitation and closure programme with an ecologically sound focus.

**GRI Standards**  
Prepared in accordance with 3-3, 304-1, 304-2, 304-3 and 304-4.

### Related SDGs



## Rehabilitation strategy



### Supporting a green economy



- Use rehabilitated mine land for generating alternative energy sources and reducing carbon emissions
- Plant vegetation to create a carbon sink.



### Socio-economic benefits



- Develop local host community entrepreneurs in rehabilitation and restoration.



### Final land use



- Support carbon removal programmes
- Conservation and biodiversity protection
- Create a net positive biodiversity gain.



### Revegetation



- Identify revegetation requirements to support post-mining land uses and ecosystems
- Manage alien invasive species.



### Responsible stewardship

- Responsible environmental impact management is a priority:
  - Demolition and rehabilitation of mining sites
  - Carbon sinks/offsets
  - Biodiversity offsets where necessary
- Enhance socio-economic benefits for host communities through holistic closure planning
- Strive to create and share value through resource inputs (human, financial, natural, manufactured, and social and relationship capitals).



## Land rehabilitation and management *continued*

### FY23 focus areas and performance

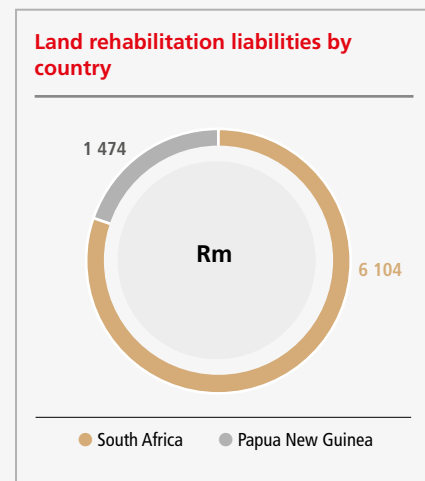
The undiscounted value of land rehabilitation liabilities amounted to R7.6 billion (US\$403 million) in FY23 (FY22: R7.1 billion/US\$437.9 million). The increase was due to higher diesel prices, rising inflation, and accommodating the footprint of the Eva Copper acquisition.

Cost-effective rehabilitation of our TSFs aligns with our decarbonisation strategy. By planting trees on TSFs to mitigate nuisance dust fallout and the risk of dam failure, we also offset residual GHG emissions from our operations.

Land rehabilitation liabilities (Rm)	FY23	FY22	FY21	FY20	FY19
South Africa	6 104	5 752	5 559 <sup>1</sup>	3 038	2 884
Papua New Guinea	1 474	1 374	1 306	1 378	1 039
Group	7 583	7 126	6 865	4 416	3 923
<b>Total (US\$m)</b>	<b>402.8</b>	437.9	438.0	244.0	278.0

<sup>1</sup> Following the acquisition of Mponeng and related assets.

Find more statistics in our [ESG data tables](#) on our website.



Find details on risks and liabilities in Harmony's [Form 20-F](#) on our website.

### South Africa

Harmony's total environmental liability for its mining operations in FY23 is R7.6 billion, with our total environmental liability in SA including surface operations being R6.1 billion as determined by the closure cost assessment completed in June 2023. We are fully funded as it relates to our environmental obligations in terms of the Minerals and Petroleum Resources Development Act.

Total land under our management is 88 157ha. Of this, 13 259ha is impacted by our mining-related infrastructure, services and activities, and as such, only 117ha was available for rehabilitation. In FY23, we successfully rehabilitated 72ha of the 117ha.

For over more than a decade, we have decommissioned and sealed shafts, removed headgear and demolished hostels. In FY23, we demolished buildings and concrete bases at Deelkraal plant and hostel and the security barracks in Gauteng and North West respectively. Once the demolition work was completed, the area was then profiled to ensure that it blends into the surrounding topography.

The closure and rehabilitation of our mine shafts has emerged as a crucial strategy in the ongoing battle against illegal mining activities in the regions we operate in. To date, we have demolished 46 shafts while rehabilitating broader footprints (former plants and ancillary service infrastructure). After the methane explosion, we have restated the number of closed shafts to 45 in FY23. In further effort to prevent illegal access to our underground workings, two shafts in the Free State have been sealed by a mass concrete cap. With the closure of these shafts, we don't only get the benefit of protecting the environment from further degradation but we also safeguard our host communities from the criminal elements associated with illegal mining. Through our security patrols and arrests made from 2019, it is evident that illegal mining underground has decreased as a result of our rehabilitation efforts. It is however important to note that despite this progress, dealing with illegal mining requires a concerted effort between SAPS, government authorities and local communities to ensure its success.

Our efforts to combat illegal mining are discussed on page 161.

In addition, and as part of our decarbonisation strategy we are continuously rehabilitating our decommissioned TSFs in the North West and Free State. To date, we have planted 84 835 trees at the toes and top of the TSFs whilst indigenous vegetation which includes turf and Rhodes grass were also planted at the top surface. The vegetating of TSFs is vital to prevent water pollution and wind erosion and should allow for the creation of sustainable basal cover that prevents both water and wind erosion. Additionally, vegetation and planting of trees also has a variety of other benefits such as the sequestration of carbon, improved visual impact, dust suppression, the potential removal of metals from the tailings material and biodiversity enhancement. Our mission remains to rehabilitate land and reduce our emissions by 2045, through the repurposing of mining land into tree plantations to sequester carbon emissions.



## Land rehabilitation and management *continued*

### Rehabilitation and socio-economic development in South Africa

#### Integrating our environmental stewardship and socio-economic development imperatives

We integrate our environmental stewardship and socio-economic development imperatives in rehabilitating and reclaiming land, TSFs and waste rock dumps by:

- Seeking opportunities for entrepreneurs to use waste rock dumps after relevant radiation clearances
- Donating waste rock dumps with commercial quantities of recoverable gold to local communities (as per our shared ownership principle)
- Conducting extensive due diligence of community partners and providing protection against criminal groups involved in illegal mining
- Ensuring the success of these small businesses by assisting in building their technical and financial capacity.

It remains incumbent on us to contain our impacted footprint and seek responsible practices that avoid, mitigate and remediate negative impacts to create healthy ecosystems and societies. Our rehabilitation programme has already created 256 jobs, supported numerous local small businesses and decreased illegal mining activity.

Socio-economic development projects underway on rehabilitated land include:


- Labour-intensive removal of 6 655ha of invasive alien vegetation near Kusasaletu, Moab Khotson, Kalgold and Mine Waste Solutions
- Establishing commercially viable agri-businesses as well as subsistence agriculture on rehabilitated mine-impacted land in our host provinces, focusing on small-scale and commercial production in Welkom (Free State) and Orkney (North West).

Harmony has established an innovation platform in collaboration with Institute for Technology and Society to identify sustainable socio-economic development projects at scale that will unlock the full economic value of Harmony's land, water and redundant infrastructure. The projects aim to address Harmony's challenges associated with contaminated land and excess fissure water while creating socio-economic benefits for host communities, including opportunities for local farmers. The institute, through its network of innovation,

academic and business partners, gives Harmony access to a unique suite of innovative solutions and possible external partnerships and funding. In addition to the projects already initiated, our main focus remains on expanding feasibility of these pilot projects to a scale that can significantly offset the financial impact of Harmony's expensive fissure water pumping costs albeit through the agriculture and food production initiative for further development on beneficiation of biomass from rehabilitation.

 Our socio-economic development projects are outlined in [Empowering communities](#) on pages 146 to 151.

We also continue to support local communities generating income from waste rock reclamation near our Kusasaletu, Doornkop, Moab Khotson and Free State operations – including a growing number of entrants to this sector in Welkom and Klerksdorp (North West).

 Details on waste rock are under [Tailings and waste management](#) on page 85.

Our approach to repurposing infrastructure and land considers:

- Sale of land for sustainable human settlement and social and enterprise development purposes
- Applications for purchase of land or non-residential properties from entities or organisations (not individuals) registered in South Africa with majority black ownership of not less than 51%
- Assessments of land and non-residential properties earmarked for sale or donation for possible contamination and, where required, rehabilitation prior to the sale transaction or donation
- Donations primarily for land redistribution purposes to the relevant national, provincial or local government department.

We also provide social responsibility property leasing at nominal rates for our host community establishments (church groups, schools, daycare centres, welfare organisations and recreational facilities) with measures that prevent theft and vandalism and minimise security and maintenance costs.

## CASE STUDY

### Rehabilitating tailings dams for environmental and socio-economic benefits



*We have multiple TSF projects at many of our operations that integrate environmental stewardship and socio-economic development imperatives to drive our support of SDG 15. Harmony is taking action to reduce the degradation of land impacted by our mining activities and increase our efforts to restore natural habitats in affected areas.*

One of these projects is restoring vegetation at our TSFs. The vegetation of TSFs is vital to prevent water pollution and wind erosion, and should allow for the creation of a sustainable basal cover and promote ecological succession. Vegetation has a variety of other benefits such as the sequestration of carbon, improved visual impact, dust suppression, the potential removal of metals from the tailings material and biodiversity enhancement.

In alignment with the goals of our rehabilitation strategy, Harmony planted 650 indigenous trees (white and black karee, sweet thorn and river bushwillow) and other vegetation (turf and Rhodes grass) on the previously exposed 55ha top surface of the ARM 1 TSF in the Free State.

Enabling local socio-economic growth and development, we contracted a local external service provider to supply and plant the trees, and all earth moving equipment employees were from local companies. Additionally, the project contributed to job creation, employing 38 local people from the start of the project through to project completion and maintenance work.



## Land rehabilitation and management *continued*

### Papua New Guinea

We have always driven mine closure as an iterative and dynamic process that considers the environmental and social conditions as well as the economic wellbeing of the community. The Hidden Valley Mine closure-planning project progressed according to schedule in support of the submission of a final rehabilitation and mine closure plan to the state of Papua New Guinea, per statutory obligations. We pride ourselves on our efforts to engage all stakeholders and in building an understanding of our intent and design for closure. These communications lend to heightened trust between ourselves and landowners, earning us our licence to operate. In developing our closure plan, we strive to remediate our impacts and leave a productive and sustainable after use of the land.

Our progress during FY23 included:

- Completing geotechnical drilling campaign and site investigations to support feasibility-level biophysical closure design
- Conducting a series of workshops, including a site visit, with the Mineral Resources Authority and Conservation and Environmental Protection Authority to consider biophysical closure risks and issues, and the associated work programmes underway to address these
- Engaging an independent peer reviewer to support the programme
- Holding the first round of engagements with landowner, local level government, district administration and provincial government representatives
- Undertaking a socio-economic survey of mine landowner villages for critical insights into closure risks and issues and community aspirations.



Drilling campaign and site investigation at Hidden Valley to support closure design

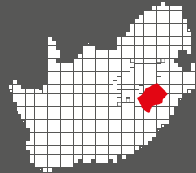


# CLIMATE CHANGE, ENERGY AND EMISSIONS **MANAGEMENT**

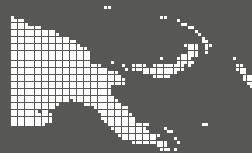


## Future focus areas

*The group will work towards delivering its approved SBTi target. This includes our commitment to reducing absolute scope 1 and 2 GHG emissions by 63% by FY36 from a 2021 base year.*



In South Africa we focus on delivering our phase 2 and 3 solar projects timeously; we continue to enhance our energy efficiency initiatives. We will be working with our suppliers to co-create a plan for their decarbonisation journeys and we should have completed studies on decarbonising our transportation pathways.



In Papua New Guinea, we continue to stabilise supply of hydropower and reduce our dependency on diesel.



In Australia, we are assessing alternative power supply options and mixes as part of our review and optimisation of the Eva Copper Project design to arrive at a life-of-mine strategy aligned with advancing our decarbonisation goals.

Our decarbonisation strategy is moving us towards a sustainable future by reducing our fossil fuel-based energy consumption and related costs.

Our current assets are predominantly deep underground mining operations, which are more energy intensive than surface mines, and in FY23 accounted for 89% of the group's total electricity consumption. Energy accounts for around 19% of our SA operating costs.

Electricity supply security, GHG emissions, climate change and carbon tax liabilities are material risks as we mainly consume energy from South Africa's coal-based grid. Eskom's erratic supply and above-inflation tariff increases in South Africa significantly impact our sustainability. The Hidden Valley Mine in Papua New Guinea also experienced energy supply challenges in FY23 when drought constrained the predominately hydropower Ramu grid.

## Our approach

Harmony's policies and strategies acknowledge the impacts of climate change on gold mining, society, the environment and the global economy and we appreciate the urgency to be deliberate with our actions. To achieve the United Nations Framework Convention on Climate Change objectives, we are pursuing the Paris Agreement's goal to limit global warming to 1.5°C by the end of the century with science-based targets and KPIs linked to our sustainability targets.

The group's climate change and energy policy statement responds to our current context and future ambitions. It is based on the following commitments:

- Integrate risks and opportunities associated with climate change and energy management into Harmony's business strategy
- Continue reducing our operations' carbon intensity by implementing emission reduction activities over time
- Keep tracking, managing, optimising and diversifying our energy use and minimising our reliance on fossil fuel-based energy sources
- Advocate for measures that promote technological innovation, address emission reduction challenges and advance the low-carbon transition of our sector
- Prioritise capital investment in emission reduction, energy and climate adaptation projects
- Proactively integrate climate change adaptation measures into Harmony to increase the resilience of our business and communities in the face of climate change impacts
- Maintain monitoring, tracking and reporting of Harmony's climate change impacts, actions and resilience.

## GRI Standards

Prepared in accordance with 3-3, 302-1, 302-2, 302-3, 302-4, 302-5, 305-1, 305-2, 305-3, 305-4, 305-5, 305-6 and 305-7.

## Related SDGs





## Climate change, energy and emissions management *continued*

### Meeting the requirements of our sustainability-linked and green loan facilities

Funding for our decarbonisation strategy is facilitated by Rand Merchant Bank, African Clean Energy Developments, African Infrastructure Investment Managers, Mahlako Energy Fund, Absa and Nedbank. The facilities amount to R4 billion and include:

- R1.5 billion green loan for phase 2 of our renewable energy programme
- Sustainability-linked R2.5 billion and US\$300 million revolving credit facilities and US\$100 million term loan.

The green loan will largely fund Phase 2 of our solar photovoltaic (PV) initiatives at our South African mining operations. The sustainability-linked facilities, aligned with our ESG and sustainable development targets, include the energy-related KPIs outlined on page 30.



Our targets are independently assured by a service provider who applies the sustainability-linked loan principles issued by, among others, the Loan Market Association. When we achieve our KPIs, we will receive interest savings. If we miss our targets, we will pay penalties.

### Decarbonisation strategy

Our decarbonisation strategy is an integral aspect of our environmental management approach. It acknowledges the global shift towards a low-carbon economy and transformation of our assets from high-energy to low-carbon consumers by:

- Advancing our surface reclamation programme to produce ounces at lower energy intensity
- Decommissioning energy-intensive and low-margin assets to avoid generating high emissions for low returns
- Driving efficiency programmes and enhancing our energy mix with a strong renewable and low-carbon energy pipeline (page 70).



In the short to medium term (FY23 to FY26), we remain focused on renewable energy sources needed for renewable electrification and transportation, ensuring we are well positioned to support the transition to a clean energy future.

We are also focused on growing our critical future metals and minerals portfolio. These sources also include our silver output from Hidden Valley and future copper output from Eva Copper and Wafi-Golpu.

Our progress and plans are summarised below.

### Decarbonising Harmony

Our decarbonisation strategy for South Africa aims to improve efficiencies and reduce our reliance on electricity suppliers through a substitution programme while we continue lobbying regulators to contain electricity tariff increases. Our cost and energy indicators and controls are reviewed by management and independently audited. In FY23, 41 energy optimisation projects were implemented resulting in an estimated saving of 295Gwh and a cost saving of R394 million (US\$22.2 million). Over 240 energy efficiency projects have been implemented since 2016 cumulatively saving over R1.7 billion (US\$114 million) in energy costs to date, equating to around 1.8Mt of CO<sub>2</sub> saved.



Bioenergy project, Free State, South Africa

Climate change, energy and emissions management *continued*

## Our renewable energy and efficiency rollout plan

2016 – 2045



Implementing energy mix and portfolio re-engineering initiatives to **reduce GHG emissions** to be net zero by 2045 (including carbon removal, agriculture, forestation and water beneficiation)



**Phased strategy** (page 75): solar PV, wheeling wind energy and hydropower and energy-efficiency projects

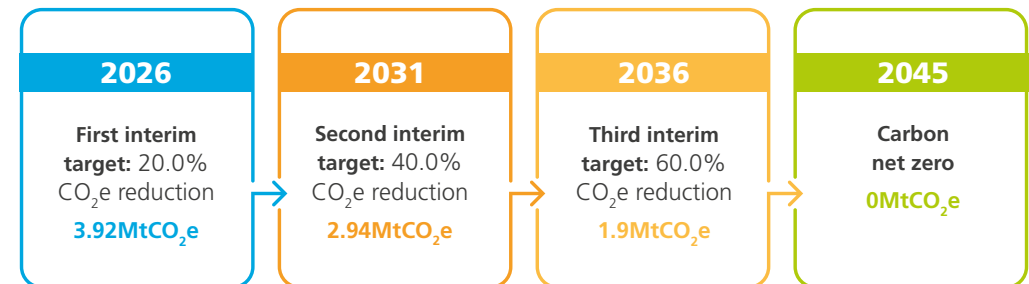


### Our renewable energy plan:

#### Decarbonising Harmony while reducing our electricity costs

FY23 Phase 1: 30MW	FY25 – FY26 Phase 2: 137MW	FY26 Phase 3: 56MW	FY26 Phase 4: 140MW
Energy generated per annum: 70GWh Carbon reduction of 62 000tpa	Energy generated per annum: 316GWh	Energy generated per annum: 130GWh	Energy generated per annum: 510GWh Additional wind renewable energy project to augment phases 1, 2 and 3

#### Our journey to net zero



## Cost savings – Decarbonising Harmony

FY23 Phase 1	FY25 – FY26 Phase 2	FY26 Phase 3 and 4
<ul style="list-style-type: none"> <li>• <b>Cost saving over 15 years:</b> R340 million (US\$21.0 million)</li> <li>• <b>Capital investment:</b> R5 million (US\$0.3 million) funded by power purchase agreement.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Estimated NPV over 15 years:</b> R3 billion (US\$159.4 million)</li> <li>• <b>Capital investment:</b> R1.7 billion (US\$114 million) on own build component</li> <li>• <b>Cost saving:</b> R425 million (US\$26.2 million) per annum for phase 1 and 2.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Capital investment:</b> Funded by power purchase agreement</li> <li>• <b>Cost saving:</b> R171 million (US\$10.5 million).</li> </ul>

### Our energy efficiency plan:

2008 – 2023	2023	2023 – 2026
<ul style="list-style-type: none"> <li>• <b>Ventilation</b> optimisation</li> <li>• <b>Compressed air network</b> optimisation</li> <li>• <b>Time of use</b> optimisation</li> <li>• <b>Excess capacity</b> utilisation</li> <li>• <b>Closed</b> deep-level and energy-intensive shafts</li> <li>• <b>Increased portfolio</b> of surface assets</li> <li>• Secured <b>hydropower increase</b> at Hidden Valley</li> <li>• <b>Eva Copper</b> acquired to supply vital metal for low-carbon economy.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Reduction</b> 1.6TWh</li> <li>• <b>Investment</b> R220 million (US\$11.7 million)</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Cumulative savings:</b> R1.7 billion (US\$114 million) and 1.8MtCO<sub>2</sub></li> <li>• <b>Planned energy reduction:</b> 1.5% per annum</li> <li>• <b>Estimated investment:</b> R73.4 million (US\$4.5 million) per annum</li> <li>• <b>Estimated savings:</b> R70 million (US\$4.3 million) per annum</li> </ul>

## Climate change, energy and emissions management *continued*

### Climate change report

#### Transparent disclosure of quantitative and qualitative financial and non-financial data on our journey to a low-carbon economy

Available on our website at [www.harmony.co.za](http://www.harmony.co.za), our climate change report aligns with TCFD, South African carbon tax and related National Treasury requirements included in our financial modelling to enhance our understanding of the likely impact of climate change on our business. We also include carbon pricing in our strategic and operational plans.



In line with global best practice, we publish a separate report on our carbon-related performance and associated risks, concerns and opportunities. To assess climate change risks, we conduct comprehensive scenario analyses in line with TCFD recommendations. Our analyses encompass physical and transition risks, considering factors such as chronic and acute weather outcomes, policy changes, technological advancements and market shifts.

*Our scenario analyses consider Intergovernmental Panel on Climate Change (IPCC) reports, including representative concentration pathways and shared socio-economic pathways so that our scenarios project global socio-economic changes up to 2100 and link physical risks from the representative concentration pathways to global climate policies and potential transition risks.*

*We continue to submit annual water performance reports to CDP.*

*As Harmony is committed to achieving net zero by 2045 in line with the Paris Agreement's aim to limit global warming to 1.5°C, our emission reduction targets (reducing absolute scope 1 and 2 GHG emissions by 63% by FY36 from an FY21 baseline) have been approved by the SBTi.*

### FY23 focus areas and performance

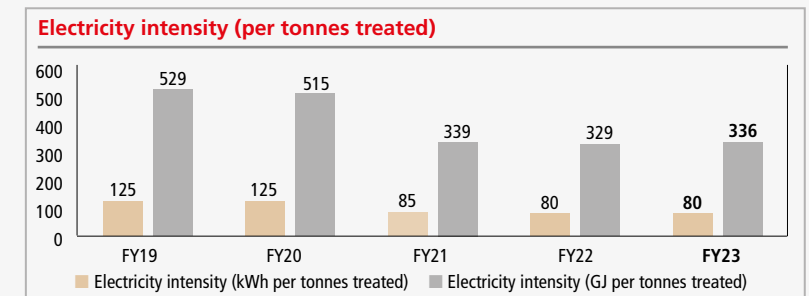
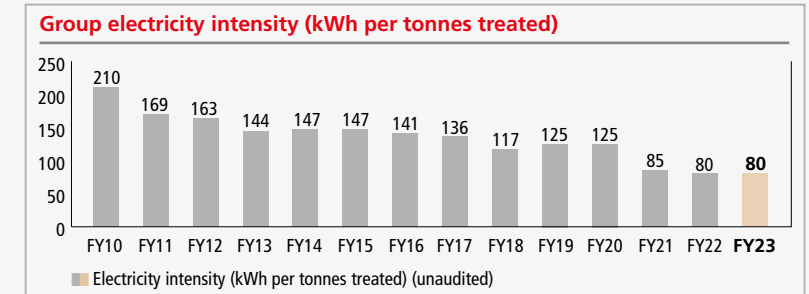
Energy consumption remains a significant financial and environmental concern for Harmony. Mining and extractive processes are highly energy intensive with a considerable impact on operating costs. In FY23, total electricity consumption due to underground mining was 3.6% lower.

We reduced our electricity intensity by 46% over the past 10 years with our commitments to optimise energy efficiency and climate change mitigation. The graph below illustrates the success of our energy management programme, supported by our service provider, ETA Operations.

Mponeng and Mine Waste Solutions positively impact our performance. Although Mponeng is a deep-level mine, Mine Waste Solutions is less energy intensive as a high-volume surface tailings retreatment operation. In tandem, these operations decrease energy intensity per tonne of ore treated.

Phase 1 of our renewables programmes is fully implemented and Phase 2 has been approved by the board. We have also implemented small scale solar projects at Nufcor and our Randfontein offices.

Find more statistics in our [ESG data tables](#) on our website.





## Climate change, energy and emissions management *continued*

### Improving energy efficiency by reducing consumption

FY23 was the first year of our SBTi-approved, five-year group environmental performance target cycle (outlined on page 56). We are on track to meet the target of 3.8Mt by FY27. In FY23, we reduced absolute carbon emissions by 0.44Mt (9.0%). We achieved this with ongoing investment in energy efficiency initiatives despite an 11.3% increase in scope 1 emissions as a result of greater reliance on diesel generators at Hidden Valley due to the drought constrained Ramu grid supply. Our scope 2 emissions decreased by 6.9% as a result of a lower energy consumption, as well as a 3.7% reduction in South Africa's coal-powered grid emission factor (CO<sub>2</sub> emissions per unit of electricity supplied).

<b>Group energy consumption (000MWh)<sup>1</sup></b>	<b>FY23</b>	FY22	FY21 <sup>2</sup>	FY20	FY19
Electricity	<b>4 111</b>	4 254	4 123	3 171	3 326
Diesel <sup>3</sup>	<b>686</b>	605	448	462	488
Other sources (petrol and heating oil) <sup>4</sup>	<b>64</b>	66	60	5	5
<b>Total</b>	<b>4 861</b>	4 925	4 631	3 638	3 819
Energy consumption intensity (MWh per tonnes treated)	<b>0.09</b>	0.09	0.09	0.14	0.15

<sup>1</sup> Annual UK government Department for Environment, Food and Rural Affairs conversion factors are used in Papua New Guinea to report GHG emissions. Technical guidelines for monitoring, reporting and verification of GHG emissions by industry are used in South Africa.

<sup>2</sup> Acquisition of Mponeng and Mine Waste Solutions operations from October 2020 (nine months reported in FY21).

<sup>3</sup> In Papua New Guinea, self-generated energy consumption is accounted for under diesel.

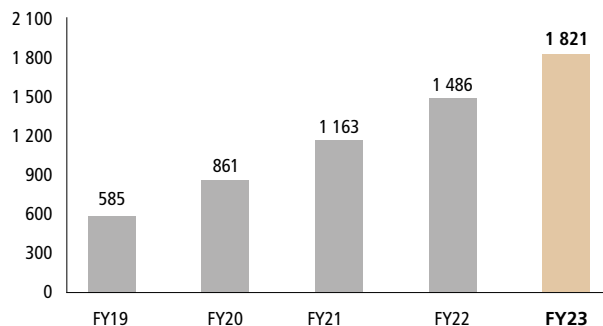
<sup>4</sup> Heating oil reported from FY21.

<b>Electricity consumption (000MWh)</b>	<b>FY23</b>	FY22	FY21 <sup>1</sup>	FY20	FY19
South Africa	<b>4 056</b>	4 191	4 020	3 051	3 209
Papua New Guinea <sup>2</sup>	<b>55</b>	63	103	120	117
<b>Total</b>	<b>4 111</b>	4 254	4 123	3 171	3 326
Consumption intensity (MWh per tonnes treated)	<b>0.08</b>	0.08	0.08	0.12	0.13

<sup>1</sup> Acquisition of Mponeng and Mine Waste Solutions operations from October 2020 (nine months reported in FY21).

<sup>2</sup> Papua New Guinea values updated to only reflect electricity purchases from bulk suppliers.

### Cumulative scope 2 and 3 savings (000tCO<sub>2</sub>e)



Water sprayers, bioenergy project, Free State, South Africa

## Climate change, energy and emissions management *continued*

### South Africa

Despite delays in commissioning solar plants, we accelerated our renewable energy roll-out plan (page 70) after the South African Revenue Service announced tax incentives for solar installations. Materials could not reach site due to community protests, excessive rainfall, underground fires and transportation constraints. In addition, the high-priced input materials such as solar panels, were not readily available.

Related risks and opportunities are outlined from page 15.

Additional challenges included Eskom's load curtailment (frequent requests to reduce power consumption) and tariff increases, which heightened the urgency to implement renewable energy projects.

The tariff increase in FY23 was 18.7%, which translates to around R1 billion in additional operating costs. Therefore we continue to focus on reducing our electricity consumption and dependence on Eskom's energy. We reduced reliance on Eskom by 134GWh by using 3.1% less grid electricity and adding 5.5GWh more solar power although this is not reflected in our consumption intensity as solar projects reduce carbon (not electricity) intensity. We will report the reduction in carbon intensity in FY24 as our solar projects have not yet operated for a full financial year.

While we pursue renewable energy options to reduce our dependence on fossil fuels and improve margins, we are aware of the need for more efficient energy consumption. Our energy efficiency initiatives focus on mine cooling, compressed air, water management and ventilation. We saved R395 million with these initiatives in FY23.

To date, we have implemented over 200 energy efficiency initiatives at our operations. Energy management projects generating the most significant annual savings include the following:

### FY23 energy-saving projects

Operation	Project description	Description	Annual cost savings (Rm)
Kusasaletu	IGVs on main fans	IGV control implemented to improve ventilation supply.	8
	Deelkraal fan optimisation	Improved ventilation supply through main fan control.	10
	Optimised compressor control	Optimisation of underground users (leak fixing and compressed air valve control).	3
	Optimised refrigeration and dewatering control	Water system optimisation initiatives, eg services audits, water control valves and improved utilisation of available dam capacities.	7
Moab Khotsong	Optimised compressor control	Optimisation of underground users (leak fixing and compressed air valve control).	3
	Optimised control of refrigeration units	Improved refrigeration network control and monitoring at Great Nologwa.	2
	Inlet Guide Vanes (IGVs) on main fans	IGV control implemented to improve ventilation supply at Great Nologwa.	3
Phakisa and Nyala	Optimised compressor control	Implemented compressed air valve control and synchronised it with the Missing Person Locator (MPL) system.	1
	Nyala fan optimisation	Seasonal ventilation control based on ventilation requirements.	3
Tshepong	Optimised refrigeration and dewatering control	Improved refrigeration and dewatering network control and monitoring. Water system optimisation initiatives.	13
	Tshepong fan optimisation	Optimised fan running combinations according to downscaling management plan.	7
Mponeng	Reverse running pump generation	Successful implementation of Mponeng 110L reverse running pump.	3
	IGVs on main fans	IGV control implemented to improve ventilation supply at Tau Tona.	1
General	Power Factor Correction	Improved control and monitoring of power factor correction banks at the operations.	7
	Small Scale Solar	Nufcor and Office Park solar installations.	1

## Climate change, energy and emissions management *continued*

### Papua New Guinea

We used 41% (FY22: 52%) grid power and 59% (FY22: 48%) diesel-generated electricity at Hidden Valley. The increase in total energy consumption was attributed to increased tonnes milled and harder ore mined from the Big Red vein, which also increased the milling index (meaning more power was required to crush harder rock to the required size). Diesel-generated electricity increased when La Niña-influenced drought constrained PNG Power’s hydropower capacity. Water in Yonki Dam, serving the Ramu hydropower station, was critically low for most of the year. Smaller run-of-river hydropower plants were also restricted to approximately 30.0% of normal supply to the Ramu grid. This led to intense loadshedding until these conditions eased and the hydropower generation recovered. Commissioning of the PNG Forest Products-owned 11.6MW Baime hydropower plant in March augmented PNG Power supply.

These events led to reconsideration of our plans to isolate Hidden Valley from the Ramu grid and receive power directly from the nearby Baime hydropower station on account of broader provincial and community energy needs. We continue monitoring this opportunity.

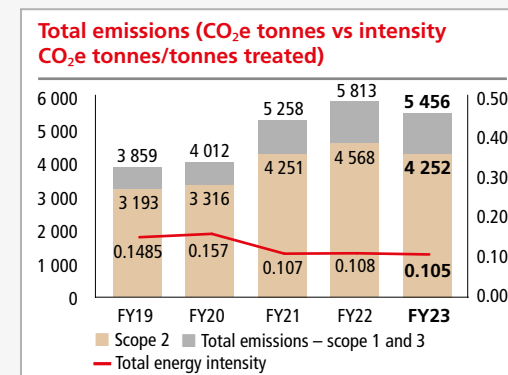
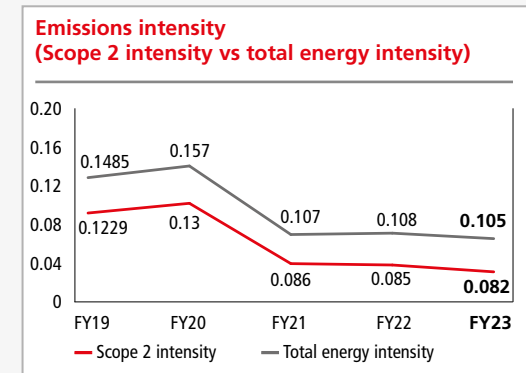
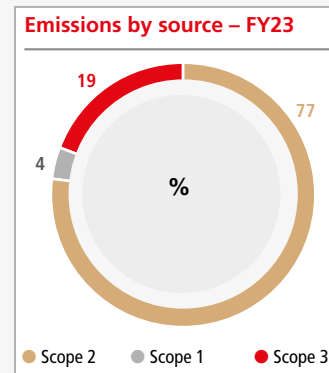
### Australia

The May 2020 Eva Copper feasibility study and December 2021 update, prepared before we acquired the asset, proposed gas-fired power as the life-of-mine solution for the project. In keeping with our climate change commitments, we are revisiting our power source and energy mix as part of our detailed review and optimisation study. We are assessing alternative power supply options and mixes, including integration of renewables into project design and future opportunities related to the Queensland government’s CopperString project. We are working with various stakeholders, including the government-owned Powerlink Queensland, which will construct and manage CopperString, to understand future power supply options.

We expect our optimised study to present a life-of-mine strategy that provides reliable power supply to Eva Copper and advances our decarbonisation goals.

### Reducing GHG emissions with renewable energy initiatives

Most of Harmony’s emissions are scope 2 as South Africa uses fossil fuel-generated electricity (evident in the graphs below). Energy efficiency initiatives (page 73) ensured the reduction in our GHG emissions. While we are seeing a downward trend in energy intensity since FY20, the upward climb in total emissions since FY20 is due to the recent acquisition of the AngloGold Ashanti (AGA) assets. The AGA assets were a quality acquisition for all facets of our business, including our environmental performance. That said, the step down of total emissions in FY23 is a function of our aggressive renewable energy and efficiency programmes.



<sup>1</sup> Scope 3 emissions for FY21 are restated from 748 016 to 870 851 as we updated the calculation methodology for sodium cyanide and caustic soda at Mine Waste Solutions.



## Climate change, energy and emissions management *continued*

### Driving decarbonisation through renewables

We have been building and commissioning renewable energy projects at our South African operations since May 2022 to reduce Harmony's carbon footprint. Our progress in the phased roll-out of these projects is outlined below.

#### PHASE 1

##### 30MW solar power (commissioned in May 2023)

- **Cost saving over 15 years:** R340 million (US\$21 million)
- **Carbon reduction:** 62 000t a year
- **Capital investment:** R5 million (US\$0.3 million).

Harmony has effectively added 30MW of installed capacity behind-the-meter solutions. As one of the first IPP projects to close under recently amended legislation, this facilitates the growth of the private power industry in South Africa. It also paves the way for companies to become more power-independent, reduce emissions and procure predictably priced power. Procurement of private power helps to diversify our energy sources and addresses the energy shortage in South Africa.

IPPs sell renewable energy through long-term power purchase agreements, at cost-effective tariffs that escalate predictably over 15 years, while generating an acceptable return for their shareholders.

#### PHASE 2

##### 137MW solar power (by FY25)

- **Estimated net present value (NPV) over 15 years:** R2.5 billion (US\$134.1 million)
- **Carbon reduction over 25 years:** 4.6Mt
- **Capital investment:** R1.7 billion (US\$92 million) for the first 100MW, and the remaining 37MW allocated to an independent power producer.

An additional 137MW of renewable PV energy, to generate 318GWh of clean power, will be installed at one of our longer-life mines (Moab Khotsong), to deliver R425 million (US\$26.2 million) a year in electricity cost savings at first production. The feasibility study was completed as planned at the end of December 2022. A gatekeeping review on 30 January 2023 approved construction of a 100MW solar PV plant (Moab Khotsong, Great Noligwa and Noligwa gold plant). All required Environmental Approvals were received. Detailed designs and procurement process is in progress. Harmony will begin this project in December 2023. The balance (37MW) will be built under a power purchase agreement (PPA).

#### PHASE 3

##### 56MW solar power (by FY26)

- **Estimated NPV over 15 years:** R716 million (US\$44.1 million)
- **Carbon reduction:** 1.17Mt
- **Capital investment:** None as plants will be built and operated by IPPs.

Request for Proposal (RFP) to purchase 56MW of solar power for Harmony (under the PPA) is in progress. Negotiations are also underway with preferred service providers about wheeling (over the Eskom network) another 140MW of wind-generated energy to augment the phase 1 and 2 initiatives with 194GWh of clean power.

**Total cumulative savings over 15 years once phase 3 is operational is estimated at a NPV of**  
**R3.6 billion (US\$222 million\*).**

\* At a future estimated exchange rate of R16.22.

## CASE STUDY

### Reducing greenhouse gases



*Harmony's decarbonisation strategy is guiding our operations to net zero GHG emissions by 2045 with a transition pathway. The pathway includes energy efficiency, portfolio re-engineering, improving our electricity mix, adaptation and decarbonising our transportation sector. This ensures we effectively navigate the challenges and opportunities presented by the global shift to a low-carbon economy. We are intent on also addressing our supply chain, albeit that it is only 18% of our emissions profile.*

The first step on our journey to net zero is to reduce GHG emissions through operational efficiency initiatives such as switching to renewable energy and neutralising our carbon footprint by using land under our control for carbon removal where other means of emission reduction are not feasible. Our decarbonisation strategy is facilitating this journey while Harmony pursues growth objectives.

We are developing several renewable energy projects across our South African footprint. Phase 1 of this programme, supplying 30MW of solar power through an independent power producer, is complete with installations at Tshepong, Nyala and Eland commissioned in May 2023. The second phase, constructing 137MW of photovoltaic electricity generating plants at various Harmony operations, began simultaneously with a view to commissioning in FY25.

Apart from reducing GHG emissions and positioning Harmony as a leader in the global race to decarbonisation, incentives driving our renewable energy programme include cost savings through purchasing less grid electricity from our constrained supplier, Eskom.

We are also re-engineering our portfolio through strategic, value-accretive acquisitions. Harmony allocates capital to projects that contribute to decarbonisation and address climate challenges. This includes leveraging our gold and copper reserves so that Harmony is able to supply growing demand for copper and silver used in renewable energy and electric vehicles.

Our reputation as a socially and environmentally responsible mining company is reinforced by working with the Federation for a Sustainable Environment to build our host communities' resilience to the impacts of climate change.

Our decarbonisation strategy and its implementation are outlined on page 70.

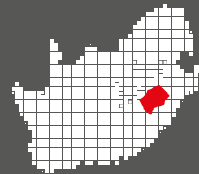


# WATER USE



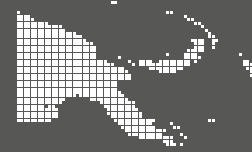
## Future focus areas

*The group will remain committed to significant capital investment in increasing our water recycling ratio and reducing potable water intake by materially adjusting our water sourcing profile in line with industry best practice and local sustainable development objectives.*



In South Africa, to offset potable water consumption and reduce reliance on municipal supply, we will continue building water treatment plants at various operations (Mponeng and Covalent in FY24 and Margaret in FY25). We will also increase our water recycling ratio and reduce potable water intake, particularly at Doornkop, to meet efficiency targets.

We will continue to support our local government on its WaSH initiatives for doorstep communities. (For further information on WaSH refer to page 148)



In Papua New Guinea, to reduce manganese levels in seepage from the waste rock dumps, we will implement a number of amendments to waste rock management, dump construction, material verification, placement and monitoring. This will in turn minimise the potential for impacts to the local river system.



In Australia, we continue to evaluate multiple water supply options as part of the Eva Copper Feasibility Study Update to define a sustainable solution for the project. We are committed to engaging with stakeholders on this matter to understand partnership and mutually beneficial opportunities for water supply within the broader region.

Potable water is crucial for our mining and processing activities, employees and host communities as well as our growth and development.

Harmony faces water scarcity in South Africa and Australia but a positive water balance in typically high-rainfall Papua New Guinea.

### Our approach

It is a business imperative to manage water consumption and secure water supply. To maintain our social licence to operate, acknowledging climate change, we manage and mitigate our impact on catchments by protecting water quality and the volume of potable water available to surrounding areas.

Our water management policy guides the group's approach with water management strategies adapted to the different climatic conditions of each region. This understanding of water management and related risks is embedded across our operations. Water security and risks are integrated into managing long-term strategic business objectives and financial planning, driven from executive level, having evolved from a strategy to practical and relevant actions across the group.

Complying with legislation in our host countries where we return water to source, we aim to ensure responsible water treatment and discharge into the receiving environment.

Refer to our case study at the end of this section for details of our journey to date and future plans.

**GRI Standards**  
Prepared in accordance with 3-3, 303-1, 303-2, 303-3, 303-4 and 303-5.

### Related SDGs





Water use *continued*



## Water use *continued*

### Potable water consumption

As water is a vital natural resource in mining and processing activities, our objectives are to:

- Mitigate the impact of water scarcity with improved efficiencies, substitution of potable supplies and maximising recycling
- Ensure compliance with regulations
- Reduce costs and increase revenue through the establishment of water treatment plants
- Ensure that this water becomes available for our communities' basic needs.

📄 Absolute potable water consumption is one of the KPIs of our sustainability-linked funding agreement (page 30) concluded in June 2022. This KPI is material to our core sustainability and business strategy, and addresses a relevant socio-environmental challenge in our industry.

We focus on reducing potable water demand at our operations to reduce supply pressure on constrained local water utilities. We thus also improve local municipal systems' climate change resilience. In addition, our integrated water management and social investment strategies support our water, sanitation and hygiene programmes. Our successful water recycling initiatives drive these efforts.

📄 Refer to the securing potable water supply for stakeholders case study on page 83.

### FY23 focus areas and performance

Harmony's operations measure volumes of water used and recycled at least monthly. Our focus areas for the year included:

- Proactive water risk management
- Stakeholder engagement and collaboration, including engagements about constructing additional water treatment plants
- Managing and mitigating water discharge
- Water recycling and reducing potable water intake
- Beneficiating water in partnership with our peers and utilities.

### Group targets

Water KPIs	Five-year baseline target (FY23 to FY27)	Year 1 (FY23)		
		Target	Actual	Achieved
Water intensity improvement (% kl/tonne treated)	10.0	2.0	9.0	✓
Water recycling (Water recycled % of total water)	50.0	10.0	77.0	✓
Reduction in potable water consumption (% of total water used)	10.0	2.0	5.0 <sup>1</sup>	✓

<sup>1</sup> On track to achieve sustainability-linked loans target of 19 436ML reduction in potable water consumption by FY25 from a baseline of 21 083ML in FY21.

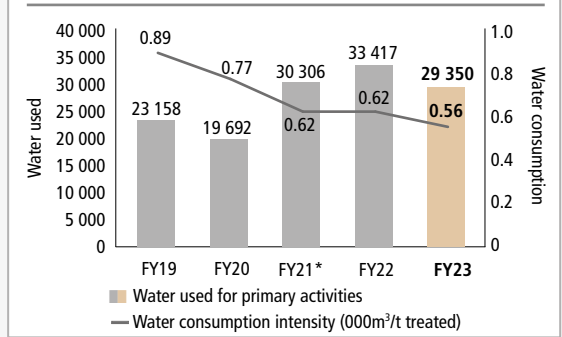


In the past year:

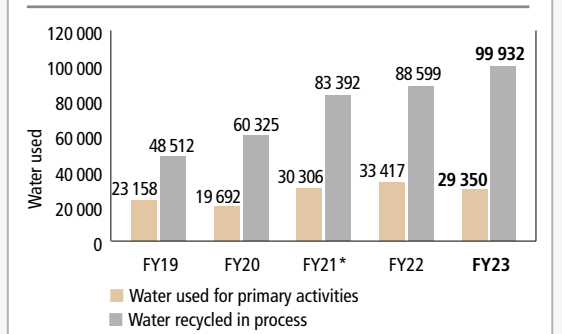
- Water withdrawal from municipal sources was 68.0% and 32.0% from surface and groundwater sources
- Water discharge decreased by 4.0% mainly due to the increased production at Hidden Valley and the operation of the RO plants at Harmony One plant and Target thus increasing water recycled
- We recycled 77% of our water mainly due to the increased production quantities at Hidden Valley, the RO plants that came into operation, and improved monitoring at the operations
- Water intensity decreased by 9.0% as potable and non-potable water consumption decreased group-wide despite production increases and Bambanani and Kopanang plant closures.

📄 Find more statistics in our [ESG data tables](#) on our website.

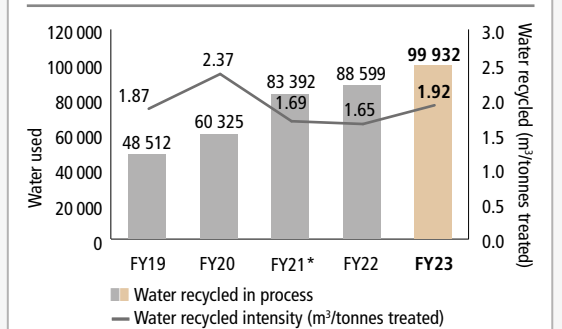
### Water use



### Water recycled (000m³)



### Water recycled (000m³) intensity



\* Mponeng and Mine Waste Solutions acquired in FY21.

## Water use *continued*

### South Africa

We often depend on municipal water, exposing the group to tariff increases and supply shortages. Water availability is unpredictable in some parts of the water-stressed country where it is critical for our current and future operations, particularly hydraulic tailings.

Water-stressed areas are determined by the World Resources Institute's aqueduct tool that plots water-related risks on an atlas. The baseline is the ratio of total water withdrawals (domestic, industrial, irrigation, and livestock consumptive and non-consumptive uses) to available renewable surface and groundwater supplies. Renewable water supply availability impacts upstream users and large downstream dams.

### Water management strategy

Our water management strategy, committed to climate change mitigation and adaptation, supports water conservation and demand management, including optimisation to secure supply during a protracted drought. It also considers the sustainable development of businesses and host communities.

Harmony's climate change scenario analysis indicates water security is a risk due to extreme storm and drought events and higher temperatures that could affect the underground environment and food security. We manage this risk through various initiatives and water use monitoring across our operations.

In FY23, we embarked on a proactive risk management strategy, aligned with our group water management strategy, covering three key areas:

- **Water balances optimisation** at all our South African operations ensuring applicability and relevance for effective strategic planning
- **Digitisation** (real-time data, agile responses and geographic information system and plume monitoring)
  - Plume monitoring led to the recommissioning of 13 interception boreholes to intercept a possible plume towards the Vaal River, and promote reuse of this water within our processing facilities
  - We intercepted approximately 4Ml/day and aim to reuse at least 8Ml of intercepted water from December 2023
- **Data assurance** (monthly and quarterly reviews and external audits).

### Water use, treatment and discharge

Three plants treat our process water to potable quality for many of our underground operations. Recycling our process water reduces our potable water consumption and operating costs. In line with our zero discharge aspiration, we use more of our own mine water liberating fresh water for other users.

Find details in our CDP water submission [online](#).

In FY23, we continued feasibility studies, and engagements with water specialists on the construction of three additional water treatment plants in the North West and Free State provinces. These plants will:

- Ensure water security and reduce pumping costs for our operations
- Treat excess water to potable standard for our operations and water suppliers (Rand Water and Midvaal)
- Provide economically viable irrigation for high-income crop cultivation in adjacent communities
- Reduce our overall potable water consumption at our operations.

In water-scarce regions such as Gauteng and the North West, our two water companies (Covalent and Margaret) add strategic value by de-risking the climate change impact on our business and communities in future.

Covalent and Margaret remain valuable assets with beneficiation and commercialisation opportunities. Harmony acquired these water companies to manage dewatering from adjacent historical mine voids. Covalent pumps an average of 20Ml/day to avoid flooding at Mponeng (5Ml/day is reused by the mine and the rest is discharged into the nearby Wonderfonteinspruit). Margaret pumps an average of 23Ml/day, mostly recycled in the Moab Khotsong and Mine Waste Solutions reticulation circuits.

Local farmers also use high-quality dolomitic water discharged by our water companies. This positively impacts the adjacent Vaal River and secures water quality for downstream users.

We ensure our water use positively impacts upstream and downstream users by engaging with stakeholders through regional water management agencies, including the Far West Rand Technical Working Group, KOSH (Klerksdorp, Orkney, Stilfontein and Hartbeesfontein) mine water forum and the Free State government task team. As orebodies are contiguous, many mines are in the same water-scarce catchments. This warrants a collaborative, coordinated approach, particularly in the KOSH area where underground fissure water increases as mines downscale.



## Water use *continued*

In the western basin, we collaborate with Sibanye-Stillwater through its Cooke shafts closure programme to prevent water ingress into our Doornkop operation. High rainfall, theft and vandalism of water pipelines and electric cables thwart our efforts. This negatively impacts local reticulation systems and holding capacities, causing spillages and non-compliances.

### Doornkop

As part of the directive received, Doornkop committed to monitoring the discharge water quality on a weekly basis, which included pH, electrical conductivity, total dissolved solids, chloride and sulphate. Refer to Environmental stewardship section for more information.

### Target

During the most recent discharge that occurred, pH, electrical conductivity, chloride, sulphate, and nitrate was monitored and measured to determine if mine affected water impacted the quality of the pan. Since the Voëlpan was affected by other sources of pollution not related to Harmony's discharge, the impact on the pan from mine affected water was considered negligible.

Refer to [Environmental management and stewardship](#) section for more information.

While striving for zero discharge, Kusasalethu discharges fissure water (an average of 1.5Ml/day). The water is treated underground before it is sent to the surface for safe discharge. Our Joel operation is also authorised to discharge purified sewage effluent into the Theronsspruit (187 610m<sup>3</sup>/annum). The discharge water quality is checked on a regular basis to ensure that it meets the authorised quality parameters as stipulated in the relevant authorisation permits, especially for the following chemical parameters pH, electrical conductivity, absorbed oxygen, chemical oxygen demand, free and saline ammonia, phosphates, nitrates and faecal coliforms.

Delays in water use licence approvals by the regulator impede our strategic plans to construct infrastructure that will uphold compliance and DWS audit requirements.

## Water use categorised by water quality (MI)<sup>1</sup>

		FY23	FY22	FY21	FY20	FY19
<b>Water withdrawal</b>						
Potable water from external sources <sup>2</sup>	Fresh water	<b>20 029</b>	21 190	19 468	14 576	15 933
	Other water	—	—	—	—	—
Surface water	Fresh water	<b>2 252</b>	2 144	2 695	2 570	3 252
	Other water	<b>225</b>	612	89	118	798
Groundwater <sup>3</sup>	Fresh water	<b>223</b>	304	218	191	337
	Other water	<b>6 620</b>	9 166	7 836	2 238	2 838
<b>Water discharged<sup>3,4</sup></b>						
Surface source	Fresh water	<b>2 643</b>	2 160	891	246	547
	Other water	<b>2 418</b>	3 138	2 896	2 918	2 130

<sup>1</sup> Harmony's moisture-in-ore data is part of our water disclosure project (WDP) reports.

<sup>2</sup> Decrease due to the operation of the Reverse Osmosis Plants at Target and Harmony One Plant, as well as the newly installed sand filters at Saaiplaas.

<sup>3</sup> Restating FY21 water discharge figures for surface source and FY22 figures for water withdrawal from groundwater and water discharged to surface water to be aligned with the WDP reported figures.

<sup>4</sup> Increased production at Hidden Valley and the operation of the Reverse Osmosis Plants at Target and Harmony One Plant.

## Water use categorised by water-stressed areas (MI)<sup>1</sup>

		FY23	FY22	FY21	FY20	FY19
<b>Water withdrawal</b>						
Potable water from external sources	Arid and low water use	—	—	—	—	—
	Low	<b>12 641</b>	14 553	13 669	11 289	12 597
	Low-medium	<b>1 776</b>	945	716	601	177
	High	<b>5 612</b>	5 692	5 083	2 686	3 159
Surface water	Arid and low water use	—	61	89	113	207
	Low	<b>2 477</b>	2 695	2 695	2 575	3 843
	Low-medium	—	—	—	—	—
	High	—	—	—	—	—
Groundwater <sup>2</sup>	Arid and low water use	<b>267</b>	315	178	194	376
	Low	<b>6 512</b>	9 090	7 789	2 120	2 642
	Low-medium	<b>64</b>	65	71	64	89
	High	—	—	16	52	68
<b>Water discharged<sup>2,3</sup></b>						
Surface water	Arid and low water use	—	—	—	—	—
	Low	<b>2 521</b>	3 278	3 031	3 008	2 130
	Low-medium	<b>309</b>	392	—	—	—
	High	<b>2 231</b>	1 628	756	156	547

<sup>1</sup> Harmony's moisture-in-ore data is part of our WDP water disclosure project reports.

<sup>2</sup> Restating FY21 water discharge figures for surface source and FY22 figures for water withdrawal from groundwater and water discharged to surface water to be aligned with the WDP reported figures.

<sup>3</sup> Increased production at Hidden Valley and the operation of the Reverse Osmosis Plants at Target and Harmony One Plant.

## Water use *continued*

### Fresh water use intensity (MI/tonnes treated)

	FY23	FY22	FY21	FY20	FY19
Potable water from external sources	<b>0.384</b>	0.394	0.395	0.573	0.613
Surface water	<b>0.048</b>	0.051	0.057	0.106	0.156
Groundwater	<b>0.131</b>	0.176	0.164	0.096	0.122

### Water companies' water use (MI)<sup>1,2</sup>

		FY23	FY22	FY21	FY20	FY19
Water sold	Covalent	—	—	37	n/a	n/a
	Margaret	<b>2 055</b>	3 259	4 020	3 231	3 100
Water pumped	Covalent	<b>4 730</b>	5 688	6 948	n/a	n/a
	Margaret	<b>5 900</b>	6 411	5 447	4 339	3 684
Water discharged to surface source	Covalent	<b>4 730</b>	5 688	6 948	n/a	n/a
	Margaret	<b>2 528</b>	3 245	1 072	737	584

<sup>1</sup> Harmony has a 66.0% share in Margaret Water Company.

<sup>2</sup> Covalent was acquired in FY21, therefore no information is available for FY19 and FY20.

### Papua New Guinea

At Hidden Valley, steep topography, high rainfall and low evaporation create a year-round positive water balance. This presents significant environmental challenges, particularly in managing water discharge from the mining site into the surrounding environment.

### Water management strategy

Our management approach includes:

- Controlling rainfall run-off to prevent erosion and sediment entering the Watut River system
- Recycling site water to limit water stored in the TSF and reduce extraction from surface water sources
- Treating wastewater before discharge where necessary.

### Water use, treatment and discharge

Higher production at Hidden Valley in FY23 saw a corresponding 17% increase in total water usage over the year. Per tonne of ore milled, our water use in FY23 and FY22 remained constant.

We primarily extract water from Pihema Creek, a tributary of the Watut River, and prioritise process water recycling to limit extracted volumes at Hidden Valley. A cyanide detoxification plant, beside our TSF, treats wastewater before discharge to Pihema Creek or the Upper Watut River. We measure the quality of our discharges and the potential impact of our operations at the compliance point in Nauti village, 18km downstream of Hidden Valley, in accordance with our environmental permit. This compliance monitoring continued to detect low-level exceedances of dissolved manganese during FY23. We manage this by amending our waste rock management practices to reduce manganese levels released from our waste rock dumps. Other metals remain below water quality criteria.

Verified by independent Australian consultants, the objectives of Hidden Valley's acid and metalliferous drainage management plan, and waste rock dumping strategy, remain appropriate to limit acid and most soluble metals discharge from landforms to the Watut River system. Manganese at current levels detected in the river is unlikely to significantly impact the river system as recorded concentrations remain well below conservative international ecosystem protection guidelines. We routinely provide updates to the regulator, outlining the ongoing monitoring programme, results and potential remedial actions.

We also addressed non-compliance of permitted sewage treatment plant effluent quality criteria at the Ridgeline camp site with various initiatives to improve its performance.

### Australia

We are evaluating options to secure a sustainable water supply for the Eva Copper Project where site conditions are analogous to the water-scarcity challenges experienced in South Africa. Water conservation and recycling initiatives are planned to be critical components of the water balance for developing and operating this asset. While water deficits are a challenge in this region, the project site will also be subject to extreme rainfall events and periods of flooding which pose challenges to a zero discharge philosophy. Optimising water management infrastructure is a key component of the in-progress engineering design focus for Eva Copper.





# CASE STUDY

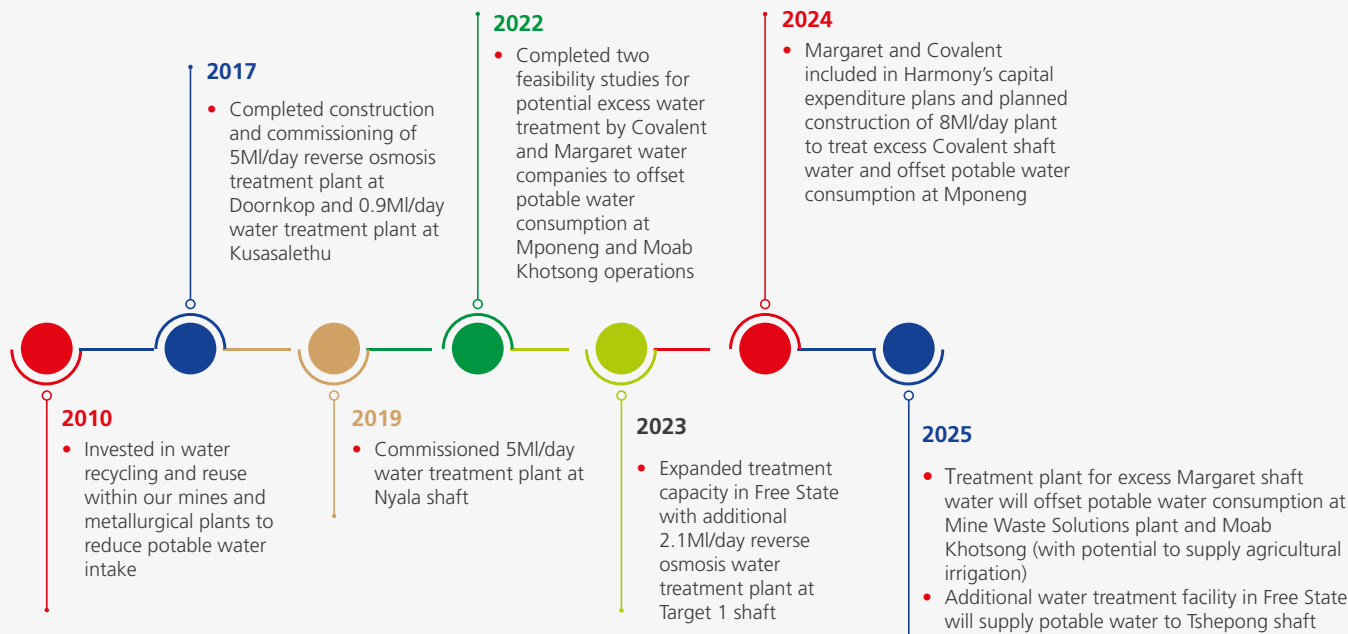
## Securing potable water supply for stakeholders



*Harmony’s water management strategy, recognising that water is critical for mining and processing activities and development, acknowledges the importance of securing potable water supply for our host communities and operations, especially in water-scarce areas.*

We have committed significant capital to increasing our water recycling ratio and reducing potable water intake – a crucial aspect of maintaining our social licence to operate – with the main objective to conserve our natural resources by improving our water efficiencies through reuse and recycling.

Our ongoing investments in water treatment plants secure potable water supply and reduce our dependence and impact on the natural resources we share with our host communities. Beyond compliance with Department of Water and Sanitation directives, our Margaret and Covalent water companies pump excess water from closed mines near our Mponeng and Moab Khotsong operations to reduce the risk of flooding and financial liability for adjacent operating mines and ensure the safety of our employees and host communities.



Witpan, Welkom and Harmony One plant



## CASE STUDY

### Collaboration is key for a win-win solution to water scarcity



*Like Harmony, many mining companies pump large volumes of water from underground operations to ensure sustainable and safe mining. This is an opportunity in waiting if we could beneficiate this water for society as an end user especially in water stressed regions. We identified this as an opportunity to partner with several stakeholders to collaboratively prevent potable water scarcity in our host municipalities.*

Through engagements with Harmony, industry peers and other water supply companies, Rand Water identified a need for and launched a feasibility study on the Far West Rand to evaluate the viability of incorporating excess mine water into local water supply systems. Harmony and other mining companies have shared their regional water balances, pumping volumes, qualities and demand with Rand Water. The information will help build a sustainable business case for potential regional water treatment schemes. If successfully implemented, this initiative could benefit the mines, Randwater and our communities. We are encouraged by positive feedback and will continue to support the plan.

Harmony is also supporting the Council for Mineral Technology (Mintek) to secure funding for developing a strategy that will mitigate water-related environmental and socio-economic impacts of mine closure on the Far West Rand.

As members of the Minerals Council South Africa environmental policy committee, we also continue to support regulatory structures such as the government task team on mine closure, led by the DWS and DMRE, fostering collaboration between mines and other regional stakeholders to adequately address the potential risks and liabilities associated with mine flooding and decant after closure.

Considering Harmony's intent to be a long-term, sustainable water user, it is critical for us to secure access to good quality water and continue leveraging synergies in incorporating excess mine water into regional supply schemes while fostering mutually beneficial and meaningful stakeholder relationships.

## CASE STUDY

### Demonstrating our commitment to sustainable water use



*Harmony continuously aims to reduce our reliance on potable water and improve our water conservation efforts.*

During the year, Harmony launched several initiatives that resulted in significant potable water savings:

Initiative	Advanced leak detection methodologies at Phakisa, Tshepong and Bambanani	Fissure water supplement in Mponeng ice plant	Water recycling improvements in Target fridge plant
<p>Potable water savings</p>	<p>1.2MI/day</p>	<p>1MI/day</p>	<p>0.4MI/day</p>

Harmony also automated the in-stope waterjet cutting equipment at Kusasaletu and Tshepong to shut down when not in use, preventing water wastage and saving costs. To date, 80 waterjets have been converted and water consumption at these operations has reduced by 3.5MI/day. The additional benefits of this initiative are evident in substantial pump-related cost savings of approximately R17 million in FY23. We are rolling out this initiative at Moab Khotsong where we expect to report results in FY24.

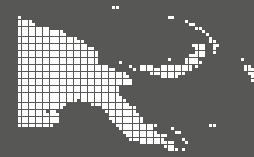
Our water conservation initiatives, including the use of alternative water sources such as underground fissure water, contribute to our self-sufficiency, minimise water wastage, save costs and ultimately reduce our environmental impact. To this end, we continue to investigate additional initiatives.

# TAILINGS AND WASTE MANAGEMENT

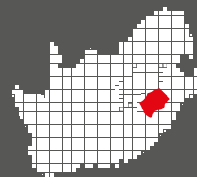


## Future focus areas

*The group remains focused on managing our factors of safety to beyond compliance levels, coupled together with responsible rehabilitation of tailings dams that show no further prospects in re-mining. Looking for opportunities to beneficiate these dams as part of our recycling initiatives, remains top of our agenda as we complete our feasibility studies in the Free State and Carletonville areas. Part of our intention is to consolidate tailings dams for ease of management and risk mitigation. As an added bonus, land becomes available for social development opportunities.*



In Papua New Guinea, we will be closely monitoring the effectiveness of our waste rock management strategy to minimise the potential for impacts to the local river system.



In South Africa, we will maintain our successful approach to TSF management as this delivers the desired results to ensure that our dams are safe, stable and compliant. Harmony is further driving beyond compliance and this philosophy will be carried into the next financial year.



In Australia, we are considering best practice in the design and future construction of our tailings dams. This presents a huge opportunity to plan for eventual closure, and we assimilate closure principles from planning to design construction and deposition.

Gold mining companies worldwide acknowledge the potential harmfulness of tailings and waste, and understand the imperative to proactively mitigate associated risks to communities and the environment within our sphere of influence. We also know the inherent opportunity to reprocess this material with substantive competitive advantages including maximised benefits for the environment. It is technically low risk, non-labour intensive, non-energy intensive, safer and a lower cost option to conventional mining.

Globally, we are the largest producer of gold from the retreatment of old tailings dams, making us a major player in the circular economy. Harmony's tailings retreatment presents a fantastic opportunity, given the abundance of resources in old gold tailings dams in the Free State, North West and Gauteng regions. We continue to invest in these low-risk, high-margin operations through our Kareerand tailing storage facility extension at Mine Waste Solutions. Construction is now fully underway following permitting delays. We are also conducting studies to determine the feasibility of converting 5.7Moz in resources to reserves in the Free State region.

Harmony manages 84 TSFs in South Africa and one in Papua New Guinea as part of the mining process, which includes deposition of waste material in TSFs.

### GRI Standards

Prepared in accordance with 3-3, 301-1, 301-2, 301-3, 306-1, 306-2, 306-3, 306-4 and 306-5.

### Related SDGs



## Tailings and waste management *continued*

### Our approach

Robust and meticulous engineering and dam design, continuous risk management, and layered assurance and oversight provide integrity, stability, environmental and legal compliance for our TSFs. Responsible and effective waste management is also a priority to reduce our environmental impacts and mitigate associated liabilities. We include guidelines on mineral, non-mineral and hazardous waste materials in operations' environmental management systems.

### Tailings management

Our good standing is verified by:

- International Mining Industry Underwriters (IMI) annual audits of operating TSFs
- International Cyanide Management Institute (ICMI) audits every 18 months
- Mine residue deposit updates to the Department of Mineral Resources and Energy every two years
- Quarterly reports by accredited consulting engineers in South Africa and Papua New Guinea
- Third party audits and Independent Tailings Review Board oversight in Papua New Guinea.



### Global tailings management standard



#### Integrating social, environmental and technical considerations

Aspects of the Global Industry Standard on Tailings Management (GISTM) augment our protocols for optimal stabilisation of TSFs. Harmony will revisit this when the GISTM releases supporting technical guidelines. We expect the updated South African National Standard (SANS) 10286 on tailings dam design to be revised accordingly. Our final decision on GISTM implementation depends on publication of the revised SANS 10286 standard.

In the meantime, as per the GISTM's integrated tailings management approach, published in 2020, we continue enforcing exemplary tailings dam design, engineering, operation and decommissioning standards with controls dictated by the terrain. This includes construction of buttresses around our tailings dams to improve integrity, at a cost of R200 million (US\$10.6 million) over the past two years, as well as surface water management, reclamation and recycling. We increase our factors of safety to ensure that we protect downstream communities and the ecosystems

Read more about the GISTM at <https://globaltailingsreview.org/global-industry-standard>.

In South Africa, we also apply ISO 14001:2015 environmental standards to our tailings facility management.

### Waste management

Waste management includes generation, handling, storage and transport as well as recycling, retreatment and/or disposal.

Understanding the cost of waste management enables effective planning for new projects and mine closure. Pragmatically, we maximise recycling and waste reduction during life-of-mine, and design waste minimisation and reclamation plans (including mineral waste rock used as an aggregate in construction and infrastructure development) to curtail our total mining footprint.

### Cyanide Code

*Voluntary industry programme for safe management of cyanide, and cyanidation of mill tailings and leach solutions*

Our plants uphold the International Cyanide Management Code for the Manufacture, Transport and Use of Cyanide in the Production of Gold (the Cyanide Code). The outcomes of audits by an independent third party are outlined in the table below.

Plant	Cyanide Code status
Harmony One	✓
Target	✓
Noligwa	✓
Kusasaletu	✓
Doornkop	✓
Savuka <sup>1, 2</sup>	✓
Mponeng	✓
Central <sup>1, 3</sup>	✗
Saaiplaas <sup>4</sup>	✘
Kalgold <sup>4</sup>	✘
Mine Waste Solutions <sup>1, 4</sup>	✘
Hidden Valley <sup>4</sup>	✘

✓ Compliant   ✗ Non-compliant   ✘ Not registered

<sup>1</sup> TSF reclamation.

<sup>2</sup> The only compliant reclamation site.

<sup>3</sup> Not deregistered (quarterly update submitted to the ICMI).

<sup>4</sup> Our Kalgold, Saaiplaas and Mine Waste Solutions plants in South Africa, are not registered as these plants do not meet all Cyanide Code certification requirements however still operate under the principles of responsible cyanide management as envisioned by the cyanide code. Recertification of the Hidden Valley plant in Papua New Guinea is in progress.



## Tailings and waste management *continued*

### FY23 focus areas and performance

#### Tailings management

Of the 84 tailings facilities under management, there are 18 operational, 11 remaining and 55 dormant and inactive facilities in South Africa – all operational facilities use upstream deposition, incorporating day wall and basin or upstream cyclone deposition.

Hidden Valley's TSF is designed and operated in accordance with the Australian National Committee on Large Dams (ANCOLD) guidelines. The facility comprises two cross-valley embankments (main and saddle dams) constructed in terms of the downstream build methodology. It is the first large facility of this kind to operate successfully in Papua New Guinea.



Reclamation of tailings facility at Savuka

#### Daily tailings management focus areas

##### Overtopping/ Slope failure

- Lack of freeboard
- Penstock status
- Basin shape/profile

##### Foundation failure

- IMIU annual audits and monthly inspections

##### Progressive failure

- Seepage and sloughing
- Erosion

##### Liquefaction

- Seismic events
- Pore water
- Pressure

##### Operational status

- Infrastructure management
- Controlled/ authorised deposition

Our interventions include, among others:

- Freeboard control
- Water management
- Maintaining stability and safety (as advised by the engineer of record)
- Erosion controls
- Monitoring and control measures implemented to ensure compliance
- Dust fallout management (page 93)
- Emergency preparedness, response training and awareness sessions for communities near Harmony's TSFs.

We conduct regular inspections, audits and meetings at various intervals with subsequent actions and reports ensuring we deliver the desired outcomes. Areas of concern are addressed and resolved by management, the appointed experienced deposition contractor and specialist consulting engineer who assist with operation, maintenance and management of the facilities to ensure global best practice.

Freeboard management (safe water levels on top of TSFs) remains critical for legal compliance at operational facilities as part of a long-term strategy. Excessive water should not accumulate on facilities except at night for controlled decant during the day. Kareerand continues to decant without ceasing as this facility holds a specific volume of water. Drone technology supports monthly freeboard surveillance. Despite extremely high rainfall in South Africa over the past two years, we maintain freeboard and stability at our TSFs.

At Hidden Valley, continuous compliance in maintaining sufficient freeboard is an important element of overall mine operating conditions as is minimising free water on the facility surface given the high annual rainfall in the area and the site's positive water balance. Water drawn from the TSF is either recirculated to the process plant for reuse or passed through a treatment system before controlled discharge.

Our remined facilities focus on accurate water control through effective management and establishment of containment paddocks in general and mined-out areas. We remine most facilities from the top to the bottom of the face to minimise the risk of sloughing and inundation. To maintain a stable slope face, we have stopping limits on the angle-controlling monitoring gun.

On dormant and inactive facilities, we primarily use containment paddocks in the basins and berms to lower groundwater levels and dry out the tailings dam. In addition, we repair side slopes after rains while ensuring safe and proper access routes to the top of tailings facilities. We also maintain solution trenches around the tailings facilities and monitor return water to the plants.

## Tailings and waste management *continued*

### South Africa

Internal compliance audits conducted confirmed our satisfactory tailings dam performance. In addition, independent audits by an external assurance provider concluded that 97.56% of material recommendations were closed or in the process of being closed out. In most cases, our standards exceed legal requirements, and our surveillance and investigative work is comparable with international standards.

Remedial work was done on these TSFs:

- St Helena 123 (Saaiplaas plant): A slime buttressing programme is being implemented
- Target 1 plant: Drainage and stability improvements was completed on the eastern flank
- Dam 23 (Central plant): enhanced our drainage and rock cladded for erosion control and planned a rock buttress in FY24
- Brand D (Central plant): plan to improve drainage and build a rock buttress for overall stability.

Our TSFs comply with codes of best practice. This was evident during abnormally high rainfall in FY23 when our tailings dams remained safe and without noticeable risk. We maintained legal freeboard at all times.

International Mining Industry Underwriters (IMI) provides annual audits on all TSFs to provide assurance that these facilities are in good condition and aligned with global practices. IMI's risk ratings confirmed our commitment to proactive risk management and business continuity management for the calendar year 2023. Our tailings dams are assessed against the most conservative measures to assure industry-leading stability and to align with our company strategy which includes responsible stewardship and operational excellence.

TSF status	Tailings management strategy			
	Operation	Inspection	Monitoring	Periodic review
Operating (18)	✓	✓	✓	✓
Remined (11)	✓	✓		
Dormant (55)		✓		✓

### Papua New Guinea

Independent review of the Hidden Valley TSF was conducted on 6 June 2023 by GHD in accordance with ANCOLD standards. GHD found that the safety status of the Hamata TSF1 is assessed as satisfactory subject to continued review of overall stability during raising to ensure downstream zones are raised appropriately while the focus is on crest raising, and that the current level of construction monitoring, surveillance and operational control is maintained.

Works on TSF2 at Hidden Valley are progressing with TSF1 reaching the final designed height at 2017mRL. TSF2, which repurposes the Hamata open pit for tailings storage, will also be compliant with ANCOLD guidelines. The new facility will have a single cross-valley embankment. Early warning systems have been installed to safeguard downstream communities in the event of an emergency.

### Wafi-Golpu Project deep-sea tailings placement

We remain confident that deep-sea tailings placement is the safest, and most environmentally and socially responsible tailings management solution for the project

The Wafi-Golpu environmental permit, secured in 2020, approves construction and operation of a deep-sea tailings placement system as the preferred solution after investigating on-land and submarine options.

Submarine tailings placement is used in six countries and at three operations in Papua New Guinea. Terrestrial tailings sites examined for the project present significant risks and constraints, given high seismicity, rainfall, topography and soil type. A surface tailings facility would severely impact heritage sites, communities, and productive and ecologically sensitive land. Alternatively, tailings deposition in the Huon Gulf, from an outfall at some 200m depth, would mix with natural sediments from various rivers as they flow down the submarine Markham Canyon and settle on its floor. The tailings would represent only a small percentage (less than 20.0%) of the total sediment flow in the area. Markham Canyon does not have clear water suitable for most fish life and lacks biodiversity due to significant volumes of natural sediment.

Wafi-Golpu expects to place over 360Mt of tailings over its 28-year life. After mine closure, natural sediment loads will continue and eventually bury deposited tailings. Tailings placement would occur well below the productive ocean surface layers and is not predicted to affect the coastal environment, biologically productive surface waters, community health or fisheries. At the boundary of the proposed mixing zone in the Huon Gulf, tailings discharges would be diluted to levels that meet Papua New Guinea water quality criteria as well as Australian and New Zealand water quality guidelines for marine aquatic ecosystem protection.

We continued stakeholder engagement on the Wafi-Golpu Project, including the deep-sea tailings placement method, throughout FY23.

## Tailings and waste management *continued*

### Waste management

Our mining and extractive processes generate **mineral** and **non-mineral** waste. Mineral waste comprises tailings and overburden, often viewed as a Resource in waiting. Non-mineral waste is classified as hazardous and non-hazardous, and managed by recycling or reuse, off-site treatment or disposal to on-site landfills.

### Group targets

Waste KPIs	Five-year baseline target (FY18-22)	Five-year baseline target (FY23-27)	Year 1 (FY23)		
	Cumulative actual	Year 5 (FY27)	Target	Actual	Achieved
Non-hazardous waste recycled <sup>1</sup> (%)	40.0	70.0	14.0	68.0	✓

<sup>1</sup> Includes timber, plastic and steel.

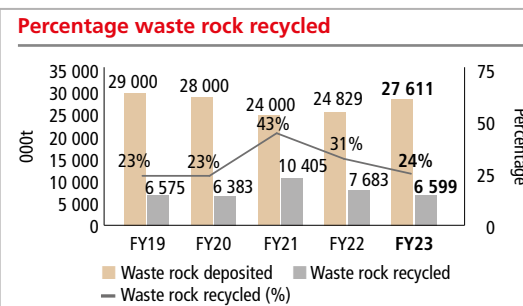
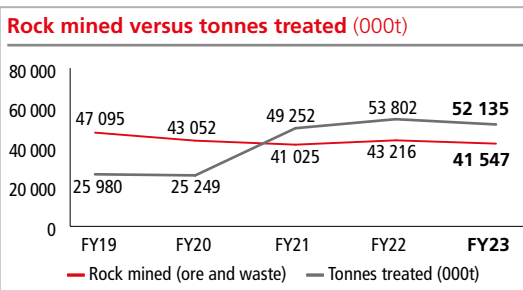
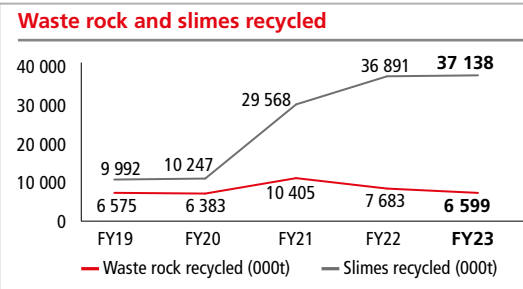
### Mineral waste

Effective mineral waste management reduces our aesthetic and land use challenges, particularly during mine closure, as well as potential water and air pollution while maximising recovery of ore, minerals and metals with significant cost and energy savings. Although waste rock is not as valuable as a gold mineral resource, it is useful as plant grinding media and backfill plant feed. It is also a resource in the aggregate industry.

Meeting our internal five-year target to reclaim at least 10% of our total available mineral waste footprint depends on the market, provincial infrastructural needs, and capacity to support repurposing activities.

In the past year:

- Waste rock recycled decreased by 14.0% due to load curtailment at Mispah gold plant
- Slimes recycled increased by 0.6% due to increased processing at Savuka plant
- Rock mined (41.5Mt) decreased by 3.9%.



Our year-on-year increase in mineral waste is due to waste stripping in cutbacks at Hidden Valley.

🔗 Find more statistics in our [ESG data tables](#) on our website.

### Compliance at Hidden Valley

Tests confirmed that manganese in waste rock dump seepages originates from co-disposal of oxidised (weathered) and potentially acid-forming material. To limit this, we isolate high-risk material in separate waste rock dumps. This revised waste rock management practice will inform refinements to operational waste management practices and landform designs for closure.

We are also in the process of updating our acid and metalliferous drainage management plan, which identifies several additional improvements to waste rock management, dump construction and monitoring. The overarching acid and metalliferous drainage management strategy at Hidden Valley remains appropriate to limit acid and most soluble metals released from the dumps to the Watut River (outlined under water use on page 82).

Manganese is not considered a significant environmental hazard at the current concentrations detected in the receiving environment based on scientific literature which suggests that the acute and chronic toxicity of manganese to many freshwater biota is low at these levels.



## Tailings and waste management *continued*

Committed to inclusive mining and our social purpose, we ring-fence some of our waste rock generated from our underground operations for local businesses and entrepreneurs in South Africa. This supports our relationships with legitimate licensed artisanal and small-scale operators in our host communities as follows:

### South Africa

#### Gauteng



We continue to investigate the feasibility of waste rock dumps creating employment through aggregate initiatives. This would enable local participation in economic development and make economical use of a liability.

Additionally, the land is available for rehabilitation when waste rock dumps are cleared.

#### North West



We are engaging with host communities in Orkney on the reclamation of the Scott rock dump, which will be donated to the local municipality to benefit residents.

#### Free State



In a commercially sustainable venture, in Welkom surplus waste rock has been processed by local aggregate producers for over a decade.

We continue to explore opportunities to work with local community representatives from Allanridge and a black economic empowerment entrepreneur to establish additional aggregate producers.

We plan, build and operate our waste management assets at Hidden Valley in a manner that maintains rigorous governance and stakeholder support.





## Tailings and waste management *continued*

### Non-mineral waste

We ensure responsible storage, treatment and disposal of non-mineral waste in line with group environmental standards integrated into ISO 14001 systems.

We aim to minimise hazardous waste disposal by directing our waste streams, mainly hydrocarbons, to accredited repurposing institutions, such as the Recycling Oil Saves the Environment (ROSE) Foundation, or appropriate landfills.

Other initiatives reduce, reuse and recycle effluent from our operations. This is part of our effluent management process, which monitors, measures and reports our effluent discharges to prevent pollution or minimise, mitigate and remediate its harmful impacts.

Actively promoting waste stream recycling, our reclamation programme repurposes used underground equipment and infrastructure in our salvage yards for use within our operations. We also achieve our transformation objectives by including emerging local entrepreneurs in this initiative.

Group waste generated	FY23	FY22	FY21 <sup>1</sup>	FY20	FY19
<b>Oils and grease</b>					
Grease used (t)	475	524	552	424	506
Lubricating and hydraulic oil used (Ml)	2.7	3.0	3.0	2.5	3.2
Recycled oil – repurposing hydrocarbons to landfill (000l)	742	698	527	813	978
<b>Hazardous waste</b>					
Tailings (Mt)	51	52	47	24	24
Waste rock deposited (Mt)	28	25	24	28	29
Hazardous waste to landfill (t)	1 501	803	524	250	399
<b>Recycled waste</b>					
Waste rock recycled (000t)	6 599	7 683	10 405	6 383	6 575
Timber (t)	3 251	2 727	3 121	1 868	2 377
Steel (t)	13 781	8 889	8 739	5 863	7 765
Plastic (t)	489	591	625	509	479
<b>Total recycled waste (000t)</b>	<b>6 617</b>	<b>7 695</b>	<b>10 417</b>	<b>6 391</b>	<b>6 586</b>
<b>Total general waste generated from operational salvage yards</b>	<b>25 644</b>	<b>20 470</b>	<b>12 485</b>	<b>8 241</b>	<b>10 621</b>
<b>Mineral waste intensity (tonne/tonne treated)</b>	<b>1.52</b>	<b>1.43</b>	<b>1.44</b>	<b>2.05</b>	<b>2.05</b>
<b>General waste intensity (tonne/000tonne treated)</b>	<b>0.49</b>	<b>0.38</b>	<b>0.25</b>	<b>0.32</b>	<b>0.41</b>

<sup>1</sup> Includes Mponeng and related assets.

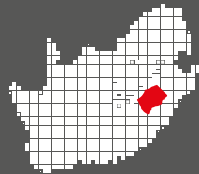


# AIR QUALITY



## Future focus areas

*Improvements in Particulate Matter emissions will continue to receive priority at our gold plants, through better operational control, the use of improved quality activated carbon and changes to more efficient abatement equipment where necessary.*



In South Africa, we will continue rolling out mitigating measures (installing barriers such as artificial netting or trees, dust suppressants and rehabilitative vegetation). The success of these measures depends on communities' cooperation in preventing theft and vandalism of equipment, including R6 million (US\$0.3 million) irrigation to be installed at Doornkop in the coming year.

We will also review our dust monitoring programme to ensure it is appropriate. This will include reducing PM exceedances at operations by improving process controls, upgrading equipment where necessary and implementing preventive maintenance programmes.



In Papua New Guinea, our focus remains on implementing our monitoring programmes, commensurate with project phase, site activities and informed by compliance requirements.



In Australia, our focus is on establishing our baseline monitoring programme at Eva Copper.

### GRI Standards

Prepared in accordance with 3-3 and 305-1, 305-2, 305-3, 305-4, 305-6 and 305-7.

### Related SDGs



## Our mitigation measures aim to reduce atmospheric emissions from our gold plants and operations.

Primary atmospheric emissions from our gold plants are sulphur oxides, nitrous oxides (NO<sub>x</sub>) and particulate matter (PM) as well as dust fallout from our operations (including TSFs). We manage these air pollutants with an environmental strategy that aims to protect our host communities and the environment.

### Our approach

We measure our primary atmospheric emissions against the conditions of our licences for each plant, and our formal complaints system addresses public concerns with immediate investigation and corrective action.

Our gold plants meet legislated thresholds with occasional PM exceedances. We address these exceedances by ensuring we use high-quality carbon as part of our multidisciplinary risk management process, which includes GHG emission reduction programmes. We thus identify, monitor and mitigate all emissions at company and asset levels.

📄 Find more details in our [TCFD report](#).

Our South African operations apply the American Standard for Testing and Materials method (D1739) in dust fallout monitoring and mitigation at our operations and TSFs across the group. These operations also apply with the National Environmental Management: Air Quality Act's national dust control regulations in collecting and analysing dust fallout.

Monitoring often indicates other fugitive dust sources with tailings fallout. We record exceedances as non-compliance and implement remedial measures when exceedances are due to our mining activities. Other sources include algal growth in wet seasons as well as soil and other organics that may contaminate samples.

At our Hidden Valley operation, and Wafi-Golpu and Eva Copper Projects, we conduct monitoring programmes commensurate with our activities and informed by compliance requirements. The location of these assets affords some separation from sensitive receptors. For the Wafi-Golpu and Eva Copper assets, the respective environment permit under Papua New Guinea regulation, and environmental authority under Queensland regulation, stipulate further PM and dust deposition requirements that will come into effect when mining activities commence.



**Air quality *continued***

**FY23 focus areas and performance**

This year, our focus areas included an increase in dust suppression and an accelerated tailings rehabilitation programme to prevent fugitive dust from creating a nuisance factor for our communities.

Over the past five years:

- PM intensity decreased due to improved management practices and understanding of plant processes, refinements in sampling methodologies for more accurate results and upgrades to both the abatement equipment as well as the processes could further reduce the amount of particulate matter that is recorded. In regard to dust fallout management, vegetation of more than 21 000 trees have been planted and 25.3ha of dryland grassing on six TSFs
- Sulphur dioxide (SO<sub>2</sub>) Intensity increased in FY22 due to increased concentration at one of the processing plants although it did not exceed the Section 21 limits in terms of National Environment Management: Air Quality Act (Act 39 of 2004). In FY23, a significant decrease is noted due to the successful plant upgrades to reduce SO<sub>2</sub> concentrations
- NOx intensity generally increased in the past five years as a result of the new acquisitions of operations including Mponeng and Mine Waste Solutions in FY21 that added to the group's NOx accountability. However, for the past three years since FY21, there has been a steady decrease due to the improved management practices and optimising plant processes at Mponeng and Mine Waste Solutions.

**South Africa**

In FY23, the regulator approved all required annual national atmospheric emission reports submitted by our operations. Our Mponeng gold plant also received recognition from the Gauteng Department of Agriculture, Rural Development and Environment for its NOx reduction programme.

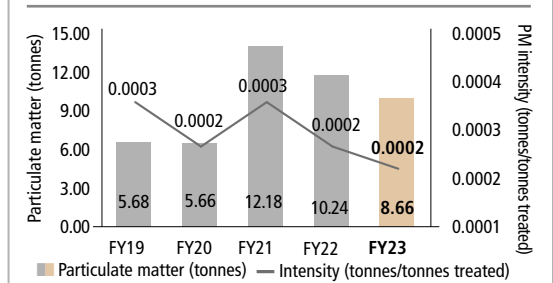
Although there were no reportable exceedances, we continued implementing our prevention interventions which included chemical suppression, netting, grassing, trees, irrigation and controlled maintenance in windy seasons. We continued to address concerns despite costly equipment theft and vandalism:

- Kusasalethu reduced the dust fallout from its TSF and improved air quality initiatives as part of land rehabilitation
- Mine Waste Solutions (including the Kareerand TSF extension), Moab Khotsoeng and Kalgold addressed PM and dust fallout exceedances through the use of better quality activated carbon (for point source emissions) as well as irrigation, chemical suppression, dust netting and vegetation initiatives being employed (for dust fallout exceedances)
- Mponeng improved NOx emission intensity from 35% to 25% by repairing an extractor fan in the smelter house
- Doornkop's TSF revegetation project and dust reduction on gravel haul roads were delayed by community unrests. Work is scheduled to start imminently
- Free State operations installed or moved 25 000m of netting (wind barriers) as well as having planted vegetation on top of TSFs to reduce dust emissions, in accordance with its dust management plan
- Norigwa gold plant reduced PM emissions with higher-quality activated carbon – we are extending this practice to Mine Waste Solutions.

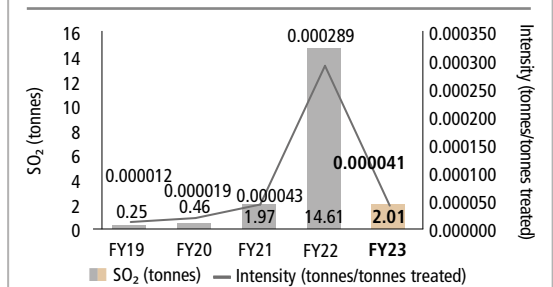
**Papua New Guinea**

At Hidden Valley Mine, dust emissions at our monitoring sites remained below permitted compliance limits and in line with historical trends. Average dust deposition levels were highest in October 2022 due to drier weather conditions experienced in the area at this time.

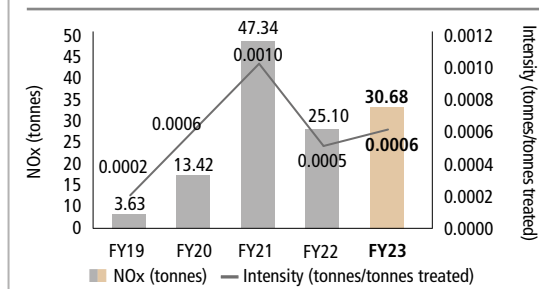
**South Africa: Particulate matter (TSP) emissions versus intensity\***



**South Africa: SO<sub>2</sub> emissions vs intensity\***



**South Africa: NOx emissions vs intensity\***



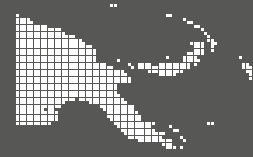
\* Nufcor is excluded from the emission totals. Totals for SO<sub>2</sub> and PM was restated for FY19 and FY20.

# BIODIVERSITY AND CONSERVATION

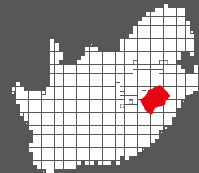


## Future focus areas

*The group will continue focusing on planning and designing biodiversity and climate change offset programmes. We will also accelerate our rehabilitation and mine closure programmes.*



In Papua New Guinea, our focus is on advancing our revegetation management plan as part of Hidden Valley closure planning project activities. This, together with associated rehabilitation trials, will help to guide successful future revegetation and rehabilitation of mine disturbance areas.



In South Africa, we will continue to focus on rehabilitation especially the eradication of the invasive alien plants. We will complete biodiversity assessments for new projects with potentially negative impacts whilst conserving protected areas. Our efforts are also channelled to building our partnerships to support the biodiversity impact offset objective.



In Australia, our focus is to further enhance our baseline understanding of the ecological composition at the Eva Copper site. This will stand us in good stead to monitor the impacts of our activities as the project moves to the next phase.


## Sustainable natural resource management policies govern our biodiversity impact assessments and progressive rehabilitation.

Operating in vulnerable ecosystems with various endangered and threatened species, we acknowledge the impact of our mining activities on the biodiversity and ecology of our host environments throughout life-of-mine and beyond. To limit this footprint, and mitigate and offset our impacts, we implement appropriate management systems and processes.

### Our approach

For net positive biodiversity gain in ecologically sensitive environments, as stipulated in our biodiversity and rehabilitation statement, our approach focuses on protecting, restoring and promoting sustainable use of terrestrial ecosystems while arresting and reversing land degradation. Our environmental impact assessments identify and map sensitive and protected species and ecosystems. This approach includes:

- Developing and implementing biodiversity management and action plans
- Eradicating invasive alien plants
- Identifying and implementing conservation programmes and offset opportunities.

 We consider land degradation in our environmental risk matrix (page 59) as a significant contributor to climate change. Land degradation generally refers to poor vegetation cover undermining plants' CO<sub>2</sub> absorption, increasing the likelihood of soil erosion during rain and dust storms (particularly on high arable land) and causing biodiversity loss. We mitigate this with biodiversity assessments (part of the environmental authorisation process) when we begin new projects or identify critical biodiversity and environmentally sensitive areas. We avoid these areas, where feasible, or mitigate unavoidable impacts with specialist recommendations such as continuous invasive alien plant eradication.

 Refer to our [Biodiversity Policy](#) on our website.

### GRI Standards

Prepared in accordance with 3-3, 304-1, 304-2, 304-3 and 304-4.

### Related SDGs



## Biodiversity and conservation *continued*

### FY23 focus areas and performance

We aspire to go beyond compliance with stringent environmental authorisation conditions and align our approach with our decarbonisation strategy. We cleared 6 655.5ha of invasive alien plants across the group (Kalgold: 740.0ha, Vaal River: 5 013.0ha, Moab Khotsong: 216.5ha, Kusasaletu: 610.0ha and West Wits: 76.0ha) in FY23. We replaced these plants with 13 000 trees at the toes and tops of our TSFs to manage seepage and nuisance dust fallout. Another 45 indigenous trees planted at our operations will improve air quality and address climate change.

Other ongoing activities include demolishing and sealing disused infrastructure, and rehabilitating our tailings dams, to continuously reduce our mining footprint, liberate and restore land for alternative use, and prevent illegal mining.

Challenges include illegal gold, sand and sandstone mining at Doornkop, and livestock overgrazing in local communities. This negatively impacts habitat and indigenous grasslands, and encourages invasive alien species growth. In other host communities across South Africa, untreated sewage released into the environment, including the mining area, also affects biodiversity and the conservation value of properties and pans.

In the coming year, Harmony in collaboration with the Endangered Wildlife Trust (EWT) is embarking on a journey to undertake an assessment of our biodiversity footprint, in accordance with the Biodiversity Protocol. This work will involve a gap analysis of existing data, a biodiversity footprint assessment, and target setting and scenario modelling thereafter. The ultimate goal would be to ensure that Harmony is able to implement net positive gains in the biodiversity sphere, including the consolidation of all net impact on ecosystems and material species, spatially over time.

### South Africa

Implementation of our approach is summarised below.

#### Biodiversity management and action plans



- Revisited our policy and strategy
- Conducted a gap analysis
- Working on management and action plans which will include:
  - Sensitive habitats (such as riverine systems along the Vaal River)
  - Wetland delineations
  - World Heritage sites and/or protected areas
- Establishing partnerships to progress our intent in respect of conversation and protection.

#### Invasive alien plant eradication



- Programmes developed and implemented at Kusasaletu, West Wits, Moab Khotsong, Kalgold and Vaal River.

#### Conservation programme



#### Biodiversity offsets and trade-offs

- Develop one offset project in each region to ensure net zero impact during life-of-mine
- Investigate carbon trading.

#### Land rehabilitation

- Continue demolition and rehabilitation programmes
- Determine land use in terms of capability
- Revegetate areas with indigenous grasses or create alternative, economically viable post-closure land use.

### Biodiversity management and action plans

Our long-life South African sites implement biodiversity management plans through mine closure and environmental management plans. These plans are based on assessments and align with biodiversity disclosure projects implemented across our operations. We plan to include biodiversity offsets for each area surrounding our operations as part of project planning.

In the North West, our Moab Khotsong operation is beside the Vaal River, the main tributary of South Africa's largest river, the Orange River. This is a critical biodiversity area with sandy and rocky grasslands, riverine and valley bottom wetlands, and endangered, vulnerable ecosystems (including endemic vegetation such as the critically endangered *Brachystelma canum* and *Aloe braamvanwykii*). Habitat loss in this province is due to agricultural activity in recent decades. According to the International Union for Conservation of Nature Red List of Threatened Species (Red List), the only critically endangered fauna is the white-backed vulture (*Gyps africanus*).

Our Free State operations are in the endangered Vaal-Vet sandy grassland conservation area and the western Free State clay grassland ecosystem, with one species of conservation concern living in these habitats.

In peri-urban Gauteng, our operations are not in critically endangered, endangered or vulnerable biodiversity areas but we protect near-threatened ecosystems and species.

### Invasive alien plant eradication

We map identified invasive alien plants and divide infested areas into prioritised management units. We began in FY16 at Kusasaletu (some 5 000ha of the surface mining right area cleared to date) with annual assessments and indigenous species conservation. We use the same approach at Vaal River, Moab Khotsong, Kalgold and West Wits. We plan to extend this programme to Doornkop where we preserve sensitive wetlands and rocky outcrops.



## Biodiversity and conservation *continued*

### Papua New Guinea

With the third largest block of unbroken tropical forest and the largest tract of primary forest remaining in the Asia-Pacific region, Papua New Guinea supports over 5% of the world's plant and animal species. Some two thirds of flora and fauna are endemic. Morobe Province, where our Hidden Valley and Wafi-Golpu assets are located, hosts various habitats and flora and fauna communities. The Huon Peninsula, forming most of the province, has moderate to high species richness with various threatened mammal fauna. Of the province's 3.3 million hectares, two-thirds is forest, and lowland forests are heavily deforested or degraded.

Over a long period, human activities have disturbed the area around Hidden Valley. The area is home to several mammal and bird species protected under Papua New Guinea's Fauna (Protection and Control) Act 1976, the Red List and the Convention on International Trade in Endangered Species of Wild Fauna and Flora. Vulnerable or endangered fauna includes two tree kangaroo species (*Dendrolagus dorianus* and *Dendrolagus goodfellowi*), the long-snouted or giant echidna (*Zaglossus bruijini*), the rare nectar bat (*Syconycteris hobbit*) and the New Guinea harpy eagle (*Harpyopsis novaeguineae*).

Hidden Valley operations remained within a confined footprint in FY23 and for many prior years.

At Wafi-Golpu, as part of baseline characterisation, three ecological subdivisions have been used to assess the national conservation status of principal forest types across the project area:

- Floodplain forest vegetation is assessed as Vulnerable, as it has reduced by more than 30% over the past 50 years due to ongoing commercial logging across Papua New Guinea
- Mixed hill forest is not assessed as threatened, as it has an estimated occurrence of 13.3 million hectares across Papua New Guinea, and its reduction is estimated to be less than 30% over the past 50 years
- Swamp forest is not assessed as threatened, due to its difficulty to access and because drainage and clearing of swamps for agriculture is not widespread in Papua New Guinea.

We have recorded seven fauna species of conservation significance as part of ecological studies. One is classified as critically endangered, three as vulnerable, another as near-threatened and the rest as data-deficient. Two other near-threatened species, Doria's goshawk (*Megatriorchis doriae*) and forest bittern (*Zonerodius heliosylus*), are likely or potentially located in the terrestrial ecology study area.

Wafi-Golpu Project design includes extensive efforts to avoid potential biodiversity impacts, minimising unavoidable impacts, and considering restoration and offset opportunities. We will assess these findings as the project advances beyond permitting stage.

### Australia

The project site for Eva Copper is located in the Cloncurry region of north-west Queensland. The project site and immediate surrounding area is comprised of native Australian vegetation communities that are commonly found within this region. The project site does not host any flora species of International or Australian national conservation significance.

The site is gently undulating across the entire tenement, with occasional sharp hilly outcrops of the Knapdale Range. The most prominent geological feature on site is the discrete north-south ridgeline rising to approximately 285m above sea level and characterised by ridges of exposed silicified rock, comprising what is known as Mount Rose Bee and Green Hills. Geological features of the Knapdale Range provide habitat for many mammal and reptile species, including the Queensland (State) listed Vulnerable purple-necked rock wallaby. Other mammal and bird species of Queensland conservation significance that are known to or may occur at the project site include Troughton's Sheath-tail Bat (*Taphozous troughtoni*), Black-necked Stork (*Ephippiorhynchus asiaticus*), Black Bittern (*Ixobrychus flavicollis*), Black-chinned Honeyeater (*Meliphreptus gularis*), Pictorella Mannikin (*Heteromunia pectoralis*) and Square-tailed Kite (*Lophoictinia isura*).



Targeted drilling at Eva Copper

## CASE STUDY

### Rerouting the Nooitgedacht TSF pipeline to protect biodiversity



*We are collaborating to protect biodiversity while fulfilling our business commitments, which have far-reaching economic impacts.*

During the year, Harmony began the environmental application process for the proposed Nooitgedacht TSF. The existing planned life-of-mine for our Free State operations exceeds the capacity of the existing Free State TSFs, and the Nooitgedacht TSF will cater for this additional capacity. Covering 895ha of Harmony-owned land, the Nooitgedacht TSF will significantly increase deposition capacity and thus considerably extend the Free State operational lifespan.

During the initial environmental site sensitivity analysis of the proposed TSF footprint, a terrestrial biodiversity study identified a species of conservation concern inhabiting parts of the proposed development area. We are collaborating with the Endangered Wildlife Trust and a specialist team to identify a suitable mitigation hierarchy to avoid, minimise, restore or offset any negative impact on this sensitive species.

In initial discussions with the Endangered Wildlife Trust, Harmony has committed to undertake additional studies in 2023. These studies will provide sufficient scientific information on the species' distribution and viability on the site, allowing us to identify the best mitigation approach. Possible intervention measures such as the setting up of a dedicated conservation area for this specific sensitive species will be explored further, in collaboration with the Endangered Wildlife Trust.

We are committed to biodiversity management and recognise that our mitigation approaches benefit our host communities and support post-mining uses and related economic activity.



Eva Copper Project

## CASE STUDY

### Project planning to conserve biodiversity at Eva Copper



*Diversifying into Australia means that we are encountering new ecosystems that need to be conserved and protected. We are undertaking studies to understand our potential impact on a range of native ecosystems around the Eva Copper Project.*

The vegetation communities within the project's footprint provide habitat for 177 vertebrate species, including the purple-necked rock wallaby, a mammal of Queensland conservation significance. The species is known to occupy various rocky outcrops scattered throughout the project site.

The International Union for Conservation of Nature listed the purple-necked rock wallaby as near threatened due to various threats such as agriculture, fires and diseases. As such, Harmony is developing a monitoring programme to be implemented before the project becomes operational. The programme will enable us to determine and understand the potential impact of our mining activities on the purple-necked rock wallaby population.

The monitoring programme is a condition of the environmental authority, and further enables our commitment to protecting, restoring and promoting the sustainable use of terrestrial ecosystems, and preventing biodiversity loss wherever we operate.



## SOCIAL



As social partners, we commit to ensuring that we build trust which is the cornerstone for enduring relationships with our communities and employees, suppliers, labour and government. Critical to our impact is our approach to trust, collaboration and cooperation in delivering shared benefits.

We operate in a broader social context and believe our presence in our host countries is the bedrock of economic and socio-economic development. Harmony's host communities have relevant needs and expectations that we aim to understand and address through meaningful contributions, including labour and job creation, socio-economic development and economic empowerment. Establishing more conducive communities that are healthier and safer for our people, and uplifting broader society, enables us to improve on our social compact.

We contribute meaningfully to socio-economic advancement through co-created solutions, as articulated in our social strategies outlined in this report.

This chapter details how we have performed against our social commitments, and future focus areas.

Read more about our socio-economic development initiatives at [www.harmony.co.za/sustainability/social](http://www.harmony.co.za/sustainability/social).



# SOCIAL **IMPACT**

Operating in a broader social context we believe our presence is the bedrock of economic and socio-economic development and we aim to accord to the needs and expectations of our communities and host countries through shared value.

## SAFETY



LTIFR in  improved to **5.74** (FY22: 5.9) per million hours worked and group was **5.49** (FY22: 5.65) per million hours worked at year end



Tragically lost **6** lives  
FY22: 13

## EMPLOYEES



Permanent and contract employees:  
**45 546**  
FY22: 47 345

## SOCIAL LICENCE TO OPERATE AND MINE COMMUNITY DEVELOPMENT INVESTMENT



 **R179 million**  
FY22: R138 million

 **R75 million**  
FY22: R55 million

## HEALTH AND WELLNESS



 **9 493**  
(FY22: 9 823) employees participated in medical schemes

**R28 million**  
(FY22: R27 million) monthly subsidies-related costs

## HISTORICALLY DISADVANTAGED BOARD MEMBERS



**67%** and female HDP of 25%

## SKILLS DEVELOPMENT



Employees trained:  
**42 744**  
FY22: 43 337

Training:  
**94%**  
of workforce

Spend:  
**R817 million**  
FY22: R661 million

## FOCUS ON WOMEN IN THE WORKFORCE

### % total permanent workforce that are female



Total workforce (%)

 **20**

 **15**

 **33**

Total management (%)

 **22**

 **23**

 **49**

## BEYOND COMPLIANCE (CSI) IMPACT



Over **58 000** lives positively impacted



- education
- sport
- water supply

- solar street lights
- skills development
- crime

- gender-based violence
- inequality

- farming
- poverty reduction
- university bursaries

## OUR HUMANISTIC **APPROACH**

Harmony's policies and principles support sustainable development, reflecting our commitment to make a positive and lasting contribution in the regions where we operate.



Our safety and health policy focuses on:

- Leadership affirmation that safety and health are non-negotiable and must always be employee and contractors' first priority
- Robust risk-based systems and processes driving ongoing safety and health improvements
- Exemplary workplace practices and critical controls to prevent fatalities, minimise injuries and eliminate occupational diseases as we advance towards our goal of zero harm
- Promoting employee wellness and delivering proactive healthcare with suitable facilities near the workplace
- Managing community health exposures and promoting wellbeing within our host communities.



Our **human resources policies, charters and engagement contracts** aim to:

- Maintain fairness and employment equity
- Recognise and capitalise on the richness of our diversity to promote inclusivity
- Foster respect for cultures, customs and practices through personalised development and training that empowers individuals to uphold local communities' values and meet their needs
- Return benefits through impactful programmes such as employee shareholder schemes and job retention programmes
- Ensure freedom of association while recognising the value that organised labour brings.



Our socio-economic development programme delivers broader impact by:

- Contributing to education, skills and entrepreneurial development as well as job creation in host communities
- Enhancing broad-based local economic empowerment and enterprise development
- Collaborating openly, honestly and transparently with key stakeholders
- Building trust with our host communities through transparent dialogue and delivering on the commitments we make
- Working with communities and government to deliver valued social investment projects, such as in the areas of health, sanitation, infrastructure and roads.

### Principal social imperatives

Creating a **safe working environment** to prevent loss of life

Articulating **human rights** in our human resources policies, charters and engagement contracts

Systematically embedding **innovative safety risk management** and promoting safe behaviours in our operations



Building resilient communities through **meaningful and sustainable socio-economic development**

Distributing R37.6 billion (US\$2.1 billion) **total economic value** to employees, investors, suppliers, communities and government stakeholders




Our humanistic approach *continued*

Capitals affected

Directly

-  Human capital
-  Social and relationship capital



Indirectly

-  Financial capital
-  Intellectual capital
-  Manufactured capital

Stakeholders affected

- Employees and unions
- Communities, traditional leaders and NGOs
- Governments and regulators
- Suppliers

Link to strategy

-  Responsible stewardship
-  Operational excellence

Governance and management



Safety and health

The board's **technical committee** approves and monitors compliance with our safety and health policy and legislation while the **social and ethics committee** oversees safety and health aspects of sustainability and ESG criteria. Our CEO regularly reports safety incidents and achievements to the technical committee and board. At every board meeting, the technical committee chairperson provides feedback on safety performance. Management also considers safety as a KPI in determining remuneration.

Our chief operating officer (receiving reports from our regional executive operating officers for South Africa and South-east Asia) and chief operating officer: business development and growth report on safety to the group executive committee weekly and quarterly, and quarterly to the technical committee. Demonstrating our inclusive approach in South Africa, management, unions, Minerals Council South Africa and government representatives participate in structures focused on safety and eliminating loss of life. We also collaborate in external safety initiatives and leading best practice through the Mining Industry Occupational Safety and Health (MOSH) community-of-practice adoption process.

Safety and occupational health champions attend industry meetings and disseminate information to operations and new business divisions. Safety and health committees ensure employee participation in safety management. In FY23, we had 74 (FY22: 76) full-time safety and health representatives at operations.

Human resources and community engagement

Aligned with the International Labour Organization guidelines, our employment policies and practices comply with labour legislation in South Africa, Papua New Guinea and Australia. Recruitment initiatives for our mine workforces focus on local communities in each country. We regularly review related procedures and policies, including remuneration and incentive schemes.

Reporting to the board's social and ethics committee, our human resources function and community engagement managers closely monitor human rights performance at operations.

The **social and ethics committee** oversees socio-economic development, corporate social responsibility, and public safety policy and strategies. Our management and executive teams implement sustainable development policies. Guidelines and standards informing site-specific management systems, aligned with our sustainable development framework, support discipline-specific policies.

To entrench processes and systems, social investment governance is formalised with a local economic development strategy, supported by operating procedures and a mine community development investment strategy. We thus roll out projects responsibly, successfully and sustainably.





Tshepong South shaft head gear

## Our humanistic approach *continued*

### Related SDGs



- Our employees support dependants, local businesses and municipalities in their home communities
- Harmony's socio-economic development initiatives seek to uplift our host and labour sending communities by promoting sustainable income-generating opportunities
- Promoting preferential local procurement as well as enterprise and supplier development uplifts and economically sustains communities.



- We implement broad-based agriculture and viable commercial agricultural ventures to promote food security, sustain livelihoods and contribute to alternative sustainable post-mining economic activities.



- Our employees' health and wellness are essential for full, productive lives
- We focus on employees' comprehensive wellbeing through proactive healthcare and mental wellness programmes
- We embed our proactive safety and health approach with lessons learnt during the Covid-19 pandemic.



- Education is a key aspect of our strategy:
  - We support primary schools especially through infrastructure development
  - In secondary schools, we promote mathematics, science and technology
  - In tertiary institutions and communities, we develop entrepreneurial and portable skills, especially in information and communication technology, focusing on mining-related fields (engineering, surveying and environmental science, among others).



- Gender equality is an essential aspect of our human resources policies, charters and engagement contracts
- Our gender diversity targets aim to actively increase the number of women in mining.



- As a responsible employer, providing decent work includes ensuring safe workplaces so that our employees return home without harm every day
- Employees have the right to refuse to work in an unsafe workplace
- We encourage safe behaviour with training and other support systems.



- Our employment equity, diversity and inclusivity strategy aims to provide equal employment opportunities for citizens of our host countries.



- Our socio-economic development strategy, supported by preferential and local procurement as well as enterprise and supplier development, focuses on agricultural, infrastructure and sustainable energy projects with potential to deliver sustainable benefits to communities.



- Collaborating with government and our peers in infrastructure projects (roads, water and sanitation) enhances community resilience and functionality.

### GRI Standards

We list the relevant GRI Standards in each section of this chapter and will include the GRI Sector Standards for Mining when published.

## Our humanistic approach *continued*

### Related material themes and matters

#### EMPLOYEE HEALTH AND SAFETY



##### Ensuring employee safety

Our employees are our most important stakeholder and a vital asset to our business. Ensuring their safety is a moral and business imperative.

##### Protecting employee health and mental wellbeing

Harmony is committed to ensuring our people live healthy, productive lives, which contributes to a motivated, engaged and productive workforce. This enables us to deliver on our business strategy and create sustained and shared value for our stakeholders.

#### SUPPORTING OUR PEOPLE



##### Maintaining sound labour relations

Harmony's deep-level gold mines are labour-intensive and unionised. As such, the company must be able to navigate the challenges of multi-stakeholder labour relations to reduce the risk of labour-related stoppages or strike action.

We respect our employees' right to freedom of association, and recognise that organised labour benefits our business, employees and contractors.

##### Driving equity, inclusion and diversity

We believe our South African workforce must represent the country's diversity and ensure that opportunities are available to the most marginalised in our society.

In Papua New Guinea, we attract and retain locally recruited employees, particularly landowners and citizens, in alignment with our commitments under our Hidden Valley MoA and the prime minister's aim to increase employment particularly in the mining sector.

In Australia, we will continue to drive our initiatives around Equity, Diversity and Inclusion.

##### Respecting cultural heritage

Harmony is mindful of and respects the different cultures and their cultural heritage in the regions where we operate.

As part of our impact assessment approach for exploration activities, new projects and expansion activities, we conduct cultural heritage investigations, and work with relevant stakeholders to devise appropriate heritage management measures.

We avoid operating in World Heritage sites, refer to **Biodiversity and conservation** for details.

#### PARTNERING FOR THRIVING, SUSTAINABLE COMMUNITIES AND OUR SOCIAL LICENCE TO OPERATE



##### Stakeholder engagement and partnerships for sustainable communities

We secure our social licence to operate by addressing and responding to our stakeholders' needs and concerns identified through fostering meaningful relationships and proactive engagements.

Refer to **Stakeholder engagement** for more information.

Harmony partners and collaborates with communities, local municipalities, small businesses and various levels of government in achieving our strategic objectives while delivering broader positive impact.

##### Supply chain transformation and preferential procurement

Strategic procurement facilitates job creation and entrepreneurial development. This supports the sustainable socio-economic development of the communities and the regions where we operate – pillars supporting and maintaining healthy and robust social capital. Positive social capital reinforces a thriving ecosystem in which our business and stakeholders can thrive.

# SAFETY

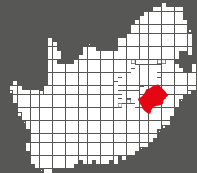


## Future focus areas

*The group will continue to sustain the Thibakotsi programme as part of our DNA. Surveys will rank leadership maturity, living our values and employee engagement in terms of lessons learnt and support as we strive to become mine safety leaders.*



In Papua New Guinea, as part of our focus on behavioural risk awareness, controls and psychological factors, we are focused on the delivery of risk awareness and perception coaching across all mining operations, processing, site services and environment teams over the next 12 months.



In South Africa, progress on our Thibakotsi journey will be mapped by operational stock-take feedback to our executive committee. Employee engagements will include robust discussions about authentic ownership of the programme to enable development of a Thibakotsi sustainability framework for the next three years.



In Australia, we are preparing and implementing our safety and health management system, initially focusing on exploration activities and associated documentation. We are also in the process of procuring site emergency response equipment and ambulance.

### GRI Standards

Prepared in accordance with 3-3, 403-1, 403-2, 403-4, 403-5, 403-6, 403-7, 403-8 and 403-9.

### Related SDGs



Emergency preparedness training at Hidden Valley Mine



Safety *continued*

Keeping our employees safe is unequivocal. As our foremost value, safety is embedded in everything we do.

We apply the most stringent safety principles to offset the risks associated with the complexity of mining activities. These principles aim to eliminate loss of life and injuries in our exploration activities, underground, surface and open-pit operations.



**Guiding principles**



- Our policies and practices align with the Mine Health and Safety Act in South Africa, the Mining (Safety) Act in Papua New Guinea and the Mining and Quarrying Safety and Health Act in Australia
- We ensure critical control management is consistent with the ICMM guidelines and principles
- Harmony collaborates in leading practice development and implementation through the MOSH community-of-practice adoption process.



**People management**



- Our executive team drives strategic priorities and safety-related KPIs
- Visible felt safety leadership and behavioural interventions uphold MineSafe conference outcomes
- We employ full-time, well-trained safety and health stewards group-wide
- Work stops when our workplaces or actions are unsafe
- Harmony empowers employees to recognise positive and negative safety behaviour.



**Culture and attitude**



- Proactive risk assessment is a way of life for Harmony
- We implement lessons learnt from incidents
- Clear communication (in local languages) spreads our safety culture transformation messages
- Harmony hosts two national safety days annually.



**Innovation**



- We continuously modernise our safety systems and processes to effectively communicate critical information to the workplace
- Our systems monitor and manage mining-related seismicity through short-term hazard assessments and long-term plans.

Safety *continued*

**Our approach**

Our journey towards zero harm and preventing injuries is supported by:



Our **humanistic culture transformation programme** (also known as the Thibakotsi journey)



Three key drivers for culture transformation, being the improvement of **leadership maturity, leaders developing others and high levels of employee engagement**



Introducing and adopting **industry leading practices**



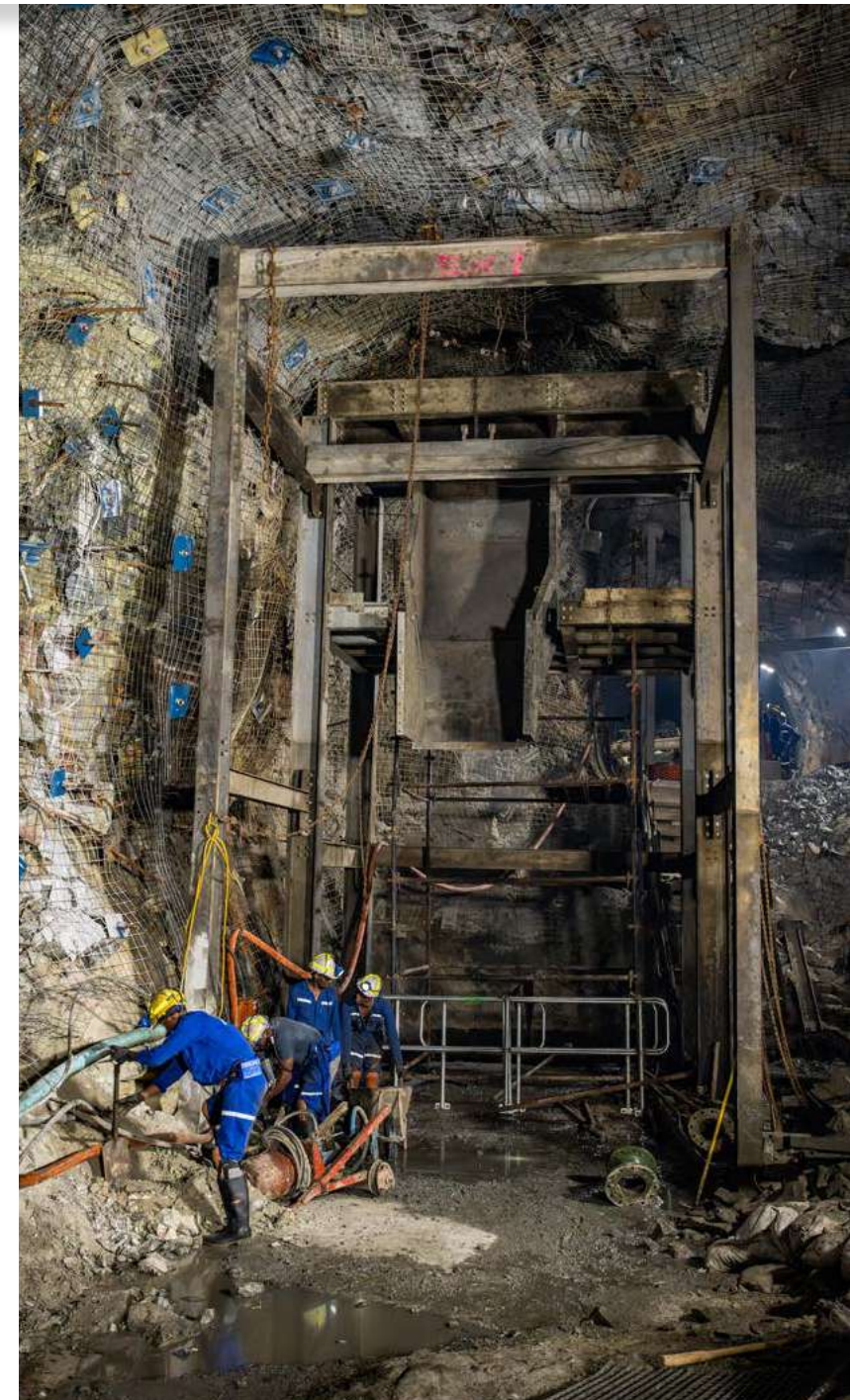
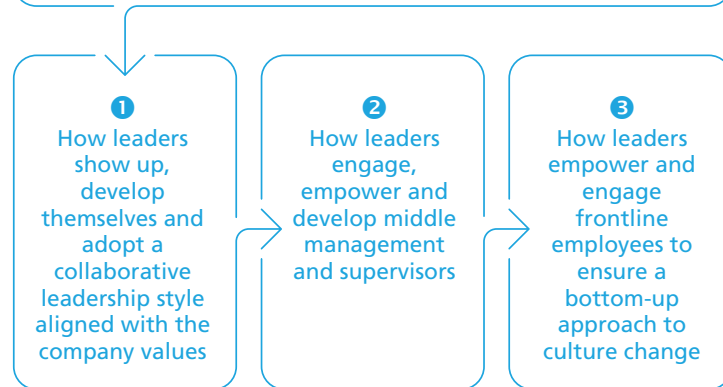
A defined safety strategy that enables a proactive safety culture and uses digitisation and modernisation while adopting an **embedded risk management approach**

**Humanistic proactive safety culture transformation programme**

To enable a culture of zero harm and eliminate loss of life, our Thibakotsi (Sesotho for “prevent harm”) journey empowers employees and contractors to embrace a proactive safety culture and live Harmony’s values



Our leaders drive Harmony’s safety culture, guided by a culture transformation framework (outlined below), with three key focus areas:



Target 1



## CASE STUDY

### Our Thibakotsi journey is transforming the employee experience



*At Harmony, our employees' safety is a priority no matter what. Through Thibakotsi, our humanistic safety transformation journey, we care for our employees by putting a proactive safety culture in place to get them home safely every day.*

Entrenching a safety culture in our workforce of 45 546 people is as complex as it is crucial. All stakeholders justifiably expect the mining industry to keep its people safe, and Harmony's Thibakotsi (meaning "to prevent harm" in Sesotho) journey demonstrates our ongoing commitment to protect our people, who are critical to our intellectual capital.

Since 2021, we have focused on humanistic transformation and personal accountability through Thibakotsi. Effective collaboration and personal accountability are core to this, embedding in our workforce the understanding that achieving zero harm, zero accidents and zero fatalities requires all individuals to prioritise safety by behaving in line with safety standards and being alert to their colleagues' safety.

Key to Thibakotsi's success is ensuring it is accessible, understandable and actionable by all employees. We engaged extensively with our operations to map out our future focus areas, which include:

- Ensuring our leaders take ownership of the process and continue working on key development areas for themselves and their teams
- Implementing the Harmony employee engagement strategy, including the Harmony visual route map and middle management and supervisory empowerment programme, to achieve an engaged workforce supported by middle managers and supervisors as champions of the Thibakotsi journey
- Applying the risk propensity operating procedure to improve the employee risk profile through proactive management actions
- Incorporating Thibakotsi in operational routines to sustainably embed the Thibakotsi elements as the new way of working in Harmony, thereby preventing Thibakotsi from being seen as a separate project outside of regular work
- Addressing Thibakotsi team training issues highlighted by employees and providing feedback to employees to strengthen the psychological contract of hope, trust and respect between managers and employees while embedding a safety culture
- Implementing key areas of culture improvement identified by employees in the Barrett culture survey.

We recognise that any culture change journey takes years to be fully embedded. Still, we are encouraged to see the positive impact of Thibakotsi on our people's safety over the past three years.



Read more about our safety improvements through Thibakotsi on page 108.





Safety in practice at Harmony One plant



Safety *continued*

**The Thibakotsi journey unpacked**  
Proactive culture/Live longer (2016 to 2023)

Leader	Initiative	Business improvement	Optimisation
<b>Develop myself</b>	<p>Visible felt leadership (approach, training, coaching and feedback)</p> <p>Leadership assessments and leadership development programme</p>	<p>Established visible felt leadership at all operations</p> <p>Effective and efficient leadership</p>	  
<b>Develop others</b>	<p>Engagement and tactics for middle management and supervisors</p> <p>Risk propensity assessments and training</p> <p>Learning from incidents (LFI) process closing the loop with organisational learning</p>	<p>Engaged and competent middle management and supervisors</p> <p>Improved employee risk profile of employees at operations</p> <p>Established LFI processes for learning from incidents</p>	
<b>Take people along</b>	<p>Bottom-up interventions (safety transformation with training and impact measurement)</p> <p>Employee engagement tactics</p>	<p>Improved operational safety and productivity indicators</p> <p>Engaged employees at all operations</p>	

**Change management (stakeholder engagement, communication, evaluation and audit of key action items)**



## Safety *continued*

### Employee engagement and development



We are implementing our safety strategy in phases to ensure we embed risk management as part of our company culture.

Thibakotsi positively influences employees' safety behaviour.

- The **humanistic transformation charter** guided the implementation of the culture transformation which included Thibakotsi team training as a bottom-up culture change initiative for frontline employees and their supervisors
- **Reinforcement** of the transformation programme from 2022 to 2023 focused on sustaining Thibakotsi initiatives into operational work routines
- The organisational effectiveness and improvement follow-up officer visit crews post training to observe behavioural changes in the workplace (noting unplanned absenteeism and achievement of S300\*, among other KPIs). Initially, we focused on **management visibility and formalising feedback** on issues raised by crews in training

Employee feedback is incorporated into actions taken by management to support crews in achieving safe production.

\* S300 is a strategic objective of crews achieving an average of 300m<sup>2</sup> per month safely, without incident.

Our critical control monitoring tools included the Thibakotsi programme, which reached the halfway mark on 1 September 2022 with varying degrees of maturity at operations. Our focus shifted to impact, sustainability and integration. Stock-take engagements with management teams supported culture transformation change processes by enabling managers to voice their experiences. We thus identified the following themes:

- **Humanistic** focus on leadership quality
- **Systemic** integration of risk management into existing systems
- **Health and wellness** interventions.

We developed a detailed communication plan with Thibakotsi Tuesday as a central platform to convey consistent messages that raise awareness about these themes supporting Harmony's zero harm objectives.

## CASE STUDY

### Implementing a trackless mobile machinery collision avoidance system to improve site safety



*Harmony aims to comply with legislation because we care about employees' safety, not just compliance. We began our proactive journey towards better safety requirements well before it became legislation on 22 December 2022 when the South African government legislated that trackless mobile machinery must be retrofitted with a level 9 collision avoidance system.*

Harmony evaluated industry research and best practice to identify suitable technology that will enable us to comply with the Mine Health and Safety Act's level 9 regulation. The legislation requires a collision avoidance system to be retrofitted on trackless mobile machinery\* used in underground and opencast mining operations where there is significant risk of collisions, (previous legislation only required the driver to be warned when other vehicles or pedestrians came into close proximity of the vehicle).

The level 9 collision avoidance system includes proximity detection technology that can detect other vehicles and people in close proximity to a moving vehicle. Without human intervention, the collision avoidance system will slow down the vehicle and stop it within a predetermined close proximity zone.

Our implementation plan is specific and measurable, considering cost, maintenance and productivity implications. Based on site risk assessments, we conduct ongoing data management and reporting as well as employee awareness campaigns.

This is in line with our adoption of Industry leading practices outlined on page 110.

\* *The Mine Health and Safety Act defines trackless mobile machinery as any self-propelled mobile machine used for mining, transportation and associated activities underground or on surface. The machinery is mobile by virtue of its movement on wheels, skids, tracks, mechanical shoes or any other device fitted to the machine. This definition excludes rail-bound equipment, scraper winches, monorail installations, static winches, draglines, winding machinery installations, track-mounted conveyors and attached equipment.*

## Safety *continued*

### Industry leading practices

Harmony has a formal industry leading practice adoption process to address safety risks.

We also contribute to industry forums by sharing our innovations.

We are involved in the following initiatives:

- A **fall-of-ground action plan** forum with our peers
- Advancing our proactive safety culture goal through a **tripartite steering committee** with an independent facilitator ensuring respectful engagements
- The **change management blueprint for new technology adoption** at Harmony's Central Plant with the Mandela Mining Precinct guiding the industry in implementing appropriate technology considering MOSH leading practice, successful change and risk management models, prevailing legislation and practical application throughout mine life (including ore accounting and mobile inspection technology in the digitisation of our metallurgical operations to improve reporting speed and action triggering for management to make quick decisions about safety and production risks).

Installation of permanent steel netting in stopes and development areas emanated from one of these industry forums last year.

Harmony also remains committed to implementing the eight fatality-eliminating interventions emanating from a special Minerals Council meeting of mining CEOs in 2021:

### Minerals Council members' commitments

1. Increase visible felt leadership at operations.
2. Stop unauthorised and uncontrolled access to old mining areas (including risk assessments and controls where work continues in previously mined areas).
3. Implement proactive maintenance programmes.
4. Deploy competent employees in high-risk areas for adequate supervision, oversight and risk assessment.
5. Undertake scheduled critical control monitoring and assurance to prevent falls of ground, transport-related accidents and working area inundation.
6. Ensure employee incentives and bonuses do not compromise the right to stop or refuse unsafe work.
7. Enable and monitor fatigue breaks.
8. Conduct phased onboarding after employee holidays to assess physical and mental health.

### Harmony's interventions

- Provide visible felt leadership training for senior and middle management
- Monitor mined not planned workplaces (mining without planning)
- Monitor and measure multidisciplinary start-up risk assessments and the pre-planning process
- Monitor engineering work planning compliance
- Monitor critical skills absenteeism
- Monitor critical control reporting
- Recognise positive behaviour
- Monitor crew withdrawals from dangerous workplaces
- Monitor overtime
- Monitor the health aspects of our return-to-work process.



Tshepong South shaft lamp room



Safety *continued*

Tripartite culture transformation task team for zero harm

The Harmony Gold Tripartite is a multi-stakeholder task team consisting of:

Harmony and mining industry employer organisation, the Minerals Council



Various unions and associations, including AMCU, NUM, NUMSA, Solidarity and UASA



Regulators, the DMRE and Mine Health and Safety Council



An independent facilitator, Team Dynamix



Supported by the Minerals Council South Africa, Harmony works with unions and associations and the DMRE to achieve zero harm by co-creating a proactive caring culture that will safeguard employees' safety, health and wellbeing at work and home.

Our tripartite culture transformation task team is Harmony's response to government's call for the South African mining industry to address disappointing health and safety performance in 2016. Harmony's CEO was among mining principals who signed a public commitment on 17 November 2016, the Mine Health and Safety Council tripartite principals pledge (below), to work together towards zero harm.

Our approach to creating an enabling environment for zero harm is holistic, with a collective strategy mapped to:

- Share the common goal of a safe, sustainable and viable business
- Embed a culture of trust, mutual care, dignity and respect for all employees
- Foster open, honest, respectful and transparent relationships
- Support corrective, proactive and creative actions
- Embrace collective knowledge of health and safety

Three working committees report to our tripartite task team, namely culture transformation (chair: head of organisational effectiveness and improvement), health and wellbeing (chair: clinical manager: medical) and capability and capacity building (chair: head of employee relations).

MINE HEALTH AND SAFETY COUNCIL TRIPARTITE PRINCIPALS PLEDGE

**Tripartite visible felt leadership and relationship building:** Principals and leaders of all stakeholder groups commit to meeting for at least two facilitated sessions on health and safety matters every year.

**Trust deficit:** All stakeholders will address the trust deficit in the shift from a transactional to transformative occupational health and safety approach.

**Communication:** All stakeholders will improve communication across all levels to ensure the zero harm message reaches all mine employees and contractors, and thus support and permeate actions intended to improve occupational health and safety throughout the industry.

**Empowerment of supervisors and employees:** Stakeholders will collectively and collaboratively empower supervisors, health and safety representatives and employees through extended visible felt leadership and empowering conversations. This will be implemented by employers and organised labour, and include challenges experienced by women in mining (safety and security, personal protective equipment and hygiene).

**Annual health and safety days:** Each mining company will commit to hosting an annual health and safety day tailored to their respective needs as part of their overall health and safety campaigns.

HARMONY'S ACTIONS

Tripartite culture transformation task team strategic pillars

**Mutual co-existence and interdependence:** Building relationships and providing a safe space for co-development

**Best practice exchange:** Sharing with others and learning from others

**Broadening tripartism\*:** Sharing the principles and ethos of tripartism, collaboration, trust and commitment

\* The Chief Inspector of Mines in South Africa leads tripartite structures established in terms of the Mine Health and Safety Act. Representatives of government, employees and employers serve on these tripartite structures.

Our tripartite task team participates in executive visible felt leadership sessions, known as imbizos (Zulu for "meeting"), and presents milestones on the culture transformation journey at our CEO's biannual principal dinner.


Engagements at each imbizo ensure that all key stakeholders are included from the start of the culture transformation journey, and change management initiatives are integrated into business processes.

An independent service provider, Team Dynamix, facilitates meetings to ensure objectivity.

Safety *continued*

Embedded risk management



 Our integrated risk management approach supports our humanistic safety culture transformation goals by providing the necessary tools, such as our digital business process model, which maps business processes from planning to execution with real-time data.

We thus embed our safety strategy with risk management across all business functions.

**Harmony applies a four layer risk management approach to identify and mitigate risk**

**Layer 1**  
**Baseline risk assessment** - Identification of potential hazards and significant unwanted events

**Layer 2**  
**Issue-based risk assessment** - Bowtie analysis of potential significant unwanted events to identify golden controls and monitoring actions

**Layer 3**  
**Task assessment** - Evaluation of task-associated risks and mitigating controls that enable safe task completion

**Layer 4**  
**Continuous risk assessment** - Quality of controls and task application to ensure resilience

We are guided by our leading indicators, particularly safe declarations, golden control monitoring and LFI.

Automated systems and processes enable continuous workplace and equipment assessments to mitigate risks on surface and underground, and effectively monitor safety-related initiatives at our operations.



Underground safety toolbox session, Moab Khotsong



Our risk management strategy enables us to identify **leading indicators**.  
 Leading indicators are more reliable, preventing harm, as opposed to lagging indicators, which monitor past events.

- Leading indicators enable frontline employees to:**
- Proactively address risks
  - Implement mitigating controls
  - Decrease the probability of an incident, accident or injury.

The leading indicators are reported daily in the miner's work note and to relevant supervisory levels for action, thus providing crews and supervisors with information about safety, occupational health and production-related workplace risks.

Safety *continued*



Workplace health and safety representative



Our controls are categorised based on the nature of the control; where it lies in the hierarchy of controls and the survivability, availability and reliability rating (SAR rating) of the control and whether it is an act, object of technological system.

The most effective controls are categorised as **golden controls**, and are monitored and owned by management.

**We adopted the ICMC Critical Control Management guideline in support of our strategy of stopping significant unwanted events.**

The process was phased to:

- Firstly identify our significant unwanted events through baseline risk assessment
- Secondly identify the critical controls that will either stop the significant unwanted event or will minimise the consequence of the event occurring

Golden controls are our key safety measures that prevent a significant unwanted event from occurring. If it does occur, these controls help us recover and minimise the impact of the significant unwanted event.



Harmony recognises the value of **digitising processes and data collection**. We have several digitisation initiatives to enable data collection and analysis to provide leading indicators that inform decision making (both lagging and leading).

**Digitisation initiatives supporting a proactive Harmony**

- Multidisciplinary start-up risk assessments and pre-planning of workplaces: The workplace is reviewed by specialist teams to identify risk, ensure the required controls are in place, provide specialist recommendations, ensure adequate people, material and equipment in the workplace to mine safely
- Planned maintenance and high risk work verification
- Risk assessment digitisation: Task assessment and continuous monitoring aligned to baseline risk assessment and Bowtie analysis.
- Deficiency response: Control performance or deviation in standards escalated to the responsible supervisor or management structure for action
- Safe declaration, equipment pre-use inspections, planned task observations and planned workplace inspections digitally monitored.

The digitisation of our golden control monitoring provided an opportunity to move from a reactive to a proactive response to inadequate control performance.

Through the analysis of data from our integrated systems, we continuously learn and share these learnings across our organisation.



## Safety *continued*

### FY23 focus areas and performance

#### Collaboration

We partner with these stakeholders to strengthen implementation of our strategy:

- MOSH (leading practice development and implementation)
- Minerals Council, Mine Health and Safety Council and unions (tripartite forum)
- Mandela Mining Precinct (public-private partnership between government's Department of Science and Innovation and the Minerals Council)
- Minerals Council's mining CEOs interventions.

Extensive employee engagements throughout the year and the Thibakotsi strategic planning session in November 2022 determined the following focus areas:

- Progressing leadership maturity (leaders taking ownership of Thibakotsi, their roles and team development)
- Implementing our employee engagement strategy with a visual route map and empowerment programmes for middle management and supervisors, as champions of the Thibakotsi journey, to support an engaged workforce
- Applying risk propensity operating procedure (proactive management actions) across operations to improve the employee risk profile
- Sustainably embedding Thibakotsi in existing operational routines as the new way of working
- Addressing Thibakotsi team training issues to foster hope, trust and respect between managers and employees while embedding a safe production culture
- Implementing culture improvements action items for each operation
- Impact analysis, change management and sustainability of the Thibakotsi programme to demonstrate value added, stakeholder involvement and commitment.

Our safety risk management strategy significantly increased our white flag (accident-free) days. Our lost-time injury frequency rate (LTIFR) in South Africa improved to 5.74 (FY22: 5.90) per million hours worked and our group LTIFR was 5.49 (FY22: 5.65) per million hours worked at year end. Our South African surface operations celebrated 3.6 million loss-of-life-free shifts (LLFS). Our Hidden Valley operation in Papua New Guinea had no loss of life for the sixth consecutive year.

Despite this progress, we tragically lost 6 (FY22: 13) colleagues at our South African operations. We continuously strive towards zero harm. All Harmony initiatives are guided by this principle and all learnings are applied to eliminate loss of life at Harmony.

Challenges faced in FY23 include senior management retention, availability and cost of new technology, and amended legislation governing vehicle intervention controls (level 9) for diesel-powered trackless mobile machinery as outlined in the case study on page 109).



#### FY23 leading indicators

- Golden controls monitored 9 million times across our operations (12.0% increase from FY22), an average of controls monitored 24 000 times a day across Harmony
- 1.8 million line inspections conducted and digitally captured – CAT 4-8, all supervisory levels and middle to senior management
- 86 thousand specialist inspections conducted and digitally captured – safety, occupational hygiene and strata control
- 44 group verification audits on group and industry learnings – gauging our control performance to prevent a similar event from occurring at Harmony
- 74 thousand planned maintenance tasks performed
- 829 high risk Engineering tasks verified prior to conducting work
- 84.0% actions closed out prior to escalation period, the remaining closed out after action plan execution
- 34 thousand employees underwent refresher training on safety and hazard identification - refresher training runs in an 18-month continuous cycle.

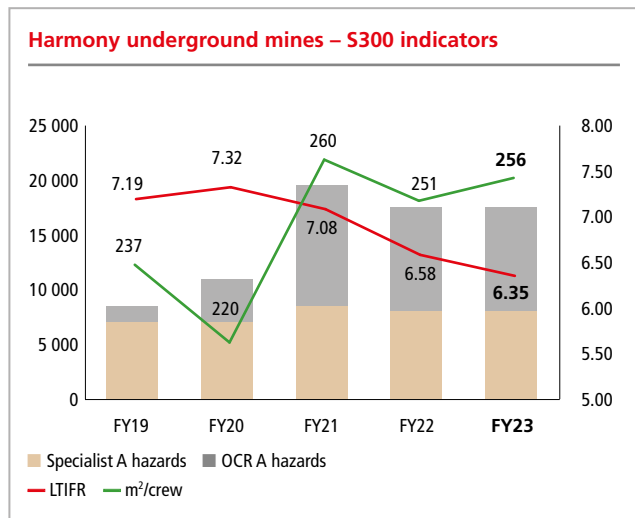
**Safety *continued***

**Critical control management**

We work continuously to identify new technology and processes to ensure that every Harmonite goes home safely everyday. Since the inception of our digitisation and critical control monitoring, we have gathered over 148 million data points (FY19 to FY23). To date, our digitisation strategy, in conjunction with our humanistic transformation, has proven to be successful in improving our safety performance with a year-on-year LTIFR improvement.

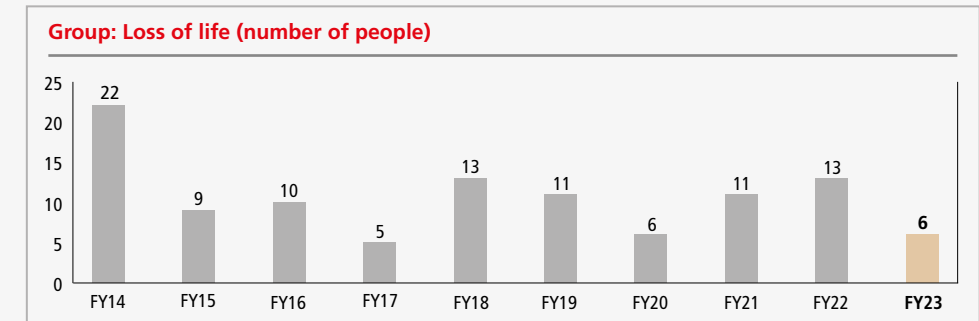
Based on the outcome of our digital monitoring, we analyse control effectiveness to identify improvement opportunities on control performance. Every effort is made to improve our response to control performance to ensure a safe and profitable mine.

As we steer Harmony towards our S300 (safe production of 300m<sup>2</sup> of ore per production crew per month) objectives, set for our underground operations, we will continue to learn and improve.



**Loss of life**

Each loss of life is thoroughly investigated to ensure that the event is fully understood and that the lessons learnt are disseminated throughout the organisation to prevent similar future incidents. In addition, we ramped up our business improvement initiatives to identify feasible best practice mitigation measures.



	FY23	FY22	FY21	FY20	FY19
<b>Loss of life (number of people)</b>					
Group	6	13	11	6	11
South Africa	6	13	11	6	11
Papua New Guinea	—	—	—	—	—
<b>Loss of life injury frequency rate (per million hours worked)</b>					
Group	0.06	0.13	0.11	0.08	0.12
<b>Lost-time injury frequency rate (per million hours worked)</b>					
Group	5.49 <sup>1</sup>	5.65 <sup>2</sup>	6.18 <sup>2</sup>	6.33 <sup>2</sup>	6.16 <sup>2</sup>
South Africa	5.74	5.90	6.46	6.69	6.48
Papua New Guinea	0.34	0.17	—	0.77	0.35

1 Independently assured in the period under review (refer to the Assurance report on pages 182 to 185).  
 2 Independently assured in prior periods (refer to <https://www.harmony.co.za/investors/reporting/annual-reports>).

## Safety *continued*

In memoriam			Cause
13 August 2022	Juliao Antonio Macamo	Moab Khotsong stope team leader	Gravity-related fall of ground
7 November 2022	Ernesto Euseblo Macuacua	Tshepong equipping team leader	Gravity-related fall of ground
15 December 2022	Bongile Mcuntula	Kusasaletu driller	Seismic-induced fall of ground
7 March 2023	Luyanda Nkwane	Tshepong underground assistant	Tools, machinery, equipment
23 March 2023	Tshimane Matabane	Kusasaletu stope team member	Mudrush/inundation
30 April 2023	Matli Bernard Nyama	Kusasaletu night shift team leader	Seismic-induced fall of ground

### Understanding causes of injury

In FY23, the top 10 contributors to reportable injuries were:

1. Material handling
2. Slip-and-fall incidents
3. Gravity-induced falls of ground
4. Tools/machinery/equipment
5. Rolling rocks
6. Trucks/tramming/transport
7. Seismic-induced falls of ground
8. Falling material
9. Scraper winches
10. Foreign bodies

Each incident was investigated in terms of section 11(5) of the Mine Health and Safety Act to determine the causes and contributing factors. Lessons learnt are integrated into our LFI process.



Harmonite in the Doornkop shaft timber yard

### South Africa

#### LLFS and injury-free days in FY23

	LLFS	Fall-of-ground LLFS	Rail-bound equipment LLFS	Consecutive white flag days
<b>Operations and plants</b>				
<b>Operations total</b>	2 000 000	10 000 000	13 000 000	
<b>Underground operations</b>	2 000 000			
Masimong	3 000 000	3 000 000	5 000 000	
Masimong/Joel unit	3 000 000	3 000 000	11 000 000	
Tshepong	2 500 000		10 000 000	
Tshepong Operations	2 500 000	4 000 000	14 000 000	
Tshepong/Target/Phakisa unit	3 500 000	4 000 000	17 000 000	
Joel	2 500 000		3 000 000	100
Target	1 000 000	1 000 000	10 000 000	
Phakisa	1 500 000		6 000 000	
Doornkop	1 000 000	4 000 000	1 000 000	
Kusasaletu	500 000	1 000 000	3 000 000	
Kusasaletu/Mponeng unit	1 000 000	2 000 000	7 000 000	
Moab Khotsong	1 500 000	1 000 000	7 000 000	
Moab Khotsong/Doornkop unit	2 000 000	2 000 000	3 000 000	
Mponeng	2 000 000	2 000 000	3 000 000	
Asset Management Forum				400



## Safety *continued*

### LLFS and injury-free days in FY23

Operations and plants	LLFS	Production LLFS	Consecutive white flag days
<b>Surface operations</b>	<b>3 500 000</b>		
Moab Khotsong Central Services	2 500 000		1 100
Mponeng gold plant	1 500 000	41 000	600
Kusasaletu plant	500 000	34 000	500
Doornkop plant			200
Target plant	500 000	34 000	300
Central plant			1 000
Saaiplaas plant	1 500 000	24 000	500
Harmony One Plant	2 000 000	34 000	200
Free State laboratory/Prep Plant	500 000		400
Free State surface operations			600
Free State Commercial Services/Transport	1 500 000		2 800
Randfontein surface operations	5 000 000		900
Randfontein Commercial Services and Transport	1 500 000		2 000
Vaal River surface sources			800
Vaal River Commercial Services and Transport			1 800
West Wits surface operations	500 000		200
Mine Waste Solutions remining and deposition		18 000	100
Mine Waste Solutions gold plant		18 000	100
Savuka gold plant	4 000 000	68 000	300
Kalgold pit	2 000 000	23 000	200
Kalgold plant	1 500 000	23 000	200
Kopanang gold plant	3 000 000	43 000	
South Uranium plant	5 500 000	34 000	400
Noligwa gold plant	5 000 000	34 000	900
Nufcor plant	500 000	34 000	3 200

### Loss of life and serious injury compensation

Acknowledging the devastating impact of every loss of life and serious injury, our compensation seeks to support employees and their families.

Bereaved families receive compensation as soon as possible after the loss of an employee's life at our operations. Compensation includes:

- Condolence letters
- Coffins, funeral services and mourner transportation
- Senior management, union and other fellow employee representatives at the funeral
- An on-mine memorial service with accommodation while attending to the deceased person's affairs
- R30 000 Mineworkers Provident Fund advance
- R30 000 Rand Mutual Assurance funeral policy payout
- R20 000 Harmony donation
- Unlimited enrolment of children in the Harmony Education Fund
- Offer of employment at underground entry level to a family member.

Compensation for serious injury on duty includes:

- Lump sum or monthly payments (based on the Compensation for Occupational Injuries and Diseases Act disability rating)
- Alternative employment (if available)
- Two weeks' termination payment (minimum R70 000) R75 000 as from 1 July 2023, per completed consecutive year of service (if alternative work is not available)
- Employment offer, based on available underground vacancies at entry level, to an immediate family member
- TEBA home-based care for medically incapacitated employees
- An additional termination package for paraplegic injury (including home renovation for wheelchair accessibility).

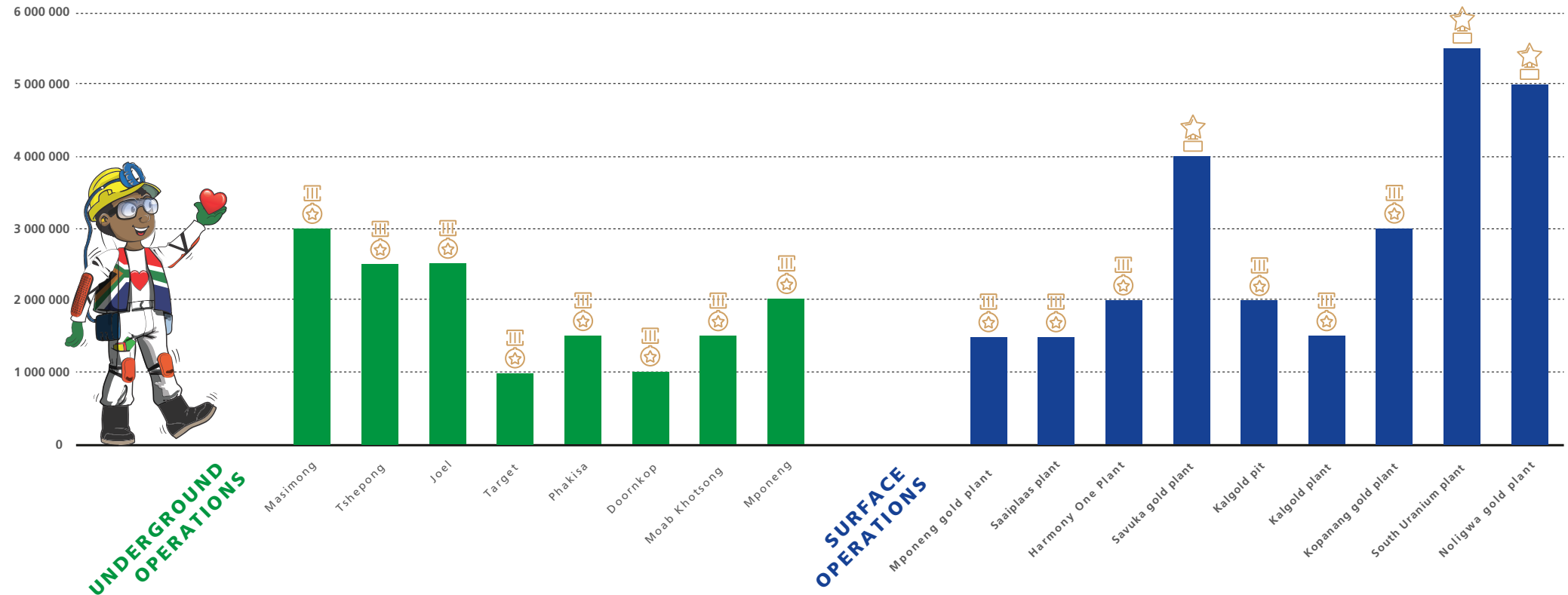
Safety *continued*

## At Harmony we are all part of the Thibakotsi journey.

**SAFETY** comes first. To achieve our goal of zero-harm, we lead with **HONESTY** and **ACCOUNTABILITY**, staying **CONNECTED** to each other. By living these values and arriving at work engaged, energised and with a duty to care for myself and those around me, we will **ACHIEVE** our goals.



**LLFS millionaire status at 30 June 2023**



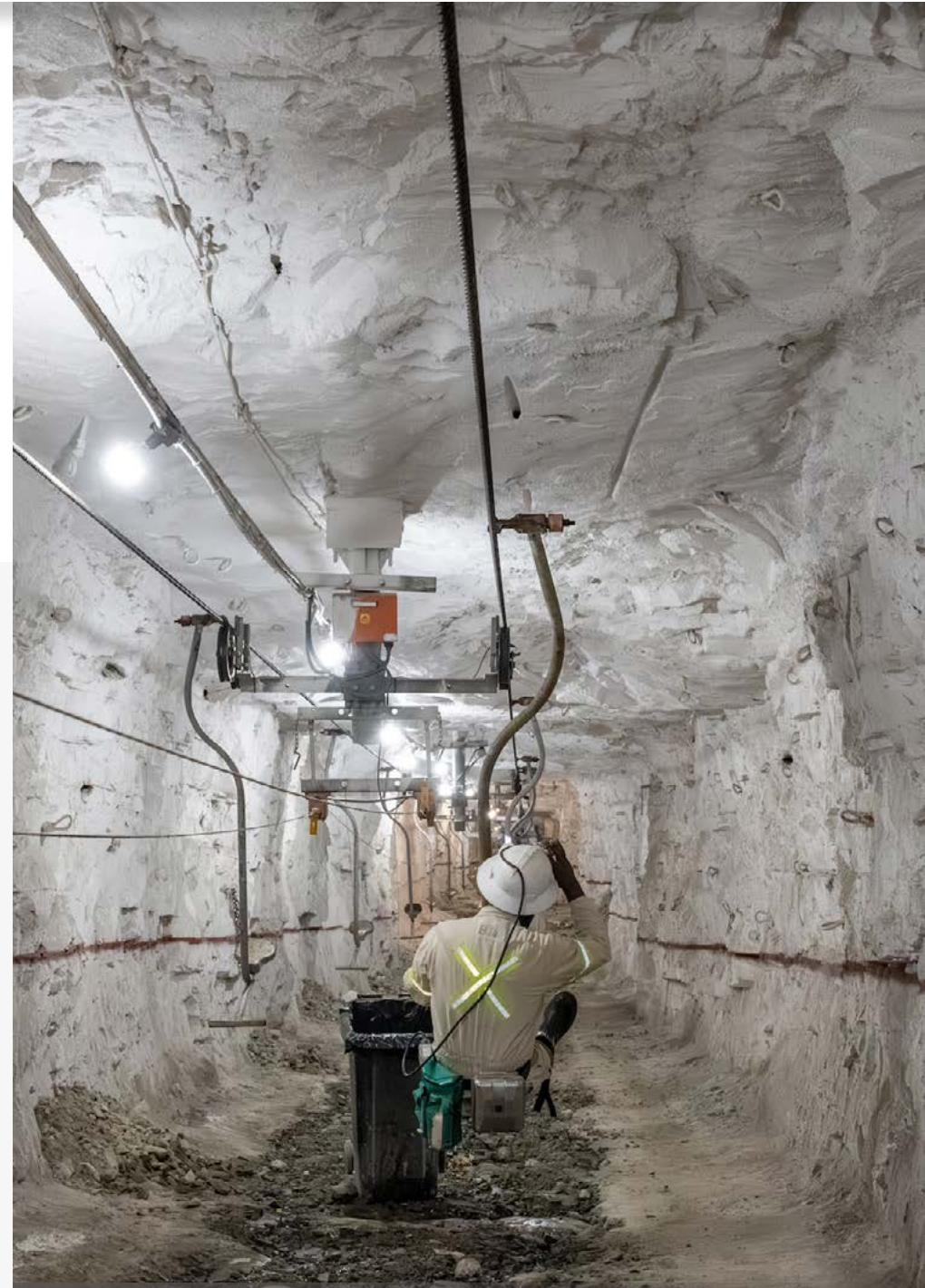
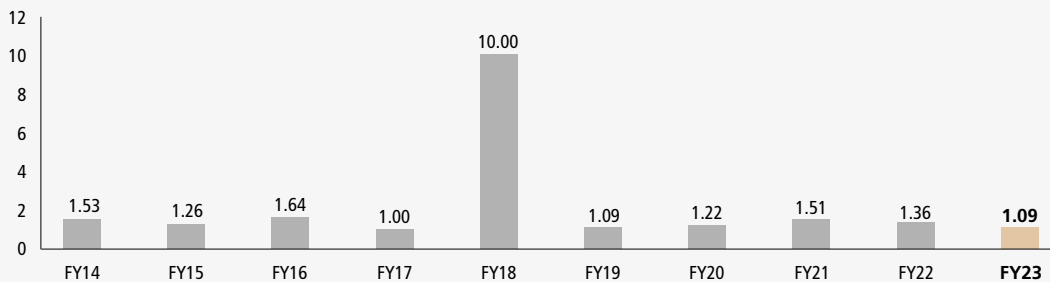
Safety *continued*



We reduced our fall-of-ground LTIFR in South Africa to 1.09 (FY22: 1.36) per million hours worked. Contributors to the improvement in fall-of-ground LTIFR:

- Robust critical control management plan on ground control
- Proactively addressing inadequate control performance
- Best practice adoption through the MOSH process at Harmony operations
- Apply learnings from the analysis of our leading and lagging indicators
- Safety culture transformation
- Dedicated focus on seismic early warning system
- Focussed campaigns, communication and engagements on fall-of-ground golden controls
- Support technical specification review and optimisation process through Harmony procurement.

South Africa: Fall-of-ground LTIFR (per million hours worked)

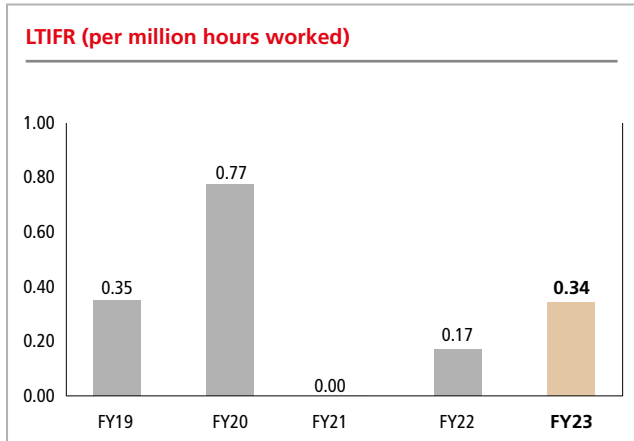


Underground chairlift at Joel shaft



Safety *continued*

Papua New Guinea



Hidden Valley maintains a world-class safety record without a loss of life since 2015, equating to 3.6 million LLFS. The operation implements our safety risk management strategy with critical controls and has a proactive safety culture. Visible felt leadership and regular, focused safety training reinforce positive behaviour.

The operation is also highly mechanised so vehicle interaction is the most significant safety risk, followed by fatigue and uncontrolled energy release (hydraulic and compressed) in workshops. Mining vehicle monitors mitigate driver fatigue, prevent collisions, observe driver behaviour and track productivity. Our safety, health, security and risk manager oversees these interventions. By focusing on behaviour, controls and psychological factors, we are reducing our injuries and high potential incidents.

At our Wafi-Golpu Project, we similarly ensure proactive safety risk management with critical risk monitoring and visible felt leadership.

## CASE STUDY

### Emergency preparedness advances zero harm journey



*Committed to protecting workforce safety, our Hidden Valley emergency response team regularly conducts simulation-based training to prepare employees for emergencies and enable us to avoid life-threatening incidents.*

As emergency preparedness is among the core components of risk management, our Hidden Valley emergency response team regularly conducts real-life simulations of various scenarios, such as working at heights, road accidents, confined space and rope rescue and firefighting, to prepare employees for unforeseeable incidents.

The team abseils on buildings, uses ropes to manoeuvre through confined spaces to reach accident victims and provides in-house training in rescue procedures and efficient access techniques. The training, emphasising compliance and aiming for zero harm, promotes Harmony's safety culture by consolidating lessons learnt in the simulations and improves employees' skill sets to protect lives and ensure safe, efficient working conditions at all times. The training also shows our emergency response team's ability to identify and manage various medical emergencies, including careful patient transfer to an ambulance stretcher to reduce the risk of further injury.

St John Ambulance Papua New Guinea collaborates with our Hidden Valley emergency response team in providing first aid training to employees. The accredited course empowers employees to effectively respond to medical emergencies and potentially save a person's life.

#### Radiation protection

**Harmony has 17 certificates of registration (CoRs) from the National Nuclear Regulator (NNR)**

The CoRs are managed by eight legally appointed radiation protection officers (RPOs) assisted by two permanently employed radiation protection monitors (RPMs).

No overexposure of Occupational Exposed Persons (OEPs) was reported within the Harmony group in FY23 although we have seen an increase in employee doses at Moab Khotsonog over the past five years. We monitor current and projected doses monthly for early intervention, which includes moving high-risk employees to surface operations.

- In FY23, we achieved:
- Average quarterly self-inspection compliance: 99%
  - Average internal audit compliance: 99% (internal audits are conducted annually)
  - NNR compliance: 12 inspections and audits, and only eight non-conformances were raised and these were closed out timeously with no material risk to our operations' CoRs (timing and the number of inspections are conducted at the NNR's discretion).

# HEALTH AND WELLNESS

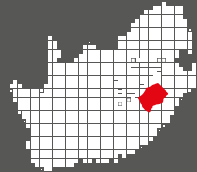


## Future focus areas

*Across the group, we will advance the digital transformation of our employee healthcare delivery in collaboration with cross-functional teams striving for safe production. This will enable our medical teams to deliver proactive healthcare, based on employees' individual risk profiles in addition to annual medical examinations, and effectively address specific occupational conditions.*



In Papua New Guinea, we plan to expand our occupational hygiene programme to address noise and vibration monitoring.



In South Africa, we anticipate challenges presented by pending changes to healthcare provision legislation such as the National health insurance (NHI).



In Australia, we are developing our health and hygiene monitoring plan to address future activities at the site.

**In line with the company's commitment to ensuring our people live healthy, productive lives, we aim to meet our targets for occupational health through the adoption of and aligning with industry leading practices.**

We safeguard our employees' health and wellbeing through our preventive approach by providing safe and healthy workplaces with accessible healthcare services.

### Our approach

Our proactive, risk-based healthcare service provision aims to ensure employees are fit to work, lead healthy lifestyles and retire at a physiologically appropriate age. Robust medical surveillance enables active case finding, and early disease detection and treatment, in support of our four-pronged healthcare strategy:

1. Education, awareness and health promotion
2. Disease prevention and risk management
3. Clinical intervention (treatment programmes)
4. Continuous employee health risk profiling.

The strategic intent is to build resilience and empower our employees to proactively manage their health and wellbeing. Our electronic integrated health management system is aimed at providing a holistic view of each employee's health status on a digital platform. This platform collates occupational and non-occupational health data for our management teams to make informed decisions for safe production. It is the foundation of the digital transformation of our health strategy (overleaf).

### GRI Standards

Prepared in accordance with 3-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9 and 403-10.

### Related SDGs



Health and wellness *continued*

Strategic  
**FOCUS**  
areas:  
*2022 to  
2026*





Health and wellness *continued*

 **South Africa**

Medical scheme membership is compulsory for officials and management, and voluntary for category 4 to 8 employees who receive free comprehensive on-site healthcare services, including medicine supply in South Africa. We refer employees to external specialist service providers and to private hospitals for secondary and tertiary healthcare. We continue to provide 24hrs health service at all our operations, through our full time Occupational Medical Practitioners, Nurses and support staff.

 **Papua New Guinea**

Employees and contractors have access to a fully equipped medical centre (with a smaller clinic at the processing plant), that are operated by Hidden Valley, with external governance and audit support provided by Aspen Medical. Online medical registers track employees' progress from diagnosis to treatment of occupational and unrelated injuries and illnesses. Employees and contractors at Hidden Valley receive primary healthcare and occupational health surveillance services at our medical centre, which is staffed by full-time doctors and nurses. Employees and their families also receive company-funded medical insurance which provides assistance off-site. Privately owned companies supply medication, consumables and clinical advice.

**Occupational hygiene strategy**

Legislation in our host countries requires mining companies to monitor and report on occupational hygiene stressors (conditions with potentially adverse health impacts). We go beyond compliance with this legislation to protect our employees from exposure to health hazards such as dust, fibres, chemicals, noise, thermal stress and radiation. We also collaborate with regulators and our peers in developing policies aiming to reduce or eliminate mine employees' exposure to health hazards.

**Capacity building**

Providing healthy and safe workplaces:

- Ventilation and cooling at underground, surface operations and plants to manage **thermal stress**.

Managing occupational health hazards:

- **Risk assessments** (fire, explosions, airborne pollutants and noise)
- **Engineering controls**
- **Compliance** with industry milestones.

Employee health risk profiles:

- **All occupations** profiled
- **Medical surveillance**.

**FY23 focus areas and performance**

**Collaboration**

We partner with internal and external stakeholders to strengthen the implementation of our strategy:

- Internal stakeholders, government, NGOs, unions and the Minerals Council (addressing HIV/ Aids, TB, occupational health risks, gender-based violence and vaccinations)
- The Papua New Guinea Department of Health (registration and certification of our medical centre, radiology facility and outreach health programmes for TB, HIV/Aids, domestic violence, and breast and cervical cancer awareness)
- Aspen Medical (governance and audit of the Hidden Valley medical centre).

To maintain our licence to operate, Harmony's medical surveillance programme is a prescript of the Mine Health and Safety Act in South Africa and, in Papua New Guinea, the Australian Institute of Occupational Hygienists' occupational hygiene monitoring and compliance strategies. Dedicated medical hubs at our operations conducted 68 400 (FY22: 66 862) medical examinations in South Africa and 19 969 (FY22: 15 539) in Papua New Guinea.

Across South Africa, we spent R940 million (US\$52.9 million) (FY22: R1.1 billion/US\$71 million) on health initiatives.

<b>South Africa: Healthcare expenditure</b>	<b>FY23</b>	FY22	FY21
Total healthcare expenditure (Rbn)	<b>940</b>	1 100	1 000
Covid-19-related management (Rm)	<b>49</b>	204	292
Free healthcare benefits:			
– Health benefits cost (Rm)	<b>552</b>	560	465
– Employees impacted	<b>25 720</b>	27 707	28 447
Medical aid schemes:			
– Medical aid scheme cost (Rm/month)	<b>28</b>	27	26
– Employees impacted	<b>9 493</b>	9 823	9 793

We spent R34 million (PGK6.7 million) (FY22: R16 million/PGK4.4 million) on medical and healthcare expenses in Papua New Guinea.

<b>Papua New Guinea: Healthcare expenditure (Rm)</b>	<b>FY23</b>	FY22	FY21
Total excluding Covid-19	<b>34</b>	16	13
Covid-19-related management	<b>—</b>	238	290

<b>Papua New Guinea: Health statistics</b>	<b>FY23</b>	FY22	FY21	FY20	FY19
Health examinations conducted	<b>19 969</b>	15 539	11 489	20 452	17 601
Number of malaria cases	<b>90</b>	127	***	***	***
Employees treated for respiratory ailments	<b>2 456</b>	1 545	707	1 905	2 191

\*\*\* Figures were not monitored.

**Health and wellness *continued***

**Occupational medicine and hygiene**

We aim to prevent occupational health incidents to protect our employees from serious health implications, and Harmony from financial liability and reputational damage.

**South Africa**

Our key health concerns are occupational hygiene stressors (silica dust, noise, radon gas, heat, diesel particulate matter, welding fumes and vibrations). Although we have seen a significant decline over the years, noise-induced hearing loss (NIHL), heat-related illnesses, and occupational lung diseases, particularly silicosis, remain our major risks.

**Managing airborne pollutants**

Our silica dust management's primary objective is to eliminate occupational lung diseases. We aim for the industry milestone (95% of personal silica dust samples below 0.05mg/m<sup>3</sup> by 2024) with annual dust load reduction targets. Our FY23 target was 94% (FY22: 93%) and we achieved 91.8% (FY22: 88.2%). Most metallurgical plants and one-third of our mines exceeded our 94% target. Workplace exposure to silica dust remains a risk, and long-term workplace dust control projects are progressing well at all operations.

Engineering airborne pollutant controls, informed by Mining Industry Occupational Safety and Health (MOSH) leading practice, enable consistent improvements. Harmony's interventions include reducing exposure to rock breaking at source, in stoping, development and trackless mining. We use extraction units in laboratories and water sprays at our plants, deposition and remining sites.

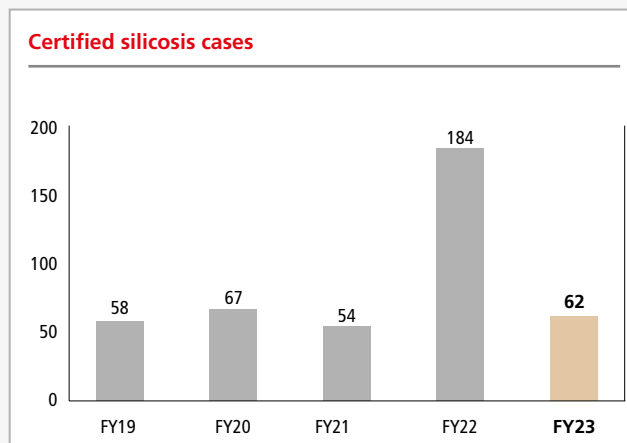
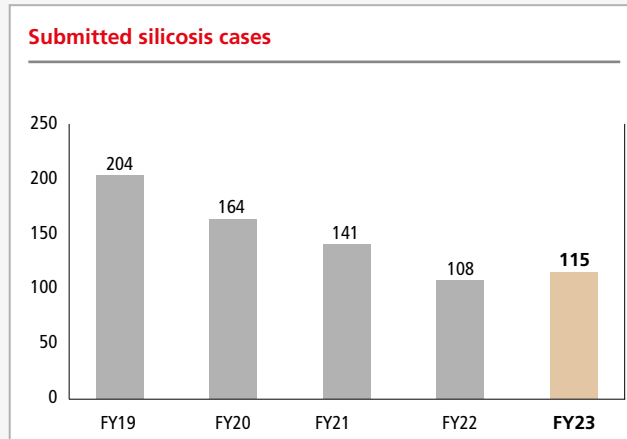
In FY23, our engineered controls compliance to the planned units were as follows:

- Foggers (97.3%), covers (95%) and filters (96.1%) at main tips
- Airway sprays (95%), spray cars (94.1%), and footwall and sidewall treatment (82.9%) at main intake haulages
- Winch covers (98.4%) and in-stope atomisers (95.1%) at stopes
- Continuous real-time monitors (96.4%).

**Addressing occupational lung diseases (silicosis and TB)**

Silica dust exposure is a major risk as it causes silicosis, an occupational lung disease that increases susceptibility to TB, particularly among HIV patients. We address this through an integrated HIV/Aids, silicosis and TB (HAST) policy and programmes.

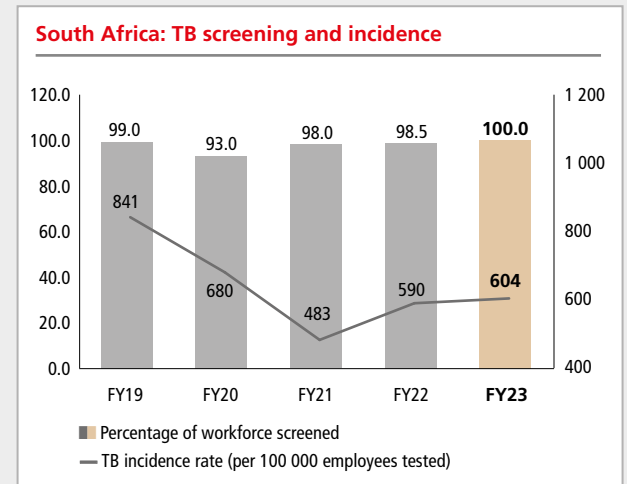
We submitted 115 (FY22: 108) silicosis cases for certification and possible compensation by the Medical Bureau for Occupational Diseases (MBOD). The MBOD certified 62 (FY22: 184) silicosis and silico-TB cases.



We aim to improve our performance towards the 2024 industry milestones on the elimination of occupational lung diseases and reduction, elimination of NIHL and prevention of TB and HIV/Aids. The first milestone requires that no new cases

of silicosis should occur among previously unexposed individuals (those who entered the mining industry in 2009). There are two certified cases of silicosis among previously unexposed employees noted at Target Mine in 2013 and 2015. Target Mine is used as a case study to showcase a comprehensive and focused approach to risk, enhanced preventive controls, quality assurance strengthening and improved outcomes since 2019 (see below). No new cases have been noted.

We aim to meet the TB milestone (TB incidence rate should be at or below the national TB incident rate). The number of TB cases diagnosed totalled 262 (FY22: 267) which indicates a TB incidence rate of 604 (FY22: 590) per 100 000 employees tested. Covid-19 had a negative effect on our TB programme hence the slight increase in TB cases for FY23. We have implemented a turn around strategy to address the TB surge in order for us to meet the industry milestone.



Extensive work is put in through the TB/HIV programme to attain the HIV/Aids milestone (100% of employees offered HIV counselling and testing (HCT) annually and all eligible employees linked to an antiretroviral treatment (ART) programme).

## CASE STUDY

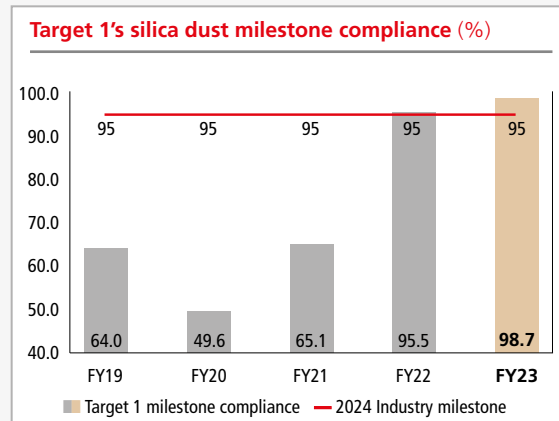
### Successfully managing silica dust at Target 1



*In line with Harmony's commitment to ensuring our people live healthy, productive lives, we aim to align with industry best practice and meet our targets for occupational hygiene.*

Silica dust is an undeniable threat to employees' health, and Harmony continually works to improve our interventions to ensure we protect our people from preventable harm and align with or exceed industry targets.

Our Target 1 Mine in the Free State improved silica dust levels in FY23, supported by its silica dust management strategy. The mine exceeded the group's target of 94.0% and achieved a milestone compliance rate of 98.7%, exceeding the industry milestone of 95.0% of personal silica dust samples below 0.05mg/m<sup>3</sup> by 2024 for the second consecutive year. Encouragingly, the percentage of Target 1 employees classified as "A" homogeneous exposure group (defined as employees exposed to ≥0.1mg of silica dust per m<sup>3</sup>) decreased to 0.1% in FY23 from 87.6% in FY19.



Target 1's silica dust management strategy supported these improvements by:

- Establishing a dust management task team
- Cleaning areas around the headgear, conveyor belt (surface), shaft barrel and abandoned shaft stations
- Preventing spillage from tipping activity at the headgear
- Improving shaft sprays
- Washing off dust accumulations on the conveyor decline
- Introducing conveyor, crusher, rock breaker and tip dust suppression sprays as well as foggers at loading points and a 282 Level rock breaker dust filtration system
- Linking real-time dust monitors to our supervisory control and data acquisition control system
- Rolling out awareness campaigns.

The remarkable silica dust improvements at Target 1 since FY19 illustrate how Harmony's focus on managing airborne pollutants is making our workplace healthier. Looking forward, we aim to apply the learnings from Target 1's year-on-year dust management success to improve milestone compliance at all our operations.

## CASE STUDY

### Digitisation and automation of healthcare to address occupational risks



*Automation of our return-to-work process is among the projects we completed on our journey towards digitised and data-driven occupational healthcare aimed at mitigating workplace risks and future business liability.*

Our automated return-to-work process enables effective onboarding after holidays to ensure employees are physically and mentally fit to work. This is among other initiatives honouring our commitment to implement the eight fatality-eliminating interventions emanating from a special Minerals Council meeting of mining CEOs in 2021 (page 110).



Enhancing our electronic integrated health management system with data-driven business intelligence improves communication between health, hygiene and human resource teams. Our occupational health and hygiene and human resources teams use the system for prompt responses to decisions made by our medical practitioners after employee assessments. This critical interface requires real-time access to a holistic employee risk profile, including data on environmental hazard exposure and personal health risks, housed in our digitised management system.

The system will enhance accurate, reproducible, reliable and timeous reports required by, among others, the MBOD, MCSA and DMRE. Further enhancements, such as digitised X-rays, are planned to improve collaboration with others in the healthcare value chain such as radiologists providing quality assurance and submission to compensation authorities thus reducing administrative burden of the role players.

Harmony's investment in digitised and data-driven healthcare also helps employees fulfil the responsibility to manage their health and wellbeing by scheduling medical examinations, reducing waiting time and eliminating the risk of fraud and personal information errors with biometric verification.



Health and wellness *continued*

Settling occupational lung disease claims

**Tshiamiso (Setswana for “to make good” or “to correct”) describes our motivation to settle occupational lung disease claims**

The Tshiamiso Trust manages claims for mineworkers who are eligible for compensation due to contracting TB or silicosis from working in certain gold mines during 12 March 1965 and 10 December 2019. The trust was established in a collaborative effort between Harmony and our peers in the Occupational Lung Disease Working Group and lawyers for affected mine employees after the High Court approved the R5.2 billion silicosis and TB class action suit settlement in 2019.

In FY23, the Tshiamiso Trust paid out R304 million to 3 343 current and former Harmony mineworkers, of which R34 million was paid out to current mineworkers. Since 2020, the trust has paid out R1.1 billion to 12 686 mineworkers, 5 941 of whom have service years at a historic Harmony operation.

We also collaborate with our peers and the Department of Health to address challenges in administering occupational lung disease compensation through our ReConnect initiative. ReConnect is used to trace former employees and assist with addressing the backlog of claims.

Through ReConnect, a paperless compensation claims management system (CCMS) was developed to help the MBOD, Compensation Commissioner for Occupational Diseases (CCOD) and the Tshiamiso Trust efficiently settle claims and pay unclaimed benefits. The CCMS reduces the average claim processing time from 500 to 90 days. The Harmony medical hubs have submitted 579 new benefit medical examinations to the MBOD during the year, of which 31.0% represent former Harmony mineworkers.

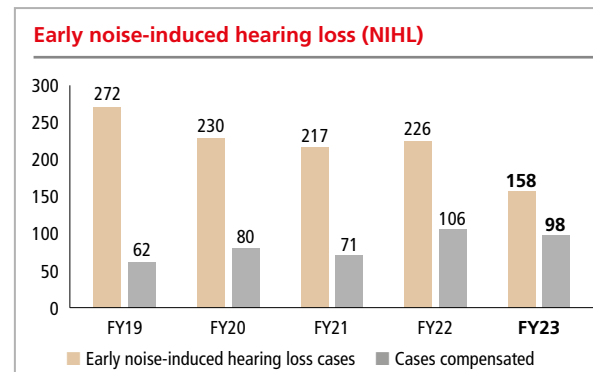
In FY23, 1 169 CCOD-related occupational lung disease claims to the value of R54 million were paid to current (155) and former Harmony mineworkers.

**Noise management**

The primary objective of our noise management programme is to eliminate NIHL. We have set a milestone of ensuring that any equipment’s total operational or process noise does not exceed a sound pressure level of 107dB(A) by December 2024 and every employee’s standard threshold shift (a sensitivity marker that identifies early hearing deterioration) does not exceed 25dB(A). Our mitigation measures include “buy and maintain quiet” equipment as per MOSH recommendations to reduce vibration noise and reach the 107dB(A) milestone.

No equipment is above 107dB(A) at any of our operations except compressors at two operations. Controls are in place to ensure that employees are not exposed to these high noise levels. The standard threshold shift guides our occupational hygiene team in preventing progressive hearing loss, focusing on controlling noise at source. Where we risk exceeding the legislated 85dB(A) occupational exposure limit, employees wear hearing protection devices (noise clippers). The overall noise clipper usage is above 95% across all operations in South Africa. Investigation done on reportable standard threshold shift cases (exceeding 25dB) highlighted certain improvement areas and serve to strengthen our preventive controls in the workplace. To date, 14 cases were noted at South African operations. There is a continuous drive to enhance quality in the usage of early NIHL leading indicators.

The number of employees with early NIHL decreased to 158 (FY22: 226) and those compensated for NIHL to 98 (FY22:106).



**Managing underground temperatures**

Thermal stress and heat-related illnesses are serious risks for our operations, given the depth of some of our mines. As part of continuous monitoring of environmental working conditions, our primary focus is minimising exposure to temperatures above 30.5°C\*. This is 2.0°C below the legally allowed exposure of 32.5°C\*. We address thermal stress due to high underground temperatures, which could cause heat-related illness, with suitable ventilation and cooling, employee heat tolerance screening and acclimatisation programmes, and adequate hydration and support. Based on risk assessments at every mine, lower-risk occupations use natural acclimatisation to minimise the threat, including alcohol testing to avoid dehydration. We addressed underground air intake conditions above 26°C\* with booster fans and bulk air cooling plants on the surface.

We conducted 24 085 (FY22: 17 868) heat tolerance tests as part of medical surveillance and recorded 192 (FY22: 211) cases of heat-related illnesses (mostly at Mponeng and Moab Khotsong).

\* Wet bulb temperature; a measure of heat stress on the human body by a thermometer covered in water-soaked cloth (the water is at ambient temperature).

Radiation protection

**Monitoring radiation levels and exposure in South Africa**

Our operations go beyond compliance with legislated radon gas dose limits of 30 millisieverts (mSv) a year (Harmony: 20mSv) and 100mSv (Harmony: 95mSv) over five years by including a limit of 50mSv over two years in our radiation protection programmes.

Employees who test above 90mSv are removed from the risk area. At Moab Khotsong, where the average dose has increased by 42% from 4.8mSv to 10.3mSv over the past five years, we test and monitor employees monthly, and our occupational hygiene team is improving air intake quality. In FY23, we moved 136 employees to lower-risk areas and 30 to surface without additional interventions. We await the outcomes of annual National Nuclear Regulator inspections of our radiation protection programmes at each operation and declassification of decommissioned sites.

**Health and wellness *continued***

**Papua New Guinea**

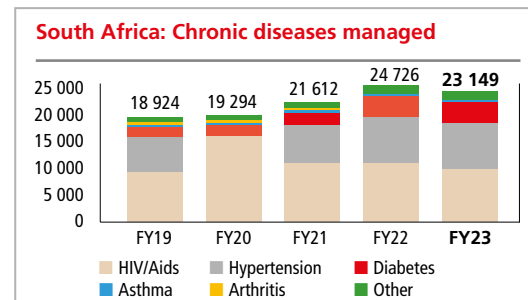
Significant occupational hygiene stressors at Hidden Valley, where we use large mining and earthmoving equipment, are NIHL, exposure to diesel particulate matter and respirable crystalline silica dust. Our robust noise monitoring programme addresses NIHL by ensuring employees wear appropriate hearing protection devices and masks, while high rainfall is a natural silica dust control in our mining areas.

Hidden Valley has a comprehensive occupational hygiene programme aligned to the health risks across the operation. The programme and work complies with international hygiene standards and practice and is periodically audited by Aspen Medical as part of the Health Governance Programme. Independent consultants also periodically undertake training and third party verification audits.

**Non-occupational healthcare**

Using our electronic health management system, which enables follow-ups, Harmony’s integrated lifestyle programme addresses communicable diseases such as HIV/Aids, TB and Covid-19, and non-communicable lifestyle diseases, including increasing mental health-related conditions.

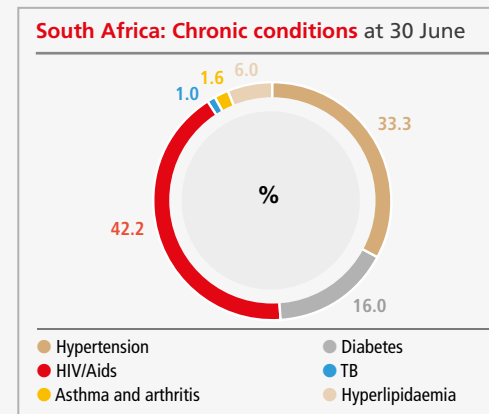
In FY23, 2 355 (FY22: 2 494) employees participated in this programme.



Note: If an employee has more than one chronic disease, this is counted against each condition.

**South Africa**

Non-communicable chronic lifestyle diseases (illustrated below), such as hypertension, heart disease and diabetes, remain significant challenges for our employees. We also manage challenging communicable lifestyle conditions such as HIV/Aids and TB.



**HIV/Aids**

The scourge of HIV/Aids in South Africa continues to impact our employees and their dependants despite progress in raising awareness and prevention as well as the availability of ART. Harmony is concerned that this disease, and opportunistic infections, contribute to absenteeism outlined on page 128 and related productivity and skills losses, which negatively impact our sustainability. As motivating employees to disclose their HIV status remains challenging, worsened by the stigma and confidentiality, we focus on encouraging positive behaviour.

In FY23, 29.3% of our permanent workforce was HIV-positive and 8 934 employees (FY22: 9 595) receiving ART participated in our HIV/Aids programme. The prevalence rate in Harmony is higher than the national average due to the Harmony environment being closed and controlled as compared to the rest of the country.

We continue to distribute Dolutedravir based regimen, and other “smart drugs”, which accelerated viral suppression with fewer side effects for 82.0% (FY22: 78.0%) of employees. These drugs support South Africa’s achievement of the United Nations Programme on HIV/Aids (UNAids) 95-95-95 targets (illustrated below). Harmony’s HIV/Aids programme aligns with this global campaign. Tshepong was the first of our operations to reach and surpass the new 95.0% target with Doornkop also reaching the 95.0% target in this financial year.

	Harmony’s HIV status (%)		
	FY23	FY22	FY21
of people living with HIV will know their status	<b>89</b>	85	76
of people with diagnosed HIV infection to receive sustained ART	<b>90</b>	89	86
of people receiving ART to have viral suppression	<b>82</b>	78	78
Employees on voluntary counselling and testing programmes	<b>83</b>	92	***

\*\*\* Figures were not monitored.

Harmony’s HIV/Aids programme supports the realisation of the UNAids 2030 targets by creating awareness and offering voluntary counselling and testing. We participate annually in commemoration of World Aids Day with build-up campaigns starting in November in collaboration with government and our Minerals Council peers.

Employees continue to receive pre-test counselling and voluntary testing through ongoing initiatives at our healthcare hubs. Note that in numerous instances, employees will test more than once in a financial year. In FY23, 71 563 (FY22: 67 035) employees received voluntary counselling and testing, and 59 372 (FY22: 61 565) confirmed their status. TB screening was offered to 7 054 employees and 5 936 were tested. We also identified and began treating 24 new positive cases.

**Responding to disease outbreaks**

We maintain our precautionary Covid-19 management approach to infectious disease control. Although Covid-19 disruption diminished significantly worldwide, we remain vigilant as new variants and cases continue to emerge. At year end, we recorded zero active cases, 80.0% of our 43 175 employees were fully vaccinated and 35.0% had received a booster dose. 17 employees tested positive and four were hospitalised and recovered. Covid-19 vaccinations were integrated into daily health management.

**Health and wellness *continued***

In collaboration with labour representatives, we encourage employees to receive Covid-19 boosters and influenza (flu) injections, particularly high-risk people. A total of 4 727 employees, 10.8% (FY22: 11.0%) of our South African workforce, received these vaccinations in FY23.

We are also monitoring national measles, mumps and waterborne cholera outbreaks. With symptoms similar to Covid-19, measles and mumps are highly contagious, airborne diseases common in children and unvaccinated adults. No Harmony employees have been diagnosed with measles, mumps or cholera to date.

**Mental health**

Enabling a caring culture, employees participated in renaming our mental health and psychosocial programme to Khethimpilo (Zulu for “choose life”). We officially launched the campaign in March 2023, focusing on suicide prevention and substance abuse. We encourage employees and their families to use the service (ongoing hybrid, on-site and telephonic counselling by resident social workers and Reality Wellness therapists). This programme is crucial to mitigate emerging risks, such as disease outbreaks and the economic climate, among others, which induce stress. At year end, we recorded 9 620 consultations addressing substance abuse, family problems, work-related challenges and other mental health concerns.

20 865 employees were reached through awareness and promotion campaigns:

- Zero tolerance to violence at work and home environments (6 900)
- Suicide prevention (3 800)
- Substance abuse prevention (1 779)
- Programme rebranding and awareness on services (8 346).

**Papua New Guinea**

TB and comorbid HIV/Aids as well as lifestyle diseases, such as hypertension and diabetes, are the main reasons for off-site referral for further checks and failed pre-employment medical examinations.

Given the humid climate, upper respiratory tract infections and TB are our main medical concerns. We effectively manage TB with digital X-ray, GeneXpert and other medical laboratory equipment to accurately diagnose this chronic disease as well as tropical diseases. In FY23, Harmony treated 2 456 (FY22: 1 545) employees for respiratory ailments. Good hygiene practices (regular hand washing, sanitising and wearing masks when experiencing symptoms) are emphasised regularly to reduce contagion.

**Responding to disease outbreaks**

Vulnerable employees are sent off site for active disease management, including for malaria and other endemic tropical diseases such as typhoid and diphtheria. Outbreaks of dengue, filariasis and Japanese encephalitis did not affect our employees.

Although rampant in Papua New Guinea, malaria does not affect our Hidden Valley operation as it is located at a high altitude. Cases recorded at Hidden Valley are typically contracted off-site with symptoms presenting when personnel return to work. Employees, contractors and communities in lower valleys, and at Wafi-Golpu, are at greater risk of contracting this disease. In FY23, at Hidden Valley, our malaria cases decreased by 29.0% to 90 (FY22: 127). At Wafi-Golpu, our employee and contractor-focused malaria management programme includes awareness and education campaigns, and mosquito net distribution. We encourage both groups to take nets home to their families.

**Mental health**

Increasing mental health issues are challenging to assess as most patients do not disclose necessary information. Our on-site medical team addresses this issue with continuous health promotion activities, including a topic of the month and campaigns that encourage regular health checks. As exercise is among the recommended treatments for mental health conditions, we have a gym and undercover sports facilities for employees at Hidden Valley.

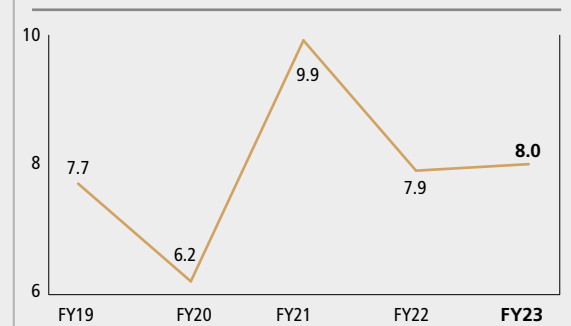
**Managing health-related absenteeism**

**We address health-related absenteeism with early identification and management of chronic illness or debilitating diseases that may render employees medically incapacitated**

Our At Work programme continues to identify employees on extended sick leave, monitors their medical conditions, and ensures appropriate treatment and early return to work with health and productivity as goals.

The main contributing factors in South Africa are injuries, respiratory, musculoskeletal and psychological conditions. In Papua New Guinea, respiratory tract infections, due to cold night-time temperatures, cause health-related absenteeism.

**South Africa: Health-related absenteeism (%)**





# CARING FOR OUR **EMPLOYEES**

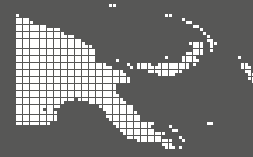


## Future focus areas

Across the group, we will continue optimising systems and processes with technology that improves management and team cooperation.

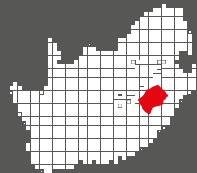
We will also roll out our leadership programme from senior leaders to supervisors. This includes a review of our values and culture.

Our bursary programme and student training will extend to international operations.



In Papua New Guinea, we will continue our efforts to increase our female workforce, including leadership positions.

Harmony is committed to operating within the scope of the MoA agreement with the stakeholders of the Hidden Valley operation. A formal review of all parties' performance against MoA obligations is expected to take place in FY24.



In South Africa, we will continue to increase our female workforce through an employment equity plan with targets for 2027.

We remain committed to ensuring a culture of gender diversity, equity and inclusion as well as being aware of shifting priorities within our communities.



In Australia we will continue to comply with legislative changes at a state level and we will continue to foster the principles of diversity, equity and inclusion.



Joel shaft underground meeting

### GRI Standards

Prepared in accordance with 3-3, 401-1, 401-2, 401-3, 402-1, 404-1, 404-2, 404-3, 405-1, 405-2, 406-1, 407-1, 408-1, 409-1 and 410-1.

### Related SDGs



**Our employees are Harmony's most valuable asset in mining with purpose. We engage with mutual respect and trust to achieve our strategic goals.**

We strive to go beyond compliance with the mining charter in South Africa to create and maintain an employee profile that addresses the country's needs. Our approach includes MoA employment targets in Papua New Guinea and we are progressing well with engagements in Australia about future project opportunities for employment.

Caring for our employees *continued*

**South Africa**

**Human resources development (ring-fenced)**

- 5% (percentage of the leviable amount excluding mandatory skills development levy)
  - Mining Transformation and Development Agency: 2%
  - Essential skills development: 2%
  - South African historically black academic institutions: 1% (70% of the budget must be spent in South Africa – half of this budget on research and development at these institutions).

**Employment equity**

- Historically disadvantaged people (including women, people living with disabilities, and people with core and critical skills) representation in board and management
- Career progression aligned with social and labour plans (SLPs).

**Housing and living conditions**

- Decent housing, home ownership, integrated human settlements and measures to address demand
- Affordable, equitable and sustainable healthcare services with proper nutrition.

**Papua New Guinea**

**Tiers 1 and 2:  
Local landowners and impacted districts**

41%

**Tiers 3 and 4:  
Morobe Province and the rest of Papua New Guinea**

56%

**Tier 5:  
Expatriates**

3%

**Women**

15%

**Our approach**

Our duty of care is our moral and legal obligation borne out of our values to ensure the safety and wellbeing of our people. This starts with our employees and extends to our communities, and aims to go beyond compliance in providing uplifting support and meeting the employment needs of the countries in which we operate.

We aim to place the right people in the right roles, at the right time, with motivation to work safely and productively to create value. Harmony creates an enabling environment, supported by a human resource team focusing on talent management, engagement, diversity, equity and inclusion to benefit employees, the business, host communities and shareholders.

The tenets of our employee relations approach support employees' wellbeing:

- Upholding equity through empowering individual development programmes
- Embracing our rich diversity with respect for local communities
- Encouraging employees to invest in the company's success
- Ensuring freedom of association through organised labour structures that promote business improvements.

Employee **Safety** and **Health and wellness** are at the heart of our approach to ensure positive employee relations. We collaborate with internal and external stakeholders (page 37) to advance our proactive safety culture and health goals, supported by industry leading strategies aiming for zero harm.

Details on the tripartite steering committee (which includes our culture transformation, health and wellness, and employee development teams) can be found on page 111.

Employment equity and human resource development committees (meeting quarterly at a corporate level, and monthly at operational level) are addressing challenges in achieving employment equity targets, particularly at junior management level, by:

- Enrolling suitable candidates in our skills and leadership development programmes
- Filling vacant positions with the correct designated group
- Awarding bursaries, internships and learnerships to historically disadvantaged people (increasing our talent pipeline in various entry-level positions).

Caring for our employees *continued*

FY23 focus areas and performance

**Collaboration**

▼

We partner with these stakeholders to strengthen implementation of our strategy:

- Minerals Council South Africa, Mine Health and Safety Council and unions (tripartite forum)
- Minerals Council South Africa, Mining Qualifications Authority (MQA) and Department of Education (skills development)
- Minerals Council South Africa (gender-based violence).

Key metrics	South-east Asia (Papua New Guinea and Australia)	
	South Africa	
<b>Total permanent workforce</b>	<b>33 341</b>	<b>1 572</b>
<b>HDPs<sup>1</sup> (South Africa)/local (Papua New Guinea)</b>		
Total workforce (%)	74	97
Total management <sup>2</sup> (%)	68	29
<b>Employee remuneration</b>		
Wages and benefits (Rm)	16 557	958
Total training spend (Rm)	783	34

<sup>1</sup> HDPs include women and exclude white males and foreign nationals.

<sup>2</sup> Management includes all junior, to top management level employees.

Find more statistics in our [ESG data tables](#) on our website.

**Age profile**

Our employee age profile is 57% (FY22: 57%) younger than 45 years in South Africa and 73% (FY22: 74%) in Papua New Guinea. We attribute this to recruiting youths who graduate from our South African community training programme.

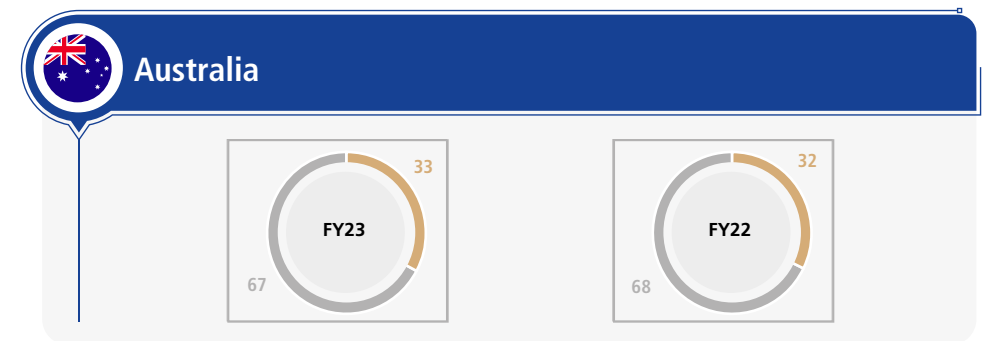
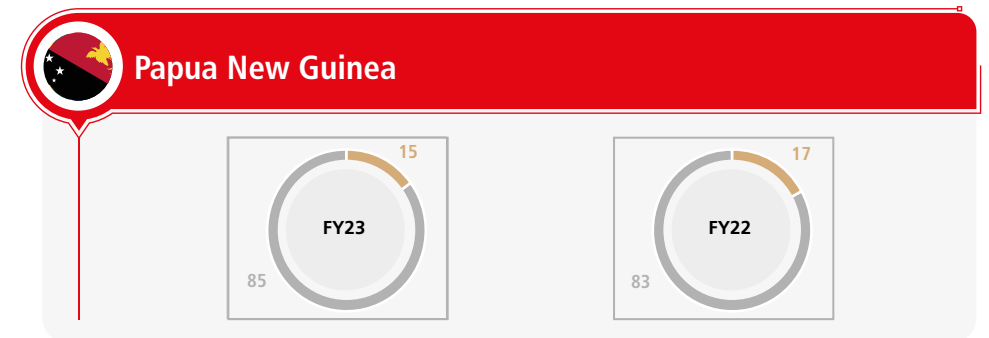
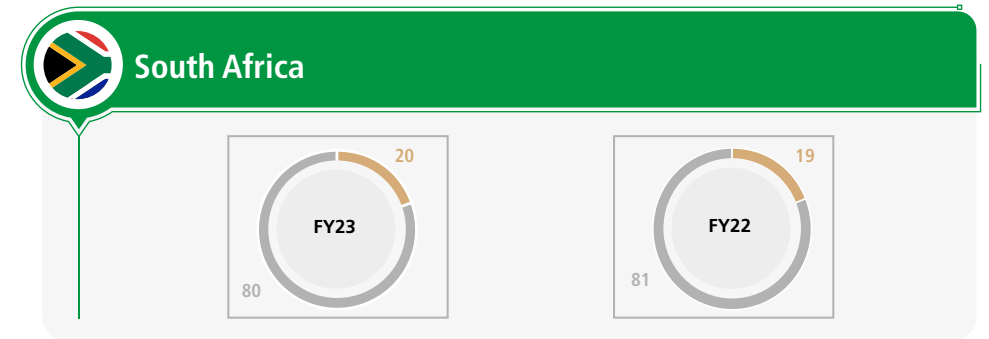
**Workforce profile**

Region	Permanent employees			Contractors			Employees from local communities (%)		
	FY23	FY22	FY21	FY23	FY22	FY21	FY23	FY22	FY21
South Africa <sup>1</sup>	33 341	35 989	36 873	9 834	9 013	8 860	83	82	78
Papua New Guinea <sup>2</sup>	1 472	1 527	1 536	795	751	778	98	98	97
Australia	100	65	63	4	0	2	n/a	n/a	n/a
<b>Harmony total</b>	<b>34 913</b>	<b>37 581</b>	<b>38 472</b>	<b>10 633</b>	<b>9 764</b>	<b>9 640</b>			

<sup>1</sup> Includes South African underground and surface operations.

<sup>2</sup> Excludes employees of the Wafi-Golpu Project.

Female versus male employees<sup>1</sup> (%)



■ Female ■ Male

<sup>1</sup> Excludes contractors.



**Caring for our employees *continued***

**South Africa**

Our largest labour-sourcing area employs a permanent workforce of 33 341 (FY22: 35 989) people. Reductions in our permanent workforce are mainly due to natural attrition and voluntary separation packages due to Bambanani mine closure.

1157 new engagements during the period (includes SLP commitments and community learners), (866 males and 291 females).

Our employee turnover increased to 1.3% (FY22: 1.1%).

	FY23	FY22
South African nationals	83	82
Foreign nationals <sup>1</sup>	17	18

<sup>1</sup> Employees from neighbouring countries (primarily Lesotho and Mozambique).

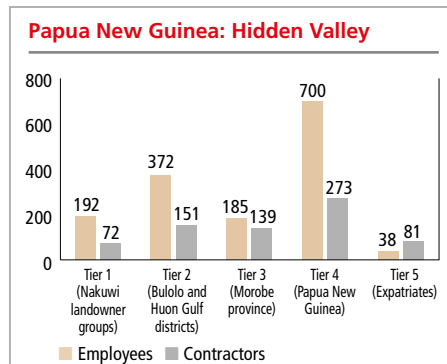
**Papua New Guinea**

We have a permanent workforce (including contractors) of 2 267 (FY22: 2 278) people at Papua New Guinea.

Resignations continue to decrease as a result of our ongoing retention efforts. Our roster improvements, and focus on quality leadership and employee engagement have all had a positive effect on our overall turnover during a volatile PNG market. This reduced our Hidden Valley employee turnover to 21% (FY22: 28%).

**Papua New Guinea: Hidden Valley Employees and contractors (%)**

	FY23	FY22	FY23	FY22
PNG National Employees	94.5	93	0	31
Expatriates	5.4	7	0	69



**Diversity, equity and inclusion**

Our commitment to gender equality is recognised globally with our fifth consecutive inclusion in the Bloomberg Gender-Equality Index, which tracks the performance of public companies committed to supporting gender equality through policy development, representation and transparency.

In the year, we conducted the Gender Survey in South Africa and Papua New Guinea, and the findings of the survey including recommendations have been communicated across the group by our CEO. Action plans and a roll-out plan were developed, covering communication and awareness, cultural leadership and behaviours, targeted interventions and training, policies and practices, facilities and the work environment.

**South Africa**

We are among corporate citizens redressing historical imbalances, particularly at managerial levels. Our efforts aim to create and maintain a workforce that represents the cultural and gender diversity of the South African population. We have a people development strategy that aims to increase female representation across all levels, particularly management levels. The company has also refocused its uptake in the developmental programmes to increase women, such as graduate development programmes, bursaries, learnerships and internships.

To meet employment equity targets and improve gender diversity, we accelerate HDP representation in managerial positions, which has increased to 68% (FY22: 67%).

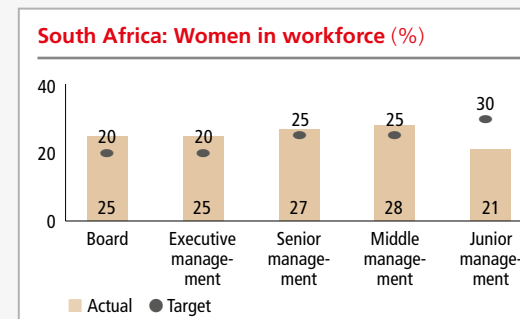
**Employment equity performance at 30 June 2023**

	Target %	HDPs <sup>1</sup>		Female HDPs		
		Actual FY23	Actual FY22	Target %	Actual FY23	Actual FY22
Board <sup>2</sup>	50	67	57	20	25	21
Executive management	50	60	55	20	25	25
Senior management	60	57.6	59	25	27.2	28
Middle management	60	60.5	57	25	27.7	27
Junior management	70	69.7	68	30	20.8	19
Core and critical skills	60	72.7	72	n/a	n/a	n/a
People living with disabilities	1.5	0.3	0.1	n/a	n/a	n/a

<sup>1</sup> HDPs include women and exclude white males and foreign nationals.

<sup>2</sup> Harmony's three executive directors are included as board members.

Although there were notable improvements in achieving our HDP management targets, we did not achieve our gender diversity objectives at junior management level. Our transformation interventions include creating a conducive working environment for people living with disabilities.



Caring for our employees *continued*

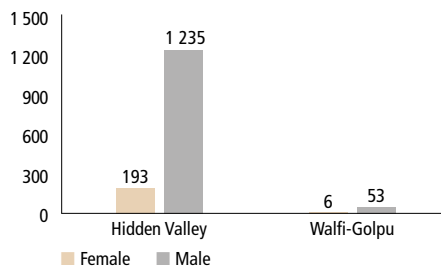
**Papua New Guinea**

The proportion of female employees at leadership levels is 23.0% (FY22: 11.0%). To accommodate more female employees, we provide additional, gender-specific accommodation, and run awareness campaigns to promote gender equality and combat gender-based violence.

✈ We support the global **16 days of activism against gender-based violence campaign** from 25 November to 10 December every year.

We strive to maintain and enhance our diversity, equity and inclusion programmes across our operations.

**Papua New Guinea: Employees by gender**



**CASE STUDY**  
**Addressing gender-based violence and femicide in mining communities through national partnership**



*Our women in mining forums address gender equity issues within Harmony. Through a collaborative effort with the Minerals Council South Africa we support the national partnership addressing gender-based violence and femicide in our host communities.*

Channelling our SLP financial commitments towards meaningful impact in our host communities, Harmony pledged R1 million a year over the next three years to the national partnership established by the Minerals Council South Africa, the Gender-Based Violence and Femicide Response Fund and the National Prosecuting Authority to support victims in mining communities.

Our donation will enable the National Prosecuting Authority's Thuthuzela care centres to reach women in remote mining communities with immediate and effective access to counselling, healthcare and the justice system (including medical and other resources provided by Harmony's operations).

We encourage women in our workplaces and communities to voice their challenges and aspirations through established forums. The outcomes of our surveys on gender-based biases, bullying and sexual harassment enable us to implement measures that address barriers in communication and awareness, culture and leadership, targeted interventions and training, policies and practices, facilities and the work environment.



Harmonite at Mine Waste Solutions

# CASE STUDY

## South Africa and South-east Asia: Gender based biases, workplace bullying and sexual harassment survey



*Harmony is committed to ensuring a culture of gender diversity, equity and inclusion as well as creating awareness and contributing to shifts in communities and society.*

Harmony senior leadership is committed to gender inclusion and recognise that they set the tone for our values and expectations regarding gender diversity, equity and inclusion. However we recognise that the global mining industry is characterised by male domination, discrimination and under representation of women at various levels and that gender based violence is a serious challenge in South African and South-east Asian communities.

The first phase of this Harmony-wide initiative was to understand our culture from a gender perspective, to identify whether employees experience any forms of gender-based biases, bullying, including sexual harassment, or any other forms of gender-based violence. The initiative further aimed to understand whether the policies and interventions being implemented in Harmony are well understood and making an impact. The analysis phase was made up of the following steps:

- Communication of our intent to perform a dip stick analysis
- Design and implement both manual and online quantitative questionnaires designed specifically for South Africa and South-east Asia (dipstick surveys were completed with specific questions for our two different regional contexts)
- Perform focus groups and individual interviews to verify findings and unpack context
- Provide feedback of the findings to all employees
- Involve senior leadership to draw up action plans for implementation based on recommendations coming out of the analysis.

This phase was conducted by an external, professional service provider. We managed to get feedback from over 2 500 participants (7% of the workforce) in South Africa and 200 participants (15% of the workforce) in South-east Asia. This was then followed up in South Africa with focus groups and interviews that impacted 366 Harmonites.

### Key findings

- Nearly 80% of participants surveyed believe there's strong trust in leadership and their teams and high knowledge of sexual harassment related policies and practices
- There is still some negativity towards women in the workplace whereby a belief is held that women are treated preferentially to men
- Recommendations were made for improving working conditions for women, particularly for improvements of underground infrastructure
- Similarly at Hidden Valley with its related remote working conditions, infrastructure improvements are also required for women in particular.

### Implementation of recommendations

Our interventions are focused on creating a more conducive working environment for women, both underground and also at our camps where remote working is required. The emphasis is on providing facilities that maximise human dignity for our female employees. We continue with our diversity awareness initiatives and related training interventions across the organisation to ensure that we root out discrimination, improper perceptions and biases.

Findings have also re-emphasised the importance of our continued and enhanced focus on recruiting women into key positions at all levels of the organisation while we continue to monitor all gender-based bullying, sexual harassment and gender based violence cases and reports. Policies and practices aimed at addressing issues of gender based biases, bullying and sexual harassment have been reviewed and updated and are currently in a final draft ready for adoption.

Maintaining a steadfast commitment to gender inclusivity in the workplace is both a moral and strategic imperative for Harmony. By fostering an environment where all voices are heard, talents are nurtured, and opportunities are equal, we can tap into a diverse array of perspectives and talents, driving innovation, and ultimately, sustainable success in today's dynamic and interconnected world.

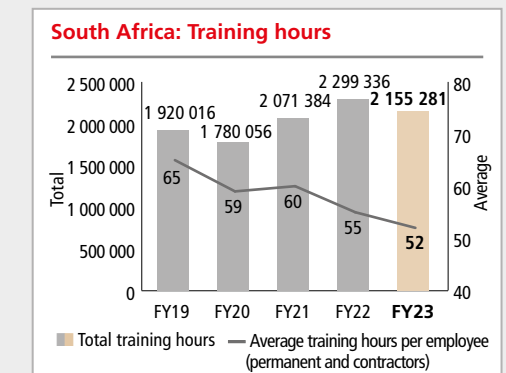
### Skills development and training

Individual development is a social and business imperative to address skills shortages and historical inequalities in education and training. Our skills development, training and talent management initiatives empower employees to achieve their full potential. Programmes, aligned with our strategic and operational needs, enable employees to acquire the skills, resources and motivation needed to optimise performance and productivity.

### South Africa

When using financial year figures to determine HRD spend, we achieved 6% against a mining charter target of 5%. This equates to R783 million (US\$44.1 million) (FY22: R661 million/US\$43.5 million on training and skills development for 96% (FY22: 93%) of our South African workforce. Included in the 96% were 163 (FY22: 96) employees in critical positions who attended 267 training interventions.

The graph below reflects the total training hours for all employees and contractors, and includes all training types such as initial and refresher training, skills programmes and short courses.





## Caring for our employees *continued*

### Skills development and training



#### Development pipeline

Our succession plan includes identifying potential employees for our development forums. We onboarded four (FY22: two) new junior engineers, increasing our talent pool to nine.

Of the 440 (FY22: 357) candidates in engineering learnerships, with strong HDP representation, 342 (FY22: 290) remained in the programme as well as eight (FY22: nine) junior engineers. We were also successful in attaining accreditation to offer Minerals Processing learnerships and a total of seven employees have been registered on this learnership.



#### Mining training

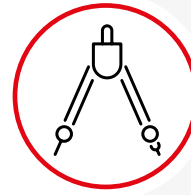
Our mining training programme includes:

- Shift boss development for 32 male and 13 female employees (FY22: 34 male and five female)
- Blasting tickets awarded to 50 learner miners (FY22: 49)
- 21 learners from the Ore Reserve Management discipline (FY22:14) were enrolled on the level 2 and 3 mining technical support learnerships.



#### Adult education and training

The company has a current literacy level of 79%. We continue to encourage employees to enrol in our adult education and training programme. Improvements in our approach includes digitisation of the programme, completed during the year, which now allows for 24/7 access for own-time learning. Own-time registrations increased to 267 (FY22: 166) and full-time based classes increased to 172 (FY22: 151). The average pass rate for own-time AET was 76% (FY22: 63%) with full-time AET decreasing to 62% (FY22: 75%).



#### Mathematics, science and language enhancement project

In partnership with the Department of Education, Harmony helped 760 (2022: 801) grade 10 to 12 learners and teachers achieve excellent maths, science and English results in the past academic year. Committed to R7 million for the 2022 to 2024 academic years, we provided funding of R3 million to schools in the 2022 academic year with a similar amount expected for the 2023 year (2020 and 2021: R5 million).



#### Bursary programme

Honouring our SLP commitments, we awarded bursaries to 108 (FY22: 126) students (52 female and 56 male), primarily from our host communities and labour-sending areas, at institutions of higher learning in South Africa. The total cost was R13 million (FY22: R15 million). After completing their studies, students can apply for inclusion in Harmony's graduate development programme.



#### Graduate development programme

Aligning current talent development plans with future leadership needs, our graduate development programme sponsored 14 (FY22: 20) students in core disciplines. We had 10 (FY22: 12) in mining and four (FY22: eight) in ore reserve management.



#### Study assistance programme

Harmony invested R5 million (FY22: R4 million) in 258 (FY22: 117) employees completing various diploma and degree courses as part of our talent development programme. This Harmony study assistance programme augments our people development strategy, which gives employees access to formal education and training.

## Caring for our employees *continued*



### Leadership development

Since 2018, our leadership development programme has gained traction and continues to improve organisational efficiency and innovation with additional courses for emerging and junior managers, team leaders and supervisors. We have enrolled 451 candidates in FY23 (FY22: 653):

- 14 (FY22: 13) senior and executive
- 67 (FY22: 51) middle and senior
- 197 (FY22: 400) emerging and junior
- 173 (FY22: 189) team leaders and supervisors.

In our senior and executive management talent pipeline, as part of succession planning, four candidates began the University of Cape Town Graduate School of Business Executive Master of Business Administration (EMBA) programme in February 2023.

As part of our humanistic transformation programme (the Thibakotsi journey on page 108), the middle management supervisory empowerment programme was rolled out at Kusasaletu Mine during FY23.

### Portable skills training

We provided portable skills training to 489 (FY22: 74) current and retrenched employees and their dependants through our social plan programme. This programme is aligned to the 2003 Social Plan Framework agreement between Harmony and the National Union of Mineworkers (NUM). This enables people to remain economically active beyond mining by cushioning the impact of unavoidable retrenchment or employment loss at the end of mine life.

Trainees, comprising 60.0% (FY22: 68.0%) employee dependants, are taught end-user computing, basic electrical competence and basic welding, baking and plumbing.



### Financial literacy programme

Launched in 2013, our financial literacy programme provides relief to semi-skilled and skilled employees with a financial management course (details on page 137).



## CASE STUDY

### Leadership development at Harmony



*Harmony's leadership development programme is a strategic investment in, not just the business, but Harmony's people as well.*

#### Background

The programme was introduced to Harmonites in 2018 and as at end FY23, 1 387 employees have completed the programme while 605 have graduated. The leadership competency framework that underpins the programme is both broad and deep covering inherent competencies and behaviours such as leading self, relating to others, versatile leadership and delivering results. Alignment of leadership competence at every level in the organisation in terms of living the values and subsequently becoming a Harmony Ambassador. Through this programme, there is also self-development which focuses on consciously mobilising and engaging teams towards the same Harmony culture and leaving a lasting legacy.

Importantly the programme works across levels of work from leading self through to delivering results, broken up into the following programme modules or curriculum:

1. **First Line Leader:** Leadership concerned with the execution of work
2. **Emerging Manager/Expert:** Focused on operational work
3. **Middle Manager:** Concerned with tactical work
4. **Executive/Senior Manager:** Leadership concentrated on strategic work

Over the years, the programme has evolved to incorporate important company-wide initiatives or priorities including effective risk management, the Thibakotsi journey and findings from our periodic, culture surveys.

#### Impact

The impact is felt at both company and individual level. At a company level we have more leaders in the right role that can better respond to our changing business environment and take their teams with them.

Our journey toward a more inclusive workplace, has yielded positive outcomes. Our proactive, safety culture continues to evolve and mature supporting an improved safety performance this year. Our sustainability challenges continue to be met with innovative practices from Harmonites. These outcomes are all in some part, thanks to the impact of this programme.

**Jonas Shopho, Mining Manager**  
– completed Emerging/Junior LDP during 2017 with distinction

*I have been with Harmony since 2005 so with regards to my leadership and supervision I was fortunate enough to go through the ranks. While I was a shift boss I was chosen and enrolled in the Leadership Development Programme. As a young shift boss you go through a lot of hurdles because you need to prove yourself not only to your crew members that you understand what you are doing but you also need to prove yourself to your leaders. I did not become a manager to my crew but a leader. You need to be able to share responsibilities with teams and make them accountable for their safety and achievements*

**Ennie Sesele, Human Resources Officer**  
– completed Emerging/Junior LDP during 2021 with distinction

*The programme taught me how to take bold and firm decisions based on company policies and procedures. It encouraged me to go back to school and further my studies at UFS Faculty of Law. I will be graduating on 30 June 2023.*

#### Ongoing development

Selection, promotions and development of Harmonites are guided by our leadership framework's principles and competencies. Therefore our leadership competency framework, curriculum and workshop objectives will continue to evolve and improve to support and enable proactive culture change for the next phase of Harmony's growth and success.

## Caring for our employees *continued*

### Papua New Guinea

Historical underinvestment in Papua New Guinea's technical training facilities resulted in a shortage of adequate technical skills, particularly in the mining sector. Our workforce training initiatives focus on providing the skills local recruits need for our Hidden Valley operation and career training to advance their skill sets.

Our training initiatives include career path and professional development, production, safety compliance, National Apprenticeship and Training Accreditation Testing Board compliance, and computer software and supervisor skills.

During FY23, 27 employees in our Hidden Valley Mobile Fleet Maintenance Department were supported in obtaining trade certificates, including 19 employees achieving trade testing level 1 and eight employees receiving trade testing level 2.

Online training and skills development for 1 448 (FY22: 1 359) employees cost R33 million (US\$1.9 million) (FY22: R4 million/US\$0.3 million).

Women empowerment initiatives include training female haul truck operators at Hidden Valley where 32.0% (FY22: 28.0%) of employees are female and small truck operators are now at 46.0%.

The employees dependants education assistance programme has had PGK1.7 million paid out in FY23.

### Addressing employee financial over-indebtedness

Addressing employee financial over-indebtedness remains a burden for many employees in South Africa with impacts on mental health and productivity. Our financial literacy programme enabled 437 (FY22: 709) semi-skilled and skilled employees to address this scourge. Since the programme's inception in 2013, 26 149 (FY22: 25 712) employees have had financial counselling.

Employees also benefit from our verification of 11 (FY22: 33) emolument attachment (garnishee) orders and restructuring of 95 (FY22: 127) accounts before payroll processing. Our assessments reduced monthly instalments by R556 642 (US\$31 342) (FY22: R415 326/US\$27 306). We also helped facilitate R157 408 (US\$8 863) (FY22: R142 817/US\$9 390) prescribed debt write-off by creditors and removed negative listings worth R149 562 (US\$8 421) (FY22: R206 666/US\$13 588) from credit bureaus. This improved employees' credit ratings to qualify for mortgages and vehicle finance and also improve their net pay. Garnishee orders declined to 901 (FY22: 928).

### Freedom of association, labour disputes and strikes

Our people are our most valuable asset. We acknowledge our employees' right to freedom of association and fair labour practices. In this regard our employee relations is based on mutual respect and trust, reflecting our firm belief that each person is critical to our business strategy.

### South Africa

We strive for honest and open communication with a policy framework formalising union recognition rights at each operation. A multi-union environment promotes coexistence, inclusion and collaboration.

Employee relations remained stable throughout the year. To mitigate the risk of labour disputes, we frequently engage with unions at mine and management levels in addition to direct engagement with employees. We proactively address employee and union queries through established structures and processes. We have quarterly regional meetings with unions, encouraging proactive and robust engagement on specific issues. Our general managers and human resources leaders meet daily with full-time stewards who interact at union branch level and with shaft committees. Our regional managers meet regularly with regional union structures. Recognised unions are listed below.

Recognised unions (%)	FY23	FY22	FY21	FY20	FY19
NUM	52	53	52	58	58
Association of Mineworkers and Construction Union (AMCU)	29	28	28	23	24
United Association of South Africa (UASA)	5	5	5	5	6
Solidarity	2	2	2	2	3
National Union of Metalworkers of South Africa (NUMSA)	7	6	6	5	4
No union	5	6	5	6	5
Coalition (NUM, UASA and Solidarity)	59	60	59	66	67

Our current three-year wage agreement, in respect of wages and conditions of service, is for 1 July 2021 to 30 June 2024, signed by AMCU, NUMSA and the coalition, made up of the NUM, UASA and Solidarity:

- Category 4 to 8 employees receive a wage increase of R1 000 for each year of the wage agreement, which translates to an average increase of 8.4% for these employees
- Miners, artisans and officials receive an increase of the greater of 6% of their basic wage or CPI (average of the previous 12 months) for each year of the agreement
- 98% of Harmony employees are part of the bargaining unit covered by this wage agreement (5% of the 98% are non-unionised), while the remaining 2% is made up by management).

In addition to the basic wage increases above, employees are also entitled to receive increased benefits in relation to the following:

- To promote home ownership, a housing allowance of R2 750 increased to R3 240 over the duration of the agreement, for employees who choose to purchase a residence or have existing bond agreements
- Employees not eligible for the housing allowance an increased living-out allowance from R2 500 in the first year, to R2 700 over the duration of the agreement
- Several non-wage-related and process benefits, including maternity and paternal leave, medical incapacity and medical aid.

A key feature of the wage agreement was establishing a joint task team to evaluate future shift systems, considering operation-specific circumstances, Harmony's overall viability and sustainability, and compliance with working hour regulations in the Basic Conditions of Employment Act 75 of 1997. Phase 1 (identifying shift arrangements not aligned to occupations) will be completed in FY24 with appropriate shifts for work that requires 24/7 availability of resources.



## Caring for our employees *continued*

### Papua New Guinea

Hidden Valley does not have union representation but we continuously engage with employees, contractors and government (national, provincial and local), landowners and regulators. The employee representative committee oversees industrial relations and engages with employees about wage increases through a joint management forum.

No work stoppages occurred in PNG in FY23.

### Employee benefits

We have a range of employee benefits in South Africa.

Details of our employee benefits are in the [Remuneration report](#) of our [Report to shareholders 2023](#).

### Promoting home ownership

We promote home ownership through our housing and living conditions strategy. Employees can buy Harmony-owned properties at prices below market value. Harmony also sells empty stands in proclaimed municipal areas. Of 279 (FY22: 278) empty stands, 180 (FY22: 66) were sold to employees and 32 (FY22: 212) await purchase applications. In addition, 144 (FY22: 26) employees participate in the pension-backed home loan scheme negotiated by the Minerals Council South Africa for the mining industry.

## Access to adequate housing as a universal human right

### Managing Harmony's portfolio of land and properties by reducing running costs and associated liabilities while improving stakeholders' access to adequate, affordable housing and commercial properties

Supporting South Africa's land redistribution, sustainable housing and socio-economic development policies, we sell our land and non-residential properties to black-owned companies at preferential rates. We also donate unused land to the South African government.

In addition, our employee home ownership scheme offers a once-off discount of up to 45%, refurbishment, recognition of long service, and a discount on voluntary termination or retrenchment.

### Accommodation and living conditions

Provision of adequate housing and decent living conditions is a constitutional right that upholds human dignity. The mining charter also requires mining right holders to improve housing and living conditions for employees, ensuring the accommodation is in line with the industry standard.

None of our employees reside in shared hostel rooms as we have converted this accommodation into single rooms. Harmony provides accommodation for 7 662 (FY22: 8 057) employees and 36 (FY22: 33) contractors while 4 146 (FY22: 6 214) reside in company-owned houses with their families. The R651 million (US\$36.7 million) (FY22: R745 million/US\$49.0 million) living-out allowance enables employees to choose alternative accommodation.

## Respect for and upholding human rights

Harmony's code of conduct, outlining our core values, and our human rights policy guide employees and suppliers to act in line with the highest standards of integrity and ethics in stakeholder engagements. We thus build trust and a culture of individuals working towards the team's shared goals.

To maintain the highest standards, we subscribe to the Minerals Council's membership compact (a mandatory code of ethical business conduct with guiding principles). We also uphold International Labour Organization principles with a highly unionised workforce (94.0%) participating in collective bargaining and an employment policy and established practices prohibiting indirect or direct compulsory, forced or child labour (we do not employ people under the age of 18). In addition, we have policies to prevent sexual harassment and workplace bullying.

Our annual training also reinforces the Voluntary Principles on Security and Human Rights as well as prevailing legislation. In addition, we regularly engage with peers, government and civil society about our policies on ethical conduct and human rights in providing security services to local communities. We will provide human rights training to security personnel from FY24.

We will conduct human rights assessments at our operations in South Africa, Papua New Guinea and Australia, and update our human resources policy accordingly, from FY24.

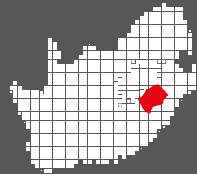
Despite exposure to dangerous criminals, we avoid use of force in our encounters with illegal miners. As outlined in our human rights policy, we respect the fundamental and universal human rights and freedoms of every person. Harmony's internal and contracted security services comply with our code of conduct.

Our [Human rights policy](#) and [Code of conduct](#) are available on our website.

# EMPOWERING COMMUNITIES



## Future focus areas



In South Africa, we will focus on creating a solid pipeline of businesses owned by black women and youths through our incubation programme so that we exceed our mining charter targets. At the same time, we will ensure the sustainability of existing empowered suppliers by funding OEM partnerships.

We will also continue to go beyond compliance to address food security, water supply and sanitation, quality education, and health and wellbeing in our host communities through our CSI programme.



In Papua New Guinea, we will continue long-standing contracts with local suppliers to Hidden Valley; while advancement of the Wafi-Golpu Project will afford further opportunities for local business development and new partnerships in Morobe Province.



In Australia, we will be finalising a local capability assessment report for Eva Copper, which will make recommendations and guide local content business engagement and related capacity-building social investment as the project advances.

We help our host communities build resilience for posterity by supporting employees, businesses, municipalities and national socio-economic development goals through our programmes and local economic development initiatives.

Acknowledging the constitutional rights of indigenous people in our host countries, Harmony's socio-economic impact and investments exceed compliance at every operation. At minimum, we implement legislated local economic development initiatives. In South Africa, these initiatives are outlined in SLPs attached to our mining rights. In Papua New Guinea, our commitments are set out in Hidden Valley's MoA between government, landowners and Harmony. For the Wafi-Golpu Project, which is in permitting stage, we support a range of voluntary health and local economic development programmes, with particular focus on agribusiness.

### Our approach

We strategically implement socio-economic development initiatives aligned with national job creation and poverty alleviation imperatives. Our projects promote and support community empowerment, sustainable development and human dignity.

Harmony's approach aims to:

- Enhance broad-based economic empowerment and enterprise development through wages, taxes and royalties, contributing to the growth of local economies and country GDPs
- Build relationships of trust through transparent dialogue and delivering on our commitments.

### GRI Standards

Prepared in accordance with 3-3, 203-1, 203-2, 204-1, 411-1, 413-1, 413-2, 414-1 and 414-2.

### Related SDGs



## Empowering communities *continued*

### Our socio-economic development strategy

#### GROUP

##### Delivering on our community development commitments

We honour our commitments to community development (SLPs in South Africa, MoA in Papua New Guinea, and native title agreements in Australia).

##### Preferential/local procurement and enterprise and supplier development

Our procurement spend as well as enterprise and supplier development interventions stimulate economic activity (including women and youth empowerment) within communities.

##### Corporate citizenship (beyond compliance)

We supplement our commitments and other initiatives for greater good.



### South Africa

To varying degrees, legislation and needs communicated by host communities influence the implementation of our socio-economic development strategy. Our projects are primarily dictated by compliance with the Mineral and Petroleum Resources Development Act 28 of 2002 (MPRDA), which requires mining right holders to implement the commitments of the SLP.



### Australia

Our acquisition of Eva Copper in December 2022 include obligations to the Kalkadoon native title holders through agreements under Australia's Native Title Act 1993. These obligations include consultation, employment and training opportunities, production and acreage-linked payments, and cultural heritage management provisions. Eva Copper also requires an Australian industry participation plan, under the Australian Jobs Act 2013, to ensure Australian companies are given opportunities to bid for the supply of goods and services. We are formalising internal processes and strategies to support our delivery of these commitments.

#### Compliance

- 1. Kalkadoon native title agreements:** Harmony is obligated to consult the local community, provide employment and training opportunities, pay acreage and production-linked fees, and fulfil cultural heritage management provisions.
- 2. Australian industry participation plan:** Legislation requires Harmony to provide full, fair and reasonable opportunities for Australian businesses to supply key goods and services.

#### Beyond compliance

- Discretionary community investment:** Harmony supports targeted community investment around Cloncurry and north-west Queensland. Harmony's focus during the first six months of owning Eva Copper was on local cultural and business events.



### Papua New Guinea

We drive community development initiatives through several channels, principally our Hidden Valley MoA, which sets out various socio-economic development undertakings for each stakeholder group. In terms of the MoA, the State of Papua New Guinea undertakes, under the Mining Act 1992 and in line with sustainable development planning goals, to pay royalties from our operation to the provincial government (42.0% split 50:50 between the Morobe provincial and Bulolo district governments), mining lease landowners (39.0%), immediate impact local level government (14.0%), affected communities (2.5%) and others (2.5%).

#### Hidden Valley

- 1. MoA**
  - Physical and social infrastructure undertaking:** Harmony funds a range of interventions: education, training, healthcare (including substance abuse and HIV/Aids awareness), agriculture, water supply and identified sustainable development programmes and projects every year
  - Royalty payments:** Various stakeholders receive royalty payments according to the percentage distribution set out in the MoA:
    - Landowners and local governments
    - Future Generations Trust
    - Settlers Fund
  - Employment and training plan undertaking**
  - Business development plan undertaking**
- 2. Hidden Valley Mine Trust:** A benefit-sharing agreement established the Hidden Valley Mine Trust in return for Hidden Valley landowners and provincial government forgoing equity interest in the mine as per an entitlement under the MoA. The trust receives quarterly fixed and variable payments for community-initiated and endorsed projects. Harmony is the trustee.
- 3. Primary and secondary school fees programme:** Harmony contributes to school fees for Hidden Valley employees' dependants.
- 4. Settlers Fund project facilitation:** Harmony assists to deliver social projects, as agreed with state authorities, funded by the Settlers Fund.
- 5. Donations:** Harmony's ad hoc assistance includes emergency medical transport, and food for bereaved families and community events where needs arise.

#### Wafi-Golpu

- 1. Community development programme:** Harmony supports local economic development initiatives (agri-business, healthcare, education, water and sanitation).
- 2. Donations:** Harmony's ad hoc assistance includes emergency medical transport, and food for bereaved families and community events where needs arise.

When the special mining lease is granted, Wafi-Golpu will also have an MoA (or similar), as well as workforce development, supply and procurement plans, and related commitments.



Empowering communities *continued*

FY23 focus areas and performance

Collaboration



We partner with these stakeholders to strengthen implementation of our strategy:

- Local and national government, Unemployment Youth Forum of South Africa, MQA, Enactus South Africa and the South African Agency for Science and Technology Advancement (SAASTA) (youth upliftment and employment)
- Host and labour-sending municipalities, government departments, the Agricultural Sector Education and Training Authority (AgriSETA), Rebafenyi NPO, the Mineworkers Development Agency and Bidvest (agri-entrepreneur and infrastructure development)
- Large companies, funding institutions and original equipment manufacturers (OEMs) (skills transfer for preferential procurement/enterprise and supplier development)
- Cocoa Board of Papua New Guinea (agri-entrepreneur development)
- United States Agency for International Development-Papua New Guinea Electrification Partnership (female entrepreneur development)
- National Agricultural Research Institute (agricultural development)
- Morobe Provincial Health Authority (healthcare)
- Papua New Guinea National Department of Health (healthcare).

We comply with legislation and go beyond compliance to support meaningful socio-economic impact by establishing partnerships with our suppliers and government while creating and sharing value with our stakeholders.

Our socio-economic development impact

**Total group spend: R16.3 billion (US\$917.8 million)**  
(FY22: R13.7 billion/US\$900.7 million)<sup>1</sup>



South Africa

**Delivering on our community development commitments: R114 million (US\$6.4 million)**  
(FY22: R93 million/US\$6.1 million)

**Preferential/local procurement and enterprise and supplier development: R14.0 billion (US\$788 million)**  
(FY22: R11.2 billion/US\$736 million)

**Corporate citizenship (beyond compliance): R15 million (US\$0.9 million)**  
(FY22: R11 million/US\$0.7 million)

**Total South Africa spend: R14.1 billion (US\$793.9 million)**  
(FY22: R11.3 billion/US\$743 million)



Papua New Guinea

**Delivering on our community development commitments: R63 million (US\$3.5 million)**  
(FY22: R46 million/US\$3.0 million)<sup>1</sup>

**Preferential/local procurement and enterprise and supplier development: R2.1 billion (US\$117 million)**  
(FY22: R2.3 billion/US\$153 million)

**Corporate citizenship (beyond compliance): R12 million (US\$0.7 million)**  
(FY22: R9 million/US\$0.6 million)<sup>1</sup>

<sup>1</sup> Restated due to changes from Papua New Guinea.



Nauti Road following maintenance, Hidden Valley Mine Community Roads

## Empowering communities *continued*

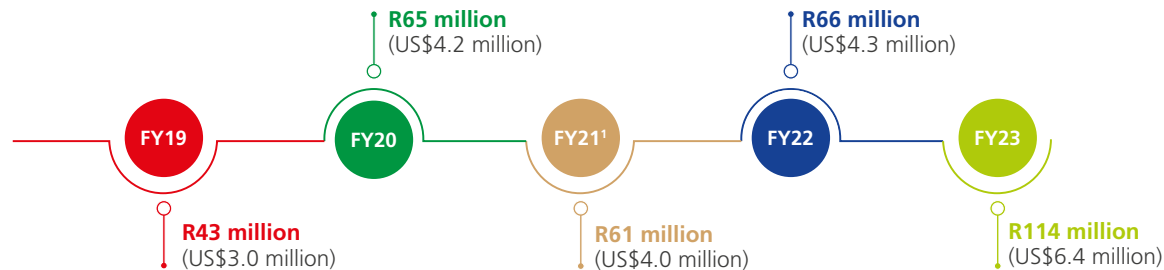
### Delivering on our community development commitments

We collaborate in directing funding to transformative projects that address the real needs of communities.

#### South Africa

Our third-generation SLPs ended on 31 December 2022 with total spend of R349 million through our mine community development programmes over the five-year period of implementation (from page 146). We spent R114 million (US\$6.4 million) (FY22: R235 million/US\$15.5 million) on mine community development in FY23 up until we concluded the financial year in June 2023. When reading the Mining Charter section (page 186) there will be a difference in the expenditure compliance amount due to the Charter report's year end being December 2022.

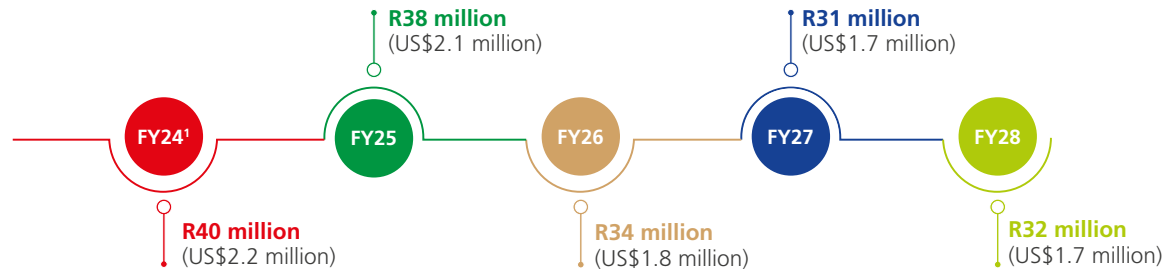
#### Actual investment in third-generation mine community development programmes



<sup>1</sup> Includes Mponeng from FY21.

We submitted our fourth-generation SLPs (1 January 2023 to 31 December 2027) to the DMRE. A thorough process was undertaken to develop and design the 4th generation SLPs which included the broad-based stakeholder engagement process – a process that enabled us to better understand the needs and expectations of our people and to co-create opportunities through the SLP to meet some of these needs. With the closure of some of our operations and planned closure of other operations in the near term, our investment profile has changed and is reflected below. Our planned investments will focus on agriculture, water infrastructure and SMME and skills development for meaningful social impact.

#### Planned investment in fourth-generation mine community development programmes<sup>1\*</sup>



<sup>1</sup> The investment in mine community projects for the fourth generation SLPs has decreased in comparison to the third generation SLPs due to the closure of our Bambanani and Unisel operations and reduced life-of-mine for our Kusasaletu and Masimong operations.

\* The investment in mine community projects for the fourth generation SLPs have been converted using an exchange rate of R18.50/US\$.

### Community engagement forums on SLP progress

We maintain trust and constructive engagement between our host communities and other stakeholders, including government, through inclusive SLP update forums where community members can engage directly with Harmony, municipalities, traditional authorities and local business forum representatives. We share information on project implementation progress, assess needs and expectations, and manage perceptions to effectively address mutual concerns. Our proactive and open communication reduces disruptions and reports of discontent.

#### Training and development

#### Investing in community skills is integral in our socio-economic development approach to leaving a positive and lasting legacy for our host communities

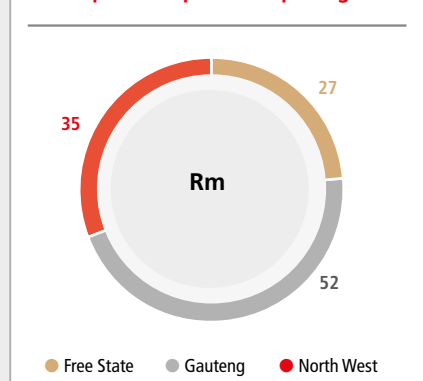
We identify youth in our host communities who could benefit from bursaries, work experience, internships and learnerships. Our skills development, education and training programmes for unemployed youth prepare and equip them for the world of work and other income-generating opportunities.

Over the past five years, we have provided core mining skills training to 747 youths (87.0% absorbed into permanent positions at our operations). This initiative began in the Free State as a partnership between Harmony, Matjhabeng municipality and the Unemployment Youth Forum of South Africa. Supported by MQA grants, it expanded to North West and Gauteng.

#### Mine community development expenditure

In FY23, we focused on socio-economic development in the regions outlined below as well as our labour-sending areas (Lesotho and the Eastern Cape) to achieve our SLP commitments.

#### South Africa: Mine community development expenditure per region





## CASE STUDY

### Partnering to future-proof our host communities



*Harmony goes beyond compliance to ensure our host communities are empowered today and resilient enough to adapt to rapid digital transformation in the future.*

The 4IR is a fundamental change in the way we live, work and relate to one another. We predict that it will transform goods production and services in manual labour-dominant sectors, including South Africa. This presents opportunities for the South African government, businesses and consumers. We recognise the need to ensure our host communities can share in these opportunities.

Virtual reality is a major technological driver of 4IR and is widely used in simulators for educational purposes. As part of Mponeng's SLP, Harmony is equipping primary schools with virtual reality classrooms and secondary and high schools in our host communities with virtual learning classrooms. We partnered with the University of the Witwatersrand on this project, which we are executing in the Merafong City, Amathole and Chris Hani municipalities.

Our investment for each school includes:

- An all-in-one virtual reality learning package, including necessary infrastructure, applications, software, laptops and tablets, training, high-bandwidth internet, RAM, graphics cards, virtual reality goggles and headsets with touch controls and interactive smart whiteboards
- Science, technology, engineering and maths (STEM) classes for learners, relevant infrastructure, hardware and software in line with the national curriculum
- Inverters for each school to ensure uninterrupted learning during loadshedding
- Training for teachers to obtain continuing professional development points (endorsed by the South African Council for Educators).

From 2021 to 2024, 16 schools represented by over 10 000 learners and 300 teachers will benefit directly from this project with an investment of over R14 million (2.8% of the five-year SLP).

Through this partnership, we are bringing our social philosophy to life by promoting shared value for our host communities and delivering impact beyond compliance.



Students at Thabang Science Lab, Free State, South Africa



Empowering communities *continued*



In the last five years, we have made significant investments in our communities:



**Agriculture**  
We support agricultural initiatives (broad-based livelihoods and commercial ventures) so that our poorest host communities have nutritious food to consume and sell.



**SMMEs and youth**  
We facilitate income-generating opportunities by providing skills development and resources to youth and female entrepreneurs through SMME incubation hubs, workshops and commercial spaces.



**Infrastructure**  
We collaborate in road, water and sanitation improvement projects to uplift our host communities' living conditions.



**Science, technology, engineering and maths**  
We facilitate STEM courses at secondary schools to prepare learners for academic success and future careers.

<b>FREE STATE</b> R149 million	R7 million	R73 million	R69 million	R0 million
<b>GAUTENG</b> R97 million	R35 million	R32 million	R17 million	R13 million
<b>NORTH WEST</b> R52 million	R12 million	R20 million	R20 million	R0 million
<b>LABOUR-SENDING AREAS</b> R51 million	R27 million	R5 million	R19 million	R0 million
<b>TOTAL</b> R349 million	R82 million	R129 million	R125 million	R13 million

## CASE STUDY

### Local economic development: Broad-based livelihoods programme



*An initiative with meaningful and sustainable socio-economic outputs and outcomes enabling achievement of the SDGs and our SLP commitments.*

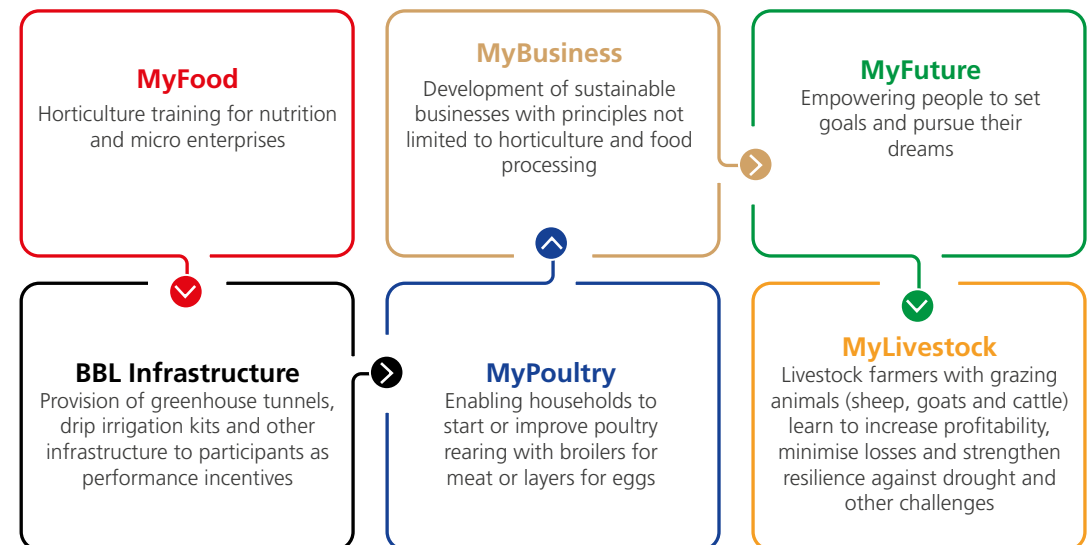
Since early 2019, Harmony has supported the broad-based livelihoods programme, designed and implemented by partners Umsizi Sustainable Social Solutions and Socio-Technical Interfacing, according to a set of principles aimed at widespread socio-economic development.

The programme's core objective is to mobilise people at the bottom of the socio-economic pyramid to become economically active as self-employed forces for local economic growth. It is inclusive as hundreds of households participate in the ongoing initiative that is easily scalable and implemented over a large geographic area. The programme also has an 11-year track record of impact and self-sustainability, which helps Harmony meet compliance requirements and reach various communities across South Africa.

Initially, we funded the continuation of a broad-based livelihoods programme in one of our Moab Khotsong host communities within the Matlosana local municipality. We then launched the programme at our Free State operations within the local municipalities of Matjhabeng and Masilonyana. In spite of Covid-19, favourable outcomes encouraged us to spread the programme to the Eastern Cape, a key labour-sending area, for the benefit of villages near Tsolo. In the past year, we brought the programme back to Johannesburg and Mogale City for the benefit of our Doornkop host communities.

The programme delivers livelihood skills development, knowledge transfer, ongoing mentorship, practical application, and monitoring and evaluation of results. Several sub-programmes enable diversified local economic impact, expansion and social change that empower communities to reduce their dependence on mining companies.

Complementary components of the programme spread economic activity and bring hope to impoverished communities:



Impact of **nine** broad-based livelihoods programmes in Harmony's South African host communities (across **eight** municipalities) since 2019:

**1 022** vegetable tunnels supplied  
**83** communities reached  
**6 600+** direct beneficiaries supported  
**4 100+** livelihoods and income sources created

Empowering communities *continued*

Mine community development programmes in FY23	Beneficiaries	Impact	Investment for FY23
<b>AGRICULTURE</b>			
<b>Wedela and Rietvallei Agriculture projects:</b> small scale commercial farming in partnership with Mogale City and Merafong Local Municipalities, and the Department of Social Development	44 women and youth	Infrastructure installed for vegetable production to develop enterprises for emerging farmers who sell fresh produce to Food Lover's Market and local communities	R2 million (US\$0.1 million)
<b>Broad-based livelihoods programmes in host and labour sending communities:</b> Support subsistence farmers and micro enterprises	1 841 participants reached including women and youth	Train beneficiaries to cultivate crop for subsistence farming and to develop into small scale local traders	R15 million (US\$0.9 million)
<b>Potted trees in Carletonville initiative:</b> fruit farming for agri-processing and manufacturing of condiments.	six jobs created	Introducing agri-processing and value upliftment for grown produce. 3 enterprises are commercially viable	R5 million (US\$0.3 million)
<b>SMMES AND YOUTH DEVELOPMENT</b>			
<b>Virginia Sports Academy:</b> Identify and develop rugby and soccer talent	20 jobs, 62 family members and 50 students of Matjhabeng and Masilonyana municipalities as well as local, provincial and national rugby and soccer clubs	Create direct employment and income-generating opportunities, and provide sports scholarships and internship programmes for school leavers (since 2003)	R9 million (US\$0.5 million)
<b>Blue Label ICT initiative</b> at Welkom	120 trainee agents	A call centre has been established that has trained 120 youth, giving them accredited qualifications to enable them to be economically active	R5 million (US\$0.2 million)
<b>Youth centre refurbishment:</b> Enable training for various sporting codes in partnership with Merafong City municipality in Carletonville	local youth and the municipality 13 temporary jobs created during construction six full time jobs	Construction and re-establishment of sporting facilities for various sporting codes for youth development	R2 million (US\$0.1 million)
<b>Matlosana and Merafong Business hubs : Establishment of containerised hubs for local informal business</b>	33 Local SMMEs, the community and local municipality 12 temporary jobs created during construction 22 full time jobs	SMMEs will benefit through occupation of fully equipped containers that are customised for operating different enterprises	R8 million (US\$0.5 million)
<b>Honey processing plant:</b> establishing and commercialising honey production in Ngqushwa local municipality	eight full-time local employees 56 Bee keepers	Construction of facilities to enable bee keepers to supply honey for processing into products to sell in the provincial markets	R3 million (US\$0.1 million)
The <b>Tsolo Broad-Based ED Programme</b> aims to equip entrepreneurs (SMMEs) with business management skills through training and business advisory support.	550 SMMEs	Training and development for local entrepreneurs	R5 million (US\$0.3 million)




Empowering communities *continued*

Mine community development programmes in FY23	Beneficiaries	Impact	Investment for FY23
<b>INFRASTRUCTURE</b>			
<b>Witpan wastewater treatment plant:</b> Refurbish, operate and maintain infrastructure to avoid raw sewage discharge into Witpan	Residents of Welkom in Matjhabeng municipality	Improve the quality of water flowing into Witpan, Mostert Canal and the Sand River, and eliminated sewage overflow into communities downstream of the Sand River protecting them from health issues associated with the consumption of poor quality water	R5 million (US\$0.3 million)
<b>Witpan water pumping infrastructure:</b> Maintain sustainable water supply from Witpan	Residents of Welkom in Matjhabeng municipality	Operate and maintain pumping systems conveying 37Ml/day (on average) of water from Witpan to Mostert Canal for local consumption	R2 million (US\$0.1 million)
<b>Carletonville wastewater treatment plant:</b> Re-establishing, operating and maintaining the Carletonville Waste Water Treatment Plant	Residents of Carletonville	Refurbishment of the plant will improve the quality of storm water in Carletonville, as well as the quality of water being pumped to the Wonderfonteinspruit which decreases health related risks associated with the consumption of poor quality water by downstream users	R16 million (US\$0.9 million)
<b>Stilfontein wastewater treatment plant:</b> Re-establishing, operating and maintaining the Stilfontein Waste Water Treatment Plant	Residents within Stilfontein	Eliminate the discharged of raw sewage into the Koekemoerspruit and Vaal River thereby protecting ecosystem and public health	R9 million (US\$0.5 million)
<b>Itireleng workshop for disabled people:</b> Refurbish the Morolong centre for a self-help group	Nine people in Madibogo village (Ratlou community)	Develop entrepreneurial skills and a sustainable business model for job creation and income generation to alleviate poverty	R2 million (US\$0.1 million)
<b>EDUCATION</b>			
Community Human resource development and 4IR initiatives	16 schools - 500 primary and 700 secondary students per annum and 20 teachers trained per annum	Develop technical and information management skills in the academic environment preparing students for opportunities in the digital sector	R8 million (US\$0.4 million)
<b>Alabama:</b> Refurbishment and equipping of two science laboratories	630 learners doing science at the school 22 jobs created during the construction phase	The building of science and technology capabilities in rural environments	R1 million (US\$0.1 million)
<b>Mavubeza Junior Secondary School:</b> Build an administration block, ablution facilities and eight classrooms	371 learners a year in Ngqeleni	Access to educational facilities in that community	R7 million (US\$0.4 million)
<b>Lesotho High School</b>	1570 learners 18 jobs during construction phase	Reduce overcrowded classrooms thus creating a conducive learning environment for students	R2 million (US\$0.1 million)

## Empowering communities *continued*

### Socio-economic closure planning

Our socio-economic development planning includes mitigating the impact of mine closures on our communities, particularly in the Free State where operations are nearing the end of mine life. We consider establishing alternative income-generating activities that would be sustainable post-mining. This includes SMME development and portable skills training to empower employees and broader communities.

 Our land rehabilitation strategy (refer to **Environmental management and stewardship**) also facilitates sustainable alternative socio-economic development initiatives. We rehabilitate disused land under our control for agricultural and agri-processing initiatives that address food security and poverty alleviation.

### Contributing to socio-economic development through Harmony's innovation platform

In collaboration with the Institute for Science and Technology, Harmony established the innovation platform to address socio-economic challenges while reducing our environmental footprint and negative impacts. Several projects have been implemented to offset the liabilities associated with excess water and to optimise the development of agricultural land. These include:

- Cradock Trees-in-Pots in the Eastern Cape established 3 500 fruit and nut trees with supporting infrastructure as well as mentorship and training by the Institute for Technology and Society in 2021 and 2022 (local black woman-owned beneficiary, Emarikeni, will take ownership of the project to continue local beneficiation and skills development as well as growing the local vendor base after three years as a self-sufficient and sustainable business)
- Mponeng Trees-in-Pots is establishing an orchard of 7 000 fruit and nut trees using treated effluent from the mine's wastewater treatment plant for irrigation as well as planting under shade netting for adaptation to the local climate and to boost productivity (based on the emerging farmer concept employed in Cradock with ramp up to full production over the next three years while we identify a suitable local black-owned business to take ownership of the project)
- Harmony's biofuel pellet plant at the old President Steyn rehabilitation site, where giant king grass has been planted to rehabilitate mine-impacted land, is beneficiating biomass generated by our rehabilitation and phytoremediation activities in a customised container (collaborating with Institute for Technology and Society innovation partners to produce alternative fuel for household cooking and industrial boilers as part of our decarbonisation efforts).

We plan to expand these pilot projects to a scale that could significantly offset the financial impact of Harmony's expensive fissure water pumping costs with socio-economic benefits for our host communities, especially emerging farmers.

## CASE STUDY

### Collaboration for improved water quality



*Harmony works closely with municipalities to improve the quality of water, sanitation and hygiene (WaSH) in our host communities and address issues such as cholera.*

Access to WaSH services is a human right and a United Nations Sustainable Development Goal that Harmony is committed to positively impacting in our host communities.

As with many developing countries, South Africa faces challenges of water scarcity, water pollution and degraded water-related ecosystems, and has recently experienced a fatal cholera outbreak linked to the poor state of the country's municipal sanitation facilities.

Many of the municipalities in Harmony's mining jurisdictions are unable to maintain and operate their wastewater treatment plants. As a result, untreated wastewater bypasses dysfunctional treatment plants and raw sewage is discharged into local streams, rivers, dams and pans – polluting natural water resources and affecting local communities.

Prevalent examples include:

- Matjhabeng where untreated wastewater is discharged into Witpan, which impacts Harmony as this is a primary source of natural water for mining and metallurgical operations, surrounding communities and agricultural downstream water users along the Sand River
- Matlosana and Merafong where untreated wastewater feeds into the Koekemoer and Wonderfontein spruits, and ultimately the Vaal River – one of South Africa's major natural sources of water.

Through our SLPs, Harmony has funded the services of a wastewater management specialist, Agreenco, to assist three identified local municipalities in refurbishing, operating and maintaining key wastewater treatment plants, and rebuilding the municipalities' skills and capacity to ensure facility sustainability:

- R11 million Witpan plant (Matjhabeng) refurbishment operating successfully since January 2023
- R9 million Stilfontein (Matlosana) and R16 million Oberholzer (Merafong) refurbishments fully operational from August 2023.

Refurbishment of the three plants has increased treatment capacity by 30Ml/day, and water quality in the rivers and streams is expected to improve, with consequential downstream improvements for end users' direct use and food production.

## CASE STUDY

### Committed to partnerships for youth training and development



*Investing in youth training and development, in partnership with government and other organisations, is integral in our socio-economic development approach to ensuring we leave behind a positive and lasting legacy for our host communities.*

We identify youth in our host communities who could benefit from bursaries, work experience, internships and learnerships. Our skills development, education and training programmes for unemployed youth prepare and equip them for the working world and income-generating opportunities.

Over the past five years, we have provided core mining skills training to 747 youths (87.0% absorbed into permanent positions at our operations). This initiative began in the Free State as a partnership between Harmony, Matjhabeng municipality and the Unemployment Youth Forum of South Africa. Supported by MQA grants, it expanded to North West and Gauteng. On 5 November 2022, we received a good practice award (comprising a certificate of appreciation, trophy and R15 000) at the MQA annual consultative conference for 90% absorption of mining skills trainees into Harmony.

In partnership with the Department of Education, we prepare youth in high school for gainful employment by facilitating maths and science support for learners in grades 10 to 12. We aim to address the country's dire shortage of STEM skills. Eligible learners receive bursaries for full-time study at tertiary institutions where they can pursue careers in core and non-core mining fields (as required by our business). Our internship programme offers workplace exposure during vacations and further development opportunities after graduation.

We pool our resources with other companies to create additional skills development and employment opportunities for youth. Our partners in this initiative include the Trust Blu Foundation, implementing socio-economic development programmes on behalf of the Blue Label Telecoms subsidiary, iTalk2u, which trains call centre agents. Harmony invested R5 million and iTalk2u almost R10 million to establish a pilot facility for 120 youth in Welkom. Training graduates will receive equipment to work at home using the iTalk2u platform and generate their own income.

Harmony's goal is to uplift youth by breaking the barriers that force communities into poverty and associated problems. Starting with the "missing middle" who miss out on opportunities due to lack of funds and knowledge, success is within reach for youth in our database and others we reach in future.

## CASE STUDY

### Honey processing plant cooperative designed to boost Eastern Cape economy



*In partnership with the Ngqushwa local municipality in the Amathole district of the Eastern Cape, we are establishing a honey processing plant as a sustainable income-generating project for our labour-sending Peddie community.*

After due consideration of Ngqushwa's integrated development plans and our Mponeng SLP commitments, the municipality provided 5 000m<sup>2</sup> of land with water, electricity and sewage services as well as R2 million co-funding for Harmony to establish the Peddie honey processing plant with a R5 million budget. The co-funding amount is ring-fenced to build beekeepers' capacity, install a fence and appoint a specialist mentor.

Planned and designed to drive large-scale, intensive agricultural activities to benefit the greater Eastern Cape province, the plant will process raw honey for local beekeepers and produce other income-generating products such as beeswax candles, lipstick and crayons for sale in Food Lover's Market, guest houses, supermarkets and pharmacies. It will also support beekeepers with ongoing training programmes in collaboration with academic institutions and other industry stakeholders, and help purchase equipment to promote community participation in this high-value agricultural enterprise.

The project will be rolled out in phases over the coming two years:

1. Establish suitable beehives
2. Design and install infrastructure
3. Place beehives appropriately for production variety
4. Plan and budget for pollination and harvesting
5. Develop value chain technical and business skills
6. Mentor and evaluate participants.

#### NGQUSHWA HONEY PROCESSING PLANT BENEFICIARIES

- **Nine** cooperatives combined into one supportive cooperative
- **15** construction jobs created for local community
- **30** permanent jobs to be created for plant operation
- **Local** equipment supplier, quantity surveyor and main contractor
- **Nine** local subcontractors and other suppliers

The immediate direct benefits of the project will be evident in:

- Opportunities created for entrepreneurs within the Amathole district
- Infrastructure and farming equipment enabling sustainable income-generating agricultural activities in compliance with regulations and lease agreements
- Shared services such as bee pollination for crop farmers
- Financial management, and training and development approved by the South African Qualifications Authority and the Agricultural Sector Education and Training Authority.



## Empowering communities *continued*

### Papua New Guinea

Harmony funds physical and social infrastructure projects every year as part of our commitments under the Hidden Valley MoA. Additional projects are also delivered by the Hidden Valley Mine Trust. Our FY23 projects are outlined in the table below.

Mine community development programmes in FY23	Beneficiaries	Impact	Commitment to date
<b>HIDDEN VALLEY MoA PROJECTS</b>			
<b>Morobe Province</b>			
<b>Police housing:</b> Renovate houses to accommodate additional police	Wau and Bulolo police	Restore 18 houses in Bulolo and 10 duplexes in Wau to habitable condition	R4 million (PGK778 000.0)
<b>Nauti Road maintenance:</b> Repair road surface, drains and culverts of 9.25km-long road (Joint MoA and Hidden Valley Mine Trust project)	500 Nauti residents	Improve vehicle access to vital government services and income streams (markets for agricultural produce sales, among others) and reduce travel time from the village from two hours to 20 minutes	R4 million (PGK800 000.0)
<b>Minava Road improvement:</b> Maintenance on 14.5km-long road	200 Minava residents	Improve vehicle access to vital government services and income streams (markets for agricultural produce sales, among others)	R1 million (PGK150 000.0)
<b>Kuembu Road improvements:</b> Maintenance work on the 0.6km-long road	300 Kuembu residents	Improves safety of road for users	R1 million (PGK100 000.0)
<b>Winima Road improvements:</b> Maintenance work on the 2.7km-long road	160 Winima residents	Improves safety of road for users	R0.2 million (PGK100 000)
<b>Akikanda Road improvements:</b> Maintenance work on the 2km-long road	320 Akikanda residents	Improve vehicle access to vital government services and income streams (markets for agricultural produce sales, among others)	R0.2 million (PGK 45 000)
<b>Neranda Bridge repair:</b> Repairs to Neranda Bridge	460 Neranda, Yokua and Minava residents	Improve safety of Neranda Bridge and the associated Minava Road	R1 million (PGK160 000.0)
<b>Potato pilot programme:</b> Assist farmers venturing into intensive potato farming and seed supplying businesses	22 Nauti and Winima residents	Support alternative income stream development in the villages, encouraging entrepreneurship; while also increasing village food supply availability and improving food security	R0.1 million (PGK28 000)
<b>Coffee programme:</b> Provide business support to landowner farmers for coffee sales improvement	70 Kuembu, Nauti and Winima farmers	Support emerging coffee farmers (since 2018) with business skills development that has led to registration of the Hanama Weta Cooperative Society and potential Fairtrade certification	R1 million (PGK135 000.0)
<b>Poultry pilot programme:</b> Provide training and resources for intensive poultry farming	Nine Kuembu, Nauti and Winima residents	Assists smallholders to improve their income-generating opportunities with business skills development and poultry farming; while also increasing village food supply availability and improving food security	R0.1 million (PGK28 000)
<b>Sewing and baking skills programmes:</b> Facilitate training for potential entrepreneurs	100 (60 sewing and 40 baking) Nauti, Kuembu and Winima residents	Support small businesses with training that enables alternative income streams	R0.1 million (PGK15 000) each
<b>Basic bookkeeping training:</b> Support small business sustainability	66 Kuembu and Winima residents	Provide financial management training for agricultural projects and other businesses	R0.1 million (PGK10 000)

## Empowering communities *continued*

Mine community development programmes in FY23	Beneficiaries	Impact	Commitment to date
<b>HIDDEN VALLEY MoA PROJECTS</b>			
<b>Morobe Province</b>			
<b>Tertiary scholarships programme:</b> Merit-based support of students in mining-related fields	Six Morobe residents	Provide financial support, industry experience and employment to promising students	R1 million (PGK150 000)
<b>Community health outreach programme:</b> Health patrols with the Morobe Provincial Health Authority	800 residents of local villages	Improve healthcare access for rural communities with breast cancer screening and other health checks (including respiratory ailments, malaria and skin diseases)	R0.2 million (PGK32 000)
<b>Tekadu site transit plan:</b> Improve access to markets and services	800 residents of Tekadu villages	Operate a bus service across the Hidden Valley mining lease area to reduce travel time to Wau and Bulolo. This includes establishing bus stops with shipping container shelters	In kind
<b>HIDDEN VALLEY MINE TRUST PROJECTS</b>			
<b>Landowners school fees assistance:</b> Pay school fees for landowner families	35 learners in Nauti, Kuembu and Winima villages	Uplift local family conditions by helping parents with school fees for their dependants	R2 million (PGK338 000)
<b>Nauti Road maintenance:</b> Repair road surface, drains and culverts of 9.25km-long road (Joint MoA and Hidden Valley Mine Trust project)	500 Nauti residents	Improve vehicle access to vital government services and income streams (markets for agricultural produce sales, among others) and reduce travel time from the village from two hours to 20 minutes	R2 million (PGK400 000)
<b>Kuembu housing project:</b> Supply materials and equipment for construction, renovation and maintenance of houses	400 Kuembu residents	Empower three villages to build and maintain their homes, and improve living standards	R2 million (PGK330 000)
<b>Winima community facilities:</b> Renovate and maintain community hall, classroom and clinic	350 Winima residents	Improve local facilities used for education, healthcare and social purposes	R1 million (PGK153 000)

## Empowering communities *continued*

### Corporate citizenship (beyond compliance)

Over and above the regulated requirements for community development, we implement Corporate Social Investment (CSI) initiatives through established partnerships with government and Non-Profit Organisations (NPOs) operating within host communities. These initiatives are informed by varying socio-economic challenges within host communities. The following strategic pillars (aimed at achieving the SDGs listed on page 153) guide our focus areas in South Africa, Papua New Guinea and Australia:

- Quality education and youth development
- Reduction of poverty and hunger
- Health and wellbeing
- Environment and safety
- Sports, arts, culture and tradition.

In South Africa, most of our CSI initiatives are designed to empower the youth through education, skills development, and sport. For the past three years, we have facilitated access to tertiary education through our “missing middle” programme, funding 90 eligible students who otherwise will not access tertiary education, as they cannot secure bursaries or do not qualify for the National Student Financial Aid Scheme. We also help nurture an enabling environment within communities by facilitating social cohesion and supporting efforts to combat crime, gender-based violence and inequality. In FY23, we invested R26 million (US\$1.5 million) (FY22: R18 million/US\$1.2 million) in CSI projects with positive impacts on the lives of almost 38 000 people in our host communities. This spend includes ad hoc donations from the Harmony Gold Community Trust and R5 million on strategic collaborations with NPOs:

- Enactus South Africa that addresses unemployment, poverty and inequality with entrepreneurial skills development at tertiary education level
- Harmony has been the main sponsor of the South African Agency for Science and Technology Advancement (SAASTA) secondary school National Science Olympiad for the past 14 years.

Furthermore, the company provides for rental of non-residential properties to qualifying community development entities in host communities at nominal rental rates. These leases are categorised as “social leases”. In FY23, 30 properties were leased through this programme mostly by NPOs and education-related institutions (early childhood development centres, schools and libraries, among others). The social lease benefit provided through this programme in FY23 amounted to R8 million.

In Papua New Guinea, we deliver CSI programmes for Wafi-Golpu host communities and supplement our MoA programmes at Hidden Valley with ad hoc assistance as special needs arise, such as emergency medical transport, food and monetary support for bereaved families, and food donations to community events. Employees are also able to apply for school fees assistance for dependants. In FY23, we invested R12 million (US\$0.7 million) (FY22: R9 million/US\$0.6 million) with positive impacts on the lives of an estimated 20 500 people.

Significant projects and programmes in Papua New Guinea during FY23 included:

- School fees programme benefiting 517 children of 300 Hidden Valley Mine employees
- Cocoa partnership programme assisted 2060 farmers from the Babuaf Farmers’, Lower Watut, Labuta, Wabubu and Nasupum cooperatives to generate income from cocoa farming and sales
- New water supply systems delivered for 450 residents and school students in Papas and Wongkins communities
- Solar street lights programme established 61 lights in 42 village locations in proximity to the Wafi-Golpu Project footprint, with a combined population of 20 000 people.

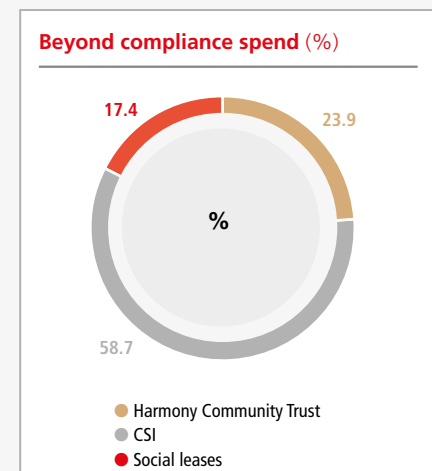
### Beyond compliance spend

	Harmony Community Trust <sup>1</sup>	CSI <sup>2</sup>	Social leases <sup>3</sup>	Total
Spend (Rm)	11	27	8	46
Lives positively impacted	6 657	51 410	30	58 097

<sup>1</sup> Includes a R3 million special programme that assisted 30 first year university students (R100 000 each) from our host communities, who did not have bursaries or any form of funding to access tertiary education in the 2023 academic year.

<sup>2</sup> Initiatives implemented include those aimed at empowerment and development of the youth through education, sport, and skills development; supporting communities on the fight against crime, gender-based violence, and inequality; and reduction of poverty.

<sup>3</sup> Qualifying community development entities rent Harmony-owned commercial properties in host communities at nominal rates. In FY23, 30 properties were leased to such organisations, mostly for education (early childhood development centres, schools and libraries, among others). The social lease rates were R8 million lower than market-related rentals.





Empowering communities *continued*

Non-mandatory (CSI) spend to achieve SDGs<sup>1</sup>

	1 NO POVERTY	2 ZERO HUNGER	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	8 DECENT WORK AND ECONOMIC GROWTH	11 SUSTAINABLE CITIES AND COMMUNITIES	15 LIFE ON LAND	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS	Total
South Africa – Lives positively impacted	16	506	15 819	7 846	1 402	620	0	10 230	70	1 071	37 580
Papua New Guinea – Lives positively impacted	—	—	550	517	—	2 060	20 000	—	—	—	20 517
<b>Total - Lives positively impacted</b>	<b>16</b>	<b>506</b>	<b>16 369</b>	<b>8 363</b>	<b>1 402</b>	<b>2 680</b>	<b>20 000</b>	<b>10 230</b>	<b>70</b>	<b>1 071</b>	<b>60 707</b>
South Africa – Spend (Rm)	0	0	5	17	1	0	0	4	0	0	26
Papua New Guinea – Spend (Rm)	0	0	2	9	0	1	0	0	0	0	12
<b>Total – Spend (Rm)</b>	<b>0</b>	<b>0</b>	<b>7</b>	<b>26</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>38</b>

<sup>1</sup> Donations for funerals, household essentials, health support and water sanitation and hygiene programmes, education and sports (uniform, fees, equipment, toiletries, events, research and skills development), agricultural programmes, electrification, NPOs, tree felling and planting, and used office equipment.



Wames cocoa nursery, Wafi-Golpu Project, Papua New Guinea



## CASE STUDY


Going beyond regulated compliance to assist government with community upliftment




*Further than complying with regulated community development requirements, Harmony's CSI programme demonstrates our commitment to responsible stewardship.*

The annual discretionary budget allocated to our CSI programme, based on Harmony's profitability, aims to uplift our host and labour sending communities with additional impactful initiatives. These supplement our long-term socio-economic development projects implemented through SLPs for each South African operation and MoA requirements in Papua New Guinea.

Our focus areas in FY23 addressed endemic poverty and associated crime, gender-based violence and inequality through education, sports and skills development. These initiatives are aimed at empowering and developing youth with the SDGs in mind.

 Harmony's South African operations meaningfully impacted almost 38 000 lives by supporting 74 CSI initiatives in Gauteng, North West, Free State, Eastern Cape and Lesotho. This included social leases (page 152) of Harmony-owned properties for qualifying community development entities.

Our South-east Asian operations reached over 40 Papua New Guinean villages with a combined population of 20 000, through initiatives including solar street lighting, our ongoing cocoa partnership project, water, sanitation and hygiene interventions and healthcare and education support.

 Details of our Corporate citizenship initiatives and related SDGs are on pages 152 and 153.



Neranda Bridge repairs, Hidden Valley

## CASE STUDY

Hidden Valley Mine strategy for safer community roads



*FY23 marked the first delivery year of Hidden Valley's four-year strategy to enhance the safety of community roads, improving them to a standard that can be more effectively maintained in future.*

These roads, situated in rural Morobe Province, serve as vital links connecting landowner villages and neighbouring communities to essential services healthcare, education and markets. Improving these roads is also essential to future access or expansion of business opportunities for these communities, such as in agriculture.

Planning, including budgets and work schedules (capital and maintenance), for the four-year programme began in FY22. Over 60km of local roads were inspected, with each road given a condition ranking and repair works identified. In FY23, roadworks commenced, first in landowner villages, then extending to neighbouring villages.

Larger works packages included Nauti and Minava roads and Neranda bridge repair. Smaller works packages included maintenance to Winima, Kuembu and Akikanda roads.

Out of the R13 million (US\$0.7 million/PGK2.5 million) budget for FY23, we spent R9 million (US\$0.5 million/PGK1.8 million) during the financial year, with the remaining R4 million (US\$0.2 million/PGK0.8 million) of works in progress at financial year end. In addition to the company's direct contribution, in agreement with landowners, the Hidden Valley Mine Trust contributed R2 million (US\$0.1 million/PGK0.4 million) to the Nauti roadworks package.

We were proud to support the capacity building of a Bulolo-based contractor during FY23 for the smaller works packages. This has bolstered local capacity, and enhanced responsiveness for weather-related and other minor repairs in future.

Planning for the FY24 programme is well advanced, including engagements with village residents about drainage system maintenance, which is fundamental to the longevity of unsealed roads in this high rainfall area. Work packages focusing on light vehicle bridges are prioritised for the first quarter, while the third and fourth quarters will focus on roads.

Empowering communities *continued*

Public safety

Our operations conducted Environmental Community Awareness campaigns in collaboration with the Federation of Sustainable Development (FSE) to promote environmental awareness in our communities. The objectives of the campaigns were to enhance the knowledge and understanding towards the community's positive contribution to greater sustainable environmental management principles. The audience throughout the year constituted local NGOs, municipality representatives and general community members. During the campaigns, information was shared relating to tailings facility risks, general environmental related risks around our mining operations and how such risks can be managed and where possible mitigated.

Preferential/local procurement and enterprise and supplier development

Our strategic procurement and enterprise development approach empowers entrepreneurs to address the challenges in achieving sustainable socio-economic development.

South Africa

**Preferential procurement strategy**

Approved by the board in 2019, implementation of this strategy varies for each supplier (as outlined below). Our annual procurement plan identifies opportunities for SMMEs to participate in our enterprise and supplier incubation programme. In addition, our SMME databases identify and match vendors to our supplier value chain and subcontracting opportunities. Preferential procurement is thus embedded in our processes. Tender committees oversee costs, transformation, compliance and supplier audits.

**Red flag**

(one to two-year contract)

- Increase black ownership of non-black generic entities
- Fewer trusts and more technical black ownership.
- High risk
- Few benefits
- Should be voluntary
- Status quo remains.

**Blue ocean**

(two to three-year contract)

- Partnerships with generic large entities
- Skills transfer
- Value chain integration
- Subcontracting.
- Medium to high risk
- Force long-term commitments
- Target technical skills
- Less financial impact on Harmony
- Contract-dependent.

**Greenfield**

(three to five-year contract)

- Find black-owned qualifying small/exempt micro enterprises (QSE/EME) already in business
- Combine QSE/EME to increase black ownership
- Capacity and capability
- Create new suppliers.
- Low to medium risk
- Medium to high impact
- High inclusive growth.

**Brownfield**

(five-year contract)

- Shift spend to local QSE/EME
- Prioritise shifting to Harmony's current black-owned suppliers.
- Low risk
- High impact on localisation
- Increased sustainability.



### Empowering communities *continued*

Our preferential procurement strategy aims to accelerate the transformation of our business while facilitating meaningful transformation in our host communities and the broader economy. We are morally and ethically obligated to build capacity and capability that supports livelihoods. This secures our social licence to operate and develops our social and relationship capital. As such, our strategy focuses on:

- Supporting existing non-compliant suppliers to meet the minimum black ownership targets required by the mining charter or shift procurement spend to compliant suppliers
- Enhancing Harmony’s current supply chain model and ensuring preferential procurement is embedded in the sourcing process
- Promoting partnerships and joint ventures to encourage skills transfer and development of local partners
- Working with generic manufacturers and OEMs to invest in local enterprises, especially local manufacturing units
- Incubation creating a pipeline of SMMEs to harness procurement opportunities in core mining and engineering services, particularly women and youth.

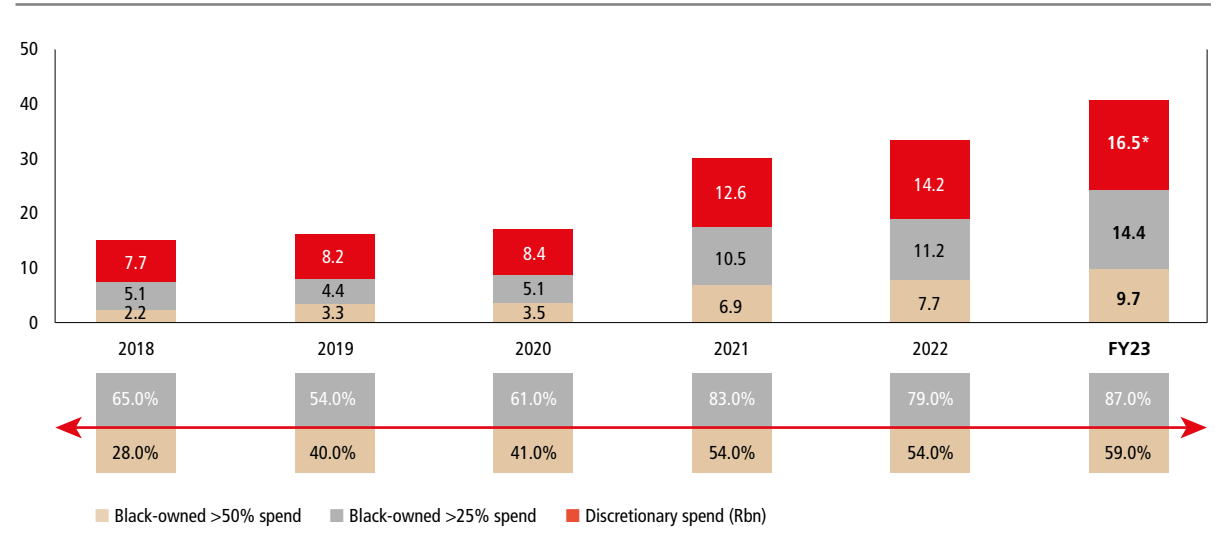
Harmony supports government’s imperative to facilitate sustainable socio-economic development and broader participation in the economy, mainly through procurement and enterprise and supplier development. Full compliance with mining charter targets remains challenging for the mining industry largely due to dependency on multinationals and OEMs as well as limited availability of registered and approved companies producing locally manufactured goods to the required standard. Our annual procurement plan identifies procurement opportunities for SMME participation. Appropriate measures ensure genuine transformation for host communities and previously disadvantaged groups. In the wake of Covid-19, loadshedding was among the challenges in delivering our commitments, particularly procuring goods and services from businesses owned by black women and youth.

Our phased approach, which began in FY20 with 68 suppliers and achieved 97.0% compliance with mining charter requirement. We had 85 suppliers and achieved 84.0% compliance in the second phase. We completed the third phase in FY23 with 130 suppliers and achieved 95.0% compliance. We expect the fourth phase to address our challenges in procurement from black women and youth-owned businesses with procurement committees empowered to advance this transformation imperative through transparent governance processes. We also intend to shift spend across geographical boundaries and secure longer-term contracts with compliant suppliers.

Our progress and impact are tracked annually in terms of actual discretionary spend attributed to suppliers who are more than 25.0% black-owned and more than 50.0% black owned as illustrated in the graphs below.

In FY23, total preferential procurement spend awarded to black-owned vendors was R8.6 billion (US\$484.2 million) (FY22: R7.7 billion/US\$506 million). Although designated group performance continues to improve, this remains marginal for black women and youth-owned suppliers. Total discretionary spend was R16.5 billion (US\$889.6 million) (FY22: R14.2 billion/US\$933.6 million). Of this, we spent 32% (FY22: 23%) with black-owned SMMEs and 12% (FY22: 10%) with black women-owned enterprises.

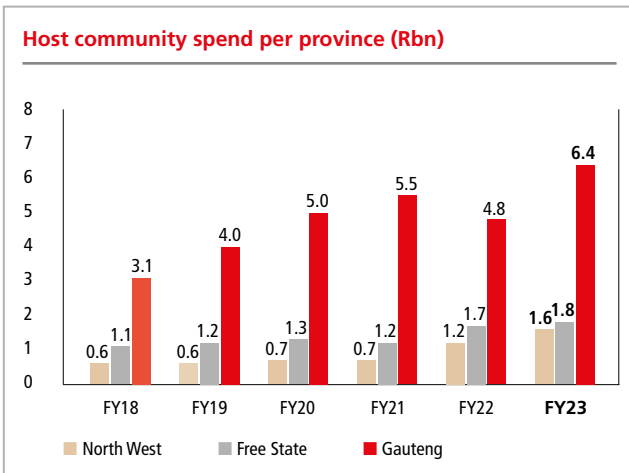
Black-owned supplier spend (Rbn)



\* R15.8 billion was spent on goods and services and assured by RSM.

Category	2019	2020	2021	June 2022	June 2023
Mining services	50.0 / 50.0	64.0 / 36.0	50.0 / 50.0	50.0 / 50.0	72.0 / 28.0
Non-categorised	33.0 / 67.0	8.0 / 92.0	31.0 / 69.0	26.0 / 74.0	31.0 / 69.0
Engineering services	36.0 / 64.0	47.0 / 53.0	40.0 / 60.0	50.0 / 50.0	61.0 / 39.0
Metal products	38.0 / 62.0	33.0 / 67.0	39.0 / 61.0	29.0 / 71.0	100.0
Timber products	94.0 / 6.0	100.0	92.0 / 8.0	83.0 / 17.0	100.0
Electrical equipment	39.0 / 61.0	46.0 / 54.0	38.0 / 62.0	41.0 / 59.0	88.0 / 12.0
Construction services	71.0 / 29.0	77.0 / 23.0	73.0 / 27.0	62.0 / 38.0	92.0 / 8.0
Security services	46.0 / 54.0	13.0 / 87.0	60.0 / 40.0	65.0 / 35.0	95.0 / 5.0
Fuel products	34.0 / 66.0	13.0 / 87.0	26.0 / 74.0	33.0 / 67.0	84.0 / 16.0

Empowering communities *continued*

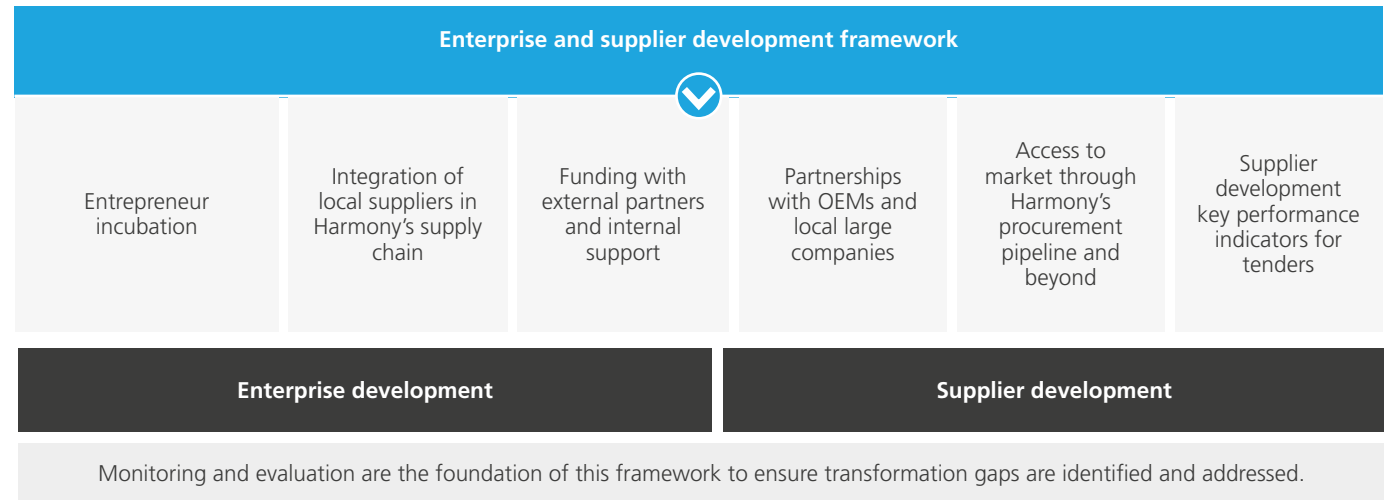


Supplier days

We facilitate supplier days through face-to-face forums in our host communities. These engagements introduce our preferential procurement strategy, and enterprise and supplier development framework, to local businesses. The sessions expose SMMEs to procurement opportunities and tendering processes. This is also a platform to discuss partnerships, contracting opportunities and, most importantly, women and youth-owned business participation. In FY23, this enabled us to spend R59 million (US\$3.3 million) (FY22: R50 million/US\$3.3 million) on new >51% black-owned and controlled enterprises and R12 million (US\$0.7 million) (FY22: R26 million/US\$1.7 million) with 23 (FY22: 45) new 100.0% black-owned SMMEs.

Enterprise and supplier development

Our enterprise and supplier development framework supports our preferential procurement strategy.



Our framework focuses on:

- **Enterprise development:** Potential suppliers mainly drawn from our host communities with incubation centres in key areas and satellite centres supporting other communities
  - 209 in incubation programme
  - 86 assisted with business development
  - 24 supported through funding and other business support initiatives.
- **Supplier development:** Procurement opportunities for enterprises graduating from incubation centres and other QSEs
  - Direct procurement opportunities and contracting
  - Partnering with OEMs as subcontractor or strategic partners across the value chain
  - Creating partnerships with funding institutions to support preferential procurement, buying shares in non-compliant companies and creating black industrialists.

Our entrepreneur incubation programme, launched in FY20, aims to assist 100.0% black, women and youth-owned enterprises to transition to suppliers of key mining and manufacturing commodities and services. Enterprises operating in the following areas are encouraged to apply:

- Mining and related value chain
- Fuel and chemicals
- Metal commodities
- Engineering products and services
- Manufacturers of mining-related products.

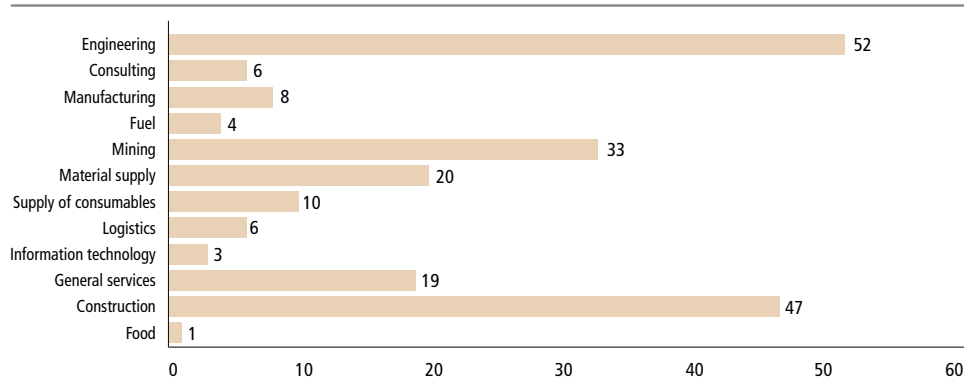
Empowering communities *continued*



Harmony Project Manager at refurbished Carletonville Youth Centre, South Africa

At the beginning of the programme, 63 women and youth-owned companies were approved to participate. In addition, we awarded procurement contracts to several enterprises in the incubation programme while others were matched with OEMs for joint ventures and downstream opportunities. As these companies graduate, they are integrated into our supply chain when opportunities arise.

Suppliers in entrepreneur incubation programme



Mining charter procurement requirements

The mining charter III emphasises the need to increase inclusion of historically disadvantaged people, including women and youth, in procurement opportunities in addition to spending on BEE-compliant businesses.

It emphasises the creation of South African manufacturing capability by including local content requirements in procurement targets for mining goods and services. Accordingly, mining companies should purchase mining goods with local content of at least 60% and, after a two-year grace period, goods provided in the mining supply chain should have a local content certificate, issued by accredited service providers or the South African Bureau of Standards. Fuel spend is excluded from calculations, which significantly impacts the scores of large mines and opencast operations.

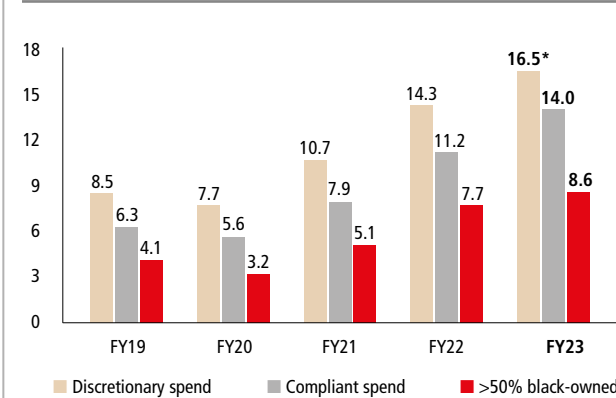
Our performance improved in FY23:

- Of our R16.5 billion (US\$929 million) (FY22: R14.3 billion/US\$940.1 million) discretionary spend, 85.0% (FY22: 79.0%) was preferential procurement
- Total procurement expenditure with BEE entities was R14.0 billion (US\$788.3 million) (FY22: R11.2 billion/US\$736.4 million) of which R2.0 billion (US\$113 million) (FY22: R1.4 billion/US\$92 million) was spent with black women-owned businesses and R8.6 billion (US\$484.2 million) (FY22: R7.7 billion/US\$506 million) with black-owned businesses
- Compliant spend increased by 25.0% (FY22: 42.0%).

We expect to reach compliance levels for women and youth-owned businesses by 2025.

For details, see [Mining charter III – compliance scorecard](#).

Transforming supply chain spend/BEE



\* Of the total discretionary spend for FY23, R15.8 billion relates to mining goods and services as assured.



## Empowering communities *continued*

### Papua New Guinea

In alignment with our commitments under our Hidden Valley MoA, we maintain business development plans that include preferential procurement provisions for landowner, district, provincial and national suppliers. In accordance with these plans, we track our spending to reflect supplier tiers.

During FY23, our expenditure breakdown included 15.0% to landowner companies, 17.0% to suppliers based in Morobe Province, 19.0% to suppliers based elsewhere in Papua New Guinea, and 49.0% to overseas suppliers.

Landowner companies received R615 million (US\$34.7 million / PGK122.4 million) in FY23. Major multi-year contracts held by landowner companies during the year included:

- Hidden Valley Contractors R234 million (US\$13.2 million / PGK46.6 million): construction
- Pacific Cargo Transport R110 million (US\$6.2 million / PGK22.1 million): in-country transport
- Quest Pacific Services R110 million (US\$6.2 million / PGK22.1 million): drilling services
- NKW Holdings R110 million (US\$6.2 million / PGK22.1 million): camp services and catering.

Other major services that we contract in Papua New Guinea include:

- Fuels and lubricants R302 million (US\$17.1 million / PGK60.1 million)
- Komatsu spare parts R191 million (US\$10.8 million / PGK38.1 million)
- Aviation services R168 million (US\$9.5 million / PGK33.4 million)
- Cyanide and ammonium nitrate R123 million (US\$6.9 million / PGK24.5 million)
- Mining consulting services R85 million (US\$4.8 million / PGK17 million)
- Labour hire R52 million (US\$2.9 million / PGK10.4 million)
- Laboratory services R28 million (US\$1.6 million / PGK5.6 million).

Spending outside of Papua New Guinea typically relates to manufactured mining supplies and critical consumables and technical services that are not available in Papua New Guinea. Our procurement team makes every effort to source locally for off-contract spend goods and services.



Targeted drilling programme, Kerimenge prospect, Morobe Province, Papua New Guinea



## CASE STUDY

### Working with supply chain partners for inclusive local entrepreneur participation



## CASE STUDY

### Achieving meaningful and sustainable socio-economic development through agricultural programmes



*Supporting our preferential procurement strategy and mining charter requirements, Harmony's enterprise and supplier development framework aims to achieve meaningful transformation of our host communities by integrating local black-owned businesses into our supply chain.*

We are making steady progress towards fully inclusive participation of emerging black-owned businesses in Harmony's supply chain. Our progress is evident in the growth of entrepreneurs awarded contracts by our operations. Among the most successful are black women-owned businesses, Welkom-based Tailor Made Trading and Projects and Glorificar Trading, which have grown since registering on Harmony's procurement portal (<https://www.harmonyprocure.com>).

Established by Khethiwe Mthobi in 2017, Tailor Made Trading and Projects is a construction and mining services company. With 40 permanent employees (five women) from Welkom and Virginia, the company focuses on building maintenance, land rehabilitation and reclamation, industrial cleaning and cement supply. Harmony provides Khethiwe's main income stream, which enables her to retain clients in the private and public sectors. She began supplying sanitiser to our operations in 2020 and has since been awarded bulk cement supply, demolition and rehabilitation contracts by Harmony. Khethiwe's company is currently renovating our employee accommodation, offices, change houses and other buildings in the Free State.

Moleboheng Mokhuoa began her business journey as a street hawker selling, and eventually supplying, vegetables and fruit. She established Glorificar Trading in 2016, which now has 27 permanent (three female) employees. The business has been transporting Harmony's employees and goods in the Free State since 2019, and the contract now includes transporting contaminated material to the Target plant, rehabilitating our Steyn 1 site and shaping rock dumps. In 2022, she became a cross-functional original equipment manufacturer transformation strategy beneficiary as a Videx Mining Products partner transporting equipment to Harmony and other clients.

On a larger scale, WBHO, our partner in the Kareerand extension project (page 61), is required to employ SMMEs from the host community and identify opportunities for local subcontractors. WBHO will employ at least 30 local SMMEs at Kareerand, procure consumables from host community suppliers and enhance their entrepreneurial skills with leadership and supervisory, financial and project management training.

Harmony also supports our enterprise and supplier development beneficiaries with ongoing gap analyses, technical assessments, vendor application assistance and mentorship.

*Aligned with the SDGs, our agricultural initiatives in Papua New Guinea contribute to our MoA commitments and CSI initiatives.*

In Papua New Guinea, stimulating non-mine related business is important to the ongoing socio-economic wellbeing of local communities in our operational and project areas. Our agricultural programmes also work to address the Morobe Province's strategic economic priorities to increase production and downstream processing of cash crops. During FY23, at Hidden Valley we broadened our agricultural programme from coffee to include pilot poultry and potato cultivation initiatives, while at Wafi-Golpu, our cocoa partnership programme continued to expand:

- Nauti coffee farmers established the Tia Hanama Weta Cooperative Society, enabling collective benefit from economies of scale and facilitating improved access to goods, services and other opportunities
- Responding to growing demand for meat birds in Papua New Guinea, the poultry pilot project tapped into the local cash economy by establishing a village-based system of 14 smallholder farmers in Nauti, Kuembu and Winima who are committed to selling poultry within their villages beyond the project's pilot stage
- Our pilot Irish potato cultivation project's semi-subsistence model enables farmers in Nauti and Winima villages, who have traditionally farmed sweet potato ("kaukau" in local dialect), to generate surplus produce beyond their families' needs to sell for regular income, capitalising on Papua New Guinea's growing demand for Irish potatoes, including in urban Bulolo near Hidden Valley
- Our Cocoa Partnership Programme, with the Cocoa Board of Papua New Guinea, now encompasses five cocoa cooperatives including Babuaf, Lower Watut, Labuta, Wabubu and Nasuapum, with the Nasuapum cooperative of 200 farmers joining the programme in March 2023. Conservatively, the programme generated an estimated R19 million (PGK3.8 million) of cocoa sales in FY23, with efforts underway to improve the rigour of sales data collected.

During FY23, the programme at Hidden Valley included basic bookkeeping training (tailored to address the challenges faced by local residents and businesses) to complement the range of agricultural initiatives in our host communities and benefit other entrepreneurs such as traders with market stalls. We intend to advance the programme with apiculture (beekeeping for honey production), tilapia farming and an expanded coffee project in additional villages.

## THE IMPACTS OF **ILLEGAL MINING**

**Illegal mining is increasing exponentially with deteriorating socio-economic conditions across southern Africa and the associated breakdown in the rule of law without adequate public enforcement resources.**

Statistics show that 70% of illegal miners, known colloquially as “zama zamas” (derived from the Nguni word “ukuzama” meaning “to try”), are undocumented immigrants assisted by local communities, mine employees and contractors who receive lucrative payments in return.

Our internal and contracted security services continue to work under severe pressure to address increasing illegal mining activity that threatens our sustainability and licence to operate.



The cost of illegal mining:

- Loss of life and injuries among illegal miners and mine employees
- Production stoppages due to safety incidents and infrastructure damage
- Soil instability and water pollution
- Security expenses
- Waning investor appetite threatening jobs and community development.

Illegal mining is difficult to police as it is highly organised and linked to human trafficking, forced labour, illegal weapons and explosives, tax evasion, money laundering, corruption, gang-related activities, intimidation, murder and other violent crimes. Harmony responds with significant investments in protecting employees, communities, the environment and assets by sealing redundant mines and implementing state-of-the-art security measures. Despite these investments, illegal mining activity (including infrastructure damage and shooting incidents) increased by 108% in FY23 as more criminals accessed underground works through redundant operations and ventilation shafts that connect Harmony’s mines to others. In response, our mine managers and security services (including tactical teams) increased redundant shaft sealing and patrols. For example, H5, a disused shaft that had been rehabilitated and sealed with a concrete plug, recently received media attention when a number of illegal miners (also known as zama zamas) unfortunately lost their lives due to an unforeseen methane explosion which occurred whilst they were conducting illegal mining operations underground. Whilst this incident is one of criminality and not related to Harmony’s mining activities, Harmony is cooperating with the relevant authorities in the matter and will assist where possible. Whilst we as a company fulfil our obligations in managing our own footprint, we need all stakeholders to ensure similar vigour is applied to root out these issues particularly in areas falling outside of our area of responsibility.

### Collaboration

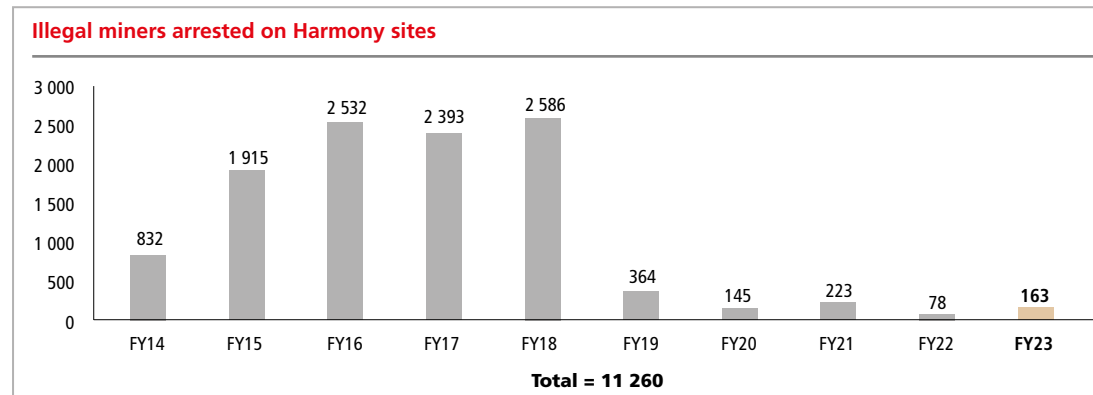
To strengthen implementation of our strategy we partner with the South African Police Service (SAPS) and a multidisciplinary national task team, comprising (mining houses, the DMRE, the South African Revenue Service, the Directorate for Priority Crime Investigation, the Department of Home Affairs and the National Prosecuting Authority. The task team is supported by the Mineral and Petroleum Resources Development Act prohibiting mining without statutory authorisation.

Our collaborative efforts resulted in the arrest of 163 (FY22: 78) illegal miners and 94 (FY22: 25) colluders (employees and contractors) in FY23. We also seized 74 330kg (FY22: 316 157kg) of gold-bearing material worth R2 million (FY22: R1.5 million). In total, 82 employees, contractors and illegal miners were arrested in possession of gold bearing material. In addition, 87 illegal miners were sentenced to 696 years in prison while collusion was exposed and syndicate leaders (in possession of 26 vehicles used in the commissioning of a crime worth R30 million) were arrested during the year.

Operation Knockout in the Free State has been particularly successful in arresting 5 554 illegal miners, seizing 956 979kg of gold-bearing material (worth R6 million), and seizing contraband of R5 million and R4 million in cash since 2019. With continuous risk assessment and management, and stakeholder engagement (including the SAPS), the success of this intervention will continue into the future.



## The impacts of illegal mining *continued*



### Surface illegal mining

- Mostly illegal immigrants from Lesotho, Zimbabwe and Mozambique trespassing on mine premises
- Targets are disused plant and shaft areas
- James Tables (extracting gold using carpets, water and gravity) identify or sample suitable mining land
- Illegal miners sell amalgam (liberated by mixing gold ore with mercury) to syndicate boss runners
- Groups from Marashian tribe-controlled areas of Lesotho provide armed protection on surface against other criminal gangs.

### Underground illegal mining

- Activities differ at operating and redundant shafts
- Highly organised in the Free State
- Structured and profitable reporting, gold sales, food supply and logistics chain.

### Artisanal mining

- Mining companies around the world work alongside artisanal miners
- In Papua New Guinea, government encourages alluvial mining downstream of Harmony's Hidden Valley operation
- Legal artisanal mining outside of formal mining lease areas sustains communities
- Private and public law enforcement on mining leases protects employees and assets
- South African government plans to legalise artisanal mining but this is not viable until illicit gold trading, corruption and territorial battles are addressed.

# GOVERNANCE

**Mining with purpose** bolsters good governance, a strategic enabler that allows Harmony to deliver on our business imperatives and sustainability endeavours by ensuring responsible and ethical behaviour and improving accountability.

As a key component of value creation, good governance promotes strategic decision making while balancing short, medium and long-term outcomes to ensure our stakeholders' needs and concerns are addressed. Critical to this is honest and open engagements, and disclosing information transparently and accurately to build trust, retain our credibility, and present a balanced view of the challenges facing the business and how we are responding.

The board, guided by King IV governance principles, advances the highest standards of governance to ensure that we continue to build corporate trust, underpinned by our ethical approach to business, and the values we uphold that form the foundation of our culture.

For Harmony, good governance extends beyond compliance as it helps build an ethical culture and enhances leadership, risk management, performance management and transparency.

This chapter details our approach to governance, our performance and future focus areas.

# ECONOMIC **IMPACT**

Harmony's financial impact reaches far beyond the bottom line considering our role as a major employer and our contribution to our local economies.

## EMPLOYEES



Permanent and contract employees:

**45 546**

FY22: 47 345

## SALARIES



**R17.5 billion**

FY22: R17.0 billion

## CONTRIBUTION TO GDP



**R44.7 billion**

FY22: R40.9 billion

## CAPITAL EXPENDITURE



**R7.6 billion**

FY22: R6.2 billion

## DISCRETIONARY PROCUREMENT SPEND



(discretionary)

**R16.5 billion**

FY22: R14.3 billion



**R2.1 billion**

FY22: R2.3 billion

## PREFERENTIAL PROCUREMENT SPEND



**R14.0 billion**

FY22: R11.2 billion

## SKILLS DEVELOPMENT SPEND



**R817 million**

FY22: R665 million

## GOLD PRODUCED



**1.47Moz**

FY22: 1.49Moz

## ROYALTIES



**R544 million**

FY22: R327 million

## CARBON TAX



We estimate the impact on our business from the carbon tax will be

**R500 million to R800 million**

by 2030

## TAXES



Income tax

**R518 million**

FY22: R296 million

Personal income taxes from employees

**R3.0 billion**

FY22: R3.0 billion

**R169 million**

FY22: R158 million

**R89 million**

FY22: R90 million



# CORPORATE GOVERNANCE

Our board of directors, committed to ethical leadership, upholds our duty to be a responsible corporate citizen.

## Capitals affected Directly

- Human capital
- Financial capital
- Manufactured capital

## Indirectly

- Intellectual capital
- Natural capital
- Social and relationship capital

## Stakeholders affected

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

## Link to strategy

- Responsible stewardship
- Operational excellence

## Related risks

- Loss of life/safety
- Security of electricity/ power supply and the impact of higher electricity costs
- Depleting Ore Reserve base
- Geopolitical risks
- Supply chain disruptions (including supply of goods and increasing costs).

## Related opportunities

- Mponeng deepening project
- Drive Wafi-Golpu up the value curve
- Productivity improvement projects
- Exploring value-accretive merger and acquisition opportunities
- Unlocking the full potential of our surface source ounces
- Exploring alternative sources of energy to reduce electricity costs to less than 15% of our production costs and reduce the effect of load curtailment.

## GRI Standards

### Prepared in accordance with

2-9, 2-10, 2-11, 2-12, 2-13, 2-14, 2-15, 2-16, 2-17, 2-18, 2-19, 2-20, 2-21, 2-22, 2-23, 2-24, 2-25, 2-26, 2-27, 2-28, 2-29, 2-30, 3-3, 205-1, 205-2, 205-3, 206-1, 405-1 and 405-2.

## Related SDGs



Moab Khotsong

## Corporate governance *continued*

### Related material themes and matters

#### Governance, ethics and accountable leadership

##### Crisis response and operational resilience

To ensure continued operational resilience, employees' safety and the security of our assets, it is imperative for Harmony to be able to quickly and effectively manage the impacts and risks of a crisis or business disruption. This relies on our ability to prevent, detect and respond to shocks, which is proactively managed through Harmony's business continuity management (BCM). BCM contributes to operational resilience by identifying and understanding potential threats and their impact on Harmony's business operations, enabling the development of business continuity plans and redundancy capability, should one of these threats realise.

##### Fair and responsible remuneration

We aim 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 through fair and responsible remuneration. We are therefore also able to attract and retain key talent.

##### Upholding human rights and driving responsible procurement

As a responsible employer, providing decent work includes respecting human rights. We adhere to corporate policies, comply with applicable laws and regulations, have regular dialogue and engagement with our stakeholders and contribute, directly or indirectly, to the general wellbeing of communities where we operate.

 Refer to Harmony's [website](#) for the human rights policy.

##### Ensuring legal, regulatory and compliance excellence

In South Africa, we face increasing regulatory compliance costs, such as carbon tax, uncertainty on land expropriation, rising social demands and an inhibiting regulatory environment. In Papua New Guinea, growing regulatory uncertainty may jeopardise our existing operation and decision to proceed with future projects. As such, we aim to operate beyond compliance, ensuring we deliver on our commitments and retain our licence to operate.

##### Cybersecurity

An information security compromise (data breach) could lead to the accidental or unlawful use, destruction, loss, alteration or disclosure of that data. Harmony continues enhancing its cybersecurity abilities by implementing state-of-the-art technologies and processes to identify threats, protect our environment and respond to cyber incidents. We have also introduced cybersecurity training interventions and regular communications to raise cybersecurity awareness across Harmony.

We are guided by the Control Objectives for Information and Related Technologies (COBIT) recommendations in governing and controlling information systems and technology. We implement key interventions such as removing local administrative rights and USB port lockdowns to prevent cyberattacks. To close the gap between the information technology and operational technology domains, we achieved closer alignment with the engineering discipline, enabling a more detailed understanding of their current control environment. Our security operations centre continues to maintain real-time detection and response to cyber threats.

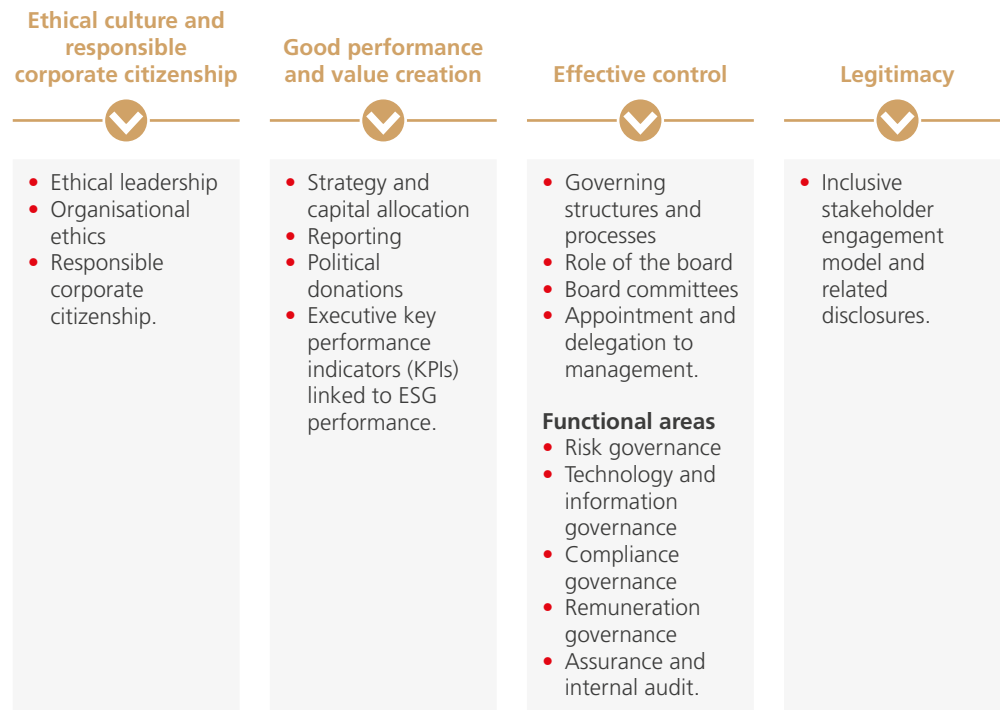
##### Transparent and ethical business

Good governance is the core of our performance and reporting. Guided by our policies and codes, we aim to do the right thing and disclose honest, transparent and comparable information to the market. The board's philosophy is to adhere to sound corporate governance principles to enable strong, experienced management teams and promote a culture of shared value for all stakeholders.

Corporate governance *continued*

**Responsible, ethical governance**

The board subscribes to the principles of good corporate governance. Accordingly, it supports the definition of corporate governance as being the exercise of ethical and effective leadership to achieve specific governance outcomes, summarised below:



  
Underpinned by the principles of King IV

**Corporate governance – an overview**

The Harmony board’s philosophy is to adhere to sound corporate governance principles to enable strong, experienced management teams and promote a culture of shared value for all stakeholders.

The strong foundation of corporate governance principles continues to steer Harmony’s board and management. The safety and wellbeing of our employees and communities remains the driving force in our approach.




**Strategic risk management**

The board has oversight of the group’s risk governance process and progress in delivering on its strategy to produce safe, profitable ounces and increase margins. This includes a risk-based and proactive safety culture journey and value-accretive acquisitions.

 For more, refer to **Our risk and opportunity profile** in the **Integrated annual report**.

**Sustainable development**

Harmony’s sustainable development framework and associated policies consider the SDGs and the group’s role in advancing our communities through preferential procurement, responsible environmental stewardship, employment equity and women-in-mining strategies, among others.

 Refer to **ESG in practice**, **Our material matters**, **Stakeholder engagement**, and the **Social and ethics committee: chairperson’s report**.

**Adding value**

The role of the board is key in supporting Harmony’s ability to create sustainable value. The interconnected pillars that drive value creation by the board are strategy, stakeholders, sustainability and ethical and responsible corporate citizenship. All four pillars correspond with the principles of King IV. By exercising ethical and effective leadership, oversight of solid risk and performance management practices as well as commitment to good corporate governance, the board drives the efficient use of resources and ensures sustainability. In addition, the diversity of the board supports a stakeholder-inclusive approach to addressing multi-stakeholder interests.



**Corporate governance continued**

**The board at a glance**

Our duty to be a responsible corporate citizen is supported by our board of directors and their commitment to ethical leadership.

**Transformation and broader diversity of the board**

To further demonstrate its commitment to transformation and the promotion of broader diversity in terms of gender, age, expertise, culture, race, field of knowledge, skills and experience, the board (through the nomination committee) had over the past two years, embarked on a board representation transitional plan to strengthen Harmony's commitment to the four key pillars of King IV for good corporate governance.

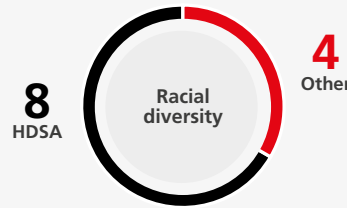
The transformation and diversity of the composition of the board is paramount. As such, the board continues to annually evaluate key gaps in terms of composition and plans to close and mitigate against those gaps are implemented. The review of the boards succession plans is an ongoing exercise to ensure that the board is consistently creating value for stakeholders through continuity, sustainability and transparency.

**Overarching principle**

**Board independence, broader diversity and experience**  
(as at 30 June 2023)

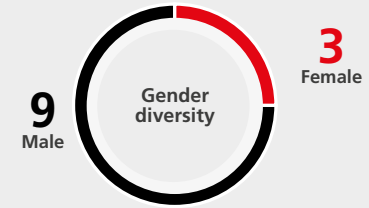
**Transformation**

**67%** Eight members are historically disadvantaged persons



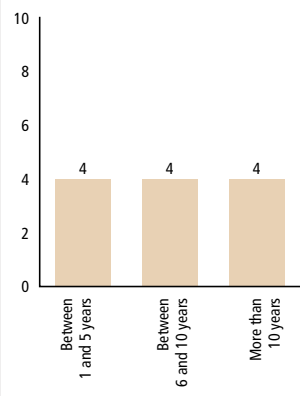
**Representation**

**25%** Three members are women



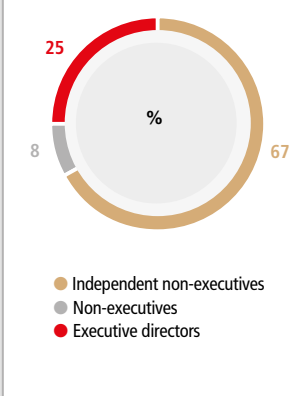
**Tenure, independence and skill areas**

**Tenure of directors**



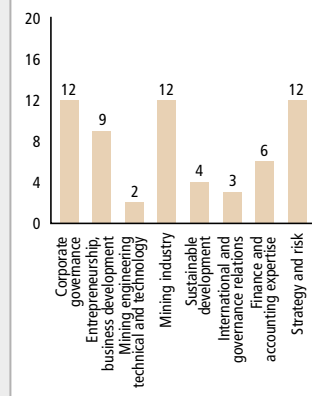
**Independence**

**67%** Eight members of the board are independent non-executive directors



**Core skills and experience**

Number of directors with skills in the following areas



**Governance and compliance policies**

- Terms of reference for the board
- Terms of reference for board committees
- Board delegation of authority
- Code of conduct
- Behavioural code
- Corporate governance and compliance policy and framework.
- Internal audit charter
- Disclosure required by section 303A.11 of the NYSE listed company manual
- Public Access to Information Act manual (PAIA)
- Whistleblower policy.

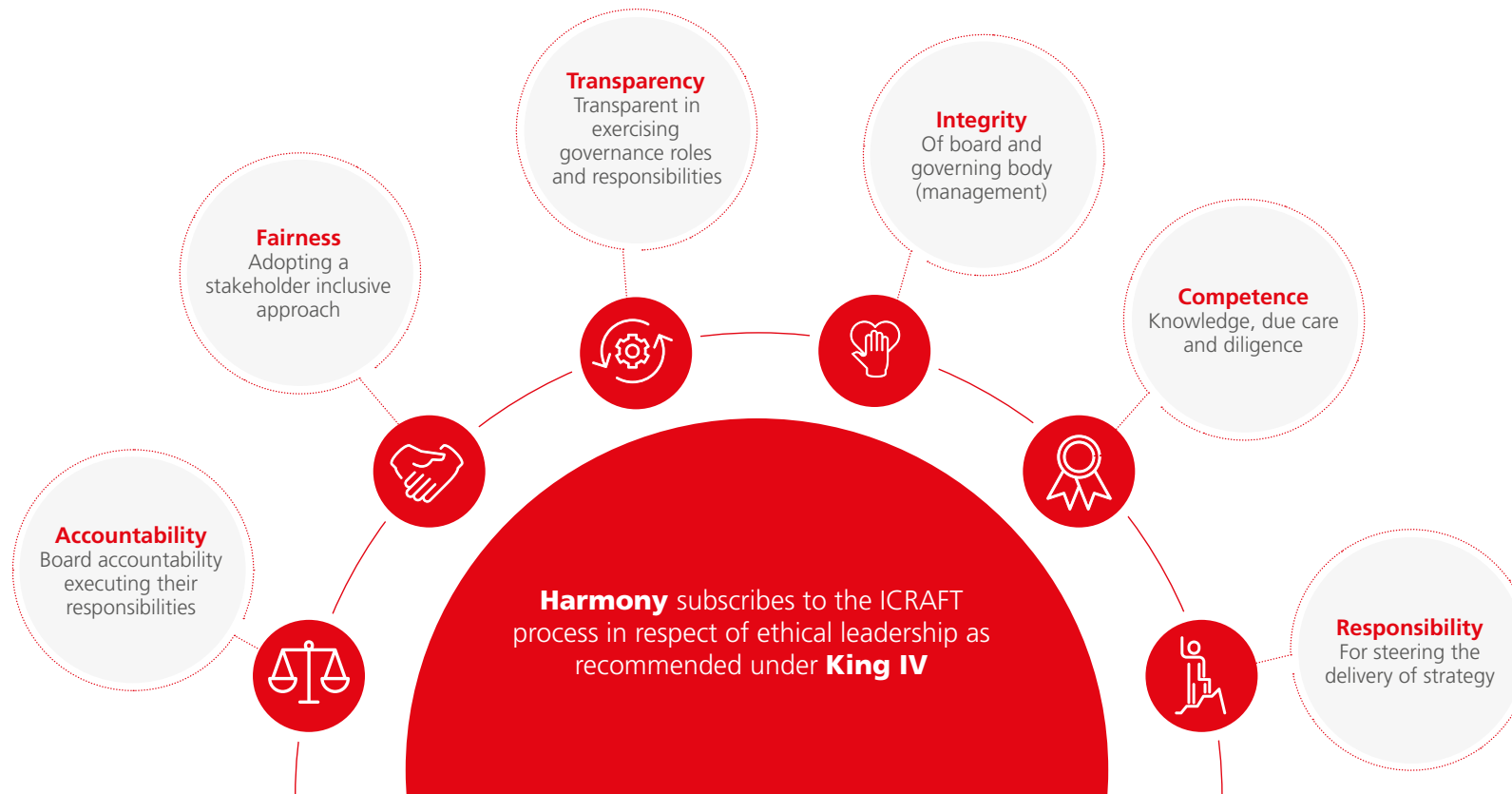
**Foundation of corporate governance compliance**

- Companies Act, JSE Listings Requirements (primary), New York Stock Exchange requirements, memorandum of incorporation, King IV
- Voluntary compliance with the principles of the United Nations Global Compact, International Council on Mining and Metals, GRI Standards and the International Cyanide Management Code For the Manufacture, Transport and Use of Cyanide in the Production of Gold (Cyanide Code).

Corporate governance *continued*

**Compliance policy and framework**

Harmony subscribes to the iCraft framework of ethical leadership as recommended by King IV.



With its long-standing commitment to good corporate governance, the Harmony board is satisfied that appropriate practices are in place to promote the company's reputation as an ethical, reputable and legitimate organisation and a responsible corporate citizen.

📄 Acknowledging the significance of corporate governance and compliance, the board, through the audit and risk committee, has a formal corporate governance and compliance policy and framework that sets out the principles of good corporate governance for the board as well as employees at all operational levels (refer page 174).

In terms of the JSE Listings Requirements, Harmony is required to disclose its application of the principles of King IV. The board, to the best of its knowledge, believes Harmony has satisfactorily applied the principles of King IV.

📄 For a more detailed review of Harmony's application of King IV, refer to the **King IV checklist** in this report.

## Corporate governance *continued*

### Annual General Meeting (AGM)

The AGM of the company will be held on Thursday, 4 December 2023 at 11:00 (SA time), to transact the business as stated in the **Notice of AGM** in the **Report to shareholders**.

The issued share capital of Harmony comprises of ordinary and preference shares that entitles the holder to vote on any matter to be decided by the shareholders of the company and to one vote in respect of each ordinary and preference share held.

### Ethical culture and responsible corporate citizenship

#### Ethical leadership

The board leads by example. Each director is therefore expected to continually exhibit the characteristics of integrity, competence, responsibility, accountability, fairness and transparency in their conduct. Collectively, the board's conduct, activities and decisions are characterised by these attributes, which also form part of the regular assessment of the board and individual directors' performance. The board recognises that ethics is one of the pillars of sustainable business practice.

The board charter elaborates on the standard of conduct expected from members. In addition, the board policy on declaration of interests limits the potential for a conflict of interest and ensures that, in cases where conflict cannot be avoided, it is properly disclosed and proactively managed within the boundaries of the law and principles of good governance.

#### Organisational ethics

The board sets the group's approach to ethics. Oversight and monitoring of organisational ethics is the mandated responsibility of the social and ethics committee on behalf of the board.

Details of arrangements for governing and managing ethics, key focus areas in the reporting period, measures taken to monitor organisational ethics and planned areas of future focus appear in the **Social and ethics committee: chairperson's report** (see page 45 for more details).

### Ethics department and ethics management committee

Harmony continues to collaborate with the Ethics Institute of South Africa. To embed an ethical culture, Harmony has an ethics department that includes permanent certified ethics officers who ensure the ethics management plan and programme are executed sufficiently and communicated throughout the organisation. Our ethics management committee monitors our ethical culture and integrity, assisted by the ethics officers and the white-collar crime committee. In FY23, the Harmony increased its employee ethics-related training.

The ethics management committee also assesses declarations of interest in terms of the code of conduct and provides feedback to the executive committee, which then reports to the board's social and ethics committee. As a result, ethics are discussed and examined at every level of management in the company. The Ethics Institute of South Africa is currently assisting management and the social and ethics committee to embed the governance of organisational ethics.

Illegal mining remains a challenge in South Africa and for Harmony.



See **The impacts of illegal mining** for more detail.

### Responsible corporate citizenship

The mining industry introduces a unique duty and opportunity to the group to be a responsible corporate citizen. Although the board sets the tone and direction for the way in which corporate citizenship should be approached and managed, ongoing oversight and monitoring of the group's performance against targets is part of the mandate of the social and ethics committee. Additionally, the social and ethics committee, remuneration committee and audit and risk committee are tasked with specific aspects of ESG oversight roles on behalf of the board to align Harmony's strategy with key ESG considerations.

Extensive detail on the consequences of the group's activities and outputs, which affect its status as a responsible corporate citizen, with relevant measures and targets are provided elsewhere in this report.

### Good performance and value creation

#### Strategy

The board is responsible for approving the group's short-, medium- and long-term strategy as developed by management. In doing so, it focuses on critical aspects of the strategy including the legitimate and reasonable needs, interests and expectations of material stakeholders as well as the impact of the group's activities and output on the various capitals employed in the business process. Risks and opportunities connected to the triple context (economy, society and the environment) in which the group operates are integral to the board's strategic reviews of the business.

Policies and operational plans supporting the approved strategy are submitted regularly by management for review and formal board approval. The board attends an annual strategy session to confirm and review the company's strategy.

Strategy is part of the ongoing conversation in the boardroom. Regular oversight of the implementation of Harmony's strategies and operational plans takes place against agreed performance measures and targets.

Given that the company's reputation as a responsible corporate citizen is an invaluable attribute and asset, the consequences of activities and outputs, in terms of the capitals employed, are continuously assessed by the board through its committees. This will ensure we are able to respond responsibly and limit any negative consequences of our activities, to the extent reasonably possible. In addition, the board continuously monitors the reliance of the group on these capital inputs – our natural capital (including Mineral Resources and Reserves), employees, financial capital, communities and society at large, our mining infrastructure and our intellectual and technological know-how – as well as the solvency, liquidity and going-concern status of Harmony.



## Corporate governance *continued*

### Reporting

In protecting and enhancing the legitimacy and reputation of the group, the board ensures comprehensive reporting takes place on different platforms. The FY23 suite of reports appears on the inside front cover.

The board's intention is to meet and exceed legal requirements, as well as the legitimate and reasonable information needs of material stakeholders. The board is satisfied with management's basis for determining the materiality of information to be included in our external reports. The audit and risk committee, assisted by the social and ethics committee, is tasked with reviewing all external reports to verify the integrity of information.

### Political donations

Harmony supports the democratic processes in South Africa and Papua New Guinea, and contributes to their political parties. A policy relating to political donations has been adopted by the company. During FY23, there were no substantial donations made by Harmony.

### Effective control – governing structures and processes

#### Role of the board

The board exercises its leadership role by:

- Steering the group and setting its strategic direction
- Approving policy and planning that gives effect to the direction provided
- Overseeing and monitoring implementation and execution by management
- Ensuring accountability for the group's performance by means of reporting and disclosures.

The role and function of the board, including guidelines on its composition and procedures, are detailed in the board charter. This is reviewed annually (and when necessary) to ensure it remains relevant.

There is a protocol in place should any of the board members or committees need to obtain independent, external professional advice at the cost of the company on matters within the scope of their duties. Non-executive directors are also aware of the protocol for requisitioning documentation from, and setting meetings with, management. Board members have direct and unfettered access to the chief audit executive, group company secretary and members of executive management.

Based on its annual work plan, the board is satisfied that it fulfilled its responsibilities in the review period in line with its charter.

See Board and committee attendance on page 177.

### Board committees

The board has delegated particular roles and responsibilities to standing committees, based on legal requirements, what is appropriate for the group and to achieve the objectives of delegation. The board recognises that duties and responsibilities can be delegated, but accountability cannot be abdicated. The board therefore remains ultimately accountable.

The following committees have been established:

- Audit and risk
- Social and ethics
- Remuneration
- Nomination
- Investment
- Technical.

Each committee has formal terms of reference, reviewed annually (and when necessary) to ensure the content remains appropriate. The terms of reference address, the requirements of the JSE Listings Requirements, Companies Act, and the recommended items in King IV.

See Board committees on page 178.



Phakisa shaft headgear

## Corporate governance *continued*

### Effective control – functional areas

#### Risk governance

The board appreciates that risk is integral to the way it makes decisions and executes its duties. Risk governance encompasses both risks and opportunities as well as a consideration of the potential positive and negative effects of any risks on achieving Harmony's objectives. The group's risk appetite and tolerance levels, which support its strategic objectives, are considered annually. The board is supported in this area by the audit and risk committee.

Responsibility for implementing and executing effective risk management is delegated by the board to management. The board acknowledges the need to integrate and embed risk management in the business activities and culture of the group. The audit and risk committee is tasked with ensuring independent assurance on the effectiveness of risk management in the group, when deemed necessary and appropriate.

↗ See [Our risk and opportunity profile](#) in the [Integrated annual report](#).

#### Technology and information governance

The board, assisted by the audit and risk committee, is responsible for governing technology and information to support the group in setting and achieving its strategic objectives.

A technology and information steering committee has a well-defined charter and is responsible for oversight of technology and information direction, investment and alignment with business strategy and priorities. It is chaired by the financial director and members include the head of information services and group executive committee.

Management adopted COBIT which provides recommended best practices for governance and control processes of information systems and technology to align the Information Services (IS) department with business. This high-level framework has been aligned with more detailed IT standards and good practices.

In addition, internal audit provides assurance to management and the audit and risk committee on the effectiveness of the governance of technology and information.

↗ See [Audit and risk committee: chairperson's report](#) in the [Report to shareholders](#).

#### Compliance governance

Being an ethical and responsible corporate citizen requires zero tolerance for any incidents of legislative non-compliance. In addition, compliance with adopted non-binding rules, codes and standards is essential in achieving strategic business objectives.

The foundation of our corporate governance complies with:

- The Companies Act
- Listings Requirements of the JSE, where we have our primary listing
- Listings Requirements of the New York Stock Exchange, where we have our secondary listing
- King IV and related principles and codes of good corporate governance.

Harmony also complies voluntarily with the principles of:

- United Nations Global Compact
- International Council on Mining and Metals
- GRI Standards
- Cyanide Code.

#### Code of conduct

Our behavioural code and code of conduct commits Harmony, our employees and our contractors to the highest moral standards, free from conflicts of interest. The board reviews the code at least every second year, while its application in Harmony is continually monitored by management. The code of conduct was reviewed and updated in FY23. Our ethics programme is also subject to independent assurance as part of the internal audit coverage plan. The code of conduct addresses critical issues including respect for human rights, anti-corruption, gifts and entertainment and declarations of interests. It encourages employees and other stakeholders to report any suspected irregularities. This can be done anonymously through a 24-hour hotline (managed independently) and other channels. All incidents reported are investigated and monitored by the white-collar crime committee, which comprises managers representing various disciplines in the company and reporting to the management ethics committee.

#### Whistleblowing policy

Our whistleblowing policy encourages shareholders, employees, service providers, contractors and members of the public to report practices at any of our workplaces that are in conflict with any law, regulation, legal obligation, ethical codes or governance policies. It also provides a mechanism for our stakeholders to report these practices internally, in confidence, independent of line management, and anonymously if they wish. The whistleblowing policy informs whistleblowers of their rights. Harmony is committed to protecting whistleblowers from any reprisals or victimisation.

The identity of any employee or stakeholder who reports non-compliance with the code of conduct and other irregularities is protected. Our anonymous ethics hotline numbers are widely advertised throughout the organisation:

- South Africa: +27 (0) 800 204 256
- Papua New Guinea: +675 (0) 00 478 5280
- Australia: +61 (1) 800 940 949.

#### Human rights

At Harmony, we conduct our activities in a way that respects human rights as set out in the laws and constitutions of the countries in which we operate in line with the Human Rights Policy adopted in FY22. Our approach to respecting human rights includes adhering to corporate policies, complying with applicable laws and regulations, regular dialogue and engagement with our stakeholders and contributing, directly or indirectly, to the general wellbeing of communities within which we operate.

#### Legislative compliance

The compliance function ensures compliance with laws, codes, rules and standards applicable to the company. Compliance information and reports on the status of legislative compliance are presented at audit and risk committee meetings.

The Protection of Personal Information Act 4 2013 (POPIA) came into effect on 1 July 2021. Harmony has effected the necessary measures to adhere to the requirements of this act in support of good governance. Implementation of POPIA compliance, including promoting POPIA awareness in the organisation is ongoing.

## Corporate governance *continued*

In line with POPIA, Harmony's appointed information officer is registered at the information regulator. This officer is responsible for managing all personal information and ensures compliance with this act.

For more, see: [www.harmony.co.za/sustainability/governance#policies](http://www.harmony.co.za/sustainability/governance#policies).

### Broad-based Black Economic Empowerment Act

The annual compliance report in line with section 13G(2) of this act appears on page 188.

### Dealing in Harmony shares

During price-sensitive periods, our employees and directors are prohibited from dealing in Harmony shares. Written notice of these restricted periods is communicated to them by the group company secretary. In terms of regulatory and governance standards, directors, prescribed officers and the group company secretary are required to disclose any dealings in Harmony shares in line with the JSE Listings Requirements. The clearance procedure for directors, prescribed officers and the group company secretary to deal in Harmony shares is regulated by the company's policy on trading in shares and insider trading.

### Significant fines

Harmony paid no significant fines in any of its areas of operation. No actions were brought against it for anti-competitive behaviour or anti-trust or monopoly practices in FY23.

### Foreign private issuers

New York Stock Exchange foreign private issuers, such as Harmony, must highlight any significant ways in which their corporate governance practices differ from those followed by United States domestic companies subject to the listing standards of the New York Stock Exchange.

A summary of these differences appears in our **Form 20-F** filed with the United States Securities and Exchange Commission on our website at: <https://www.harmony.co.za/invest/annual-reports>.

### Remuneration governance

Attracting and retaining the required skills depends largely on the remuneration levels and practices in any business. It is therefore vital to ensure the group remunerates fairly, responsibly and transparently to support the achievement of strategic objectives and positive outcomes in the short, medium and long term. The board is supported in this area by the remuneration committee.

Extensive detail on group remuneration is provided in the **Remuneration report** in the **Report to shareholders**.

Provision has been made in the notice of the 2023 annual general meeting for a non-binding advisory vote of shareholders on the remuneration policy and remuneration implementation report.

See the **Notice of AGM** in the **Report to shareholders**.

### Assurance and internal audit

The audit and risk committee oversees arrangements for assurance services and functions on behalf of the board to ensure these are effective in achieving the objectives of an enabling control environment and supporting the integrity of information for internal decisions and external reporting.

A combined assurance framework effectively covers the group's significant risks and material matters through a combination of internal functions and external service providers.

More information appears in the **Audit and risk committee: chairperson's report** in the **Report to shareholders**.

Despite the output of the combined assurance framework, board members are expected to apply an enquiring mind, form their own opinion on the integrity of information and reports, and the degree to which an effective control environment has been achieved.

Internal audit plays an important part in the overall assurance approach and effectiveness of the assurance framework. The audit and risk committee oversees the internal audit function on behalf of the board.



Harmony values, Doornkop shaft entrance

### External independent quality assessment

In FY19, the internal audit function underwent an independent quality review conducted by the Institute of Internal Auditors South Africa. The function was found to generally conform with international standards for the professional practice of internal auditing. No material findings were noted. The external quality assessment is performed every five years. The internal audit function will be subjected to an external independent quality assessment in FY24.

### Legitimacy

#### Inclusive stakeholder engagement model

The board sets the direction for the group's approach to stakeholder relationships. An inclusive stakeholder engagement approach considers whether the legitimate needs, interests and expectations of all material stakeholders have been adopted.

Information on material stakeholders and the manner in which relationships with stakeholders are managed, governed and monitored appears in **Stakeholder engagement**.

Shareholders are encouraged to attend the Harmony annual general meeting. The issued share capital of Harmony comprises of ordinary and preference shares that have one vote per share. Details of the annual general meeting is set out in the **Notice of the 2023 annual general meeting** in the **Report to shareholders**.



## Corporate governance *continued*

### Group organisational structure

The group is led and directed by a unitary board of directors that is guided by ethical leadership practices, supported by board and committee charters that are reviewed regularly. The group executive management team, headed by the chief executive officer, is responsible for leading implementation and execution of the board-approved strategy, policy and operational planning and governed appropriately in line with a formal delegation of authority framework.

#### Board of directors

The board exercises its leadership role over the group by:

- Steering its strategic direction
- Approving policy and planning that gives effect to the strategy
- Overseeing and monitoring implementation and execution by management
- Ensuring accountability for performance through reporting and disclosure.

#### Board committees

The board has delegated particular roles and responsibilities to standing committees, but remains ultimately accountable. The board committees' primary functions include the consideration, oversight and monitoring of strategies, policies, practices, performance and recommendations to the board for final approval related to:

##### Audit and risk

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

##### Social and ethics

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

##### Remuneration

- Fair reward of directors and executive management for their contribution to Harmony's performance
- Harmony's compensation policies and practices; administration of its share incentive schemes
- Group remuneration policy.

##### Nomination

- Formal and transparent procedures on board appointments
- Succession planning for directors and members of executive management
- Board self-assessment process.

##### Investment

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

##### Technical

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

#### Group executive committee

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

See [Our leadership](#) section in the [Integrated annual report](#) for more information on the board and executive management team.

## Corporate governance *continued*

### Board composition, chairman, independence and meeting attendance

#### Board broader diversity

Diversity and transformation are key focus areas for the board. Harmony has adopted a promotion of broader diversity policy at board level, specifically focused on promoting the diversity attributes of gender, race, culture, age, field of knowledge, skills and experience.

The board is satisfied that its composition reflects the appropriate mix of knowledge, skills, gender, race, culture, age, experience and independence. In addition, the composition of the board and its leadership structure ensures there is a balance of power in the boardroom and that no one director has unfettered authority of decision making.

#### Board composition

The board has 12 highly experienced and reputable members: nine are non-executive directors of whom eight are independent; three are executive directors; three are female and eight are historically disadvantaged persons.

The role and function of the board, including guidelines on its composition and procedures, are detailed in the board charter. This is reviewed regularly to ensure it remains relevant.

Brief profiles of board members appear in the [Our leadership](#) section in the [Integrated annual report](#), with detailed résumés online.

#### Role of chairman

The chairman of the board, Dr Patrice Motsepe is a non-executive director but is not classified as independent. The board is satisfied that, following an assessment that was undertaken during the year under review, that the lead independent director, Dr Mavuso Msimang, meets the requirements for an independent director under the Companies Act, JSE Listings Requirements, King IV, and any other criteria evidencing objectivity and independence established by the board.

The duties of the chairman and lead independent director have been included in the board charter and are based on the recommendations of King IV. The roles of the chief executive officer and chairman are separate. In addition to the chairman and

lead independent director, the board also has an independent non-executive deputy chairman, Ms Karabo Nondumo.

These appointments are reviewed annually and form part of the board's succession plan for the position of chairman, deputy chairman and lead independent director.

Guidance provided by King IV on the chairman's membership of board committees has been applied. The board chairman is only a member of the nomination committee, which is chaired by the lead independent director.

#### Assessing independence of directors with tenure of over nine years

The majority of non-executive directors are classified as independent and their independence has been reviewed by the nomination committee. The board appreciates that independence is primarily a state of mind and all board members, despite their categorisation, are expected to act independently and with unfettered discretion at all times. This expectation is confirmed in the board charter.

Following an assessment undertaken by the nomination committee of Dr Mavuso Msimang who has served on the board for 12 years, Mr John Wetton (12 years), Ms Karabo Nondumo (10 years) and Mr Vishnu Pillay (10 years), during the year under review, the committee is satisfied that these individuals do not have any relationships that may impair, or appear to impair, their ability to apply independent judgement. In addition, there are no interests, positions, associations or relationships which, from the perspective of a reasonable and informed third party, are likely to influence the members unduly or cause bias in their decision making.

The board thus concluded that the members demonstrated they were independent of mind and judgement, and had objectively fulfilled their roles as independent non-executive directors, despite their tenure on the board. The wealth of experience of these members, in addition to their standing as reputable individuals of integrity and character, makes their ongoing input and contribution an invaluable asset to the board and the group.

In line with the board composition transitional plan, the board (with the assistance of its nomination committee) continued to consider its composition, structure, size and independence, to align with

best practice and with the board's broader diversity policy. As such, Mr Joaquim Chissano and Mr Andre Wilkens retired by rotation and did not seek re-election (although eligible) as of the conclusion of the 2022 annual general meeting.

For further detail refer to [Report to shareholders](#).

#### Nomination, election and appointment

The nomination committee is tasked with identifying potential candidates for appointment to the board, while actual appointment is a matter for the board as a whole. The collective knowledge, skills and experience required by the board, as well as broader diversity, are all aspects considered by the board before appropriate candidates are identified for nomination. The nomination committee conducts the necessary independence checks and investigations on potential candidates, as recommended by King IV.

All new board members receive formal letters of appointment. In addition, they participate in an extensive induction programme to enable them to make the maximum contribution in the shortest possible time, and further receive, from Harmony's appointed JSE Sponsor, a formal explanation on the nature of their responsibilities and obligations arising from the JSE Listings Requirements. Ongoing mentorship is provided to members with no or limited governance experience and they are encouraged to undergo appropriate training. Provision has also been made in the board's annual work plan for regular briefings on legal and corporate governance developments, as well as risks and changes in the external environment of the group.

As required by the provisions of Harmony's memorandum of incorporation, a third of the non-executive directors are expected to retire by rotation at each annual general meeting of the company. The names and a brief profile of each of these directors standing for election/re-election members have been included in the [Notice of the 2023 annual general meeting](#) in the [Report to shareholders](#). The board is comfortable in recommending their reappointment to shareholders.

The role and function of the board, including guidelines on its composition and procedures, are detailed in the board charter, which is reviewed regularly to ensure it remains relevant and applicable.

## Corporate governance *continued*

### Board performance evaluations

The board fully supports the thinking that an appropriate evaluation of the board and its structures is a strategic value-adding exercise that facilitates continual improvement of its performance and effectiveness. An independent formal self-evaluation process was undertaken in FY23. This included an assessment of the performance of the board, its chairman and individual members as well as committees, chief executive officer and group company secretary.

Overall, the self-evaluation reconfirmed that the board and its committees were considered:

- Highly effective
- Appropriately positioned to discharge their governance responsibilities
- Well supported by its committees
- Working as a cohesive unit and that the highest ethical standards are applied in deliberations and decision making, enabling the board to provide effective leadership from an ethical foundation.

The consensus among board members is that the chief executive officer:

- Communicates consistently and effectively with all Harmony's stakeholders
- Created and implemented an effective strategy, supported by management
- Demonstrates ethical and transparent leadership by living the company's culture and reinforcing its values.

Considering the outcome of the evaluation process, the board is satisfied that the process is improving its performance and effectiveness.

### Conflicts of interest

Each member of the board is required to submit a general declaration of financial, economic and other relevant interests and to update these declarations as necessary. In addition, the declaration of interests in any matter on the agenda of a board or committee meeting is a standard item at the start of every meeting. In the event of a potential conflict being declared, the board proactively manages this conflict within the boundaries of the law.

### Appointment and delegation to management

The board is responsible for appointing the chief executive officer on recommendation by the nomination committee. Harmony's chief executive officer, Mr Peter Steenkamp, is responsible for leading implementation and execution of the board-approved strategy, policy and operational planning, and serves as a link between the board and management.

He is accountable and reports to the board. He is not a member of the remuneration, audit or nomination committees. He does attend meetings of these committees as required to contribute insights and information.

Succession planning for this position forms part of the executive succession plan that is monitored on behalf of the board by the nomination committee. An emergency succession plan is also in place and reviewed annually.

A formal delegation-of-authority framework is in place and reviewed regularly by the board to ensure its appropriateness to the business. The delegation-of-authority addresses the authority to appoint executives who may serve as ex officio executive members of the board and to make other executive appointments.

### Group company secretary

The group company secretary, Ms Shela Mohatla, is a full-time employee of Harmony who was appointed by the board on 14 August 2020. She is a chartered secretary by profession.

 Her résumé appears on [www.harmony.co.za/about/executive](http://www.harmony.co.za/about/executive).

The board has direct access to the group company secretary who provides professional and independent guidance to the board as a whole and to members individually on corporate governance and legal duties. She also supports the board in coordinating the effective and efficient functioning of the board and its committees.

The group company secretary has unrestricted access to the board and, at all times, retains an arm's-length relationship to enhance the independence of the position. She is not a member of the board but, being accountable to the board, reports to the board via the chairman on all statutory duties and related functions.

To facilitate and enhance the independence and effectiveness of the group company secretary, the board ensures the office of the group company secretary is empowered and the position carries the necessary authority. The remuneration committee considers and approves the remuneration of the group company secretary on behalf of the board.

Following the assessment of the group company secretary by the board in August 2023, the board is satisfied that the group company secretary has the necessary competence, qualifications, experience, gravitas and objectivity to provide independent guidance and support at the highest level of decision making in the group.

The board is therefore satisfied that arrangements in place for accessing professional corporate governance services are effective.

### Discharge of responsibilities

The board is satisfied that the committees properly discharged their responsibilities over the past year.

Furthermore, the board complies, to the best of its knowledge, with the Companies Act and its memorandum of incorporation, monitors such compliance on an ongoing basis and operates in conformity with its memorandum of incorporation.



Corporate governance *continued*

## Board and committee attendance

Name	Age	Appointed director	Independent	Attendance at committee meetings						Attendance at board meetings*		
				Audit and risk*	Social and ethics*	Technical*	Investment*	Remuneration*	Nomination*			
<b>Non-executive directors</b>												
Dr Patrice Motsepe (chairman)	61	2003**								2/4	5/5	100%
Ms Karabo Nondumo (deputy chairman)	45	2013	✓	6/6	7/7		6/7			4/4	5/5	100%
Dr Mavuso Msimang (lead independent)	82	2011	✓		6/7					4/4	5/5	100%
Mr John Wetton	74	2011	✓	6/6	7/7		7/7	4/4			5/5	100%
Mr Vishnu Pillay	66	2013	✓			5/7	5/7	4/4	4/4		5/5	100%
Ms Given Sibiya	55	2019	✓	6/6	7/7						4/5	80%
Mr Peter Turner	67	2021	✓			7/7	7/7				5/5	100%
Mr Bongani Nqwababa	57	2022	✓	5/6			6/6^	3/3^			5/5	100%
Mr Martin Prinsloo	54	2022	✓	6/6		5/6^	5/6^				5/5	100%
Mr Joaquim Chissano***	84	2005	✓		3/4***		2/3***				2/2***	100%
Mr André Wilkens***	74	2007				3/3***	2/3***	2/2***			2/2***	100%
<b>Executive directors</b>												
Mr Peter Steenkamp	63	2016									5/5	100%
Ms Boipelo Lekubo	40	2020									5/5	100%
Mr Harry Mashego	59	2010									5/5	100%

as at 30 June 2023

\* Includes ad-hoc meetings for the year.

\*\* Appointed chairman in 2004.

\*\*\* On 29 November 2022, Harmony announced the retirement of Mr Joaquim Chissano and Mr Andre Wilkens as directors from 29 November 2022.

^ On 18 August 2022, Mr Bongani Nqwababa was appointed as chairperson of the investment committee and member of the remuneration committee. Mr Martin Prinsloo was appointed member of the technical and investment committees.

## BOARD COMMITTEES

The board has delegated particular roles and responsibilities to standing committees based on relevant legal requirements and what is appropriate for the group to achieve the objectives of delegation. The board recognises that duties and responsibilities can be delegated but accountability cannot be abdicated. The board, therefore, remains ultimately accountable.

The following committees have been established:

- Audit and risk
- Social and ethics
- Remuneration
- Nomination
- Investment
- Technical.

A brief description of each committee, its functions and key activities and actions in FY23 appears on the following pages.

The qualifications and experience of each committee member are included under **Our leadership** section in the **Integrated annual report** and in the document **Board and management resumes** that is available online.

### Terms of reference

Formal terms of reference have been adopted for each board committee and are reviewed annually (and when necessary) to ensure the content remains relevant. The terms of reference address, as a minimum, the recommended items in King IV.

The respective terms of reference appear on <https://www.harmony.co.za/responsibility/governance/practices-policies>.

### Committee membership

In considering committee membership, the board, assisted by the nomination committee, is mindful of the need for effective collaboration through cross-membership between committees, where required. The timing of committee meetings is coordinated to facilitate and enhance the effective functioning and contribution of each committee. Duties and responsibilities are documented to clearly define the specific role and positioning of each committee on topics that may be within the mandate of more than one committee. Committee membership has also been addressed to ensure a balanced distribution of power across committees so that

no person has the ability to dominate decision making and no undue reliance is placed on any one person.

The board is satisfied that each committee, as a whole, has the necessary knowledge, skills, experience and capacity to execute its duties effectively and with reasonable care and diligence. Each committee has a minimum of three members. Members of executive and senior management are invited to attend committee meetings as deemed appropriate and necessary for the effective functioning of the committee.

In FY23, the majority of members of all board committees remained independent non-executive directors. All board committees were chaired by an independent non-executive director, except for the technical committee, chaired by André Wilkens (prior to 29 November 2022), being a non-independent and non-executive directors. The board remains confident that his leadership as chair of the technical committee (prior to 29 November 2022) was in the best interests of the company, based on his extensive knowledge of the specific areas of responsibilities of the committee.

### Committee meetings

Any director who is not a member of a specific committee is entitled to attend meetings as an observer, but not entitled to participate without the consent of the committee chairperson. Such directors have no vote in meetings and will not be entitled to fees for attendance, unless specifically agreed by the board and provided for in the board fee structure as approved by shareholders. As part of the board induction process, Mr Bongani Nqwababa and Mr Martin Prinsloo (accompanied by Ms Karabo Nondumo and Mr Peter Turner) attended a site visit in for the Eva Copper Project in Australia to further acclimate them to the Harmony board.

The board considers recommendations from its committees in matters requiring its approval, but remains responsible for applying its collective mind to the information, opinions, recommendations, reports and statements presented by the committees.

The meeting attendance of each committee member is included under Board and committee attendance on page 177.



Tshepong North shaft control room

### Audit and risk committee

Member	Committee tenure
J Wetton (chairperson)*	12 years
Karabo Nondumo	10 years
Given Sibiya	4 years
Bongani Nqwababa	1 year
Martin Prinsloo	1 year

\* Appointed as chairperson on 15 December 2021.

### Primary functions

- Monitors operation of an adequate system of internal control and control processes
- Monitors preparation of accurate financial reporting and statements in compliance with all applicable legal and corporate governance requirements and accounting standards
- Monitors risk management, ensures significant risks identified are appropriately addressed and supports the board in overall governance of risk.

### Key activities and actions in FY23

For detail on actions in FY23, refer to the **Audit and risk committee: chairperson's report** in the **Report to shareholders**.

## Board committees *continued*

### Social and ethics committee

Member	Committee tenure
Karabo Nondumo (chairperson)*	1.5 years
John Wetton	12 years
Mavuso Msimang	12 years
Given Sibiyi	1.5 years
Joaquim Chissano**	16 years

\* Appointed as chairperson on 15 December 2021.

\*\* Retired as member and director on 29 November 2022.

#### Primary functions

- Oversees policy and strategies on occupational health and employee wellbeing, environmental management, corporate social responsibility, human resources, public safety and ethics management
- Monitors implementation of policies and strategies by executives and their management teams for each discipline noted above
- Assesses Harmony's compliance against relevant regulations
- Reviews material issues in each of the above disciplines to evaluate their relevance in the reporting period, and to identify additional material issues that warrant reporting, including sustainability-related key performance indicators and levels of assurance.

#### Key activities and actions in FY23

- Reviewed and recommended the social and ethics committee report to be included in the integrated annual report
- Reviewed and considered the social, economic, human capital, environmental, health and safety issues affecting the company's business and stakeholders
- Reviewed and considered the effect of the company's operations on the economic, social and environmental wellbeing of communities, as well as significant risks within the ambit of its responsibilities
- Considered its oversight role in terms of ESG and monitored ESG risks and opportunities
- Approved material elements of sustainability reporting and key performance indicators that were externally assured
- Considered and monitored the company's internal and external stakeholder relations
- Considered and approved Harmony's sustainable development framework and policy
- Considered and approved the Harmony's health and safety policy
- Considered and approved the Harmony's human rights policy
- Considered and approved the Harmony's whistleblowing policy
- Considered the governance of ethics and ethical leadership
- Reviewed and recommended the committee's terms of reference to the board for approval
- Considered the company's overall people development strategy
- Considered the company's overall water management strategy
- Discussed the company's gender survey results with recommendations for implementation by management
- Reviewed and recommended the company group behavioural code and code of conduct
- Attended a site visit for a detailed update on the Zaaiplaats major capital project – focusing on environmental and social matters.

See [Social and ethics committee: chairperson's report](#).

### Remuneration committee

Member	Committee tenure
Vishnu Pillay (chairperson)*	6 years
John Wetton	12 years
Bongani Nqwababa	1 year
André Wilkens**	14 years

\* Appointed as chairperson on 11 May 2017.

\*\* Retired as member and director on 29 November 2022.

#### Primary functions

- Ensures directors and executive management are fairly rewarded for their contribution to Harmony's performance
- Assists the board in monitoring, reviewing and approving Harmony's compensation policies and practices, and administration of its share incentive schemes
- Operates as an independent overseer of the group remuneration policy and makes recommendations to the board for final approval.

#### Key activities and actions in FY23

For detail on actions in FY23, refer to the [Remuneration committee: chairperson's report](#) in the [Report to shareholders](#).

- Reviewed benefits and remuneration principles for Harmony executive management
- Received and discussed a summary of the suite of Harmony executive management incentive schemes to obtain a holistic view
- Reviewed and recommended the committee's terms of reference to the board for approval
- Reviewed and recommended the company's incentive plan policy to the board for approval
- Reviewed the company's overall retention strategy and policy based on global trends on staff retention
- Considered and recommended the remuneration policy and implementation report to the board for inclusion in the notice of annual general meeting for consideration by shareholders as non-binding advisory resolutions (see [Remuneration Report](#) in our [Report to shareholders](#))
- Reviewed executive directors and executive management's remuneration benchmarks and recommended their annual salary increases to the board for approval (see [Remuneration report](#) in our [Report to shareholders](#))
- Reviewed the annual salary increases of the group company secretary and chief audit executive
- Reviewed non-executive director fees with the assistance of an independent service provider
- Considered and recommended the company's total incentive plan balanced scorecard for FY24 for board approval
- Received training on trends in sustainable remuneration.



## Board committees *continued*

### Nomination committee

Member	Committee tenure
Mavuso Msimang (chairperson)*	11 years
Dr Patrice Motsepe	20 years
Vishnu Pillay	4 years
Karabo Nondumo	1.5 years

\* Appointed as chairperson on 10 May 2018.

### Primary functions

- Ensures procedures governing board appointments are formal and transparent
- Makes recommendations to the board on all new board appointments
- Reviews succession planning for directors and other members of the executive team and oversees the board's self-assessment process.

### Key activities and actions in FY23

- Reviewed succession planning for directors and other members of the executive team and oversaw the board's self-assessment process
- Reviewed and recommended the committee's terms of reference to the board for approval
- Reviewed and recommended for re-election directors who retire by rotation in terms of the company's memorandum of incorporation
- Reviewed and made recommendations on the composition, structure and size of the board and its committees, in line with the board's policy on gender and race diversity
- Considered the positions of the chairman and deputy chairperson of the board and lead independent director and made recommendations to the board
- Reviewed and recommended the independence of non-executive directors (especially independent non-executives serving on the board for longer than nine years)
- Reviewed and recommended immediate and long-term succession plans for the board, chairman of the board, chief executive officer, executive management and the group company secretary
- Considered the programme in place for the professional development of directors and regular briefings on legal and corporate governance developments, risks and changes in the external operating environment of the organisation
- Considered the policy on the promotion of broader diversity at board level, specifically focusing on the promotion attributes of gender, race, culture, age, field of knowledge, skills and experience.

### Investment committee

Member	Committee tenure
Bongani Nqwababa (chairperson)*	1 year
John Wetton	12 years
Karabo Nondumo	10 years
Vishnu Pillay	10 years
Peter Turner	3 years
Martin Prinsloo	1 year
André Wilkens**	15 years
Joaquim Chissano**	3 years

\* Appointed as chairperson on 17 August 2022.

\*\* Retired as member and director on 29 November 2022.

### Primary functions

- Considers projects, acquisitions and disposals in line with Harmony's strategy and ensures due diligence procedures are followed
- Conducts other investment-related functions designated by the board.

### Key activities and actions in FY23

- Considered investments, proposals, projects and proposed acquisitions in line with the board's approved strategy and delegation of authority as well as the committee's terms of reference
- Considered the company's exploration expenditure
- Reviewed and recommended the budget and business plans for FY24
- Reviewed and recommended the committee's terms of reference to the board for approval
- Post-investment monitoring of recent acquisitions
- Attended a site visit for a detailed update on the Zaaiplaats major capital project.

### Technical committee

Member	Committee tenure
Peter Turner (chairperson)*	3 years
Vishnu Pillay	10 years
Martin Prinsloo	1 year
André Wilkens**	14 years

\* Appointed as chairperson on 23 February 2023.

\*\* Retired as member and director on 29 November 2022.

### Primary functions

- Provides a platform to discuss strategy, performance against targets, operational results, projects and safety
- Informs the board of key developments, progress against objectives and challenges facing operations
- Reviews strategic plans before recommending to the board for approval
- Provides technical guidance and support to management.

### Key activities and actions in FY23

- Monitored safety across all operations
- Monitored exploration and Ore Reserves in South Africa and Papua New Guinea
- Monitored all South African and Papua New Guinean operations
- Considered and approved the company's health and safety policy
- Evaluated and considered Harmony's risks, and measures taken to mitigate those risks
- Reviewed and recommended to the board the company's annual budget and business plans for FY24
- Considered investments, proposals, projects and proposed acquisitions from a technical viewpoint
- Reviewed and recommended the committee's terms of reference to the board for approval
- Attended a site visit for a detailed update on the Zaaiplaats major capital project.




# SUPPLEMENTARY INFORMATION

**Mining with purpose** supports our journey towards improving our disclosure in a way that goes beyond compliance and is more accessible to all our stakeholders.

The information we disclose is informed by matters identified and reassessed during an annual materiality assessment, and guided by best practice, voluntary or compulsory reporting frameworks, guidelines and standards. We continuously strive to report transparently and accurately, and recognise that, as our materiality changes, our disclosure will evolve to remain compliant with legislation and meet stakeholder information needs.

This chapter includes data and/or additional information that supports the content provided in this report.

 Our reporting suite and supplementary information are available [online](#).



# ASSURANCE REPORT



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## Independent Auditor's Assurance Report on Selected Key Performance Indicators

To the Directors of Harmony Gold Mining Company Limited

### Report on Selected Key Performance Indicators

We have undertaken an assurance engagement on the selected key performance indicators (KPIs), as described below, and presented in the ESG Report and Integrated Annual Report of Harmony Gold Mining Company Limited ("Harmony") for the year ended 30 June 2023 (the Report). This engagement was conducted by a multidisciplinary team including assurance specialists with relevant experience in sustainability reporting.

#### Subject Matter

We have been engaged to provide a reasonable assurance opinion on the KPIs listed in table (a) and a limited assurance conclusion on the KPIs listed in table (b) below. The selected KPIs described below have been prepared in accordance with Harmony's reporting criteria that accompanies the sustainability information on the relevant pages of the Report (the accompanying Harmony reporting criteria).

#### (a) Reasonable assurance on the following KPIs:

Selected sustainability KPIs	Unit of measure	Scope of coverage
<b>Environmental</b>		
Electricity purchased	MWh	Corporate
Total Scope 2 Carbon Emissions	Tonnes	
<b>Social</b>		
Preferential Procurement	R million	Corporate
Local Economic Development	R million	
<b>Human Capital</b>		
Employment Equity	Percentage (%)	Corporate (SA only)

<b>Health and Safety</b>		
Lost time injury frequency rate	Rate	SA and PNG

#### (b) Limited assurance on the following KPIs:

Selected sustainability KPIs	Unit of measure	Scope of coverage
<b>Environmental</b>		
Total Scope 1 Carbon Emissions	Tonnes	Corporate
Total Scope 3 Carbon Emissions	Tonnes	
Water used for primary activities	m <sup>3</sup>	
Absolute Potable water consumption (ML)	m <sup>3</sup>	
Volumes of waste disposed	Tonnes	
<b>Social</b>		
Percentage of host community procurement spend	Percentage (%)	Corporate
Number of community grievances that are resolved	Number	
Corporate Social Investment (CSI) spend	R million	
Number of employees in single Harmony accommodation	Number	
<b>Human Capital</b>		
Critical skills training	Number	Corporate (SA only)



Assurance report *continued*

Health and Safety		
Number of silicosis cases confirmed.	Rate	Corporate (SA only)
% people on voluntary testing and treatment	Percentage (%)	SA and PNG
Percentage close out of A hazard fatal risk controls findings	Percentage (%)	
Tailings dams > 70% compliance on close-out of 3rd party audit findings ( <i>*findings report issued as at end of 30 June 2022</i> )	Percentage (%)	
World Gold Council - Responsible Gold Mining Principles (RGMPs)		
World Gold Council Principles Conformance - Year 3	Qualitative self-assessment	Corporate

**Directors' Responsibilities**

The Directors are responsible for the selection, preparation and presentation of the selected KPIs in accordance with the accompanying Harmony reporting criteria. This responsibility includes the identification of stakeholders and stakeholder requirements, material issues, commitments with respect to sustainability performance and design, implementation and maintenance of internal control relevant to the preparation of the Report that is free from material misstatement, whether due to fraud or error.

The Directors are also responsible for:

- Determining the appropriateness of the measurement and reporting criteria in view of the intended users of the selected KPIs and for ensuring that those criteria are publicly available to the Report users.
- Ensuring that Harmony designs, implements, operates and monitors activities, processes and controls to ensure compliance with policies and procedures that conform with the Responsible Gold Mining Principles (RGMPs).
- The preparation and presentation of the report on implementing the RGMPs.

**Inherent Limitations**

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining, calculating, sampling and estimating such information. The absence of a significant body of established practice on which to draw allows for the selection of certain different but acceptable measurement techniques which can result in materially different measurements and can impact comparability.

Qualitative interpretations of relevance, materiality and the accuracy of data are subject to individual assumptions and judgements. The precision thereof may change over time.

Where the information relies on the factors derived by independent third parties, our assurance work will not include examination of the derivation of those factors and other third-party information. It is important to understand our assurance conclusions in this context.

**Our Independence and Quality Control**

We have complied with the independence and other ethical requirements of the *Code of Professional Conduct for Registered Auditors* issued by the Independent Regulatory Board for Auditors (IRBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*.

RSM South Africa applies the International Standard on Quality Management 1, and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

**Auditor's Responsibility**

Our responsibility is to express either a reasonable assurance opinion or limited assurance conclusion on the selected KPIs as set out in section (a) and (b) of the Subject Matter paragraph, based on the procedures we have performed and the evidence we have obtained. We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements other than Audits or Reviews of Historical Financial Information*, issued by the International Auditing and Assurance Standards Board and the guidance set out in the *Assurance Framework for the Responsible Gold Mining Principles* and the *Guidance on implementing and assuring the RGMPs: supplement to the Assurance Framework*. That Standard requires that we plan and perform our engagement to obtain the appropriate level of assurance about whether the selected KPIs are free from material misstatement.



## Assurance report *continued*



The procedures performed in a limited assurance engagement vary in nature and timing and are less in extent than for a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

### (a) Reasonable assurance

A reasonable assurance engagement in accordance with ISAE 3000 (Revised) involves performing procedures to obtain evidence about the measurement of the selected KPIs and related disclosures in the Report. The nature, timing and extent of procedures selected depend on the auditor's professional judgement, including the assessment of the risks of material misstatement of the selected KPIs, whether due to fraud or error.

In making those risk assessments we have considered internal control relevant to Harmony's preparation of the selected KPIs. A reasonable assurance engagement also includes:

- Evaluating the appropriateness of quantification methods, reporting policies and internal guidelines used and the reasonableness of estimates made by Harmony.
- Assessing the suitability in the circumstances of Harmony's use of the applicable reporting criteria as a basis for preparing the selected information; and
- Evaluating the overall presentation of the selected sustainability performance information

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our reasonable assurance opinion.

### (b) Limited assurance

A limited assurance engagement undertaken in accordance with ISAE 3000 (Revised) involves assessing the suitability in the circumstances of Harmony's use of its reporting criteria as the basis of preparation for the selected KPIs, assessing the risks of material misstatement of the selected KPIs whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the selected KPIs. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. Accordingly, for the KPIs where limited assurance was obtained, we do not express a reasonable assurance opinion about whether Harmony's selected KPIs have been prepared, in all material respects, in accordance with the accompanying Harmony reporting criteria.

The procedures we performed were based on our professional judgement and included inquiries, observation of processes followed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above we:

- Interviewed management and senior executives to obtain an understanding of the internal control environment, risk assessment process and information systems relevant to the sustainability reporting process;
- Inspected documentation to corroborate the statements of management and senior executives in our interviews;
- Tested the processes and systems to generate, collate, aggregate, monitor and report the selected KPIs;
- Performed a controls walkthrough of identified key controls;
- Inspected supporting documentation on a sample basis and performed analytical procedures to evaluate the data generation and reporting processes against the reporting criteria;
- Evaluated the reasonableness and appropriateness of significant estimates and judgments made by the directors in the preparation of the selected KPIs; and
- Evaluated whether the selected KPIs presented in the Report are consistent with our overall knowledge and experience of sustainability management and performance at Harmony.
- Reviewed Harmony self-assessment, and supporting documentation, to compare their systems, processes and performance against the requirements set out in the RGMPs and validate that Harmony has conducted an exercise to understand its gaps to fully conform to the RGMPs as a company.
- Enquired of staff responsible for the performance of the processes and at corporate level and at the selected sites, and for the preparation of the disclosures related to the RGMPs
- Performed site visits to assess whether conditions at the sites are consistent with reported data and controls are implemented and are appropriate to manage its significant risks, taking into account the materiality considerations.

## Conclusions

### (a) Reasonable assurance opinion

In our opinion and subject to the inherent limitations outlined elsewhere in this report, the selected KPIs set out in section (a) of the Subject Matter paragraph above for the year ended 30 June 2023 are prepared, in all material respects, in accordance with the accompanying Harmony reporting criteria.



## Assurance report *continued*

### (b) Limited assurance conclusion

Based on the procedures we have performed and the evidence we have obtained and subject to the inherent limitations outlined elsewhere in this report, nothing has come to our attention that causes us to believe that the selected KPIs including Harmony's conformance with the RGMPs as set out in section (b) of the Subject Matter paragraph above for the year ended 30 June 2023 are not prepared, in all material respects, in accordance with the accompanying Harmony reporting criteria.

### Other Matters

Our report includes the provision of limited assurance on the KPI: % Renewable energy consumption as a total of total electricity consumption. We were previously not required to provide assurance on this selected KPI.

The scope of our work has been limited to the aforementioned KPIs. Our conclusions above cover only these indicators and not all indicators presented, or any other information included in the Report.

The maintenance and integrity of the Harmony's website is the responsibility of Harmony management. Our procedures did not involve consideration of these matters and, accordingly, we accept no responsibility for any changes to either the information in the Report or our independent assurance report that may have occurred since the initial date of its presentation on Harmony website.

### Restriction of Liability

Our work has been undertaken to enable us to express either a reasonable assurance opinion or a limited assurance conclusion on the selected KPIs to the Directors of Harmony in accordance with the terms of our engagement, and for no other purpose. We do not accept or assume liability to any party other than Harmony, for our work, for this report, or for the conclusion we have reached.

RSM South Africa Inc.

Director: Suzan Dolamo

Registered Auditor

25 October 2023



## MINING CHARTER III – COMPLIANCE SCORECARD

We discuss our performance against the mining charter throughout this report. The charter is focused on transformation of the South African mining industry as a whole by promoting equal access to and ownership, expanding business opportunities for historically disadvantaged persons (HDPs), redressing the imbalances of historical injustices and enhancing the social and economic welfare of employees and mine communities.

The mining charter is not a static document – it has been debated and revised a number of times, and is now in its third iteration (effective 2018 and known as Mining Charter III), Harmony will continue to work towards transformation because we believe this supports our social licence to operate. As a mining company we hold to the spirit of the Mining Charter and measure our performance against the Charter as an entry point to our transformation journey.

The table summarises our performance against targets for each pillar for the calendar year to 31 December 2022 (the regulatory reporting period). Harmony considers itself to be subject to the Mining Charter. Harmony's status under the applicable Mining charter is determinative of the applications lodged by Harmony for mining rights. The Broad-Based Black Economic Empowerment Act requires the Department of Trade and Industry to issue the Code of Good Practice on Broad Based Black Economic Empowerment or sector codes to measure an entities black economic empowerment initiatives. The B-BBEE Act and code do not require the DMRE to apply the B-BBEE code when determining the qualification criteria for the granting of mining rights or the renewal of existing rights. The codes will only apply to mining companies if they wish to be scored for purposes of contract with organs of state. This means that unless Harmony wishes to be scored for the purpose of contracting with organs of state it is not obliged to obtain a B-BBEE certificate. Although that is the case, we have conducted the B-BBEE verification audit and have attached our certificate on page 188.

### Mining Charter III scorecard for 2022 (January-December)

	Measure	Target	Progress	Score
<b>1 Reporting</b>				
Has the company reported its level of compliance with the mining charter for the calendar year?	Report annually	Yes	Yes	✓
<b>2 Ownership</b>				
Minimum target for effective ownership by historically disadvantaged South Africans	Meaningful economic participation; full shareholder rights	26%	56%	✓
<b>3 Employment equity</b>				
Diversification of workplace to reflect the country's demographics and attain competitiveness	Representation of historically disadvantaged persons	Board: 50%	57%	✓
		Executive committee: 50%	60%	✓
		Senior management: 60%	59%	✗
		Middle management: 60%	58%	✗
		Junior management: 70%	69%	✗
		Core and critical skills: 60%	72%	✓
	Representation of women	Board: 20%	21%	✓
		Executive committee: 20%	25%	✓
		Senior management: 25%	28%	✓
		Middle management: 25%	27%	✓
		Junior Management : 30%	20%	✗
	Employees with disabilities	1.5%	0.1%	✗

Mining Charter III – Compliance scorecard *continued*

	Measure	Target	Progress	Score	
<b>4 Human resource development</b>					
	Development of the requisite skills, particularly in exploration, mining, processing, technology efficiency, beneficiation and environmental conservation	Human resource development expenditure as percentage of total annual leviable amount (excluding mandatory skills development levy)	Invest 5% of leviable amount as defined in human resource development element in proportion to applicable demographics (employees and non-employees)	4%	✘
<b>5 Mine community development*</b>					
	Meaningful contribution towards mine community development in keeping with the principles of the social licence to operate	Implementation of approved commitments in the SLP	100%	85%	✘
* Mine community development is reported according to Harmony's financial year, as agreed with DMRE. This report covers mine community development for the period July 2022 to June 2023.					
<b>6 Procurement and enterprise development</b>					
Total procurement budget spend on goods and services	<b>Mining goods</b> A minimum of 70% of total mining goods procurement spend must be spent on South Africa-manufactured goods sourced from BEE-compliant manufacturing companies. Excludes spend on utilities (electricity and water), fuels, lubricants and land rates	21% of total mining goods budget must be spent on South African-manufactured goods produced by 50% + 1 vote HDP-owned and controlled companies	61%	✓	
		5% of total mining goods budget must be spent on South Africa-manufactured goods produced by 50% + 1 women and/ youth-owned and controlled companies	10%	✓	
		44% of total mining goods budget must be spent on South Africa-manufactured goods produced by at least level 4 BEE 25% + 1 compliant companies	77%	✓	
	<b>Services</b> A minimum of 80% of total spend on services must be sourced from South Africa-based companies	50% of total services budget must be spent on South African companies that are 50% + 1 vote HDP-owned and controlled companies	53%	✓	
		15% of total services budget must be spent on South African companies that are 50% + 1 vote women-owned and controlled companies	13%	✘	
		5% of total services budget must be spent on South African companies that are 50% + 1 vote youth-owned and controlled	4%	✘	
		10% of total services budget must be spent on South African companies that are at least at level 4 BEE + 25% + 1 compliant companies	68%	✓	
	<b>Research and development</b>	A minimum of 70% of total research and development budget to be spent on South Africa-based entities	100%	✓	
<b>Sample analysis</b>	Use South Africa-based facilities or companies for analysis of 100% of all mineral samples across mining value chain	100%	✓		
<b>7 Housing and living conditions</b>					
	Improve standard of housing and living conditions of mine employees	Implement all commitments in the housing and living conditions standard	100%	✓	

# B-BBEE CERTIFICATE AND **FINAL REPORT**



## Honeycomb BEE Ratings

0861 HONEYCOMB

### BROAD-BASED BEE VERIFICATION CERTIFICATE

*We Certify that*  
**Harmony Gold Mining Company Limited**

Refer to Annexure A for List of Consolidated Entities  
Company Address: Ramafinwin Office Park, Cnr Main Reef Road & Ward Avenue, Ramafinwin, 1759  
Registration Number: 1950/038232/06 V.A.T Number: 4580103104

Has been verified for compliance with the B-BBEE Act No. 53 of 2013 and the Codes of Good Practice Gazette No.36928 of 2013 further revised by Gazette No. 43496 of 2019 and has achieved the following:

**BEE RATING**  
**Level Seven (7) Contributor**  
*(Generic Scorecard)*

**BEE PROCUREMENT RECOGNITION**  
**50%**

Analysis	Score	Element	Results
Black Ownership	15.78%	Ownership	13.40
Black Woman Ownership	3.55%	Management Control	15.51
Black Designated Group	0.57%	Skills Development	7.54
Black Youth	0.00%	Enterprise & Supplier Development	35.00
Black Disabled	0.00%	Socio-Economic Development	5.00
Black Unemployed	0.00%	<b>Total</b>	<b>74.29</b>
Black People Living in Rural Areas	0.00%	Y.E.S. Initiative Implemented	No
Black Military Veterans	0.00%	Y.E.S. Target Achieved	N/A
Black New Entrants	0.93%	Number of Levels Promoted	N/A
Exclusion Principle Applied	No	Certificate Number	HR_GEN_3107_23
Modified Flow Through Principle	No	Version Number	1.0
Empowering Supplier	Yes	Issue Date	04 October 2023
Discounting Applied	Yes	Expiry Date	03 October 2024
Financial Period Reviewed	01 July 2022 – 30 June 2023	Revision Date	N/A



Verification Manager  
Zunaid Vallee  
Honeycomb BEE Ratings



Honeycomb BEE Ratings (Pty) Ltd Reg No. 2009/0177/21/07 - 37, 14th Avenue, Northmead, Sandown 1501  
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# KING IV CHECKLIST

King IV principle	FY23 ESG report – page numbers
<b>Principle 1:</b> The governing body should lead ethically and effectively	169 – 170
<b>Principle 2:</b> The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture	169 – 170
<b>Principle 3:</b> The governing body should ensure that the organisation is and is seen to be a responsible corporate citizen	170
<b>Principle 4:</b> The governing body should appreciate that the organisation's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process	170
<b>Principle 5:</b> The governing body should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance, and its short, medium and long-term prospects	171
<b>Principle 6:</b> The governing body should serve as the focal point and custodian of corporate governance in the organisation	170 – 173
<b>Principle 7:</b> The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively	168; 174 – 176
<b>Principle 8:</b> The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement, and assist with balance of power and the effective discharge of its duties	178 – 180
<b>Principle 9:</b> The governing body should ensure that the evaluation of its own performance and that of its committees, its chair and its individual members, support continued improvement in its performance and effectiveness	176
<b>Principle 10:</b> The governing body should ensure that the appointment of, and delegation to, management contribute to role clarity and the effective exercise of authority and responsibilities	176
<b>Principle 11:</b> The governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives	171 – 172

**King IV checklist** *continued*

King IV principle	FY23 ESG report – page numbers
<b>Principle 12:</b> The governing body should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives	172
<b>Principle 13:</b> The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen	172 – 173
<b>Principle 14:</b> The governing body should ensure that the organisation remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term	173; 179
<b>Principle 15:</b> The governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision making and of the organisation's external reports	173; 182
<b>Principle 16:</b> In the execution of its governance role and responsibilities, the governing body should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the organisation over time	173
<b>Principle 17:</b> The governing body of an institutional investor organisation should ensure that responsible investment is practiced by the organisation to promote the good governance and the creation of value by the companies in which it invests.	n/a

## 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 booklet, 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 our integrated annual report.

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
- High and 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
- Ageing infrastructure, unplanned breakdowns and stoppages that may delay production

- Increase costs and industrial accidents
- 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, without limitation, regarding 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
- Our ability to meet our environmental, social and corporate governance targets
- The outcome of pending or future litigation or regulatory proceedings
- Fluctuations in exchange rates and currency devaluations and other macro-economic monetary policies, as well as the impact of South African exchange control regulations
- 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
- Changes in technical and economic assumptions underlying our mineral reserves estimates
- Geotechnical challenges due to the ageing of certain mines and a trend toward mining deeper pits and more complex, often deeper underground deposits
- Actual or alleged breach or breaches in governance processes, fraud, bribery or corruption at our operations that leads to censure, penalties or negative reputational impacts.

The foregoing factors and others described under **Our risk and opportunity profile** in our **Integrated annual report** ([www.har.co.za](http://www.har.co.za)) and our **Form 20-F** should not be construed as exhaustive. We undertake no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this annual report or to reflect the occurrence of unanticipated events, except as required by law. All subsequent written or oral forward-looking statements attributable to Harmony or any person acting on its behalf, are qualified by the cautionary statements herein.

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](http://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)  
Dr HE Mashego\*\* (executive director)  
B Nqwababa\*^  
VP Pillay\*^  
MJ Prinsloo\*^  
GR Sibiya\*^  
PL Turner \*^  
JL Wetton\*^

\* Non-executive

\*\* Executive

^ Independent

#### Investor relations

Email: [HarmonyIR@harmony.co.za](mailto:HarmonyIR@harmony.co.za)

Telephone: +27 11 411 6073 or +27 82 746 4120

Website: [www.harmony.co.za](http://www.harmony.co.za)

#### Company Secretariat

Email: [companysecretariat@harmony.co.za](mailto:companysecretariat@harmony.co.za)

Telephone: +27 11 411 2359

#### Transfer secretaries

##### JSE Investor Services South Africa (Proprietary) Limited

(Registration number 2000/007239/07)

19 Ameshoff Street, 13th Floor, Hollard House, Braamfontein  
Johannesburg, South Africa

PO Box 4844, Johannesburg, 2000, South Africa

Email: [info@jseinvestorservices.co.za](mailto: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](mailto: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

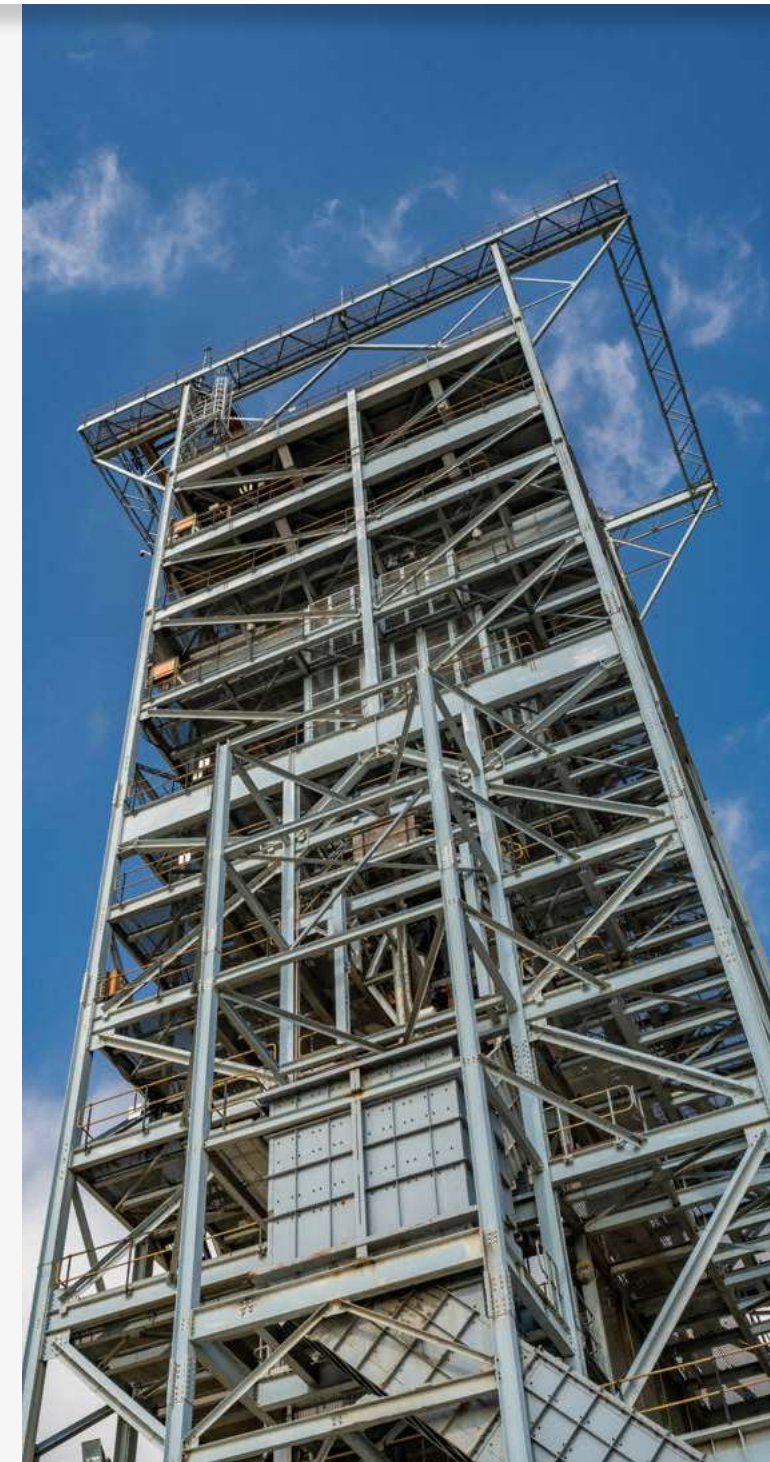
Fax: +27 11 507 0503

#### Trading symbols

JSE: HAR

NYSE: HMY

ISIN: ZAE 000015228



# COMPETENT PERSON'S STATEMENT

*Harmony Gold Mining Company Limited's statement of Mineral Resources and Mineral Reserves as at 30 June 2023 is produced in accordance with the South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves (SAMREC). It should be noted that the Mineral Resources are reported inclusive of the Mineral Reserves.*

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

*The Mineral Resources and Mineral Reserves in this report are based on information compiled by the following competent persons:*

Both these competent persons, who are full-time employees of Harmony, give consent to the inclusion in the report of the matters based on the information in the form and context in which it appears.



## Mineral Resources and Mineral Reserves



Theo van Dyk, BSc (Hons), Pr.Sci.Nat, MGSSA, has 25 years relevant experience and is registered with the South African Council for Natural Scientific Professions (SACNASP) and a member of the Geological Society of South Africa (GSSA).

### Theo van Dyk

#### Physical address:

Randfontein Office Park  
Corner of Main Reef Road and Ward Avenue  
Randfontein  
South Africa

#### Postal address:

PO Box 2  
Randfontein  
1760  
South Africa



## Mineral Resources and Mineral Reserves



Gregory Job, BSc (Geo), MSc (Min Econ), F AusIMM, has 35 years relevant experience and is a Fellow of the Australian Institute of Mining and Metallurgy (F AusIMM) South-east Asia.

### Greg Job

#### Physical address:

Level 2, 189 Coronation Drive  
Milton, Queensland  
4064  
Australia

#### Postal address:

PO Box 1562  
Milton, Queensland  
4064  
Australia