REPORT TO SHAREHOLDERS
30 June 2023

MINING WITH PURPOSE

www.harmony.co.za

CONTENT

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Referencing

Cross-reference to information elsewhere in the report

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

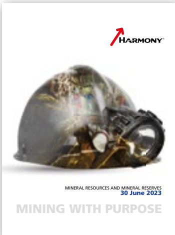
Feedback
We welcome your feedback on these reports. If you have any comments or suggestions on this report, contact our reporting team at: **IARreports@harmony.co.za**

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.

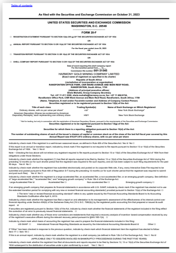
ESG report
This report provides insight into our ESG performance for 2023 and over the past five years, along with our aspirations. It is intended as a useful guide to support analysis.



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

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

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



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

Climate-related financial disclosures (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.

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

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

MINING WITH **PURPOSE**

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 Environmental, Social and Governance (ESG) commitments, which are woven into our strategy, ensuring that we consider and respond to our stakeholders' needs and interests.

Mining with purpose, at Harmony, means that we care for, protect and empower our employees; we are stewards of the environment; and mine with social conscience, taking our host communities with us and contributing to the economic development of our host 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. We are always guided by our values and our purpose, enabling us to navigate our complex operating environment.

This golden thread integrates our purpose with our strategy and business model. Harmony mines with purpose through:

Purpose	In Harmony	Impact
Creating a profitable, sustainable company	In 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. Refer to **Our business** in the **Integrated annual report** for details.	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.
Creating and preserving value for all stakeholders	We create and preserve shared value through delivering on our strategic objectives and managing the resources we use and impact through our business activities. 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. Refer to **How we create value** in the **Integrated annual report** for details.	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. Creating and preserving value for all our stakeholders is demonstrated through the infinite opportunities we create from a finite resource.
Delivering on our sustainable development and ESG commitments	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. Refer to **ESG in practice** for more information in the **ESG report**. 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 continious basis. Our ESG goals include our commitment to: **Environment:** Ecologically responsible mining and environmental stewardship, contributing to a low-carbon future and leaving a lasting positive legacy. **Social:** 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. **Governance:** Building corporate trust, demonstrating transparency and being accountable at all times.	Our **sustainable development framework** 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 having a meaningful impact on eight of the **United Nations Sustainable Development Goals (UN SDGs).** We meaningfully impact: Directly Indirectly Collaboration

CHAIRMAN'S **REVIEW**

Dr Patrice Motsepe
Chairman

"Harmony continued to make significant progress towards transforming into a globally competitive gold-copper producer whilst delivering safe, profitable ounces and adhering to its sustainability commitments and good governance."

Dear shareholders and stakeholders

Creating value for our shareholders and stakeholders

Harmony retained its position as South Africa's largest gold mining company by volume despite a challenging operating environment. Global supply chain disruptions and sharp input cost increases were exacerbated by the effects of the Russia-Ukraine conflict. In South Africa, the energy and water crises, accompanied by local community expectations and activism, continued amid rising inflation. Interest rates rose sharply as central banks moved decisively to curb inflation.

Against this backdrop, the gold price neared all-time highs at R1 249 714/kg (US$2 011/oz). The combination of high gold prices and strong operational performances resulted in solid financial results for Harmony.

I am pleased to report that Harmony met its production guidance of 1.4Moz – 1.5Moz. This was achieved through allocating growth capital to high-margin and long life assets, allowing Harmony to beat its underground recovered grade guidance of 5.6g/t, and contain costs below R900 000/kg, resulting in total production of 1.47Moz.

Harmony's management took an important step in derisking the business and bolstering its position as a gold-copper miner, with a growing international footprint through the successful acquisition of the Eva Copper Project in the mining district of Queensland, Australia.

Copper is one of the critical minerals for the global transition to a clean energy future. The large, near-term, low-cost, and long-life Eva Copper Project complements our tier 1 Wafi-Golpu copper-gold project in Papua New Guinea.

Safety is at the heart of Harmony's culture

Zero harm remains Harmony's top priority. Safety, preventing illness and nurturing mental wellbeing are essential for the long-term success, sustainability and competitiveness of the company.

Although we have advanced in embedding a proactive culture of safety and care in everyday behaviour at work and encouraging employees to embody these values in their personal lives; regrettably, we lost six employees in mine-related incidents during the financial year. Our heartfelt condolences to their families, colleagues and people affected by these tragedies.

Our board and management remain committed to achieving zero harm through safe production programmes discussed in the **ESG report**.

A dedicated team is driving business improvement initiatives across the group through research into technologies and processes that will improve safety and production.

Harmony has developed an integrated digital platform to support its safety strategy and improvement plan. This platform facilitates the flow of information to and from workplaces. It incorporates production planning, booking and reporting, supporting audit and inspection services, continuous risk assessment, critical control monitoring and reporting, action management and measurement of key processing indicators against required performance.

Demonstrating responsible stewardship through embedded sustainability practices

Harmony is demonstrating responsible stewardship by embedding sustainability practices in our core processes through:

- A proactive culture to achieve zero harm
- Integrated risk management
- Mitigating electricity costs through energy efficiencies
- Driving decarbonisation through renewable energy programme and a green energy mix (the strategy guiding Harmony's transition pathway to net zero GHG emissions is discussed in the **ESG report**)
- Growing our investment in copper (now over 20% of Harmony's Mineral Resources)
- Supporting the circular economy through tailings retreatment and water recycling (inextricably linked to Harmony's social compact)
- Sharing value with all stakeholders.

Positive external recognition of our sustainability efforts is on Harmony's website.

Commitment to action on climate change

In addressing climate change, Harmony is decarbonising through energy efficiencies, a renewable energy programme and a green energy mix to achieve net zero emissions by 2045. The group is committed to a 63% reduction in absolute scope 1 and 2 greenhouse gas emissions by FY36 from a FY21 base. This target has been approved by the Science Based Targets Initiative.

Phase 1 of the renewable energy programme (30MW of solar power) was commissioned during FY23 and the build of the second phase (137MW) will commence in December 2023, funded from the R1.5 billion green loan.

Electricity accounts for approximately 18% of Harmony's operating costs. To reduce the impact of escalating tariffs and drive decarbonisation, we have implemented more than 240 energy-saving initiatives. These initiatives have yielded a cumulative cost-saving of more than R1.7 billion (US$114 million) since 2016, and a reduction of more than 1.8 million tonnes of CO_2 equivalent emissions.

In recognition of this and other sustainability initiatives, Harmony has been included in the FTSE Russell's FTSE4Good/Gold Index Series for the sixth consecutive year. The index measures the performance of companies demonstrating strong ESG practices and evaluates a variety of ESG criteria, including performance in corporate governance, health and safety, anti-corruption and climate change. Harmony earned a 95th percentile rank in the FTSE Russell industry classification benchmark super-sector, exceeding the mining industry and sub-sector average scores in all ESG pillars.

Harmony is also included in the Bloomberg Gender-Equality Index for the fifth consecutive year. This modified market capitalisation-weighted index, tracks the performance of public companies committed to transparency in gender data reporting across 70 metrics.

Read more about Harmony's ESG approach in the **Social and Ethics Committee: chairperson's report**.

Delivering on our social compact by sharing value created by our mining operations

Through effective capital allocation, the board and management determines the most effective and efficient way to deploy our financial and other resources to the various projects and investments. As a result, we are able to deliver continued positive shareholder returns and create long-term financial and social value for our stakeholders.

Harmony contributes to the resilience and prosperity of our employees and host communities by sharing the value we create through our mining operations with them. We invest in meaningful socio-economic development projects that improves their living conditions and standards of living. The company goes beyond compliance to deliver shared value to employees, suppliers, host communities and government.

As a partner of choice, Harmony's impact is based on building relationships of trust and collaboration with our stakeholders. We contribute meaningfully to the upliftment of our host communities by creating employment, promoting diversity and inclusion, maintaining sound labour relations and facilitating high-quality education.

We are committed to supporting governments' socio-economic development endeavours through initiatives that empower people, particularly youth and women, to become self-sufficient with the necessary physical and social infrastructure.

In FY23 Harmony paid R1.0 billion (US$56.6 million) in taxes and royalties to the South African government, R128 million (US$7.2 million) to the State of Papua New Guinea, R17.5 billion (US$986.0 million) in salaries and spent R16.1 billion (US$905.3 million) on local and preferential procurement.

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

Good governance

Guided by the King IV principles, our board and management apply the highest standards of corporate governance and global good practices.

We bid farewell to two of Harmony's long-serving board members, Mr Andre Wilkens and Mr Joaquim Chissano, who retired at the 2022 annual general meeting. Our gratitude to both Mr Wilkens and Mr Chissano for their contributions to the Harmony board over the years.

Our board has a diversity of skills and expertise and the directors make significant contributions to the competitiveness and growth of Harmony.

Conclusion

Our CEO, Peter Steenkamp, and I met with the prime minister of Papua New Guinea, James Marape, in July 2023 to continue discussions on permitting the Wafi-Golpu Project. We are grateful to the prime minister and the government of Papua New Guinea for their ongoing support and for signing the Wafi-Golpu Framework Memorandum of Understanding in April of this year.

Harmony is committed to proceeding with this project, subject to finalisation of the permitting process and approvals by the Harmony and Newmont boards.

I am grateful for the board's counsel and advise during the financial year under review.

I am also grateful to Harmony's CEO, the executives, managers and employees for their hard work and contributions to making Harmony a globally competitive gold-copper producer.

Dr Patrice Motsepe
Chairman

25 October 2023

AUDIT AND RISK COMMITTEE: CHAIRPERSON'S REPORT

John Wetton
Chairperson: audit and risk committee

Dear stakeholder

I am pleased to present the audit and risk committee report for the financial year ended 30 June 2023 (FY23).

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

Introduction

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

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Terms of reference and discharge of responsibilities

The formal board approved committee terms of reference (available on our corporate website, **www.harmony.co.za**), are reviewed and updated annually (or more frequently if required) by both the committee and the board. The committee is satisfied that, during FY23, it has conducted its affairs and discharged its legal and other responsibilities in accordance with its terms of reference.

Composition and function

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

Mr Bongani Nqwababa and Mr Martin Prinsloo were elected by shareholders at the 2022 annual general meeting and the rest of the members were re-elected. All members have the appropriate academic qualifications, financial literacy, business and financial acumen. As at the date of this report, the committee has five members, all of whom (in the opinion of the board) are independent non-executive directors.

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

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

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

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

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

Responsibilities

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

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

The committee believes that it complied with its legal, regulatory and other responsibilities during the past financial year. No major concerns were raised in FY23.

For more on the committee, see **Board committees** in our **ESG report.**

Reporting

The committee reviewed the appropriateness of the following FY23 reports and their related processes:

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

The committee submits that these reports represent a fair view of the group's performance for FY23 and recommended them to the board for approval.

Duties discharged in FY23

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

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

Key focus areas in FY23

Interim and annual financial statements

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

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

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

External auditor – appointment, independence and tenure

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

A formal procedure has been adopted to govern the process whereby the external auditor may be considered for non-audit services and the extent of these services is closely monitored by the committee. Total fees approved for the external auditor, PwC, for the year were R58.2 million, of which R58.1 million was for audit-related services, R0.1 million for non-audit services.

PwC has been Harmony's external auditor for 73 years. At the 2022 annual general meeting, PwC was reappointed as the independent external auditor and undertook to hold office until the end of the 2023 annual general meeting on 4 December 2023.

Mr S Masondo remained the registered lead audit partner responsible for the audit for the financial year ended 30 June 2023.

As part of Harmony's commitment to transformation, PwC partnered with Ngubane & Co, a level 1 broad-based black economic empowerment company until 31 July 2023. On 1 August 2023, Ngubane & Co merged with RSM South Africa Inc and the subcontracting arrangement was effectively terminated.

Audit firm rotation

In FY21, the committee had recommended, and the board endorsed, the appointment of EY following the conclusion of a comprehensive and rigorous tender process. Shareholders approved EY's appointment at the annual general meeting held on 29 November 2022. The board is proposing the reappointment of EY at the annual general meeting to be held on 4 December 2023.

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

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

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

Internal controls and internal audit

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

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

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

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

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

Combined assurance

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

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

Governance of risk

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

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

GOVERNANCE
SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS
NOTICE AND PROXY
ANCILLARY INFORMATION

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

Appropriateness and experience of FD and effectiveness of the finance function

The committee confirms that it is satisfied that Ms Boipelo Lekubo, the current FD, possesses the appropriate expertise and experience to meet the responsibilities of this position.

Oversight of derivative programme

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

For more on how these derivative programmes have performed, see the **Derivative financial instruments, note 11,** in our **Summarised consolidated financial statements**.

Technology and information governance

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

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

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

In particular during the past year, as part of the process to digitise the company, the committee oversaw management's implementation of the DMS system which digitised the Engineering maintenance and work order processes. Furthermore the Performance Management system for management employees was implemented as part of the centralised human capital resource management strategic initiatives.

Due to the nature of ever-changing cybercrime attack vectors in both the IT and Operational Technology (OT) environments, significant effort and focus is required to keep pace and abreast of cyber-related threats. To this end, it is imperative to mitigate risks with controls and investment associated with these threats. This is a major focus area for the committee. As a result, effectiveness is closely monitored, with management providing detailed quarterly updates.

Dividend policy and dividends declaration

The board declared no interim ordinary dividend and a final ordinary dividend of 75 SA cents for the year ended 30 June 2023, paid on 16 October 2023 (2022: interim ordinary dividend of 40 SA cents paid on 11 April 2022 and final ordinary dividend of 22 SA cents paid on 17 October 2022). In addition, dividend payments were made in 2022 and 2023 to the non-controlling interest holders in Tswelopele Beneficiation Operation of R16 million and R18 million, respectively.

Harmony declared an annual preference share dividend to the Harmony Gold Community Trust (the Trust). The board declared a preference dividend of R9 million and it was paid to the Trust on 15 August 2023 (2022: R9 million on 11 August 2022).

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

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

Going concern

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

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

Integrated annual report

The committee has overseen the integrated reporting process, reviewed the report and has recommended the 2023 Integrated annual report and consolidated financial statements for approval by the board.

Events post year end

- On 3 July 2023 a payment of US$24 million (R450 million), comprising US$20 million of capital and US$4 million of interest, was made on the US$300 million RCF
- On 29 August 2023, a final dividend of 75 SA cents was declared, paid on 16 October 2023
- On 6 September 2023, a payment of US$32 million (R600 million) comprising US$30 million of capital and US$2 million of interest, was made on the US$300 million RCF
- On 8 September 2023, a payment of US$54 million (R994 million), comprising US$50 million of capital and US$4 million of interest, was made on the US$300 million RCF.

In closing

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

John L Wetton
Chairperson: audit and risk committee

25 October 2023

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 95th 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 the **ESG 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.

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 the **ESG report** for further detail.

Ethics management

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

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

We 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 the **ESG report**.

Kareerand tailings storage facility

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

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 the **ESG 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 the **ESG report**.

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

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

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

GOVERNANCE
SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS
NOTICE AND PROXY
ANCILLARY INFORMATION

REMUNERATION **REPORT**

Vishnu Pillay
Chairperson: remuneration committee

"The appropriate human resource driven by diversity and appropriate pay remains the key focus of this committee."

Dear shareholder

It gives me great pleasure to present the 2023 remuneration report on behalf of the remuneration committee (Remco).

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

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

2023 focus areas

We have updated the measurement approach for two measures on the total incentive plan scorecard proposed for FY24 for practical reasons which we believe retains the degree of stretch in the targets for these measures.

- The Total Shareholder Return (TSR) will be measured on a trailing three-year basis as before but will be measured on 30 June of the performance year from FY24 onwards, rather than at the end of August. The reason for this change is for practical reasons, so that the measurement period is aligned with that of the other measures, and that the TSR measure can be signed off and approved earlier in the year-end governance process. This change in measurement date is unlikely to systemically advantage or disadvantage employees.
- Additions to Reserves will be measured on a three-year trailing basis rather than a year-on year basis. Again, this is unlikely to advantage or disadvantage employees on average over the medium term. Reserve additions tend to be irregular, this change will smooth the measurement process and will avoid "feast or famine" outcomes.

We have noted that the market positioning of the total on-target remuneration of our executive management, particularly the long-term incentive portion, has declined over time despite the increase in the global complexity of our business and the increase in competition for scarce mining skills. We have therefore implemented a moderate increase in the total incentive awards as a percentage of Guaranteed Package to enhance our market positioning and reflect the increased complexity of our senior executives' roles.

We note that our incentive percentages have remained static for many years – the Total incentive percentage maintained the combined on-target values of the cash incentives and performance share awards that it replaced. The increased incentive awards remain well within market norms, are 100% subject to company performance and will assist in maintaining our competitive value proposition to attract, reward and retain people to deliver our strategy.

We continue to monitor the implementation of the multi term wage agreement, as introduced in 2021.

In the spirit of applying fair and responsible pay principles in FY23, an average increase of 6% in guaranteed remuneration packages for non-bargaining-unit employees was awarded and 7.08% for bargaining-unit employees, in line with collective bargaining agreements.

We had previously reported on the Palma Ratio of our employees' remuneration as the measure of our "pay gap", however the ratio of the total remuneration of the top paid 5% of our employees compared to that of the lowest paid 5% was introduced into the Companies Amendment bill that has been circulated for public comment, and so we have reported our pay gap on this basis in this report.

Growth strategy and performance highlights

In line with our strategic objectives of transitioning into a low-cost gold and copper mining company, Harmony entered into an agreement to acquire Eva Copper Project and a package of regional exploration tenements from Copper Mountain Mining Corporation on 6 October 2022. In addition, significant strides to securing the special mining lease for Wafi-Golpu Project was obtained with the signing of a framework memorandum of understanding by the Wafi-Golpu Joint Venture (to which Harmony is a partner) and the independent State of Papua New Guinea. Over and above this, the past four years saw Harmony add gold ounces by acquiring Moab Khotsong, reinvesting in Hidden Valley (Papua New Guinea), and acquiring Mponeng and related assets. We continue to demonstrate our ability to successfully integrate our new acquisitions to increase our production profile in South Africa and Papua New Guinea while sustaining communities around our mining operations and preserving jobs.

Safety

The remuneration committee acknowledges and mourns the tragic loss of six employees in the course of duty at our South African operations in FY23.

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

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

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

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

Safety carries a weighting of 15% of the total score on the balanced scorecard. A score of 14.77% was awarded in the FY23 balanced scorecard for lost-time injury frequency rate (LTIFR) as a final outcome in accordance with the policy regarding loss-of-life incidents.

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

Changes to the Remuneration policy for FY24

Harmony ESOP

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

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

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

King IV principles

The remuneration committee continues to compare local and global remuneration trends with our remuneration strategy. At the 2022 annual general meeting, the non-binding advisory vote on the remuneration policy was supported by 97.69% of the votes exercised on the resolution. The implementation of the remuneration report was supported by 98.10%.

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

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

For more on the committee and its activities in FY23, see the section on **Board committees** in our **ESG report**.

Use of consultants and their independence

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

Statement on effectiveness of policy

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

In closing

I remain grateful to the board, remuneration committee members and executive management for their support and commitment in FY23. The committee is confident that it has discharged its duties with diligence, ensuring that fair and responsible remuneration practices are executed equitably.

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

Vishnu Pillay
Chairperson: remuneration committee

25 October 2023

PART 1: REMUNERATION POLICY

Harmony's reward strategy underpins our business strategy of safely producing profitable ounces, increasing our margins and expanding our Reserves and Resources through organic growth and acquisitions.

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

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

Gender and race equality

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

Fair and responsible pay

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

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

Total incentive plan

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

Total incentive (R) = Guaranteed pay (R) x On-target factor (%) x Balanced scorecard result (%)

The formula above has been updated so that the outcome is based on the "On-target" factor (%), rather than the maximum Participation Factor, where the On-target factor is equal to 60% of the maximum Participation Factor, and the Balanced Scorecard outcome is recalibrated to 100% for On-target performance, 67% for Threshold performance and to 167% for Stretch performance. This has no mathematical impact on the outcomes of the total incentive awards but enables more realistic communication of expected outcomes. The maximum Participation outcome is unlikely due to the low probability of reaching Stretch performance for all measures simultaneously, whereas the On-target factor correctly expresses the appropriate reward for target performance. For FY23 the total On-target factor for the CEO is therefore 60% of 250%, equalling 150% for Guaranteed pay, with 40% of this settled in cash (60% of guaranteed package) and 60% in deferred shares (90% of guaranteed package). For FY23 total On-target factor for the Financial director, other executive directors and prescribed officers is therefore 60% of 230%, equalling 138% for Guaranteed pay, with 40% of this settled in cash (55.2% of guaranteed package) and 60% in deferred shares (82.8% of guaranteed package).

For the reasons explained in the background statement to this report, for FY24 a moderate increase in the On-target total incentive factors has been implemented, with the CEO's total On-target factor increasing from 150% to 180% of Guaranteed package (72% in cash and 108% in deferred shares) and the total On-target factor for the Financial director, other executive directors and prescribed officers increasing from 138% to 150% of Guaranteed package (60% in cash and 90% in deferred shares).

The balanced scorecard result includes a number of key short- and long-term company performance measures (to be measured over trailing one- and three-year periods). The measures are reviewed and defined annually with appropriate weightings. The scorecard for FY24 is detailed on page 24.

A portion of the total incentive is paid immediately in cash and the balance is settled by means of deferred shares, which vest at a rate of 20% per annum over the next five years for executive directors and prescribed officers, and 33.33% per annum over the next three years for management.

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

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

Each element of the total incentive plan is described below.

<table>
<tr><th colspan="2">Element</th><th colspan="2">Description</th></tr>
<tr><td colspan="2"></td><td colspan="2">Guaranteed pay excludes short- and long-term incentives. To compete effectively for skills in a challenging employment market, we identify the target market to use in benchmarking guaranteed pay. This target market includes organisations or companies that employ similar skills sets to those we require. Comparisons are made predominantly within the South African mining sector to ensure that Harmony remains competitive. The median of the target market is used as the basis of our pay ranges. This same philosophy is applied to our South-east Asia operations.</td></tr>
<tr><td colspan="2" rowspan="3">Total On-target factor (as explained more fully above)</td><td>Employee</td><td>% guaranteed pay</td></tr>
<tr><td>Chief executive officer</td><td>150% for FY23, increased to 180% in FY24</td></tr>
<tr><td>Financial director, other executive directors and prescribed officers</td><td>138% for FY23, increased to 150% for FY24</td></tr>
<tr><td rowspan="5">Balanced scorecard result</td><td rowspan="4">Cash portion of total incentive (40%)</td><td>A portion of the total incentive is settled in cash immediately when the balanced scorecard results for the financial year have been determined and approved by the board.</td><td></td></tr>
<tr><td>Cash portion (balance settled in deferred shares)</td><td>% of incentive</td></tr>
<tr><td>Chief executive officer</td><td>40%</td></tr>
<tr><td>Financial director, other executive directors and prescribed officers</td><td>40%</td></tr>
<tr><td>Deferred share portion of total incentive (60%)</td><td colspan="2">The balance of the total incentive is settled in deferred shares, vesting at a rate of 20% per annum over the next five years for executive directors and prescribed officers, and 33.33% per annum over the next three years for management.</td></tr>
</table>

FY24 balanced scorecard

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

Applicable Balanced score card for Eligible operations/divisions	Functions	% Participation
Group	CEO Office, Prescribed Officers, Group COO – Operations, Group COO – Bus Dev & Growth, New Business Dev & Growth Managers and Corporate Services Managers exclusively allocated to a Group and Corporate function	100% Group
SA Operations	Executive Operating Officer, Executive Managers, all on-shaft SA Ops Managers and off-shaft Services Managers exclusively allocated to SA Ops Services (Free State Services, Moab Khotsong Services, Mponeng Services and Randfontein Office Services)	100% SA
SEA* Operations	Executive Operating Officer, Executive Managers, all on-mine and off-mine SEA Ops Managers and SEA Managers exclusively allocated to SEA Ops	100% SEA
SEA* – Shared Service resources	Specific sub-functions of Finance and commercial services, HR and other	% Split to be determined by time spent on each function respectively between SEA and Group divisions.

* *South-east Asia.*

Details of the FY23 balanced scorecard showing the total incentive and actual performance outcomes are disclosed in the remuneration implementation section (part 2).

Scorecard components

Total shareholder return

Shareholder value is measured as total shareholder return (TSR) over a three-year period ending in August (for the FY23 scorecard) and ending in June of each year from FY24 onwards.

It comprises two components:

- Absolute performance over the measurement period, compared to the company's cost of equity (COE), taking into account the growth in the company's share price and the value of dividends paid, and
- Relative performance of the company versus SA JSE-listed gold-mining comparators and FTSE Gold Mines Index over the measurement period.

The threshold, target and stretch performance criteria for TSR (with the recalibrated scorecard outcomes as explained above) are set out below:

	Scorecard component	Principle	Threshold 67%	Target 100%	Stretch 167%
Shareholder value	TSR (absolute)	To be measured over a three-year period ending in June of each year	COE + 0% per year	COE + 3% per year	COE + 6% per year
	TSR (relative)	To be measured over a three-year period relative to South African JSE-listed gold-mining comparators	On index	Index plus 10%	Index plus 20%
	TSR (relative)	To be measured over a three-year period relative to the FTSE Gold Mines Index	On index	Index plus 10%	Index plus 20%

Financial and operational performance

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

- Production
  - Total gold production against board-approved business plan for the year
- Total production cost (SA) and (SEA)
  - Total cash operating cost and total capital expenditure for the year
- Free cash flow
  - Cash flow generated by operations adjusted for exploration capital, dividends and the effect of commodity price and exchange rate changes in excess of 10% (higher or lower).

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

	Scorecard component	Principle	Threshold 67%	Target 100%	Stretch 167%
Financial and operational	Production	To be measured against board-approved plan	(5)%	Plan	5%
	Total production cost (SA) and (SEA)	To be measured against board-approved plan	(5)%	Plan	5%
	Free cash flow	To be measured against board-approved plan	(30)%	Plan	30%

Growth

Growth comprises three areas:

- Development
  - Development is measured against the board-approved business plan of ongoing capital development – the development of reef and waste metres (South Africa) and waste tonnes (South-east Asia) for the financial year.
- Addition to Mineral Reserves
  - Addition to Mineral Reserves through acquisitions and major capital projects which will be calculated on a three-year period rolling average starting from FY24.
- Project execution.

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

	Scorecard component	Principle	Threshold 67%	Target 100%	Stretch 167%
Growth	Development	To be measured against board-approved plan as a leading indicator of medium- to long-term sustainability	(5)%	Plan	5%
	Addition to Mineral Reserves	Will measure Ore Reserve addition on a three-year period rolling average on pre-depletion basis excluding asset sales	+1.5Moz	+2Moz	+2.5Moz
	Project execution	For future measurement			

Sustainability

Sustainability comprises two components:

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

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

	Scorecard component	Principle	Threshold 67%	Target 100%	Stretch 167%
Growth	LTIFR	To be measured against board-approved plan	(5)%	Plan	5%
	ESG	To be measured on the basis of continued inclusion in the FTSE4Good Index as verified by FTSE Russell	Yes		No
			5%		N/a

Minimum shareholding requirement

We have encouraged executive directors and prescribed officers to retain performance shares when they vest and a minimum shareholding requirement (MSR) was again confirmed in the new total incentive plan to achieve this. The requirement provides that:

- 50% of the shares that will vest to an executive director or prescribed officer will, immediately prior to the applicable vesting date, be automatically locked up on the terms and in accordance with the MSR
- The lock-up will apply for as long as the relevant target MSR applicable to the executive director or prescribed officer has not been met
- Once the relevant target MSR has been met, any deferred shares that subsequently vest in and are settled to an executive director or prescribed officer will vest and be settled in accordance with the terms of the deferred share plan
- An executive director or prescribed officer may elect to voluntarily lock-up shares that vest in terms of the deferred share plan even if it results in locked-up shares exceeding the target MSR – if the locked-up shares exceed the target MSR, the excess shares will remain in lock-up until the next vesting date (in terms of any relevant Harmony share incentive plans applicable at the time) at which point the excess shares will be released from lock-up and settled in accordance with the terms of the deferred share plan.

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

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

Target MSR

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

Measurement of target MSR

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

Trading restriction

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

Voting and dividends

An executive director or prescribed officer will, in respect of vested shares that are subject to the lock-up:

- Exercise all voting rights in respect of such shares
- Receive all distributions payable in respect of such shares.

Application to foreign prescribed officer

The target MSR of the foreign prescribed officer will be determined on the date on which this MSR is adopted or first applies to the foreign prescribed officer (whichever occurs first). In calculating the target MSR of the foreign prescribed officer, the company will use the cost to company (in ZAR) of the Group Chief Operating Officer-Operations.

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

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

Deferred share plan limit

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

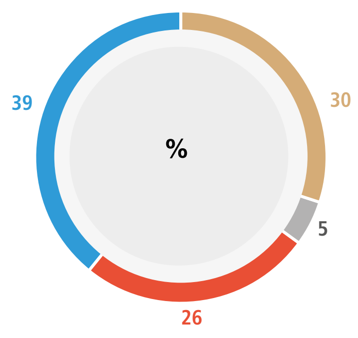
Pay mix for prescribed officers

The tables below illustrate the pay mix for prescribed officers, based on achieving minimum, on-target and stretch performance. The composition of total remuneration outcomes for FY23 and FY24 is illustrated below.

Chief executive officer
FY23 pay mix

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

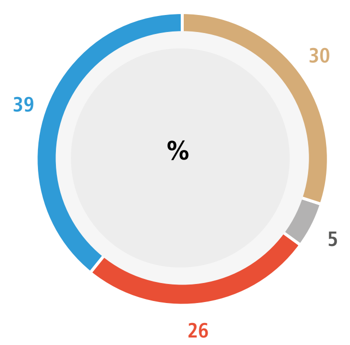
CEO – on-target pay mix



Chief executive officer
FY24 pay mix

	Minimum (%)	On-target (%)	Stretch (%)
Salary benefits	85	85	85
Retirement savings and contributions	15	15	15
Guaranteed pay	100	100	100
Short-term incentive	—	72	120
Long-term incentive	—	108	180
Total Remuneration	100	280	400

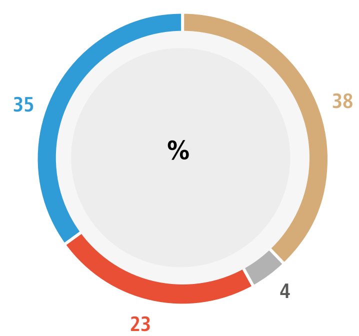
CEO – on-target pay mix



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

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

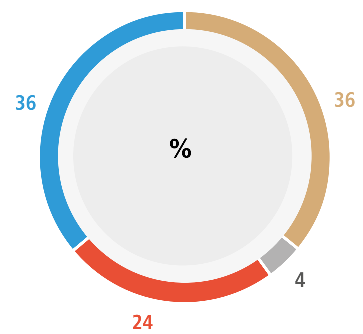
Other executives – on-target pay mix



Other executives (financial director, other executive directors and prescribed officers)
FY24 pay mix

	Minimum (%)	On-target (%)	Stretch (%)
Salary benefits	90	90	90
Retirement savings and contributions	10	10	10
Guaranteed pay	100	100	100
Short-term incentive	—	60	100
Long-term incentive	—	90	150
Total remuneration	100	250	350

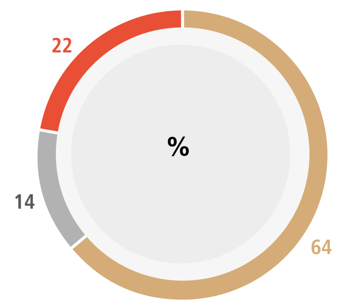
Other executives – on-target pay mix



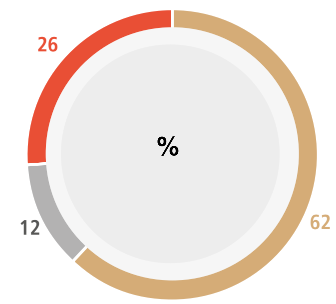
Average monthly wages and benefits to (underground)
FY23 policy

Total remuneration	Category 4 (%)	Category 8 (%)
Fixed earnings	64	62
Company benefits	14	12
Guaranteed pay	78	74
Variable pay	22	26
Total remuneration	100	100

Category 4 underground



Category 8 underground



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

Non-executive director fees

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

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

The Non-executive director fees were benchmarked against a comparator group of JSE listed mining companies and the current fee levels are reasonably aligned to the median of the comparator group. Based on this analysis an inflationary increase of 5.5% is proposed in FY24 for non-executive director fees. This is consistent with executive increases.

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

Non-executive directors do not receive share options or other incentive awards correlated with the share price or group performance, as these may impair their ability to provide impartial oversight and advice. The proposed fees for FY24 are set out in the **Notice of annual general meeting**.

Performance of management

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

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

Contracts, severance and termination

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

Malus and clawback

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

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

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

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

Shareholder feedback

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

PART 2: REMUNERATION IMPLEMENTATION REPORT ON THE POLICY APPLICABLE IN FY23

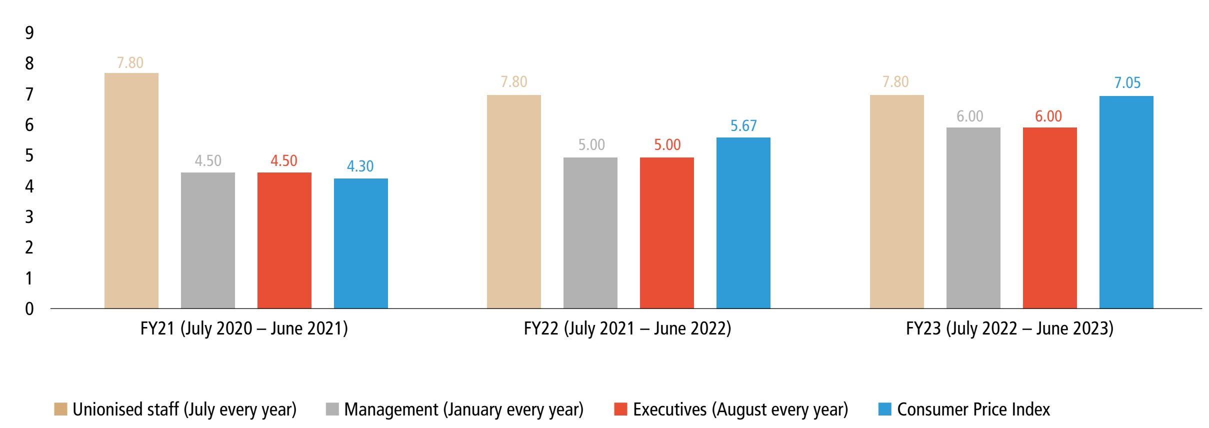
This section of the report includes details of the implementation and outcomes of the remuneration policy for FY23. We report on the increase in guaranteed packages and performance outcomes for the total incentive plan.

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

Increases to guaranteed packages during the year

An assessment of executive remuneration was undertaken during the year. Taking into consideration prevailing market conditions, affordability and shareholders' expectations, an average increase of 6% to guaranteed remuneration packages of management was made in FY23. The average percentage increases awarded to executives, management and bargaining-unit employees staff in, FY21, FY22 and FY23 are illustrated below.

Increase to guaranteed packages (%)



Pay fairness and equality

In FY23, an average increase of 6% in guaranteed remuneration packages was awarded for management and executives. The bargaining-unit employees received a 7.72% increase as approved in the June 2021 wage agreement. Bargaining-unit employees have received above-inflation increases for the past six years. The average total monthly remuneration of our category 4-8 employees is set out below. We continue to focus on fairly remunerating our employees at this level to address the challenges of inequality and poverty.

Grade

	Fixed earnings (R)	Variable income (R)	Company benefits (R)	Total per month (R)
Category 4 underground employee (general worker)	17 600	6 064	3 671	27 335
Category 8 underground employee (team leader)	21 751	8 952	4 244	34 947

Pay gap ratio

	Number		Sum of earnings (R)	Ratio (%)		Average earnings (R)	Ratio (%)
Number of Employees	32 930						
5% of employees	1 647	of the top 5%	2 650 557 514		of the top 5%	1 609 325	
5% of employees	1 647	of the lowest 5%	341 869 018	7.75	of the lowest 5%	207 571	7.75

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

Incentive payments attributable to FY23

Total incentive plan

Actual performance outcomes based on the FY23 balanced scorecard for the period 1 July 2022 to 30 June 2023 scores on the basis of achievement out of the maximum score is as follows:

FY23 scorecard result for the group

Performance drivers	Description	Target	Actual	% Achieved	Qlfy	Weighting	Scorecard line result	Final outcome
Shareholder value	Total shareholder return (TSR)							
	– TSR absolute	56.00%	(13.00)%	(13.00)%	NO	8.34	—	—
	– TSR versus SA JSE-listed gold-mining comparators	10.00%	(15.00)%	(15.10)%	NO	8.33	—	—
	– TSR versus FTSE Gold Mines	10.00%	2.00%	2.50%	YES	8.33	45.00%	3.75%
Operational and financial	Kilograms total Harmony	46 326	45 651	98.50%	YES	20.00	54.20%	10.83%
	Total production cost (SA)(Rm)	36 341	36 738	98.90%	YES	12.00	55.60%	6.68%
	Total production cost (SEA) (US$/m)	253	212	116.10%	YES	3.00	100.00%	3.00%
	Net free cash flow	5 262	6 614	125.70%	YES	10.00	94.20%	9.42%
Growth	Reserve addition (Moz)		0.728		NO	10.00	—	—
Sustainability	LTIFR total SA ops	6.03	5.74	104.80%	YES	15.00	98.50%	14.77%
	ESG				YES	5.00	100.00%	5.00%
						100.00		53.45%

	FY20	FY21	FY22	Three-year average	FY23	% variation	% of LTIFR awarded
Loss of life incidents versus actual*	6	10	9	8	6	28.00%	**100.00%**
					Final LTIFR %		**14.77%**
					Final scorecard result**		**53.45%**

* *Final LTIFR % after any adjustment for Loss of life incidents as more fully described below.*
** *Note that the scorecard outcome will be expressed as a percentage of target from FY24 onwards, so the equivalent score in FY24 will be 53.45/60 = 89.08%.*

Transitional arrangements subsequent to group executive structural changes

The changes to the group executive structure effected 1 February 2023 necessitated some re-alignments in the application of the balanced scorecard for the Group Chief Operating Officers.

- For the remainder of FY23, the Group COO – Operations remained on the current arrangements, i.e. 40% Group and 60% SA Ops
- New Business Dev and Growth COO and Managers as from 1 February 2023 these participants had a split of 7/12 months SEA and 5/12 months Group performance vesting % outcome only for FY23.

The LTIFR award percentage was adjusted as follows:

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

FY23 total incentive award calculation

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

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

Executive directors and prescribed officers	Cost to company	Participation factor	BSC results	TIP value*	% settled in cash	TIP cash value*	% settled in shares	DSP awarded**	Vesting years
Total incentive plan (TIP) FY23 award									
PW Steenkamp	11 471 980	250%	53.45%	14 867	40%	5 947	60%	107	5
BP Lekubo	7 560 053	230%	53.45%	8 174	40%	3 269	60%	59	5
HE Mashego	5 931 734	230%	53.45%	7 292	40%	2 917	60%	52	5
AZ Buthelezi	5 582 808	230%	53.45%	6 863	40%	2 745	60%	49	5
M Naidoo-Vermaak	5 582 808	230%	53.45%	6 844	40%	2 738	60%	49	5
BB Nel	7 150 000	230%	56.01%	9 211	40%	3 684	60%	66	5
MP Van Der Walt	5 582 808	230%	53.45%	6 863	40%	2 745	60%	49	5
JJ Van Heerden***	9 307 730	230%	35.18% & 53.45%	9 161	40%	3 664	60%	66	5

* *Figures in R'000.*
** *Figures in '000.*
*** *As from 1 February 2023 the Prescribed Officer had a split of 7/12 months SEA (BSC results = 35.18%) and 5/12 months Group (BSC results = 53.45%) performance outcome and vesting for FY23.*

In addition to the awards in terms of the total incentive plan detailed above a special cash-settled retention award during the financial year was granted to Mr BB Nel, of 100% of his Cost to Company package, settled in two tranches, on the first and second anniversaries of the award. This will take care of a retention period of 36 months (three years) from the date of acceptance of the retention award. Mr Nel is a seasoned Mining Engineer with extensive managerial experience and has an exceptional track record on delivering on the operational targets. He is a well-qualified mining operations executive with an MBA passed with distinction. His current portfolio that also includes international operations makes him particularly valuable to us. The current situation in the South African Mining Industry with various mining executive vacancies has provided the motivation for the company to retain his skills within the Organisation. His continued employment is of significant importance to maintain our current organisational and strategic objectives.

In 2021, independent market research indicated a deficit to the median of approximately 15% of the remuneration of our Chief Operating Officers.

To address the deficit, a special adjustment over a two-year period was recommended. In FY22 a special adjustment of 7% (excluding the annual salary increase of 5%) and in FY23, a special adjustment of 4% (excluding the annual salary increase of 6%) was considered and recommended by the committee, which aligned their remuneration to market.

Remuneration of executive directors and prescribed officers

Total single-figure remuneration

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

Remuneration paid for the year ended 30 June 2023

	Salary and benefits	Retirement savings and contributions	Total incentive cash portion accrued	Deferred awards accrued*	Total single figure of remuneration	Less: amount accrued not settled in FY23	Plus: amount of previous accruals settled in FY22	Total cash remuneration
Executive directors								
PW Steenkamp	9 687 365	1 734 379	5 946 980	8 920 470	26 289 194	(14 867 450)	3 736 028	15 157 772
BP Lekubo	7 493 390	435 940	3 269 434	4 904 151	16 102 915	(8 173 584)	2 296 544	10 225 875
HE Mashego	5 402 859	817 075	2 916 871	4 375 306	13 512 111	(7 292 177)	1 801 904	8 021 838
Prescribed officers								
AZ Buthelezi	4 915 422	726 298	2 745 290	4 117 935	12 504 945	(6 863 225)	1 565 812	7 207 532
M Naidoo Vermaak	4 932 959	787 231	2 737 769	4 106 653	12 564 612	(6 844 422)	1 695 910	7 416 100
BB Nel	6 242 431	1 066 884	3 684 338	12 676 507	23 670 159	(16 360 845)	1 777 854	9 087 169
MP van der Walt	4 786 865	781 337	2 745 290	4 117 935	12 431 427	(6 863 225)	1 551 873	7 120 075
JJ van Heerden[1]	9 080 000	329 000	3 664 368	5 496 551	18 569 919	(9 160 919)	1 977 537	11 386 536

[1] *Salary is paid in A$ and the Rand equivalent is influenced by the weakening or strengthening of the Rand/A$ exchange rate.*
* *Includes the Deferred Share Portion Accrued of the Total Incentive and the Special Award of R 7 150 000 to Mr BB Nel.*

Schedule of unvested awards and cash flows

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

Unvested awards and cash flows for FY23

Executive directors	Share Award	Award Date	Vesting Date	Award Price (R)	Opening	Awarded	Pledged*	Settled	Closing	Cash on Settlement (R)	Year-end Fair Value (R)
Peter Steenkamp	**Deferred Shares**										
	2019 Deferred Shares tranche 3	Sep-19	Sep-22	46.89	15 567		7 783	7 784		369 031	
	2019 Deferred Shares tranche 4	Sep-19	Sep-23	46.89	15 567				15 567		1 299 689
	2019 Deferred Shares tranche 5	Sep-19	Sep-24	46.89	15 570				15 570		1 299 939
	2020 Deferred Shares tranche 2	Sep-20	Sep-22	97.95	18 965		9 482	9 483		449 579	
	2020 Deferred Shares tranche 3	Sep-20	Sep-23	97.95	18 965				18 965		1 583 388
	2020 Deferred Shares tranche 4	Sep-20	Sep-24	97.95	18 965				18 965		1 583 388
	2020 Deferred Shares tranche 5	Sep-20	Sep-25	97.95	18 967				18 967		1 583 555
	2021 Deferred Shares tranche 1	Sep-21	Sep-22	46.79	44 456		22 228	22 228		1 053 805	
	2021 Deferred Shares tranche 2	Sep-21	Sep-23	46.79	44 456				44 456		3 711 631
	2021 Deferred Shares tranche 3	Sep-21	Sep-24	46.79	44 456				44 456		3 711 631
	2021 Deferred Shares tranche 4	Sep-21	Sep-25	46.79	44 456				44 456		3 711 631
	2021 Deferred Shares tranche 5	Sep-21	Sep-26	46.79	44 457				44 457		3 711 715
	2022 Deferred Shares tranche 1	Sep-22	Sep-23	37.60		29 808			29 808		2 488 670
	2022 Deferred Shares tranche 2	Sep-22	Sep-24	37.60		29 808			29 808		2 488 670
	2022 Deferred Shares tranche 3	Sep-22	Sep-25	37.60		29 808			29 808		2 488 670
	2022 Deferred Shares tranche 4	Sep-22	Sep-26	37.60		29 808			29 808		2 488 670
	2022 Deferred Shares tranche 5	Sep-22	Sep-27	37.60		29 811			29 811		2 488 920
	Sub total				**344 847**	**149 043**	**39 493**	**39 495**	**414 902**	**1 872 415**	**34 640 168**
	Vested Awards Pledged to MSR										
	2016 Pledged Performance Shares				295 718			80 737	214 981	3 827 652	17 948 764
	2019 Pledged Deferred Shares tranche 1				15 567			15 567		738 014	
	2019 Pledged Deferred Shares tranche 2				7 783			7 783		368 983	
	2019 Pledged Deferred Shares tranche 3								7 783		649 803
	2020 Pledged Deferred Shares tranche 1				9 482			9 482		449 531	
	2020 Pledged Deferred Shares tranche 2								9 482		791 652
	2021 Pledged Deferred Shares tranche 1								22 228		1 855 816
	Sub total				**328 550**	**—**	**—**	**113 569**	**254 474**	**5 384 180**	**21 246 034**
	Total				**673 397**	**149 043**	**39 493**	**153 064**	**669 376**	**7 256 595**	**55 886 202**

* *Pledged shares should not be taken into account when recalculating the closing balance as they have already been taken into consideration for the closing balance.*

Executive directors	Share Award	Award Date	Vesting Date	Award Price (R)	Opening	Awarded	Pledged*	Settled	Closing	Cash on Settlement (R)	Year-end Fair Value (R)
Boipelo Lekubo	**Deferred Shares**										
	2019 Deferred Shares tranche 3	Sep-19	Sep-22	46.89	6 696			6 696		317 450	
	2020 Deferred Shares tranche 2	Sep-20	Sep-22	97.95	11 498		5 749	5 749		272 554	
	2020 Deferred Shares tranche 3	Sep-20	Sep-23	97.95	11 498				11 498		959 968
	2020 Deferred Shares tranche 4	Sep-20	Sep-24	97.95	11 498				11 498		959 968
	2020 Deferred Shares tranche 5	Sep-20	Sep-25	97.95	11 500				11 500		960 135
	2021 Deferred Shares tranche 1	Sep-21	Sep-22	46.79	26 510		13 255	13 255		628 405	
	2021 Deferred Shares tranche 2	Sep-21	Sep-23	46.79	26 510				26 510		2 213 320
	2021 Deferred Shares tranche 3	Sep-21	Sep-24	46.79	26 510				26 510		2 213 320
	2021 Deferred Shares tranche 4	Sep-21	Sep-25	46.79	26 510				26 510		2 213 320
	2021 Deferred Shares tranche 5	Sep-21	Sep-26	46.79	26 510				26 510		2 213 320
	2022 Deferred Shares tranche 1	Sep-22	Sep-23	37.60		18 323			18 323		1 529 787
	2022 Deferred Shares tranche 2	Sep-22	Sep-24	37.60		18 323			18 323		1 529 787
	2022 Deferred Shares tranche 3	Sep-22	Sep-25	37.60		18 323			18 323		1 529 787
	2022 Deferred Shares tranche 4	Sep-22	Sep-26	37.60		18 323			18 323		1 529 787
	2022 Deferred Shares tranche 5	Sep-22	Sep-27	37.60		18 325			18 325		1 529 954
	Sub total				**185 240**	**91 617**	**19 004**	**25 700**	**232 153**	**1 218 409**	**19 382 454**
	Vested Awards Pledged to MSR										
	2020 Pledged Deferred Shares tranche 1				5 749				5 749		479 984
	2020 Pledged Deferred Shares tranche 2								5 749		479 984
	2021 Pledged Deferred Shares tranche 1								13 255		1 106 660
	Sub total				**5 749**	**—**	**—**	**—**	**24 753**	**—**	**2 066 628**
	Total				**190 989**	**91 617**	**19 004**	**25 700**	**256 906**	**1 218 409**	**21 449 082**

* *Pledged shares should not be taken into account when recalculating the closing balance as they have already been taken into consideration for the closing balance.*

Executive directors	Share Award	Award Date	Vesting Date	Award Price (R)	Opening	Awarded	Pledged*	Settled	Closing	Cash on Settlement (R)	Year-end Fair Value (R)
Harry Mashego	**Deferred Shares**										
	2019 Deferred Shares tranche 3	Sep-19	Sep-22	46.89	6 639		3 319	3 320		157 398	
	2019 Deferred Shares tranche 4	Sep-19	Sep-23	46.89	6 639				6 639		554 290
	2019 Deferred Shares tranche 5	Sep-19	Sep-24	46.89	6 641				6 641		554 457
	2020 Deferred Shares tranche 2	Sep-20	Sep-22	97.95	8 416		4 208	4 208		199 497	
	2020 Deferred Shares tranche 3	Sep-20	Sep-23	97.95	8 416				8 416		702 652
	2020 Deferred Shares tranche 4	Sep-20	Sep-24	97.95	8 416				8 416		702 652
	2020 Deferred Shares tranche 5	Sep-20	Sep-25	97.95	8 416				8 416		702 652
	2021 Deferred Shares tranche 1	Sep-21	Sep-22	46.79	21 147		10 573	10 574		501 302	
	2021 Deferred Shares tranche 2	Sep-21	Sep-23	46.79	21 147				21 147		1 765 563
	2021 Deferred Shares tranche 3	Sep-21	Sep-24	46.79	21 147				21 147		1 765 563
	2021 Deferred Shares tranche 4	Sep-21	Sep-25	46.79	21 147				21 147		1 765 563
	2021 Deferred Shares tranche 5	Sep-21	Sep-26	46.79	21 151				21 151		1 765 897
	2022 Deferred Shares tranche 1	Sep-22	Sep-23	37.60		14 376			14 376		1 200 252
	2022 Deferred Shares tranche 2	Sep-22	Sep-24	37.60		14 376			14 376		1 200 252
	2022 Deferred Shares tranche 3	Sep-22	Sep-25	37.60		14 376			14 376		1 200 252
	2022 Deferred Shares tranche 4	Sep-22	Sep-26	37.60		14 376			14 376		1 200 252
	2022 Deferred Shares tranche 5	Sep-22	Sep-27	37.60		14 380			14 380		1 200 586
	Sub total				**159 322**	**71 884**	**18 100**	**18 102**	**195 004**	**858 197**	**16 280 884**
	Vested Awards Pledged to MSR										
	2019 Pledged Deferred Shares tranche 1				3 319				3 319		277 103
	2019 Pledged Deferred Shares tranche 2				3 319				3 319		277 103
	2019 Pledged Deferred Shares tranche 3								3 319		277 103
	2020 Pledged Deferred Shares tranche 1				4 208				4 208		351 326
	2020 Pledged Deferred Shares tranche 2								4 208		351 326
	2021 Pledged Deferred Shares tranche 1								10 573		882 740
	Sub total				**10 846**	**—**			**28 946**		**2 416 702**
	Total				**170 168**	**71 884**	**18 100**	**18 102**	**223 950**	**858 197**	**18 697 586**

* *Pledged shares should not be taken into account when recalculating the closing balance as they have already been taken into consideration for the closing balance.*

Prescribed Officer	Share Award	Award Date	Vesting Date	Award Price (R)	Opening	Awarded	Pledged	Settled	Closing	Cash on Settlement (R)	Year-end Fair Value (R)
Anton Buthelezi	**Deferred Shares**										
	2019 Deferred Shares tranche 3	Sep-19	Sep-22	46.89	5 086			5 086		241 122	
	2020 Deferred Shares tranche 2	Sep-20	Sep-22	97.95	7 103			7 103		336 745	
	2020 Deferred Shares tranche 3	Sep-20	Sep-23	97.95	7 104				7 104		593 113
	2021 Deferred Shares tranche 1	Sep-21	Sep-22	46.79	19 486			19 486		923 810	
	2021 Deferred Shares tranche 2	Sep-21	Sep-23	46.79	19 486				19 486		1 626 886
	2021 Deferred Shares tranche 3	Sep-21	Sep-24	46.79	19 486				19 486		1 626 886
	2022 Deferred Shares tranche 1	Sep-22	Sep-23	37.60		12 493			12 493		1 043 041
	2022 Deferred Shares tranche 2	Sep-22	Sep-24	37.60		12 493			12 493		1 043 041
	2022 Deferred Shares tranche 3	Sep-22	Sep-25	37.60		12 493			12 493		1 043 041
	2022 Deferred Shares tranche 4	Sep-22	Sep-26	37.60		12 493			12 493		1 043 041
	2022 Deferred Shares tranche 5	Sep-22	Sep-27	37.60		12 493			12 493		1 043 041
	Total				**77 751**	**62 465**	**—**	**31 675**	**108 541**	**1 501 677**	**9 062 088**

Prescribed Officer	Share Award	Award Date	Vesting Date	Award Price (R)	Opening	Awarded	Pledged	Settled	Closing	Cash on Settlement (R)	Year-end Fair Value (R)
Melanie Naidoo-Vermaak	**Deferred Shares**										
	2019 Deferred Shares tranche 3	Sep-19	Sep-22	46.89	6 374			6 374		302 184	
	2020 Deferred Shares tranche 2	Sep-20	Sep-22	97.95	8 514			8 514		403 639	
	2020 Deferred Shares tranche 3	Sep-20	Sep-23	97.95	8 516				8 516		711 001
	2021 Deferred Shares tranche 1	Sep-21	Sep-22	46.79	20 013			20 013		948 794	
	2021 Deferred Shares tranche 2	Sep-21	Sep-23	46.79	20 013				20 013		1 670 885
	2021 Deferred Shares tranche 3	Sep-21	Sep-24	46.79	20 015				20 015		1 671 052
	2022 Deferred Shares tranche 1	Sep-22	Sep-23	37.60		13 531			13 531		1 129 703
	2022 Deferred Shares tranche 2	Sep-22	Sep-24	37.60		13 531			13 531		1 129 703
	2022 Deferred Shares tranche 3	Sep-22	Sep-25	37.60		13 531			13 531		1 129 703
	2022 Deferred Shares tranche 4	Sep-22	Sep-26	37.60		13 531			13 531		1 129 703
	2022 Deferred Shares tranche 5	Sep-22	Sep-27	37.60		13 531			13 531		1 129 703
	Total				**83 445**	**67 655**	**—**	**34 901**	**116 199**	**1 654 617**	**9 701 455**

Prescribed Officer	Share Award	Award Date	Vesting Date	Award Price (R)	Opening	Awarded	Pledged*	Settled	Closing	Cash on Settlement (R)	Year-end Fair Value (R)
Beyers Nel	**Deferred Shares**										
	2019 Deferred Shares tranche 3	Sep-19	Sep-22	46.89	6 595		3 297	3 298		156 355	
	2019 Deferred Shares tranche 4	Sep-19	Sep-23	46.89	6 595				6 595		550 617
	2019 Deferred Shares tranche 5	Sep-19	Sep-24	46.89	6 596				6 596		550 700
	2020 Deferred Shares tranche 2	Sep-20	Sep-22	97.95	8 498		4 249	4 249		201 440	
	2020 Deferred Shares tranche 3	Sep-20	Sep-23	97.95	8 498				8 498		709 498
	2020 Deferred Shares tranche 4	Sep-20	Sep-24	97.95	8 498				8 498		709 498
	2020 Deferred Shares tranche 5	Sep-20	Sep-25	97.95	8 499				8 499		709 582
	2021 Deferred Shares tranche 1	Sep-21	Sep-22	46.79	21 747		10 873	10 874		515 524	
	2021 Deferred Shares tranche 2	Sep-21	Sep-23	46.79	21 747				21 747		1 815 657
	2021 Deferred Shares tranche 3	Sep-21	Sep-24	46.79	21 747				21 747		1 815 657
	2021 Deferred Shares tranche 4	Sep-21	Sep-25	46.79	21 747				21 747		1 815 657
	2021 Deferred Shares tranche 5	Sep-21	Sep-26	46.79	21 750				21 750		1 815 908
	2022 Deferred Shares tranche 1	Sep-22	Sep-23	37.60		14 185			14 185		1 184 306
	2022 Deferred Shares tranche 2	Sep-22	Sep-24	37.60		14 185			14 185		1 184 306
	2022 Deferred Shares tranche 3	Sep-22	Sep-25	37.60		14 185			14 185		1 184 306
	2022 Deferred Shares tranche 4	Sep-22	Sep-26	37.60		14 185			14 185		1 184 306
	2022 Deferred Shares tranche 5	Sep-22	Sep-27	37.60		14 185			14 185		1 184 306
	Sub total				**162 517**	**70 925**	**18 419**	**18 421**	**196 602**	**873 319**	**16 414 301**
	Vested Awards Pledged to MSR										
	2014 Pledged Performance Shares				24 933				24 933		2 081 656
	2019 Deferred Shares tranche 1				3 297				3 297		275 267
	2019 Deferred Shares tranche 2				3 297				3 297		275 267
	2019 Deferred Shares tranche 3								3 297		275 267
	2020 Deferred Shares tranche 1				4 249				4 249		354 749
	2020 Deferred Shares tranche 2								4 249		354 749
	2021 Deferred Shares tranche 1								10 873		907 787
	Sub total				**35 776**	**—**	**—**	**—**	**54 195**	**—**	**4 524 741**
	Total				**198 293**	**70 925**	**18 419**	**18 421**	**250 797**	**873 319**	**20 939 042**

* *Pledged shares should not be taken into account when recalculating the closing balance as they have already been taken into consideration for the closing balance.*

Prescribed Officer	Share Award	Award Date	Vesting Date	Award Price (R)	Opening	Awarded	Pledged*	Settled	Closing	Cash on Settlement (R)	Year-end Fair Value (R)
Marian Van der Walt	**Deferred Shares**										
	2019 Deferred Shares tranche 3	Sep-19	Sep-22	46.89	6 411			6 411		303 938	
	2020 Deferred Shares tranche 2	Sep-20	Sep-22	97.95	8 538			8 538		404 777	
	2020 Deferred Shares tranche 3	Sep-20	Sep-23	97.95	8 538				8 538		712 838
	2021 Deferred Shares tranche 1	Sep-21	Sep-22	46.79	19 740		9 870	9 870		467 926	
	2021 Deferred Shares tranche 2	Sep-21	Sep-23	46.79	19 740				19 740		1 648 093
	2021 Deferred Shares tranche 3	Sep-21	Sep-24	46.79	19 740				19 740		1 648 093
	2021 Deferred Shares tranche 4	Sep-21	Sep-25	46.79	19 740				19 740		1 648 093
	2021 Deferred Shares tranche 5	Sep-21	Sep-26	46.79	19 741				19 741		1 648 176
	2022 Deferred Shares tranche 1	Sep-22	Sep-23	37.60		12 381			12 381		1 033 690
	2022 Deferred Shares tranche 2	Sep-22	Sep-24	37.60		12 381			12 381		1 033 690
	2022 Deferred Shares tranche 3	Sep-22	Sep-25	37.60		12 381			12 381		1 033 690
	2022 Deferred Shares tranche 4	Sep-22	Sep-26	37.60		12 381			12 381		1 033 690
	2022 Deferred Shares tranche 5	Sep-22	Sep-27	37.60		12 385			12 385		1 034 024
	Sub total				**122 188**	**61 909**	**9 870**	**24 819**	**149 408**	**1 176 641**	**12 474 074**
	Vested Awards Pledged to MSR										
	2021 Pledged Deferred Shares tranche 1								9 870		824 046
	Sub total					**—**			**9 870**	**—**	**824 046**
	Total				**122 188**	**61 909**	**9 870**	**24 819**	**159 278**	**1 176 641**	**13 298 120**

* *Pledged shares should not be taken into account when recalculating the closing balance as they have already been taken into consideration for the closing balance.*

Prescribed Officer	Share Award	Award Date	Vesting Date	Award Price (R)	Opening	Awarded	Pledged*	Settled	Closing	Cash on Settlement (R)	Year-end Fair Value (R)
Johannes van Heerden	**Deferred Shares**										
	2019 Deferred Shares tranche 3	Sep-19	Sep-22	46.89	12 313		6 156	6 157		291 897	
	2019 Deferred Shares tranche 4	Sep-19	Sep-23	46.89	12 313				12 313		1 028 012
	2019 Deferred Shares tranche 5	Sep-19	Sep-24	46.89	12 314				12 314		1 028 096
	2020 Deferred Shares tranche 2	Sep-20	Sep-22	97.95	12 265		6 132	6 133		290 759	
	2020 Deferred Shares tranche 3	Sep-20	Sep-23	97.95	12 265				12 265		1 024 005
	2020 Deferred Shares tranche 4	Sep-20	Sep-24	97.95	12 265				12 265		1 024 005
	2020 Deferred Shares tranche 5	Sep-20	Sep-25	97.95	12 267				12 267		1 024 172
	2021 Deferred Shares tranche 1	Sep-21	Sep-22	46.79	23 156		11 578	11 578		548 900	
	2021 Deferred Shares tranche 2	Sep-21	Sep-23	46.79	23 156				23 156		1 933 294
	2021 Deferred Shares tranche 3	Sep-21	Sep-24	46.79	23 156				23 156		1 933 294
	2021 Deferred Shares tranche 4	Sep-21	Sep-25	46.79	23 156				23 156		1 933 294
	2021 Deferred Shares tranche 5	Sep-21	Sep-26	46.79	23 159				23 159		1 933 545
	2022 Deferred Shares tranche 1	Sep-22	Sep-23	37.60		15 779			15 779		1 317 389
	2022 Deferred Shares tranche 2	Sep-22	Sep-24	37.60		15 779			15 779		1 317 389
	2022 Deferred Shares tranche 3	Sep-22	Sep-25	37.60		15 779			15 779		1 317 389
	2022 Deferred Shares tranche 4	Sep-22	Sep-26	37.60		15 779			15 779		1 317 389
	2022 Deferred Shares tranche 5	Sep-22	Sep-27	37.60		15 779			15 779		1 317 389
	Sub total				**201 785**	**78 895**	**23 866**	**23 868**	**232 946**	**1 131 556**	**19 448 662**
	Vested Awards Pledged to MSR										
	2019 Pledged Deferred Shares tranche 1				6 156				6 156		513 964
	2019 Pledged Deferred Shares tranche 2				6 156				6 156		513 964
	2019 Pledged Deferred Shares tranche 3								6 156		513 964
	2020 Pledged Deferred Shares tranche 1				6 132				6 132		511 961
	2020 Pledged Deferred Shares tranche 2								6 132		511 961
	2021 Pledged Deferred Shares tranche 1								11 578		966 647
	Sub total				**18 444**				**42 310**	**—**	**3 532 462**
	Total				**220 229**	**78 895**	**23 866**	**23 868**	**275 256**	**1 131 556**	**22 981 123**

* *Pledged shares should not be taken into account when recalculating the closing balance as they have already been taken into consideration for the closing balance.*

Non-executive directors' fees

On the recommendation of the remuneration committee, the board proposed increases in fees ranging from 5% to 20% for non-executive directors' fees, depending on the extent to which the fee for the role was below benchmark, which was approved at the annual general meeting in November 2022. Non-executive director fees paid in FY22 and FY23 are set out below:

Director (R000)	2023[1]	2022[1]
Dr Patrice Motsepe	**2 014**	1 636
Karabo Nondumo	**1 878**	1 183
Dr Mavuso Msimang	**1 222**	1 076
Joãquim Chissano[2]	**368**	724
Fikile De Buck[3]	**—**	637
Dr Simo Lushaba[3]	**—**	591
Modise Motloba[4]	**18**	1 494
Bongani Nqwababa	**1 471**	111
Vishnu Pillay	**1 332**	1 220
Martin Prinsloo	**1 346**	111
Given Sibiya	**1 006**	820
Peter Turner	**1 181**	977
John Wetton	**1 541**	1 310
Andre Wilkens[2]	**497**	1 028
Total	**13 874**	12 918

Notes

[1] *Directors' remuneration excludes value added tax.*
[2] *Retired as non-executive director effective 29 November 2022.*
[3] *Retired as non-executive director effective 7 December 2021.*
[4] *Resigned as non-executive director effective 27 June 2022.*

The fees proposed for FY24 are included in the **Notice of the annual general meeting**.

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DIRECTORS' **REPORT**

Nature of business

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

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

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

Integrated annual report

As required by the King IV report and the JSE Listings Requirements, the board has reviewed and approved the Integrated annual report 2023 on the recommendation of the audit and risk committee, supported by the social and ethics committee.

The **Integrated annual report** can be found on our website.

Statement by the board

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

The board of directors is of the opinion that the Integrated annual report and the accompanying consolidated financial statements fairly reflect the true financial position of the group at 30 June 2023 and its performance for the year.

Audit and risk committee and social and ethics committee reports

The **Audit and risk committee: chairperson's report** is on page 5 of this report and that of the **Social and ethics committee: chairperson's report** on page 9 of this report.

Company secretary

The group company secretary is Ms Shela Mohatla. Her business and postal addresses appear on the inside back cover. The certificate by the group company secretary is on page 36. Ms Mohatla was appointed group company secretary with effect from 14 August 2020, subsequent to her appointment in an acting capacity on 27 January 2020.

Board of directors

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

- Retirement of Mr Andre Wilkens as a non-independent non-executive director with effect from 29 November 2022
- Retirement of Mr Joaquim Chissano as independent non-executive director with effect from 29 November 2022.

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

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

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

Directors and associates' interests

At 30 June 2023, the CEO Peter Steenkamp held 598 513 shares, FD Boipelo Lekubo held 24 753 shares and executive director HE Mashego held 28 975 shares in Harmony.

None of the directors' and associates held any direct or indirect shareholding in the company's issued share capital. No other director held or acquired any shares in the company, other than through share incentive schemes (executive directors only) during FY23.

Refer to the **Remuneration report** on page 12 for details of share incentives awarded to executive directors.

Going concern

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

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

- Company's assets, fairly valued, exceed the fair value of its liabilities
- Company will be able to pay its debts as they become due in the ordinary course of business for the 12 months following 30 June 2023.

Financial results

The audited consolidated and company annual financial statements as well as the discussion on the group's financial performance are included in the **Financial report**.

The **Summarised consolidated financial statements** are included in this report starting on page 37. Confirmation of the financial statements by the CEO and FD appears in the **Financial report**.

Share capital

During the June 2023 year, 1 546 270 shares were issued to settle the exercise of share options by employees relating to Harmony's management share option schemes.

Full details of the authorised, issued and unissued share capital of the company as at 30 June 2023 are set out in the **Financial report**.

Shareholders

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

Dividend policy

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

Dividends declared

The board declared a no interim dividend and a final ordinary dividend of 75 SA cents for the year ended 30 June 2023. Harmony declared an annual preference share dividend of R9 million (2022: R9 million) to the Harmony Gold Community Trust (the Trust). As the Trust is consolidated by Harmony, the dividend is eliminated on consolidation.

Investments

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

Contingencies

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

Refer to note 18 of the **Summarised consolidated financial statements** for further discussion.

Borrowings

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

Movement in borrowings: see note 13 of the **Summarised consolidated financial statements**

Disposals

There were no material disposals in FY23.

Acquisitions

On 6 October 2022, Harmony entered into an agreement with Copper Mountain Mining Corporation (Copper Mountain), to acquire its wholly-owned Eva Copper Project and its 2 295km^2 exploration land package in Queensland, Australia (collectively the acquired assets) for a total consideration of up to US$230 million. The last condition precedent for the acquisition was fulfilled during December 2022, resulting in an acquisition date of 16 December 2022.

Under the terms of the transaction, the acquisition consideration consists of the following:

- US$170 million (R2 996 million) in cash paid in December 2022
- Up to US$30 million in cash, based on a contingent payment arrangement where Harmony will pay Copper Mountain 10% of the incremental revenue generated from the acquired assets which is above revenue based on a US$3.80/lb copper price
- Up to US$30 million in cash, based on a contingent payment arrangement where Harmony will pay Copper Mountain US$0.03 per pound of contained copper for any SAMREC copper resource discovered and declared on a new deposit within the acquired assets after the closing of the transaction.

Related-party transactions

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

Material transactions with associates, joint arrangements and structured entities

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

Compliance with the laws and memorandum of incorporation

The board believes that during the period 1 July 2022 to 30 June 2023, Harmony has complied with the provisions of the Companies Act and operated in conformity with its memorandum of incorporation and/or relevant constitutional documents.

Events subsequent to 30 June 2023

- On 3 July 2023 a payment of US$24 million (R450 million), comprising US$20 million of capital and US$4 million of interest, was made on the US$300 million RCF
- On 29 August 2023, a final dividend of 75 SA cents was declared, paid on 16 October 2023
- On 6 September 2023, a payment of US$32 million (R600 million) comprising US$30 million of capital and US$2 million of interest, was made on the US$300 million RCF
- On 8 September 2023, a payment of US$54 million (R994 million), comprising US$50 million of capital and US$4 million of interest, was made on the US$300 million RCF.

DIRECTORS' STATEMENT **OF RESPONSIBILITY**

FINANCIAL STATEMENTS

The directors have the pleasure in presenting the consolidated and company annual financial statements (collectively the annual financial statements) for the year ended 30 June 2023 and the summarised consolidated financial statements (included in this report) for the same period. The annual financial statements were audited by PricewaterhouseCoopers Inc. who expressed an unmodified opinion thereon. The audited annual financial statements and the auditor's report thereon are available for inspection at the company's registered office. The summarised consolidated financial statements are extracted from the audited financial statements, but are not themselves audited.

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

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

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

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

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

APPROVAL

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

PW Steenkamp
Chief executive officer
Randfontein
South Africa

BP Lekubo
Financial director
Randfontein
South Africa

25 October 2023

GROUP COMPANY **SECRETARY'S CERTIFICATE**

In terms of section 88(2)(e) of the Companies Act No 71 of 2008, as amended (the Act), I certify that for the year ended 30 June 2023, Harmony Gold Mining Company Limited, to the best of my knowledge and belief, has lodged with the Companies and Intellectual Property Commission all such returns and notices as are required of a public company in terms of the Act, and that all such returns and notices appear to be true, correct and up to date.

S Mohatla
Group company secretary

25 October 2023

SUMMARISED CONSOLIDATED **INCOME STATEMENT**

For the year ended 30 June 2023

		SA Rand		
Figures in million	Notes	**2023**	2022	2021
Revenue	4	**49 275**	42 645	41 733
Cost of sales	5	**(39 535)**	(41 927)	(35 489)
Production costs		**(34 866)**	(33 099)	(29 774)
Amortisation and depreciation		**(3 454)**	(3 683)	(3 875)
Impairment of assets		**—**	(4 433)	(1 124)
Other items		**(1 215)**	(712)	(716)
Gross profit		**9 740**	718	6 244
Corporate, administration and other expenditure		**(1 044)**	(984)	(1 068)
Exploration expenditure		**(506)**	(214)	(177)
Gains/(losses) on derivatives	11	**(194)**	53	1 022
Foreign exchange translation gain/(loss)	13	**(634)**	(327)	670
Other operating expenses		**(268)**	(1)	(241)
Operating profit/(loss)		**7 094**	(755)	6 450
Gain on bargain purchase		**—**	—	303
Acquisition-related costs	9	**(214)**	—	(124)
Share of profits from associate		**57**	63	83
Investment income	6	**663**	352	331
Finance costs	6	**(994)**	(718)	(661)
Profit/(loss) before taxation		**6 606**	(1 058)	6 382
Taxation	7	**(1 723)**	46	(1 258)
Net profit/(loss) for the year		**4 883**	(1 012)	5 124
Attributable to:				
Non-controlling interest		**63**	40	37
Owners of the parent		**4 820**	(1 052)	5 087
Earnings/(loss) per ordinary share (cents)				
Total earnings/(loss)	8	**780**	(172)	842
Diluted earnings/(loss) per ordinary share (cents)				
Total earnings/(loss)	8	**777**	(172)	825

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

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

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SUMMARISED CONSOLIDATED STATEMENT OF **COMPREHENSIVE INCOME**

For the year ended 30 June 2023

		SA Rand		
Figures in million	Notes	**2023**	2022	2021
Net profit/(loss) for the year		**4 883**	(1 012)	5 124
Other comprehensive income for the year, net of income tax		**(80)**	202	3 251
Items that may be reclassified subsequently to profit or loss		**(110)**	171	3 233
Foreign exchange translation gain/(loss)	3	**1 123**	742	(1 234)
Remeasurement of gold hedging contracts	11	**(1 233)**	(571)	4 467
Items that will not be reclassified to profit or loss		**30**	31	18
Total comprehensive income for the year		**4 803**	(810)	8 375
Attributable to:				
Non-controlling interest		**63**	40	58
Owners of the parent		**4 740**	(850)	8 317

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

SUMMARISED CONSOLIDATED **BALANCE SHEET**

At 30 June 2023

		SA Rand	
Figures in million	Notes	**At 30 June 2023**	At 30 June 2022
Assets			
Non-current assets			
Property, plant and equipment	5	**41 507**	32 872
Intangible assets		**33**	48
Restricted cash and investments	10	**6 121**	5 555
Investments in associates		**111**	125
Deferred tax assets	7	**189**	203
Other non-current assets		**332**	374
Derivative financial assets	11	**269**	137
Total non-current assets		**48 562**	39 314
Current assets			
Inventories	10	**3 265**	2 818
Restricted cash and investments	10	**41**	27
Trade and other receivables	10	**2 395**	1 682
Derivative financial assets	11	**110**	519
Cash and cash equivalents		**2 867**	2 448
Total current assets		**8 678**	7 494
Total assets		**57 240**	46 808
Equity and liabilities			
Share capital and reserves			
Attributable to equity holders of the parent company		**34 757**	30 039
Share capital and premium		**32 934**	32 934
Other reserves		**6 778**	6 744
Accumulated loss		**(4 955)**	(9 639)
Non-controlling interest		**123**	78
Total equity		**34 880**	30 117
Non-current liabilities			
Deferred tax liabilities	7	**2 294**	1 586
Provision for environmental rehabilitation	12	**5 473**	5 013
Other provisions	16	**633**	932
Borrowings	13	**5 592**	3 180
Contingent consideration liability	14	**589**	356
Other non-current liabilities		**337**	268
Derivative financial liabilities	11	**470**	3
Streaming contract liability	15	**105**	378
Total non-current liabilities		**15 493**	11 716
Current liabilities			
Other provisions	16	**180**	139
Borrowings	13	**103**	25
Trade and other payables	16	**5 238**	4 494
Derivative financial liabilities	11	**1 061**	8
Streaming contract liability	15	**285**	309
Total current liabilities		**6 867**	4 975
Total equity and liabilities		**57 240**	46 808

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

SUMMARISED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended 30 June 2023

Notes Figures in million (SA Rand)	Number of ordinary shares issued	Share capital and premium	Accumulated loss	Other reserves	Non-controlling interest	Total
Balance – 30 June 2020	603 142 706	32 937	(12 583)	3 017	4	23 375
Issue of shares						
– Exercise of employee share options	12 909 491	—	—	—	—	—
Share issue costs	—	(3)	—	—	—	(3)
Share-based payments	—	—	—	156	—	156
Partial purchase of non-controlling interest	—	—	—	(4)	(1)	(5)
Net profit for the year	—	—	5 087	—	37	5 124
Other comprehensive income for the year	—	—	—	3 230	21	3 251
Dividends paid	—	—	(677)	—	(7)	(684)
Balance – 30 June 2021	616 052 197	32 934	(8 173)	6 399	54	31 214
Issue of shares						
– Exercise of employee share options	473 505	—	—	—	—	—
Share-based payments	—	—	—	143	—	143
Net profit/(loss) for the year	—	—	(1 052)	—	40	(1 012)
Other comprehensive income for the year	—	—	—	202	—	202
Dividends paid	—	—	(414)	—	(16)	(430)
Balance – 30 June 2022	616 525 702	32 934	(9 639)	6 744	78	30 117
Issue of shares						
– Exercise of employee share options	**1 546 270**	**—**	**—**	**—**	**—**	**—**
Share-based payments	**—**	**—**	**—**	**114**	**—**	**114**
Net profit for the year	**—**	**—**	**4 820**	**—**	**63**	**4 883**
Other comprehensive income for the year	**—**	**—**	**—**	**(80)**	**—**	**(80)**
Dividends paid	**—**	**—**	**(136)**	**—**	**(18)**	**(154)**
Balance – 30 June 2023	**618 071 972**	**32 934**	**(4 955)**	**6 778**	**123**	**34 880**

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

SUMMARISED CONSOLIDATED CASH FLOW STATEMENT

For the year ended 30 June 2023

Figures in million	Notes	SA Rand **2023**	2022	2021
Cash flow from operating activities				
Cash generated by operations		**10 589**	7 378	9 741
Dividends received		**75**	74	85
Interest received		**165**	87	171
Interest paid		**(363)**	(319)	(234)
Income and mining taxes paid		**(518)**	(296)	(584)
Cash generated by operating activities		**9 948**	6 924	9 179
Cash flow from investing activities				
Increase in restricted cash and investments		**(138)**	(128)	(48)
Amounts refunded from restricted cash and investments		**58**	53	34
Acquisition of Eva Copper	9	**(2 996)**	—	—
Redemption of preference shares from associates		**—**	—	36
Acquisition of Mponeng operations and related assets		**—**	—	(3 363)
ARM BBEE Trust loan repayment		**74**	65	264
ARM BBEE Trust loan advanced		**—**	—	(264)
Capital distributions from investments		**—**	—	8
Proceeds from disposal of property, plant and equipment		**46**	24	11
Additions to property, plant and equipment		**(7 640)**	(6 214)	(5 142)
Cash utilised by investing activities		**(10 596)**	(6 200)	(8 464)
Cash flow from financing activities				
Borrowings raised	13	**3 619**	3 057	—
Borrowings repaid	13	**(2 071)**	(3 601)	(3 491)
Partial repurchase of non-controlling interest		**—**	—	(5)
Dividend paid		**(154)**	(430)	(684)
Lease payments		**(200)**	(177)	(119)
Cash generated/(utilised) from financing activities		**1 194**	(1 151)	(4 299)
Foreign currency translation adjustments		**(127)**	56	46
Net increase/(decrease) in cash and cash equivalents		**419**	(371)	(3 538)
Cash and cash equivalents – beginning of year		**2 448**	2 819	6 357
Cash and cash equivalents – end of year		**2 867**	2 448	2 819

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

NOTES TO THE SUMMARISED CONSOLIDATED **FINANCIAL STATEMENTS**

For the year ended 30 June 2023

1 General information

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

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

The consolidated financial statements were authorised for issue by the board of directors on 25 October 2023.

2 Accounting policies

Basis of preparation

The summarised condensed consolidated financial statements for the year ended 30 June 2023 are prepared in accordance with the JSE Listings Requirements for abridged reports and the requirements of the Companies Act applicable to the summarised financial statements. The Listings Requirements require abridged reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of IFRS and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34 *Interim Financial Reporting*. The summarised consolidated financial statements should be read in conjunction with the consolidated annual financial statements for the year ended 30 June 2023 (included in the Financial report available at **www.harmony.co.za)**, which have been prepared in accordance with IFRS. The accounting policies are consistent with those described in the consolidated annual financial statements. The principal accounting policies applied in the preparation of the consolidated financial statements are consistent with those applied in the previous consolidated annual financial statements, with the exception of the new accounting policy for toll treatment services.

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

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

During the year ended 30 June 2023, the Tshepong Operations were reported on as two separate reportable segments, namely Tshepong North and Tshepong South, following the restructuring of the Tshepong Operations in the 2022 financial year. In accordance with the requirements of IFRS, the prior year comparative information has been re-presented in the segment report.

Recent accounting developments

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

3 Impact of changes in global operating and economic environment

Covid-19

Although the disruption caused by Coronavirus (Covid-19) has diminished significantly worldwide, Harmony still maintains a precautionary approach to infectious disease control. Harmony is actively monitoring and managing the supply of critical items to ensure that production is not affected, thereby ensuring the company remains in a position to manage Covid-19 as part of normal day-to-day activities.

In South Africa, the national lockdown that began on 27 March 2020 to curb the spread of Covid-19 came to an end during April 2022. This led to the discontinuance of all Covid-19 regulations which had been put in place. In Papua New Guinea, where the Hidden Valley operation is located, significant decreases in positive cases have been experienced for the first part of the 2022 calendar year. In 2021, the group had been able to carry out its operations in Papua New Guinea during the state of emergency which had been imposed by the government.

Cost and inflationary pressures

During the 2023 financial year, Harmony continued to experience heightened input costs driven by inflationary pressures. The effect has been especially pronounced on certain key items such as oil (directly affecting diesel supply and cost), electricity and certain chemical reagents used by treatment plants. Refer to note 5. The announcement by the energy regulator in South Africa, NERSA, of a 18.65% tariff hike in electricity is incorporated into the 2023/2024 budgeting and forecasting process. This brings further impetus to Harmony's renewable energy programme.

The cost inflation seen in 2023 started during the second half of the 2022 financial year, driven by inflationary pressures related to global supply chain constraints due to the Covid-19 pandemic, which was then further exacerbated by Russia's invasion of Ukraine. These cost pressures had an impact on, among others, the FY23 budget and life-of-mine planning process, determination of deferred tax rates for the group's mining entities and impairment assessments performed for the group's cash generating units. Refer to note 5 and 7 for further disclosure.

3 Impact of changes in global operating and economic environment *continued*

Interest rates

Over the past year, central banks globally have been increasing interest rates as a measure of combating rising inflation. In the current financial year, the US Federal Reserve raised interest rates by 350 basis points (2022: 150 basis points) (2021: no increase/decrease), while the South African Reserve Bank (SARB) similarly raised the repurchase interest rate by 350 basis points (2022: 125 basis points) (2021: 25 basis points decrease). This contributed to increased finance costs and investment income for the 2023 financial year (refer to note 6). The increase in interest rates also contributed to higher bond yields in the market, which affected the risk-free rates used for discounting of the provision for environmental rehabilitation (refer to note 12) and the provision for silicosis settlement (refer to note 16).

Commodity prices and exchange rates

Gold traded within a range of US$1 622/oz and US$2 051/oz (2022: US$1 726/oz and US$2 052/oz) (2021: US$1 681/oz and US$2 063/oz) during the current financial year, reaffirming its safe haven status with investors during times of global uncertainty and market volatility. These uncertainties have also resulted in increased volatility in the R/US$ and R/A$ exchange rates. The currencies traded in ranges of R16.17/US$1 to R19.81/US$1 (2022: R14.15/US$1 to R16.30/US$1) (2021: R13.43/US$1 to R17.68/US$1) and R11.19/A$1 to R12.94/A$1 (2022: R10.43/A$1 to R11.63/A$1) (2021: R10.41/A$1 to R12.66/A$1) during the current financial year. These movements in the currencies expose the group's operations to foreign currency gains and losses on foreign-denominated receivables and liabilities, including derivatives, and also impact the group's translation of its international operating results and net assets into its Rand presentation currency, which resulted in a foreign exchange translation gain of R1.1 billion for the 2023 year (2022: R742 million) (2021: R1.2 billion loss).

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

ESG and climate change-related financial disclosures

Due to the increased focus on sustainability, Environmental, Social and Governance (ESG) matters and climate change, various regulators have released guidance or proposed regulations for required disclosures.

During March 2022, the Securities and Exchange Commission (SEC) issued proposed rules that are intended to provide more consistent, comparable and reliable information so that investors can better evaluate the impact of climate-related matters on entities. The comment period on the proposed rules have closed and the SEC is evaluating comment letters received. The SEC's proposed rules are expected to affect the information reported as "other information" by entities and may include specific requirements on assurance of certain ESG key performance indicators. However, the SEC's proposal included certain disclosures in the financial statements. It is unknown at this stage if these will be retained in the final regulation.

Management will continue to monitor announcements made that will affect the reporting by the group.

4 Revenue

	SA Rand		
Figures in million	**2023**	2022	2021
Commodities			
Gold (a)	**47 366**	40 774	42 597
Silver (b)	**1 021**	663	857
Uranium (c)	**304**	240	178
	48 691	41 677	43 632
Toll treatment services (d)	**430**	—	—
Revenue from contracts with customers	**49 121**	41 677	43 632
Consideration from streaming contract (e)	**338**	471	397
Hedging gain/(loss) (f)	**(184)**	497	(2 296)
Total revenue[1]	**49 275**	42 645	41 733

[1] *A geographical analysis of revenue is provided in the segment report. Refer to note 20 for further information.*

4 Revenue *continued*

Below are the average commodity prices received for the financial years:

	2023	2022	2021
Gold[1]			
– US$ per ounce (US$/oz)	**1 808**	1 829	1 719
– Rand per kilogram (R/kg)	**1 032 646**	894 218	851 045
Silver			
– US$ per ounce (US$/oz)	**21.89**	23.09	25.45
– Rand per kilogram (R/kg)	**12 505**	11 293	12 602
Uranium			
– US$ per pound (US$/lb)	**50.05**	45.14	29.76
– Rand per kilogram (R/kg)	**1 960**	1 514	1 010

[1] *The gold price includes the realised effective portion of the hedge-accounted gold derivatives.*

(a) The increase in gold revenue during the 2023 financial year is mainly due to the weakening of the Rand/US$ exchange rate from an average of R15.21/US$ to R17.76/US$. This resulted in an increase in the average gold spot price received by 17%, from R883 453/kg in the 2022 year to R1 036 682/kg in 2023. The increase in revenue was partially offset by the closure of Bambanani in June 2022, which contributed revenue of R1 286 million in 2022.

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

(b) Silver is derived from the Hidden Valley mine in Papua New Guinea. The increase in silver revenue in the 2023 financial year is due to an increase in production by 38% to 82 093kg from 59 489kg in 2022. This was due to a general improvement in the operating environment at Hidden Valley. The average silver price increased by 11% to R12 505/kg in 2023.

Silver produced decreased by 12% to 59 489kg in 2022 from 67 295kg in 2021 as a result of operational challenges experienced at Hidden Valley. The average silver price decreased by 10% to R11 293/kg in 2022.

(c) Uranium is derived from the Moab Khotsong operation. Uranium produced increased by 42% to 237 438kg from 167 696kg in 2022 and the average uranium price increased by 30% to R1 960/kg in 2023.

Uranium produced increased by 11% to 167 696kg in 2022 from 150 778kg in 2021 and the average uranium price increased by 50% to R1 514/kg in 2022.

(d) The fees for services rendered for the treatment of third-party gold-bearing material at the Doornkop and Moab operations have been included separately as of 2023.

(e) The streaming arrangement results in the non-cash consideration recognised as part of revenue for the streaming arrangement. Refer to note 15 for further information.

(f) The realised effective portion of the hedge-accounted gold derivatives was impacted by the average gold market spot price during the 2023 financial year of R1 045 527/kg (2022: R896 712/kg) compared to the average forward price of matured contracts of R1 028 764/kg (2022: R940 536/kg). Refer to note 11 for further information.

5 Cost of sales

	SA Rand		
Figures in million	**2023**	2022	2021
Production costs (a)	**34 866**	33 099	29 774
Amortisation and depreciation of mining assets (b)	**3 355**	3 622	3 777
Amortisation and depreciation of assets other than mining assets	**99**	61	98
Rehabilitation expenditure	**32**	136	135
Care and maintenance costs of restructured shafts	**227**	273	144
Employment termination and restructuring costs (c)	**597**	218	332
Share-based payments	**51**	143	114
Impairment of assets (d)	**—**	4 433	1 124
Toll treatment costs	**323**	—	—
Other	**(15)**	(58)	(9)
Total cost of sales	**39 535**	41 927	35 489

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

Production costs increased by R1 767 million (5% year on year) during 2023. These costs increased mainly due to inflationary pressures on costs including labour, electricity and consumables costs. The royalty tax increased due to a higher rate being applied due to higher profits, as well as the increased revenue base to which it is applied. The increase in production costs was offset by the closure of Bambanani at the end of June 2022 as well as an increase of R408 million in the capitalised stripping credit related to the commencement of stage 8 at Hidden Valley.

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

(b) The decrease for the 2023 year is predominantly due to impairment of assets recognised in the 2022 year which reduced the carrying value of mining assets of certain operations (refer to (g) below), resulting in lower depreciation for the 2023 year. Additionally, the closure of Bambanani in June 2022 resulted in no depreciation in 2023 compared to R84 million in 2022.

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

(c) Employment termination and restructuring cost increased in 2023 as a result of the changes in the number of employees taking up voluntary severance packages. The increase is attributable to the voluntary severance packages that were taken up following the closure of Bambanani and disaggregation of the Tshepong Operations into Tshepong North and Tshepong South. The bulk of the employees from these operations have been accommodated at other operations within the group.

During 2021, a new programme for voluntary and medical severance packages was offered to employees, partially related to the closure of Unisel. The decrease in 2022 is due to a lower number of employees taking up voluntary severance packages year on year.

5 Cost of sales *continued*

(d) Management performed an assessment for indicators of impairment as well as indicators of reversal of previously recorded impairment losses in terms of IAS 36 ***Impairment of Assets***. Specific circumstances surrounding each of the individual cash generating units (CGUs) were considered in this assessment in order to identify significant changes in the current financial year.

The Target 1, Kalgold and Kusasalethu CGUs experienced operational issues during the year ended 30 June 2023. These operational issues were considered to be indicators of potential impairment and therefore an impairment assessment was performed for these CGUs. Based on the impairment tests performed, no impairments were recorded for the 2023 financial year.

As a result of the group net asset value exceeding Harmony's market capitalisation as at 30 June 2022 and 2021, impairment assessments were performed for all CGUs.

The recoverable amounts for the CGUs tested were determined on a fair value less cost to sell basis using assumptions in the discounted cash flow models and attributable resource values. These are fair value measurements classified as level 3.

Where CGUs had previously been impaired, management considered whether the impairment loss (or the contributors to the previously recognised impairment loss) no longer exists or might have decreased. Management considered general and specific factors for each CGU and concluded that although overall the gold price had improved from the time that the impairment losses had been recognised, the specific circumstances that led to the original impairments had not reversed. Furthermore, the service potential of the asset has not increased. Management therefore deemed it appropriate for no reversal of previously recognised impairment losses to be recorded for the year ended 30 June 2023. There also was no reversal of impairment for the 2022 or 2021 financial years.

The impairment of assets consists of the following:

	SA Rand		
Figures in million	**2023**	2022 Re-presented	2021 Re-presented
Tshepong North	—	2 296	651
Tshepong South	—	1 326	108
Moab Khotsong	—	522	—
Kusasalethu	—	145	—
Bambanani	—	144	187
Target 3	—	—	178
Total impairment of assets	—	4 433	1 124

The Tshepong Operations were disaggregated into two separate CGUs being the Tshepong North CGU and the Tshepong South (also known as the Phakisa section) CGU, for impairment testing at 30 June 2022. This was due to the decision taken during the FY23 budget process in June 2022, to reinvest in the two individual operations to maximise individual profitability following the change to Tshepong North's life-of-mine with the sub-75 decline project being halted. Based on the forward-looking nature of the impairment assessment, a separate impairment calculation was prepared for each of the CGUs. Tshepong North and Tshepong South are disclosed as separate reportable segments for the 2023 financial year, therefore the disclosures for 2022 and 2021 have been re-presented accordingly. Refer to note 20 for more information.

Critical accounting estimates and judgements – impairment of assets

The recoverable amount of mining assets is generally determined utilising real discounted future cash flows (post tax). No material difference in recoverable amounts is expected should real future cash flows be discounted on a pre-tax basis. Management also considers such factors as the quality of the individual orebody, market risk, asset-specific risks and country risk in determining the fair value.

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

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

5 Cost of sales *continued*

Critical accounting estimates and judgements – impairment of assets *continued*

During the years under review, the group calculated the recoverable amounts (generally fair value less costs to sell) of CGUs for which indicators of impairment were identified. These recoverable amounts are based on updated life-of-mine plans and the following relevant assumptions:

	2023	2022	2021
US$ gold price per ounce			
– Year 1	**1 932**	1 861	1 805
– Year 2	**1 844**	1 744	1 673
– Year 3	**1 725**	1 664	1 582
– Long term (Year 4 onwards)	**1 582**	1 546	1 500
US$ silver price per ounce			
– Year 1	**n/a**	23.85	25.72
– Year 2	**n/a**	22.42	23.22
– Year 3	**n/a**	21.46	21.70
– Long term (Year 4 onwards)	**n/a**	19.38	20.70
US$ copper price per pound	**n/a**	3.30	3.00
Exchange rate (R/US$)			
– Year 1	**18.28**	15.55	14.54
– Year 2	**17.44**	15.34	14.36
– Year 3	**17.13**	15.26	14.44
– Long term (Year 4 onwards)	**16.22**	15.35	14.51
Exchange rate (PGK/US$)	**n/a**	3.50	3.50
Rand gold price (R/kg)			
– Year 1	**1 135 000**	931 000	843 000
– Year 2	**1 034 000**	860 000	772 000
– Year 3	**950 000**	816 000	735 000
– Long term (Year 4 onwards)	**825 000**	763 000	700 000

The following are the attributable gold resource value assumptions:

	South Africa			Hidden Valley		
US dollar per ounce	**2023**	2022	2021	**2023**	2022	2021
Underground resources						
Measured	**n/a**	16.50	16.50	**n/a**	n/a	n/a
Indicated	**n/a**	9.00	9.00	**n/a**	n/a	n/a
Inferred	**n/a**	3.60	3.60	**n/a**	n/a	n/a
Surface resources						
Measured	**n/a**	30.00	30.00	**n/a**	n/a	n/a
Indicated	**n/a**	17.50	17.50	**n/a**	9.00	9.00
Inferred	**n/a**	8.00	8.00	**n/a**	n/a	n/a

The recoverable amount of mining assets is determined utilising real discounted future cash flows. Certain CGUs' recoverable amounts included resource multiple valuations in the case of undeveloped properties and certain resource bases. The underground resource value has been applied to Target North, Doornkop's Kimberly Reef and the Wafi-Golpu Project. The surface resource values have been applied to the Mispah Tailings resource, Vaal River and West Wits surface sources. For the 2023 financial year, no resource multiple valuations were determined as the CGUs to which they are attributed to were not tested for impairment.

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

The resource multiple values have remained consistent with the prior year, as they were assessed to still be reasonable and appropriate for valuing the relevant undeveloped properties and resource bases. In 2021, the resource multiple values were updated based on the transaction between AGA and Harmony for the purchase of the Mponeng operations and related assets.

5 Cost of sales *continued*

Critical accounting estimates and judgements – impairment of assets *continued*

The discounted cash flow models for 2023 include the estimated production cost and carbon tax savings arising from the rollout of Harmony's renewable energy programme, as part of its greater decarbonisation strategy.

Due to the volatilities experienced in the markets and the uncertainty in forecasting future cash flows as a result of the impact of the Covid-19 pandemic, management used various probability scenarios in determining the recoverable amounts for the CGUs at 30 June 2021. As discussed in note 3, the uncertainty that existed in prior years surrounding the potential impact of Covid-19 has dissipated and therefore management believes that it is no longer appropriate to apply Covid-adjusted probability scenarios in determining recoverable amounts for the CGUs at 30 June 2023 and 2022.

The most significant factors considered in the Covid-19 scenarios for 2021 were infection rates and the timing of the expected peaks in the areas that Harmony's operations are situated in along with the expected disruptions to production and mitigation strategies management had in place. The potential impact on production and therefore on the revenue cash flows were determined based on historical trends that have been extrapolated to account for varying disruption levels. The duration of potential disruptions to production applied, ranged from 12 months to 24 months.

The post-tax real discount rates used in determining the recoverable amounts of CGUs tested for impairment in 2023 ranged between 11.69% and 13.15% (2022: 10.20% and 13.10%) (2021: 9.40% and 12.00%). Cash flows used in the impairment calculations are based on life-of-mine plans which exceed five years for the majority of the mines. Cash flows from potential projects, life-of-mine extensions and residual ounces can also be included in the impairment assessment where deemed appropriate. An additional risk premium is added to the post-tax real discount rates in these instances.

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

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

Sensitivity analysis – impairment of assets

One of the most significant assumptions that influence the life-of-mine plans and therefore impairment assessments is the expected commodity prices. Management determined a reasonably possible long-term change of 11.8% in gold prices based on the standard deviation of both Harmony's long-term gold price assumption over the past five financial years and market analysts' forecasted long-term gold price assumptions. A 11.8% increase/decrease in the gold price and resource values used (with all other variables held constant and not taking any actions, such as stopping capital projects, into account) would have resulted in the following post-tax impairment being recorded (including the impairments recorded in the current period) as at 30 June 2023:

	SA Rand	
Figures in million	**2023**	2022
11.8% decrease (2022: 10% decrease)		
Tshepong North	**n/a**	4 074
Moab Khotsong[1]	**n/a**	3 869
Tshepong South	**n/a**	2 339
Doornkop	**n/a**	1 690
Mponeng	**n/a**	1 443
Target 1	**1 719**	1 121
Joel	**n/a**	762
Kusasalethu	**—**	689
Mine Waste Solutions	**n/a**	493
Kalgold	**475**	304
Other assets	**n/a**	208
Hidden Valley	**n/a**	96
Central Plant Reclamation	**n/a**	32
11.8% increase (2022: 10% increase)		
Tshepong South	**n/a**	224

[1] *The carrying amount of this CGU include goodwill and any impairment losses is allocated first to goodwill and then to the identifiable assets.*

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

6 Other income statement items

Investment income

Investment income for the current financial year increased mainly due to higher interest rates, which resulted in an increase of R149 million interest received on cash balances and restricted cash and investments year on year. Refer to note 3 for a discussion thereof. Additionally, a fair value gain of R167 million was recognised on restricted cash and investments.

Finance costs

Finance costs for the current financial year increased mainly due to increased US$ loan balances and higher interest rates compared to the prior year. This resulted in an elevated interest expense of R228 million. Refer to note 3 and 13 for details.

7 Taxation

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

	SA Rand		
Figures in million	**2023**	2022	2021
SA taxation			
Mining tax (a)	**(631)**	(182)	(464)
– current year	**(633)**	(194)	(467)
– prior year	**2**	12	3
Non-mining tax (b)	**(12)**	(125)	(80)
– current year	**(6)**	(121)	(81)
– prior year	**(6)**	(4)	1
Deferred tax (c)	**(1 080)**	353	(714)
– current year	**(1 080)**	353	(714)
Total taxation (expense)/credit	**(1 723)**	46	(1 258)

(a) Mining tax on gold mining taxable income in South Africa is determined according to a formula, based on the taxable income from mining operations. 5% of total revenue is exempt from taxation, while the remainder is taxable at a higher rate (up to a maximum of 33%) than non-mining income (27%) as a result of applying the gold mining formula. Mining and non-mining income of Australian and PNG entities are taxed at a standard rate of 30%.

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

The increased mining tax expense for the 2023 financial year is mainly attributable to taxes recognised by Golden Core Trade and Invest (Pty) Ltd (Golden Core) of R272 million (2022: Rnil) and Harmony Moab Khotsong Operations (Pty) Ltd (Moab) of R260 million (2022: R130 million). The higher gold prices and production led to increased taxable income for the two entities. The expense in Golden Core was offset by the utilisation of its remaining unredeemed capital expenditure balance of R845 million. The movement in foreign exchange translation from gains in the 2021 year to losses in 2022 and a decline in mining taxable income resulted in the decrease in the current tax expense during the 2022 year.

Due to the changes announced in the 2022 budget speech, the mining tax rate changed from 34% in 2022 and 2021 to 33% for the current year. Further, the annual limitation of assessed loss utilisation to 80% of taxable income came into effect.

(b) Non-mining taxable income of mining companies and the taxable income for non-mining companies are taxed at the statutory corporate rate of 27% for the 2023 financial year. The expense for the 2022 and 2021 financial years relates to non-mining tax arising from derivative gains (realised and unrealised) recognised on the foreign currency derivatives as well as the realised gains on the commodity forward sale contracts. The decreased non-mining taxes for the 2023 financial year can be attributed to the significantly lower derivative gains from both commodity and foreign currency contracts compared to the 2022 financial year. Refer to note 11 for details on the group's derivative gains and losses recorded.

Due to the changes announced in the 2022 budget speech, the corporate tax rate applied to non-mining taxable income has been amended to 27% (2022: 28%) (2021: 28%) for the current year. Further, the annual limitation of assessed loss utilisation to 80% of taxable income came into effect.

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

Following the completion of the annual life-of-mine plans, management revised the weighted average deferred tax rates for all the South African operations. The higher gold price assumptions used resulted in an increase in the estimated profitability and consequently higher rates than in the prior year for most subsidiaries.

7 Taxation *continued*

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

	Percent (%)		
	2023	2022	2021
Harmony	**26.4**	25.1	27.4
Freegold (Harmony) (Proprietary) Limited	**11.4**	7.0	12.1
Randfontein Estates Limited (Randfontein)	**10.5**	8.7	5.1
Kalahari Goldridge Mining Company Limited (Kalgold)	**17.1**	18.7	19.7
Harmony Moab Khotsong Operations (Proprietary) Limited (Moab)	**16.7**	14.7	17.6
Golden Core Trade and Invest (Proprietary) Limited (Mponeng)	**17.7**	12.8	11.3

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

- The change in rates, with the majority increasing year on year at the individual company level (other than hedge accounted derivatives), resulted in an increase in the deferred tax expense and liability to the amount of R588 million (2022: R386 million decrease) (2021: R55 million increase)
- Increase of temporary differences related to the carrying value of property, plant and equipment resulted in an increase of R377 million in the deferred tax expense (2022: R101 million decrease) (2021: R52 million decrease)
- Unwinding of temporary differences related to unredeemed capital expenditure balances resulted in an increase of R169 million in the deferred tax expense (2022: R86 million) (2021: R301 million).

Income and mining tax rates

Major items causing the group's income tax provision to differ from the South African mining statutory tax rate of 33% (2022 and 2021: 34%) were:

	SA Rand		
Figures in million	**2023**	2022	2021
Tax (expense)/credit on net profit/loss at the mining statutory tax rate	**(2 180)**	360	(2 170)
Non-allowable deductions and non-taxable items	**(314)**	(328)	(153)
Equity-settled share-based payments	**(32)**	(49)	(49)
Gain on bargain purchase	**—**	—	102
Acquisition- and integration-related costs	**—**	—	(75)
Impairment of goodwill	**—**	(114)	(64)
Exploration expenditure	**(25)**	(79)	(15)
Finance costs	**(145)**	(52)	(50)
Other	**(112)**	(34)	(2)
Movement in temporary differences related to property, plant and equipment[1]	**(333)**	(1 447)	378
Movements in temporary differences related to other assets and liabilities	**80**	(174)	(465)
Difference between effective mining tax rate and statutory mining rate on mining income	**303**	125	145
Difference between non-mining tax rate and statutory mining rate on non-mining income	**1**	26	17
Effect on temporary differences due to changes in effective tax rates[2]	**(588)**	386	(55)
Prior-year adjustment	**—**	10	(4)
Capital allowances[3]	**1 059**	973	860
Deferred tax asset not recognised[4]	**249**	115	189
Income and mining taxation (expense)/credit	**(1 723)**	46	(1 258)
Effective income and mining tax rate (%)	**26**	4	20

[1] *The change in 2023 is mainly as a result of an increase in the unredeemed capital expenditure balance of Avgold Limited (Avgold). This was partially offset by an increase in the net carrying value of property, plant and equipment of Moab and Chemwes (Pty) Ltd (Chemwes).*
[2] *Refer to (c) above for detail of the deferred tax rate changes.*
[3] *This relates to the additional capital allowance that may be deducted from taxable income from mining operations in South Africa. A significant portion relates to Avgold which has a 0% effective tax rate.*
[4] *This relates to tax losses and deductible temporary differences for which future taxable profits are uncertain and are not considered probable.*

8 Earnings/(loss) per share

Basic earnings/(loss) per share

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

	2023	2022	2021
Basic weighted average number of ordinary shares in issue (000)	**617 597**	612 455	604 286
Total net profit/(loss) attributable to shareholders (R million)	**4 820**	(1 052)	5 087
Total basic earnings/(loss) per share (SA cents)	**780**	(172)	842

Diluted earnings/(loss) per share

	2023	2022	2021
Weighted average number of ordinary shares for diluted earnings per share (000)[1]	**620 474**	614 614	616 385
Total diluted earnings/(loss) per share (cents)	**777**	(172)	825

[1] *The inclusion of the share options as potential ordinary shares had a dilutive effect on earnings per share in 2023 and 2021, whereas it had the opposite effect in 2022 due to the net loss attributable to shareholders.*

Headline earnings/(loss) per share

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

	SA Rand		
Figures in million	**2023**	2022	2021
Net profit/(loss) attributable to shareholders	**4 820**	(1 052)	5 087
Adjusted for:			
Impairment of assets[1]	**—**	4 433	1 124
Taxation effect on impairment of assets	**—**	(312)	(93)
Gain on bargain purchase[2]	**—**	—	(303)
Profit on sale of property, plant and equipment	**(46)**	(24)	(11)
Taxation effect on profit on sale of property, plant and equipment	**5**	4	2
Loss on scrapping of property, plant and equipment	**182**	7	161
Taxation effect on loss on scrapping of property, plant and equipment	**(20)**	(1)	(8)
Headline earnings/(loss)	**4 941**	3 055	5 959
Basic headline earnings/(loss) per share (cents)	**800**	499	987
Diluted headline earnings/(loss) per share (cents)[3]	**796**	497	967

[1] *This total includes the impairment of goodwill, which does not have a tax effect.*
[2] *There is no taxation effect on this item.*
[3] *The inclusion of the share options as potential ordinary shares had a dilutive effect on earnings per share.*

Dividends

- The board did not declare an interim ordinary dividend for the year ended 30 June 2023 (2022: 40 SA cents and R247 million was paid on 11 April 2022) (2021: 110 SA cents and R677 million was paid on 19 April 2021).
- For the 2022 year, a final dividend of 22 SA cents (2021: 27 SA cents), was declared by the board, amounting to R136 million which was paid on 17 October 2022. For 2021, an amount of R167 million was paid on 18 October 2021.
- The board declared a final ordinary dividend of 75 SA cents for the year ended 30 June 2023 on 29 August 2023, which was paid on 16 October 2023
- During 2023, dividend payments of R18 million were made to the non-controlling interest holders in Tswelopele Beneficiation Operation (Proprietary) Limited (TBO) (2022: R16 million) (2021: R7 million).

	SA Rand		
	2023	2022	2021
Dividends declared (millions)	**136**	414	677
Dividend per share (cents)	**22**	67	110

9 Acquisitions and business combinations

Acquisition of Eva Copper

On 6 October 2022, Harmony announced that it had entered into an agreement to acquire the entity which owns 100% of the Eva Copper Project and a package of regional exploration tenements from Copper Mountain Mining Corporation (collectively Eva Copper). The acquisition is in line with the group's strategic objective of transitioning into a low-cost gold and copper mining company. Diversifying into copper enables Harmony to participate in the global transition to a low-carbon economy.

The last condition precedent for the acquisition was fulfilled during December 2022, resulting in an acquisition date of 16 December 2022. Based on management's assessment, the transaction met the definition of a business combination as defined by IFRS 3 *Business Combinations*. This is based on the feasibility study, mine development plan and organised workforce acquired constituting substantive processes which significantly contributes to the ability to generate outputs. Management also opted to not apply the optional concentration test as per IFRS 3.

The Eva Copper Project was identified as a cash generating unit (CGU).

Consideration transferred

Consideration for the transaction amounted to a cash payment of R2 996 million (US$170 million), paid during December 2022, and contingent consideration subject to the following criteria:

- A maximum of US$30 million payable via a 10% sharing of net incremental revenue above US$3.80/lb Cu (excess payment)
- A maximum US$30 million payable on a new copper resource discovered and declared within the acquired tenements, calculated using a resource multiple of US$0.03/lb Cu (new resource payment).

These criteria are applicable for the entire life of the operation until the maximum payments are reached.

As at 16 December 2022, the contingent consideration was valued at R169 million by using a probability weighted method for the new resource payment and a discounted cash flow valuation for the excess payment, both discounted at a post-tax nominal rate of 12.9%. All other assumptions applied in the valuation are consistent with those used in the valuation of identified assets acquired and liabilities assumed (refer below). The fair value calculated for the contingent consideration is level 3 in the fair value hierarchy due to the use of unobservable inputs. The remeasurement of the liability will be included in other operating expenses. Refer to note 14 for the measurement of the liability at 30 June 2023.

The amount disclosed in the cash flow statement for cash paid for the acquisition of Eva Copper is equal to the cash consideration paid of R2 996 million.

Acquisition and integration costs

The total of R214 million for acquisition-related costs for the financial year ended 30 June 2023 relates to various costs directly attributable to the acquisition process. These costs include professional services fees and Australian stamp duty costs paid.

Identifiable assets acquired and liabilities assumed

Critical accounting estimates and judgements

The fair value of the identifiable net assets acquired was determined using the expected discounted cash flows based on the feasibility study of the Eva Copper Project. Key assumptions for the level 3 fair value measurement of Eva Copper are the copper price, marketable discount rates, exchange rates and the feasibility study previously performed for the Eva Copper Project. Mineral Resources acquired which were not included in the discounted cash flows were valued using a copper resource multiple price of US$0.03/lbs. The post-tax real discount rate used was 10.7%, the long-term A$/US$ exchange rate used was A$1.40/US$1 and a real long-term copper price of US$3.50/lbs was used. The valuation was performed as at 16 December 2022.

The tax rates used to calculate deferred tax is based on Australian tax rates and tax laws that have been enacted at acquisition date. The deferred tax rate used as at 16 December 2022 was 30%. Following the finalisation of the effective tax values of assets acquired and liabilities assumed from the acquisition, a net deferred tax asset position of R224 million was determined. In line with IAS 12 Income Taxes, management assessed that at the acquisition date it is not yet probable that sufficient future taxable profits will be generated from Eva Copper against which the net deferred tax asset could be recognised. This was due to an update to the final feasibility study being outstanding at acquisition date. It was therefore opted to not recognise the net deferred tax asset position arising from the acquisition.

9 Acquisitions and business combinations *continued*

Acquisition of Eva Copper ***continued***

Fair value determination of acquired operations

For the period ended 31 December 2022 the fair value exercise, also known as the purchase price allocation, was prepared on a provisional basis in accordance with IFRS 3. During the measurement period, being 12 months permitted in terms of IFRS 3 for completion of the fair value exercise, Harmony concluded the process of determining the effective tax values for assets acquired and liabilities assumed from the business combination. This resulted in a change in the value of deferred tax and property, plant and equipment. Harmony also received new information relating to trade and other receivables that existed at acquisition date. No other key valuation assumptions were revised.

Management considers the revised purchase price allocation to be final and the accounting for the acquisition to be concluded as at 30 June 2023.

The final fair values for the identifiable assets acquired and liabilities assumed as at the acquisition date are as follows:

	2023		
Figures in million	Provisional fair value	Measurement period adjustment	Final fair value
Non-current assets			
Property, plant and equipment	**3 785**	(631)	3 154
Current assets			
Restricted cash and investments	**4**	—	4
Trade and other receivables	**12**	(5)	7
Non-current liabilities			
Deferred tax liabilities	**(636)**	636	—
Fair value of net identifiable assets acquired at 16 December 2022	**3 165**	**—**	**3 165**

Since the final fair value of net identifiable assets acquired is within a reasonable range of the fair value of the consideration transferred, no gain on bargain purchase or goodwill is recognised for the transaction.

Performance of acquired operation

Immaterial costs were incurred for Eva Copper relating to the year ended 30 June 2023 and therefore no proforma information has been disclosed.

10 Other assets

Restricted cash and investments

The balance at 30 June 2023 increased by R580 million, comprising an increase of R156 million in restricted cash and R424 million in restricted investments. Interest received on investments (R246 million) increased year on year due to higher interest rates in 2023. The remainder is mainly due to the mark-to-market valuation of these trust funds. Refer to note 3 for a discussion on interest rates.

Inventories

The increase in current inventories during the 2023 financial year of R447 million is mainly due to the increase in consumables at Hidden Valley, predominantly diesel, as a result of higher volumes held to support the increased production. This was coupled with the weakening of the Rand/A$ exchange rate, further increasing the translated balance year on year for South-east Asia.

Trade and other receivables

The balance at 30 June 2023 increased by R713 million, mainly due to an increase in the gold debtor of R515 million as a result of the timing of receipts.

11 Derivative financial instruments

The group has the following derivative financial instruments:

Figures in million (SA Rand)	Rand gold hedging contracts(a)	US$ gold hedging contracts	US$ silver contracts	Foreign exchange contracts	Total
At 30 June 2023					
Derivative financial assets	**179**	**67**	**44**	**89**	**379**
Non-current	**135**	**33**	**16**	**85**	**269**
Current	**44**	**34**	**28**	**4**	**110**
Derivative financial liabilities	**(1 291)**	**(19)**	**—**	**(221)**	**(1 531)**
Non-current	**(401)**	**—**	**—**	**(69)**	**(470)**
Current	**(890)**	**(19)**	**—**	**(152)**	**(1 061)**
Net derivative financial instruments	**(1 112)**	**48**	**44**	**(132)**	**(1 152)**
Unrealised gains/(losses) included in other reserves, net of tax	**(808)**	**55**	**—**	**—**	**(753)**
Movements for the year ended 30 June 2023					
Realised gains/(losses) included in revenue	**(209)**	**25**	**—**	**—**	**(184)**
Unrealised losses on gold contracts recognised in other comprehensive income	**(1 748)**	**(34)**	**—**	**—**	**(1 782)**
Gains/(losses) on derivatives	**—**	**—**	**21**	**(145)**	**(124)**
Day one loss amortisation	**(66)**	**(4)**	**—**	**—**	**(70)**
Total gains/(losses) on derivatives	**(66)**	**(4)**	**21**	**(145)**	**(194)**
Hedge effectiveness					
Changes in the fair value of the hedging instrument used as the basis for recognising hedge ineffectiveness	**(1 748)**	**(34)**	**—**	**—**	**(1 782)**
Changes in the fair value of the hedged item used as the basis for recognising hedge ineffectiveness	**1 748**	**34**	**—**	**—**	**1 782**
At 30 June 2022					
Derivative financial assets	523	44	77	12	656
Non-current	113	18	6	—	137
Current	410	26	71	12	519
Derivative financial liabilities	—	(11)	—	—	(11)
Non-current	—	(3)	—	—	(3)
Current	—	(8)	—	—	(8)
Net derivative financial instruments	523	33	77	12	645
Unrealised gains included in other reserves, net of tax	441	39	—	—	480
Movements for the year ended 30 June 2022					
Realised gains/(losses) included in revenue	602	(105)	—	—	497
Unrealised gains/(losses) on gold contracts recognised in other comprehensive income	(292)	50	—	—	(242)
Gains/(losses) on derivatives	—	—	114	(16)	98
Day one loss amortisation	(39)	(6)	—	—	(45)
Total gains/(losses) on derivatives	(39)	(6)	114	(16)	53
Hedge effectiveness					
Changes in the fair value of the hedging instrument used as the basis for recognising hedge ineffectiveness	(292)	50	—	—	(242)
Changes in the fair value of the hedged item used as the basis for recognising hedge ineffectiveness	292	(50)	—	—	242

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

11 Derivative financial instruments *continued*

Figures in million (SA Rand)	Rand gold hedging contracts (a)	US$ gold hedging contracts	US$ silver contracts	Foreign exchange contracts	Rand gold derivative contracts	Total
Movements for the year ended 30 June 2021						
Realised losses included in revenue	(2 023)	(273)	—	—	—	(2 296)
Unrealised gains/(losses) on gold contracts recognised in other comprehensive income	2 999	(7)	—	—	—	2 992
Gains/(losses) on derivatives	—	—	(256)	1 217	111	1 072
Day one loss amortisation	(42)	(8)	—	—	—	(50)
Total gains/(losses) on derivatives	(42)	(8)	(256)	1 217	111	1 022

The reconciliation of the hedge reserve is as follows:

Figures in million	SA Rand 2023	2022
Balance at beginning of year	**480**	1 051
Remeasurement of gold hedging contracts	**(1 233)**	(571)
Unrealised gain/(loss) on gold hedging contracts	**(1 782)**	(242)
Released to revenue on maturity of the gold hedging contracts	**184**	(497)
Foreign exchange translation	**6**	(2)
Deferred taxation thereon	**359**	170
Balance at end of year	**(753)**	480
Attributable to:		
Rand gold hedging contracts	**(808)**	441
US dollar gold hedging contracts	**55**	39

12 Provision for environmental rehabilitation

The increase in the provision during the 2023 financial year of R460 million is mainly due to the time value of money unwind of R483 million, offset by the utilisation of the provision of R120 million and the change in estimate of R79 million relating to higher discount rates. Also contributing to the increase is the effect of the translation of the balance for South-east Asia of R173 million. Refer to note 3 for a discussion of the impact of interest rates on the discount rates, as well as for further detail on the exchange rate changes.

13 Borrowings

Summary of facilities' terms

	Commenced	Tenor (years)	Matures	Secured	Security	Interest payment basis	Interest charge	Repayment term	Repaid
Existing									
R2.5 billion revolving credit facility – sustainability linked	May 2022	Four years	May 2026[2]	No	Unsecured	Variable	JIBAR + 2.40%	On maturity	n/a
US$400 million facility – sustainability linked	May 2022	Four years	May 2026[2]	No	Unsecured	Variable		On maturity	n/a
- US$100 million term facility							SOFR + 2.85%		
- US$300 million revolving credit facility							SOFR + 2.70%		
R1.5 billion facility (green term loan)[1]	May 2022	Six years, six months	November 2028	No	Unsecured	Variable	JIBAR + 2.65%	Bi-annual[3]	n/a

[1] This facility can only be drawn down for qualifying projects after November 2022.
[2] During April 2023 a 12-month extension was granted from May 2025. A further 12-month extension is available and not taken into account.
[3] Ten equal bi-annual instalments starting from May 2024 with the final instalment on maturity.

13 Borrowings *continued*

Summary of facilities' terms *continued*

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

The Rand Revolving Credit Facility (RCF), US$ RCF and US$ term loan are linked to certain sustainability-linked key performance indicators (ESG KPIs), which will be measured annually for the current financial year as well as the next two and will result in changes to interest rate margins. The rate will be adjusted annually by one basis point for each metric achieved (decrease) or not (increase), with these adjustments being cumulative over the three-year measuring period. The adjustments to interest rate margins for each financial year's ESG performance would impact the following financial year. The respective ESG KPIs are as follows:

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

Based on the 2023 performance, the interest rates of the related loans will be adjusted accordingly for the 2024 financial year.

Debt covenants

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

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

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

Debt covenants tests were performed for the loan facilities for the 2023 and 2022 financial years and no breaches were noted. For the 2023 financial year, the group's interest cover ratio was 26 times (2022: 43.4 times), while the group's leverage was 0.2 (2022: 0.1). Management believes that it is very likely that the covenant requirements will be met in the foreseeable future given the current earnings and interest levels.

Interest-bearing borrowings

	SA Rand	
Figures in million	**2023**	2022
Non-current borrowings		
US$400 million facility – sustainability linked	**5 592**	3 180
Total non-current borrowings	**5 592**	**3 180**
Current borrowings		
US$400 million facility – sustainability linked	**103**	
Westpac fleet loan	**—**	25
Total current borrowings	**103**	**25**
Total interest-bearing borrowings	**5 695**	**3 205**

The following repayments/draw downs were made during the 2023 year:

- R2.5 billion facility - sustainability linked : R700 million draw down and repayment of R700 million
- US$400 million facility - sustainability linked: R2 919 million draw down used for purposes of the acquisition of Eva Copper project and a repayment of R 1 345 million
- Westpac fleet loan: R26 million repayment for final settlement in July 2022.

13 Borrowings *continued*

Figures in million	SA Rand 2023	2022
The maturity of borrowings is as follows:		
Current	**103**	25
Between one to two years	**—**	—
Between two to three years	**5 592**	3 180
	5 695	3 205

Figures in million	SA Rand 2023	2022
Undrawn committed borrowing facilities		
Expiring within one year	**—**	—
Expiring after one year	**5 883**	7 254
	5 883	7 254

	2023	2022
Effective interest rates (%)		
R2 billion facility	**—**	6.7
Westpac fleet loan	**3.4**	3.4
US$400 million facility	**—**	3.4
R2.5 billion RCF – sustainability linked	**9.2**	—
US$400 million – sustainability linked	**6.8**	4.3

Figures in million	2023	2022	2021
Foreign exchange translation gain/(loss) on borrowings[1]	**(820)**	(411)	(894)
Rand/US dollar exchange rate:			
Closing/spot	**18.83**	16.27	14.27
Average	**17.76**	15.21	15.40

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

14 Contingent consideration

Critical accounting estimates and judgements

The contingent consideration liability comprises of the contingent consideration included as part of the consideration transferred for the acquisition of the Mponeng operations and related assets and Eva Copper (refer to note 9).

The Mponeng contingent consideration liability was initially valued at R544 million on 1 October 2020 using the discounted cash flow valuation method, discounted at a post-tax real rate of 10.6%. Other assumptions are the forecast Rand/US dollar exchange rate and life-of-mine plans. Subsequent to initial recognition, the assumptions applied for the valuation of the liability were updated. As at 30 June 2023, the contingent consideration was valued using a post-tax real discount rate of 9.6% (2022: 10.2%) (2021: 10.3%).

As at 1 October 2020, and at the end of the 2021 to 2023 financial years, the contingent consideration attributable to the below infrastructure ounces of gold was valued at Rnil, as no ounces from below infrastructure sections of the orebody have been included in the life-of-mine plan of Mponeng.

The Eva Copper contingent consideration was initially valued at R169 million on 16 December 2022 using a probability weighted method for the new resource payment and a discounted cash flow valuation for the excess payment, both discounted at a post-tax nominal rate of 12.9%. Refer to note 9 for further details on the assumptions applied on initial recognition. As at 30 June 2023, the liability has been subsequently remeasured to R185 million.

The fair value calculated for the contingent consideration liability is level 3 in the fair value hierarchy due to the use of unobservable inputs.

14 Contingent consideration *continued*

The movement in the contingent consideration liability is as follows:

Figures in million	SA Rand 2023	2022
Balance at beginning of year	**356**	417
Acquisitions[1]	**169**	—
Remeasurement of contingent consideration[2]	**64**	(61)
Balance at end of year	**589**	356

[1] *Initial recognition of the Eva Copper contingent consideration.*
[2] *Relates to a change in the Mponeng operation's production profile, which is based on Mponeng's life-of-mine plan as well as in 2023 the passage of time resulted in a movement in the Eva Copper contingent consideration since initial recognition.*

15 Streaming arrangements

Streaming arrangement with Franco-Nevada Barbados

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

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

Contract liability and gold delivered

Reconciliation of the ounces owed to Franco-Nevada:

Figures in ounces (oz)	2023	2022
Balance at beginning of year	**61 157**	84 429
Delivered	**(22 269)**	(23 272)
Balance at end of year	**38 888**	61 157

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

- 1 October 2020 – 16 December 2020: US$433/oz
- 17 December 2020 – 16 December 2021: US$437/oz
- 17 December 2021 – 16 December 2022: US$442/oz
- 17 December 2022 – 30 June 2023: US$446/oz.

Reconciliation of the streaming contract liability:

Figures in million	SA Rand 2023	2022
Balance at beginning of year	**687**	1 091
Finance costs related to significant financing component	**41**	67
Non-cash consideration for delivery of gold ounces (included in Revenue)	**(338)**	(471)
Balance at end of year	**390**	687
Current portion of streaming contract liability	**285**	309
Non-current portion of streaming contract liability	**105**	378

16 Other liabilities

Other provisions

The decrease year on year is due to a decrease in the provision for silicosis settlement of R271 million as a result of increased discount rates and payments of R155 million made to the Tshiamiso Trust during the year.

Trade and other payables

The balance at 30 June 2023 increased by R744 million. The increase in certain cost categories contributed to the change year on year – refer to note 3. Also contributing are amounts received on behalf of third parties in terms of toll treatment agreements increasing by R195 million. Additionally, income tax payable as at 30 June 2023 increased by R157 million (see note 7 for discussion).

17 Financial risk management

Market risk

Foreign exchange risk

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

The Rand weakened during the 2023 year by 15.7%, from a closing rate of R16.27/US$1 on 30 June 2022 to R18.83/US$1 on 30 June 2023. The volatility in the exchange rate is driven by global economic factors. Refer to note 3 for a discussion on some of the factors and their impact. The weakening negatively impacted on the derivative valuations of contracts that were outstanding at 30 June 2023.

The group is exposed to foreign exchange risk arising from borrowings and cash denominated in a currency other than the functional currency of that entity. These exposures are mainly to the US$. The Rand's levels impacted negatively on the translation of the US$ debt facilities at 30 June 2023. Refer to note 13 for further detail.

Translation of the international net assets was impacted by a weakening of the Rand against the Australian dollar from R11.25/A$1 at 30 June 2022 to R12.56/A$1 on 30 June 2023. A gain of R1 123 million has been recognised in other comprehensive income relating to the translation of the international net assets to Rand.

Commodity price sensitivity

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

The spot gold prices exceeded the forward prices on the rand gold hedging contracts for the majority of the 2023 year. This resulted in a negative impact on the contracts that matured during the year as well as those that were outstanding at the reporting date. Refer to note 3 for a discussion on the impact of commodity prices and exchange rates.

Interest rate risk

During the 2023 year the US Fed and SARB increased interest rates by 350 basis points. The higher interest rates together with the increased borrowings, led to an unfavourable impact on the group's cost of debt. However, the increased interest rates had a positive effect on the investment income earned on cash balances and restricted cash and investments. Although higher interest rates along with increased debt levels had an unfavourable impact on the group's finance costs for the 2023 year, the group has not entered into interest rate swap agreements as the interest rate risk continues to be assessed as low. The audit and risk committee reviews the group's risk exposure quarterly.

Credit risk

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

At 30 June 2023, the rating of major SA banks remained unchanged at AA+, which is in line with the group's credit risk policy. An assessment of the expected credit losses (ECLs) for the financial assets measured at amortised costs at 30 June 2023 resulted in an immaterial amount for each instrument. The credit rating of the group's Australian counterparts remained unchanged at A+ resulting in the assessed ECL remaining immaterial.

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

17 Financial risk management *continued*

Capital risk management

The consideration of R2 996 million for the acquisition of Eva Copper is the main contributor to the group's increased net debt compared to 30 June 2022. It remains the group's objective to adhere to a conservative approach to debt and maintain low levels of gearing.

Net debt is as follows:

	SA Rand	
Figures in million	**2023**	2022
Cash and cash equivalents	**2 867**	2 448
Borrowings	**(5 695)**	(3 205)
Net debt	**(2 828)**	(757)

Fair value determination

The fair value levels of hierarchy are as follows:

Level 1: Quoted prices (unadjusted) in active markets

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

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

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

	SA Rand					
Figures in million	**At 30 June 2023**			At 30 June 2022		
	Level 1	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
Fair value through other comprehensive income						
Other non-current assets (a)	**—**	**—**	**78**	—	—	75
Restricted cash and investments (b)	**305**	**—**	**—**	292	—	—
Fair value through profit or loss						
Restricted cash and investments (b)	**—**	**1 705**	**—**	—	1 162	—
Derivative financial assets (c)	**—**	**379**	**—**	—	656	—
Derivative financial liabilities (c)	**—**	**(1 531)**	**—**	—	(11)	—
Loan to ARM BBEE Trust (d)	**—**	**—**	**101**	—	—	148
Contingent consideration liability (e)	**—**	**—**	**(589)**	—	—	(356)

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

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

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

17 Financial risk management *continued*

Fair value determination *continued*

(d) At 30 June 2023, the fair value movement was calculated using a discounted cash flow model, taking into account forecast dividend payments over the estimated repayment period of the loan at a rate of 12.7% (2021: 9.3%). A 37 basis points (2022: 99 basis points) change in the discount rate, which would represent a reasonably possible change based on expected movements in lending rates, would not cause a material change in the fair value of the loan. The loan balance forms part of other non-current assets in the balance sheet. In the 2023 year, repayments to the value of R74 million (2022: R65 million) were received.

(e) Contingent consideration liabilities consist of the follow:

- Mponeng operation
  The contingent consideration liability related to the Mponeng operation (refer to note 14) was determined using the expected gold production profile for Mponeng. At 30 June 2023, the liability was valued at R404 million (2022: R356 million) at a post-tax real rate of 9.6% (2022: 10.2%). Should the expected gold production profile increase by 9.8% or decrease by 9.8%, the contingent consideration liability would increase by R411 million (2022: R251 million at 7.6%) or decrease by R314 million (2022: R189 million at 7.6%) respectively. This represents reasonably expected changes which were determined based on the standard deviation of previous years' production of the Mponeng operation. No other reasonably expected changes in key unobservable inputs would have caused a material change in the fair value of the liability
- Eva Copper
  The consideration for Eva Copper includes contingent consideration valued at R185 million at 30 June 2023. Refer to note 9 for further information. There are no inputs to the valuation that a reasonably possible change would result in a material change in the fair value of the liability**.**

The carrying values (less any impairment allowance) of short-term financial instruments are assumed to approximate their fair values. This includes restricted cash and investments carried at amortised cost. The fair values of borrowings (level 2) are not materially different to their carrying amounts since the interest payable on those borrowings is at floating interest rates.

18 Commitments and contingencies

Commitments and guarantees

	SA Rand	
Figures in million	**2023**	2022
Capital expenditure commitments		
Contracts for capital expenditure	**1 893**	1 839
Share of joint operation's contracts for capital expenditure	**160**	105
Authorised by the directors but not contracted for[1]	**8 525**	6 300
Total capital commitments	**10 578**	8 244

[1] *The increase mainly relates to solar projects of approximately R1 700 million as well as additional capital for the ramping up of the Zaaiplaats and Kareerand projects, and an increase in the translation of the Hidden Valley mine commitments due to the weakening of the Rand to the US$.*

The solar projects will be financed through the green loan (refer to note 13), with the rest of the expenditure being financed from existing resources and where appropriate, borrowings.

Contractual obligations in respect of mineral tenement leases amount to R23 million (2022: R16 million). This relates to the Wafi-Golpu joint operation.

	SA Rand	
Figures in million	**2023**	2022
Guarantees		
Guarantees and suretyships[1]	**500**	500
Environmental guarantees[2]	**500**	479
Total guarantees	**1 000**	979

[1] *The guarantees and suretyships mainly relate to Eskom guarantees.*
[2] *At 30 June 2023 R181 million (2022: R150 million) has been pledged as collateral for environmental guarantees in favour of certain financial institutions.*

Contingent liabilities

Randfontein Estates Limited (REL), a subsidiary of Harmony has an existing legal dispute with the Merafong Municipality (Merafong) relating to rates payable in terms of Merafong's Supplementary Valuation Roll 6 (SVR6). REL lodged appeals against the market values contained in SVR6. Merafong is contending for total rates payable of between R194 million and R257 million under SVR6, while Harmony is contending for total rates payable of R17 million on the basis that certain items of the mining operations are not rateable and/or disregarded for valuation purposes and that depreciation, rehabilitation, phasing-in and category use changes are favourably considered by the Merafong Valuation Appeal Board (Merafong VAB). Payment arrangements have been concluded between REL and Merafong in relation to these rates disputes. The Merafong VAB hearings are currently underway with other mining companies with similar legal disputes. Harmony's appeal hearings are set to conclude by the end of the 2024 financial year, where the outcome of the matter will be decided upon by the Merafong VAB.

For detailed disclosure on contingent liabilities, refer to the Financial report 2023 (available at **www.harmony.co.za**). There were no significant changes in contingencies since 30 June 2022, other than above.

19 Related parties

None of the directors or major shareholders of Harmony or, to the knowledge of Harmony, their close families, had an interest, directly or indirectly, in any transaction from 1 July 2020 or in any proposed transaction that has affected or will materially affect Harmony or its subsidiaries, other than as stated below.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the group, directly or indirectly, including any director (whether executive or otherwise) of the group. The remuneration of directors, prescribed officers and executive management is fully disclosed in Annexure B of the Financial report 2023 (available at **www.harmony.co.za**).

On 29 November 2022, Harmony announced the retirement by rotation of Mr Andre Wilkens, non-executive director, and Mr Joaquim Chissano, independent non-executive director, with effect from 29 November 2022.

Modise Motloba, Harmony's former deputy chairman resigned effective 27 June 2022. He is a director of Tysys (Proprietary) Limited (Tysys) which entered into a contract with the group during the 2017 financial year to provide services relating to the group's small and medium enterprise development projects. Approximately R5 million was paid during the 2022 financial year relating to services rendered in that year.

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

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

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

The following directors and prescribed officers owned shares in Harmony at year-end. The balance of shares held is attributable to shares held privately and in terms of the minimum shareholding requirement as set out in our remuneration policy:

	Number of shares	
Name of director/prescribed officer	**2023**	2022
Directors		
Peter Steenkamp	**598 513**	772 589
Boipelo Lekubo	**24 753**	15 988
Harry Mashego	**28 975**	14 875
Prescribed officers		
Beyers Nel	**54 195**	110 207
Marian van der Walt	**66 870**	100 000
Melanie Naidoo-Vermaak	**7 966**	7 966
Johannes van Heerden	**42 310**	30 734

20 Segment report

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

As of 1 July 2022, Tshepong North and Tshepong South are disclosed as separate operating segments based on the requirements of IFRS 8 *Operating Segments*.

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

The chief operating decision maker (CODM) has been identified as the Group CEO's office consisting of the:
- Chief executive officer
- Financial director
- Executive director: Stakeholder relations and Corporate affairs
- Group Chief operating officer: Operations
- Group Chief operating officer: Business Development and Growth
- Chief financial officer: Treasury
- Senior executive: Enterprise risk and Investor relations
- Senior executive: Sustainable Development
- Senior executive: Human Capital
- Executive: Ore Reserve Management.

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

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

A reconciliation of the segment totals to the group financial statements has been included in note 21.

20 Segment report *continued*

	Revenue 30 June			Production cost 30 June			Production profit/(loss) 30 June			Segment assets 30 June			Capital expenditure# 30 June			Kilograms produced* 30 June			Tonnes milled* 30 June		
	2023	2022	2021	**2023**	2022	2021	**2023**	2022	2021	**2023**	2022	2021	**2023**	2022	2021	**2023**	2022	2021	**2023**	2022	2021
	Rand million			Rand million			Rand million			Rand million			Rand million			Kg			000t		
South Africa																					
Underground																					
Moab Khotsong	**7 036**	5 779	6 048	**4 515**	4 038	3 842	**2 521**	1 741	2 206	**5 125**	4 324	4 008	**1 167**	894	633	**6 668**	6 508	7 166	**920**	959	903
Mponeng	**7 845**	5 620	4 750	**4 997**	4 487	2 938	**2 848**	1 133	1 812	**4 630**	4 433	4 321	**704**	605	493	**7 449**	6 086	5 446	**884**	840	683
Tshepong North[1]	**3 530**	3 429	3 540	**2 701**	2 894	2 777	**829**	535	763	**2 226**	2 049	4 273	**553**	1 038	746	**3 354**	3 793	4 237	**795**	988	944
Tshepong South[1]	**3 607**	2 922	2 674	**2 395**	2 190	2 088	**1 212**	732	586	**2 043**	1 730	2 268	**514**	476	366	**3 431**	3 229	3 182	**506**	573	614
Doornkop	**4 384**	3 106	3 077	**3 009**	2 453	2 140	**1 375**	653	937	**3 624**	3 222	2 994	**716**	491	425	**4 213**	3 444	3 670	**898**	874	851
Joel	**2 044**	1 411	1 199	**1 616**	1 308	1 124	**428**	103	75	**1 306**	1 244	1 166	**231**	225	172	**1 947**	1 556	1 424	**435**	434	359
Target 1	**1 308**	1 648	1 410	**2 009**	1 812	1 667	**(701)**	(164)	(257)	**1 745**	1 517	1 367	**428**	384	368	**1 275**	1 800	1 603	**365**	455	488
Kusasalethu	**3 621**	4 139	3 400	**3 343**	3 086	2 955	**278**	1 053	445	**634**	822	1 057	**253**	210	205	**3 460**	4 567	3 999	**567**	607	708
Masimong	**2 053**	1 733	1 636	**1 724**	1 504	1 427	**329**	229	209	**16**	17	26	**47**	49	29	**1 961**	1 910	2 012	**470**	486	510
Bambanani[2]	**18**	1 286	1 687	**16**	1 163	1 156	**2**	123	531	**—**	—	327	**—**	25	71	**—**	1 433	1 992	**—**	176	227
Surface																					
Mine Waste Solutions	**2 689**	2 642	1 889	**1 809**	1 588	1 137	**880**	1 054	752	**2 060**	1 027	1 031	**932**	264	70	**2 804**	2 899	2 057	**23 067**	23 443	17 665
All other surface operations	**4 945**	4 868	5 136	**3 371**	3 551	3 587	**1 574**	1 317	1 549	**1 234**	1 066	890	**316**	282	265	**4 719**	5 304	6 031	**19 382**	20 737	21 824
Total South Africa	**43 080**	38 583	36 670	**31 505**	30 074	27 020	**11 575**	8 509	9 650	**24 643**	21 451	23 728	**5 861**	4 943	3 843	**41 281**	42 529	43 066	**48 289**	50 572	45 833
International																					
Hidden Valley	**4 440**	3 159	4 028	**2 036**	2 122	1 719	**2 404**	1 037	2 309	**5 766**	4 141	3 128	**1 737**	1 249	1 260	**4 370**	3 707	4 689	**3 846**	3 229	3 420
Total international	**4 440**	3 159	4 028	**2 036**	2 122	1 719	**2 404**	1 037	2 309	**5 766**	4 141	3 128	**1 737**	1 249	1 260	**4 370**	3 707	4 689	**3 846**	3 229	3 420
Total operations	**47 520**	41 742	40 698	**33 541**	32 196	28 739	**13 979**	9 546	11 959	**30 409**	25 592	26 856	**7 598**	6 192	5 103	**45 651**	46 236	47 755	**52 135**	53 801	49 253
Reconciliation of segment information to the consolidated income statement and balance sheet	**1 755**	903	1 035	**1 325**	903	1 035	**430**	—	—	**26 831**	21 216	21 947	**—**	—	—	**—**	—	—	**—**	—	—
	49 275	42 645	41 733	**34 866**	33 099	29 774	**14 409**	9 546	11 959	**57 240**	46 808	48 803	**7 598**	6 192	5 103	**45 651**	46 236	47 755	**52 135**	53 801	49 253

 # Capital expenditure for international operations excludes expenditure spent on Wafi-Golpu and Eva Copper of R41 million (2022: R22 million) (2021: R34 million).
** Production statistics are unaudited.*
[1] The Tshepong Operations were split into Tshepong North and Tshepong South in order to optimise the profits of each operation following the halting of the sub-75 decline at Tshepong North and the resulting reduced Life of Mine.
[2] The Bambanani operation closed during June 2022. The transactions in the current year relate to the inventory at 30 June 2022.

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

Figures in million	SA Rand 2023	2022	2021
Reconciliation of production profit to consolidated profit/(loss) before taxation			
Revenue per segment report	**47 520**	41 742	40 698
Revenue per income statement	**49 275**	42 645	41 733
Other metal sales treated as by-product credits in the segment report	**(1 325)**	(903)	(1 035)
Toll treatment services	**(430)**	—	—
Production costs per segment report	**(33 541)**	(32 196)	(28 739)
Production costs per income statement	**(34 866)**	(33 099)	(29 774)
Other metal sales treated as by-product credits in the segment report	**1 325**	903	1 035
Production profit per segment report	**13 979**	9 546	11 959
Revenue not included in segments	**430**	—	—
Cost of sales items other than production costs	**(4 669)**	(8 828)	(5 715)
Amortisation and depreciation of mining assets	**(3 355)**	(3 622)	(3 777)
Amortisation and depreciation of assets other than mining assets	**(99)**	(61)	(98)
Rehabilitation expenditure	**(32)**	(136)	(135)
Care and maintenance cost of restructured shafts	**(227)**	(273)	(144)
Employment termination and restructuring costs	**(597)**	(218)	(332)
Share-based payments	**(51)**	(143)	(114)
Impairment of assets	**—**	(4 433)	(1 124)
Toll treatment costs	**(323)**	—	—
Other	**15**	58	9
Gross profit	**9 740**	718	6 244
Corporate, administration and other expenditure	**(1 044)**	(984)	(1 068)
Exploration expenditure	**(506)**	(214)	(177)
Gains/(losses) on derivatives	**(194)**	53	1 022
Foreign exchange translation gain/(loss)	**(634)**	(327)	670
Other operating expenses	**(268)**	(1)	(241)
Operating profit/(loss)	**7 094**	(755)	6 450
Gain on bargain purchase	**—**	—	303
Acquisition-related costs	**(214)**	—	(124)
Share of profit from associate	**57**	63	83
Investment income	**663**	352	331
Finance costs	**(994)**	(718)	(661)
Profit/(loss) before taxation	**6 606**	(1 058)	6 382

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

Figures in million	SA Rand 2023	2022	2021
Reconciliation of total segment assets to consolidated assets includes the following:			
Non-current assets			
Property, plant and equipment not allocated to a segment	**11 098**	7 280	6 741
Mining assets (a)	**1 080**	943	757
Undeveloped property (b)	**7 384**	4 004	3 989
Other non-mining assets	**516**	510	411
Assets under construction (c)	**2 118**	1 823	1 584
Intangible assets	**33**	48	365
Restricted cash and investments	**6 121**	5 555	5 232
Investments in associates	**111**	125	126
Deferred tax assets	**189**	203	272
Other non-current assets	**332**	374	332
Derivative financial assets	**269**	137	328
Current assets			
Inventories	**3 265**	2 818	2 542
Restricted cash and investments	**41**	27	67
Trade and other receivables	**2 395**	1 682	1 652
Derivative financial assets	**110**	519	1 471
Cash and cash equivalents	**2 867**	2 448	2 819
Total	**26 831**	21 216	21 947

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

(b) Undeveloped properties comprise the Target North property, Eva Copper (refer to note 9) and Wafi-Golpu's undeveloped properties.

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

22 Subsequent events

- On 3 July 2023 a payment of US$24 million (R450 million), comprising US$20 million of capital and US$4 million of interest, was made on the US$300 million RCF
- On 29 August 2023, a final dividend of 75 SA cents was declared, paid on 16 October 2023
- On 6 September 2023, a payment of US$32 million (R600 million) comprising US$30 million of capital and US$2 million of interest, was made on the US$300 million RCF
- On 8 September 2023, a payment of US$54 million (R994 million), comprising US$50 million of capital and US$4 million of interest, was made on the US$300 million RCF.

NOTICE OF ANNUAL **GENERAL MEETING**

*Notice is hereby given to shareholders that the annual general meeting ("**AGM**") of Harmony Gold Mining Company Limited ("**Harmony** or **Company**") will, as contemplated by section 63(2)(a) of the Companies Act 71 of 2008, as amended ("**Act**") and clause 19 of the Company's memorandum of incorporation ("**MOI**"), be held entirely by electronic communication on Monday, 4 December 2023 at 11:00 (SA time), to conduct the business set out below and to consider, and adopt, if deemed fit, with or without modification, the ordinary and special resolutions set out in this Notice of AGM ("**Notice**")*

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

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

- receive this Notice of AGM (being the date on which a shareholder must be registered in the Company's securities register to receive this Notice of AGM) as Friday, 20 October 2023; and
- participate in and vote at the AGM (being the date on which a shareholder must be registered in the Company's securities register to participate in and vote at the AGM) as Friday, 24 November 2023. Accordingly, the last date to trade in order to participate in and vote at the meeting is Tuesday, 21 November 2023.

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

Presentation of annual financial statements

The audited consolidated annual financial statements of the Company, incorporating the reports of the auditors, the audit and risk committee, and the directors for the year ended 30 June 2023 will be presented to the shareholders of the Company at the AGM as required in terms of section 30(3)(d) of the Act, read with section 61(8)(a) of the Act.

Summarised consolidated financial statements are included on pages 37 to 67 of the report to which this Notice of AGM is attached.

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

Presentation of group social and ethics committee report

In accordance with regulation 43(5)(c) of the Act, the social and ethics committee's report on pages 9 to 11 of the report to which this Notice of AGM is attached (and also available on Harmony's website at **www.har.co.za**) will be presented to shareholders at the AGM.

Resolutions for consideration and adoption

1. Ordinary resolution number 1:

Re-election of a director

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

Dr Patrice Motsepe was appointed non-independent non-executive chairman on 23 September 2003. In 1994 Dr Motsepe founded Future Mining which grew rapidly to become a successful contract mining company. He then formed ARMgold in 1997 which listed on the JSE in 2002.

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

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

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

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

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

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

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

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

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

See Harmony's website for further detail.

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

2. Ordinary resolution number 2:

Re-election of a director

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

Peter was appointed to the Harmony board on 19 February 2021. Peter has over forty years of experience in the mining industry in both open pit and deep-level underground mines. This wealth of experience was achieved through his tenures at AngloGold Ashanti Limited, Gold Fields Limited and Sibanye Stillwater Limited. He brings a wealth of expertise to the board, having managed and constructed mining operations throughout Africa (South Africa, Namibia, Mali, Tanzania and Ghana).

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

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

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

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

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

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

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

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

4. Ordinary resolution number 4:
Re-election of audit and risk committee member

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

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

5. Ordinary resolution number 5:
Re-election of audit and risk committee member

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

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

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

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

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

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

6. Ordinary resolution number 6:
Re-election of audit and risk committee member

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

Given was appointed to the board on 13 May 2019. She is a Chartered Accountant and until 31 August 2014 was Head: Internal Audit at SekelaXabiso Proprietary Limited. She has over 30 years' experience in internal and external auditing, risk management, management consulting, corporate governance and forensic auditing. Prior to joining SekelaXabiso Proprietary Limited, she spent nine years at SizweNtsaluba VSP where she was Director: Forensics and where from 2005 she headed the Corporate Governance Services Division. She also worked for Anglo American Corporation as an internal auditor in the Group Audit Services Department from April 1994 to May 1996. Prior to that, she served articles at KPMG Aiken & Peat from 1991 to early 1994.

She has served as a member of the audit and risk committee for a number of entities, including as chairperson of the audit committee for Basil Read Holdings Limited, South African Express Airways SOC Limited and Brand South Africa. She currently serves as a non-executive director of Chapter Zero South Africa , as well as a non-executive board member of Ithala SOC Limited,, where she chairs both the audit and compliance committee and the social, ethics and sustainability committee. She was the audit committee chairperson of The Presidency until December 2022 and currently chairs the audit and risk committee of the Composers, Authors and Publishers Association (CAPASSO).

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

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

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

Bongani was appointed to the board on 18 May 2022. He was Joint CEO of Sasol Limited. Prior to that, he was CFO and executive director at Sasol, Anglo American Platinum, Eskom and Shell Southern Africa.

He has over 30 years' experience in the mining, petrochemicals, and energy sectors globally and in South Africa.

Bongani is currently an independent non-executive director of the Development Bank of Southern Africa (DBSA), Discovery Bank Limited and African Rainbow Minerals Limited. He is Chairman of Babcock Ntuthuko Engineering and Babcock Plant Services in South Africa. He previously served on the board of Old Mutual plc as an independent non-executive director and chaired the SARS Audit Committee.

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

8. Ordinary resolution number 8:
Re-election of audit and risk committee member

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

Martin was appointed to the board on 18 May 2022. He has 30 years of corporate, project and structured finance experience, including eight years as financial director (CFO) of a JSE-listed company. Martin's early career progressed from KPMG through the Industrial Development Corporation after which he joined BoE Merchant Bank as director of Specialised Finance where he implemented several listing and funding transactions predominantly in the resources industry.

In 2003, he was appointed to Anglo Platinum as head of Corporate Finance and Business Development and acted in the capacity of executive head Finance (CFO) for just over a year before joining Royal Bafokeng Platinum as CFO in 2009. Martin invested into a private equity business, Fledge Capital in March 2019 and is also a non-executive director of a number of unlisted companies including Oasis Water Holdings Proprietary Limited.

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

9. Ordinary resolution number 9:
Re-appointment of external auditors

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

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

10. Ordinary resolution number 10:
Approval of remuneration policy

"RESOLVED, as a non-binding advisory vote in accordance with the recommendations of King IV Report on Corporate Governance for South Africa, 2016 ("**King IV**"), that the remuneration policy of the Company, as set out on pages 15 to 22 of the report to which this Notice of AGM is attached (and also available on Harmony's website at **www.har.co.za**), be and is hereby approved."

As this matter is non-binding, no minimum voting threshold is needed. However, in the event that 25% (twenty five percent) or more of the voting rights exercised on ordinary resolution number 10 are against such resolution, the Company shall engage with dissenting shareholders and implement measures, in the manner set out in the remuneration policy read with King IV.

11. Ordinary resolution number 11:
Approval of the implementation report

"RESOLVED, as a non-binding advisory vote in accordance with the recommendations of King IV, that the implementation report of the Company, as set out on pages 23 to 33 of the report to which this Notice of AGM is attached (and also available on Harmony's website at **www.har.co.za**) be and is hereby approved."

As this matter is non-binding, no minimum voting threshold is needed. However, in the event that 25% (twenty five percent) or more of the voting rights exercised on ordinary resolution number 11 are against such resolution, the Company shall engage with dissenting shareholders and implement measures, in the manner set out in the implementation report read with King IV.

12. Ordinary resolution number 12:
General authority to issue shares for cash

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

(a) the equity securities which are the subject of the issue for cash must be of a class already in issue, or where this is not the case, must be limited to such securities or rights that are convertible into a class already in issue;

(b) the equity securities must be issued to public shareholders, as defined in the JSE Listings Requirements, and subject to (e) below not to related parties;

(c) securities which are the subject of general issues for cash in the aggregate may not exceed 5% (five percent) of the Company's shares in issue as at the date of this Notice of AGM, excluding treasury shares – the number of shares available for the issue of shares for cash will therefore be limited to 30 903 598 shares, provided that;
   - (i) this authority shall be valid until the Company's next AGM or for 15 (fifteen) months from the date on which this resolution is passed, whichever period is shorter, subject to the requirements of the JSE and any other restrictions set out in this authority;
   - (ii) the calculation of the Company's listed equity securities must be a factual assessment of the Company's listed equity securities as at the date of this Notice of AGM, excluding treasury shares;
   - (iii) any equity securities issued for cash under this authority during the period contemplated in (i) shall be deducted from the number set out in (c); and
   - (iv) in the event of sub-division or consolidation of issued equity securities during the period contemplated in (i), the existing authority will be adjusted accordingly to represent the same allocation ratio;
   - (v) the maximum discount at which equity securities may be issued is 10% (ten percent) of the weighted average traded price of such equity securities measured over the 30 (thirty) business days prior to the date that the price of the issue is agreed between the Company and the party subscribing for the securities; and

(d) this approval expressly allows related parties to participate in a general issue for cash through a bookbuild process provided that –
   - (i) related parties may only participate with a maximum bid price at which they are prepared to take-up shares or at book close price. In the event of a maximum bid price and the book closes at a higher price, the relevant related party will be "out of the book" and not be allocated shares; and
   - (ii) equity securities must be allocated equitably "in the book" through the bookbuild process and the measures to be applied must be disclosed in the SENS announcement launching the bookbuild.

In terms of the JSE Listings Requirements, the passing of ordinary resolution number 12 requires the approval of at least a 75% (seventy five percent) majority of the votes cast by shareholders of the Company present at the AGM or represented by proxy at this AGM, and entitled to exercise voting rights on ordinary resolution number 12.

13. Special resolution number 1:
Approval of financial assistance in terms of section 45 of the Act

"RESOLVED THAT, in terms of section 45(3)(a)(ii) of the Act, the provision by the Company, at any time during the period of 2 (two) years from the date of passing of this special resolution, of any direct or indirect financial assistance, as contemplated in section 45 of the Act, to any one or more related or inter-related companies or corporations of the Company and/or to any one or more juristic persons who are members of any such related or inter-related company or corporation and/or to any one or more juristic persons related or inter-related to any such company, corporation or member, be and is hereby approved, provided that:

a. the identity of the recipient of such financial assistance, the form, nature and extent of such financial assistance and the terms and conditions under which such financial assistance is to be provided, are determined by the Board from time to time;
b. the Board may not authorise the Company to provide any financial assistance pursuant to this special resolution unless the Board fulfils all the requirements of section 45 of the Act, which it is required to fulfil in order to authorise the Company to provide such financial assistance; and
c. such financial assistance to a recipient is, in the opinion of the Board, required for the purpose of (i) meeting all or any of such recipient's operating expenses (including capital expenditure), and/or (ii) funding the growth, expansion, reorganisation or restructuring of the businesses or operations of such recipient, and/or (iii) providing any form of financial assistance to such recipient for any other purpose which, in the opinion of the Board, is directly or indirectly in the interests of the Company."

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

Notice is hereby given to shareholders of the Company in terms of section 45(5) of the Act of a resolution adopted by the Board, authorising the Company to provide such direct or indirect financial assistance as specified in special resolution number 1 on the basis that:

a. by the time that this Notice of AGM is delivered to shareholders of the Company, the Board will have adopted a resolution ("Section 45 Board Resolution") authorising the Company to provide, subject to the shareholders approving special resolution 1, at any time and from time to time during the period of 2 (two) years commencing on the date on which special resolution number 1 is adopted, any direct or indirect financial assistance as contemplated in section 45 of the Companies Act to any one or more related or inter-related companies or corporations of the Company and/or to any one or more juristic persons who are members of any such related or inter-related company or corporation and/or to any one or more juristic persons related to any such company, corporation or member;
b. the Section 45 Board Resolution will be effective only if and to the extent that special resolution number 1 is adopted by the shareholders of the Company, and the provision of any such direct or indirect financial assistance by the Company, pursuant to such resolution, will always be subject to the Board being satisfied that (i) immediately after providing such financial assistance, the Company will satisfy the solvency and liquidity test as referred to in section 45(3)(b)(i) of the Act, and that (ii) the terms under which such financial assistance is to be given are fair and reasonable to the Company as referred to in section 45(3)(b)(ii); and
c. in as much as the Section 45 Board Resolution contemplates that such financial assistance will in the aggregate exceed 1/10 (one tenth) of 1% (one percent) of the Company's net worth at the date of adoption of such resolution, the Company hereby provides notice of the Section 45 Board Resolution to shareholders of the Company. Such notice will also be provided to any trade union representing any employees of the Company.

14. Special resolution number 2:
Pre-approval of non-executive directors' remuneration

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

Directors' remuneration (R'000)

	Board					Committee													
	Annual Retainer				Attendance Fee[1]	Audit and risk		Social and ethics		Remuneration		Nomination		Investment		Technical			
	Chairman	Deputy chair	LID[2]	Member	Member	Chair	Member	Chair	Member	Chair	Member	Chair	Member	Chair	Member	Chair	Member		
Current	1 794.0	660.1	591.0	395.9	31.2	384.3	193.5	269.2	146.6	269.2	146.6	269.2	146.6	269.2	146.6	269.2	146.6		
Proposed	1 892.7	696.4	623.5	417.7	32.9	405.4	204.1	284.0	154.7	284.0	154.7	284.0	154.7	284.0	154.7	284.0	154.7		
Increase	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%		

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

Ad hoc fees: R22 455 ad hoc meeting/attendance to company business per day (5.5% increase).

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

The percentage of voting rights required for special resolution number 2 to be adopted: at least 75% (seventy five percent) of the voting rights exercised on the resolution by shareholders of the Company present at the AGM or represented by proxy and entitled to exercise voting rights on special resolution number 2.

Electronic participation

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

Shareholders who wish to electronically participate in and/or vote at the AGM are required to complete the Electronic Participation Application Form attached hereto and email same to The Meeting Specialist Proprietary Limited ("**TMS**") at **proxy@tmsmeetings.co.za** or contact them on +2781 711 4255/+2784 433 4836/ +2761 440 0654 as soon as possible, but in any event no later than 11:00 (SA time) on Thursday, 30 November 2023.

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

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

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

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

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

Identification, proxies and voting

Shareholders are reminded that:

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

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

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

Forms of proxy attached hereto must be dated and signed by the shareholder of the Company appointing a proxy and, for the sake of good order, are urged (but not required) to be submitted to the offices of the Transfer Secretaries by no later than 11:00 (SA time) on Thursday, 30 November 2023.

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

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

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

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

By order of the Board

Harmony Gold Mining Company Limited
S Mohatla
Group company secretary
Randfontein

25 October 2023

GOVERNANCE
SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS
NOTICE AND PROXY
ANCILLARY INFORMATION

Annual general meeting explanatory notes

Presentation of annual financial statements

At the AGM, the directors must present the annual financial statements for the year ended 30 June 2023 to shareholders as required in terms of section 30(3)(d) of the Act, together with the reports of the directors, audit and risk committee and the auditors.

Presentation of group social and ethics committee report

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

Ordinary Resolution Number 1:
Re-election of a director

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

Ordinary Resolution Number 2:
Re-election of a director

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

Ordinary Resolutions Numbers 3:
Re-election of director

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

Ordinary Resolutions Numbers 4 to 8:
Re-election of audit and risk committee

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

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

Ordinary Resolution Number 9:
Re-appointment of external auditors

Ernst & Young Incorporated has indicated its willingness to continue in office and ordinary resolution 9 proposes the reappointment of that firm as the Company's auditors. Section 90(3) of the Act requires the designated audit partner to meet the criteria as set out in section 90(2) of the Act.

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

Ordinary Resolution Number 10:
Remuneration policy

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

Ordinary Resolution Number 11:
Approval of Implementation report

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

In the event that 25% (twenty-five percent) or more of the votes are cast against ordinary resolutions number 10 and/or 11, the company undertakes to engage with dissenting shareholders in the manner stipulated in the remuneration report read with King IV.

Ordinary Resolution Number 12:
General authority to issue shares for cash

Ordinary resolution number 12 seeks to give the directors authority to issue the Company's listed securities for cash as permitted by the Act, the MOI and the JSE Listings Requirements.

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

Special Resolution Number 1:
Approval of financial assistance

In terms of section 45 of the Act, the Company may, amongst others, provide loans and other financial assistance to any one or more related or inter-related companies or corporations of the Company and/or to any one or more juristic persons who are members of any such related or inter-related company or corporation and/or to any one or more juristic persons related or inter-related to any such company, corporation or member. Shareholders are required to pass special resolution number 1 in order to grant the Board the authority to authorise the Company's provision of such financial assistance, subject to the Board being satisfied that the Company meets the solvency and liquidity test (as per section 4 of the Act) and subject further to the financial assistance falling within the category of assistance mentioned in sub-paragraph (c) of special resolution number 1 above.

Special Resolution Number 2:
Pre-approval of non-executive directors' remuneration

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

General

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

FORM OF **PROXY**

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

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

For use by certificated shareholders and dematerialised shareholders with "own-name" registration who are unable to attend and vote at the AGM to be held entirely by electronic communication on Monday, 4 December 2023 at 11:00 (South African Standard Time) or at any adjournment thereof.

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

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

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

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

ORDINARY RESOLUTIONS	For	Against	Abstain
Ordinary Resolution Number 1: To re-elect Dr Patrice Motsepe as a director			
Ordinary Resolution Number 2: To re-elect Peter Turner as a director			
Ordinary Resolution Number 3: To re-elect John Wetton as a director			
Ordinary Resolution Number 4: To re-elect John Wetton as a member of the audit and risk committee			
Ordinary Resolution Number 5: To re-elect Karabo Nondumo as a member of the audit and risk committee			
Ordinary Resolution Number 6: To re-elect Given Sibiya as a member of the audit and risk committee			
Ordinary Resolution Number 7: To re-elect Bongani Nqwababa as a member of the audit and risk committee			
Ordinary Resolution Number 8: To re-elect Martin Prinsloo as a member of the audit and risk committee			
Ordinary Resolution Number 9: To re-appoint the external auditors			
Ordinary Resolution Number 10: To approve the remuneration policy			
Ordinary Resolution Number 11: To approve the implementation report			
Ordinary Resolution Number 12: To approve a general authority to issue shares for cash			
SPECIAL RESOLUTIONS			
Special Resolution Number 1: To approve financial assistance in terms of section 45 of the Act			
Special Resolution Number 2: To pre-approve non-executive directors' remuneration			

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

Signed at this day of 2023

Signature

Assisted by me, where applicable (name and signature)

Completed Forms of Proxy must be dated and signed by the shareholder appointing a proxy and must be lodged electronically with Transfer Secretaries. Shareholders are urged (but not required) to electronically deliver their completed Form of Proxy by no later than **11:00 (South African Standard Time)** on **Thursday, 30 November 2023** to **meetingservices@jseinvestorservices.co.za**.

Please read the notes and instructions on the reverse side.

NOTES TO FORM OF **PROXY**

1. A Form of Proxy is only to be completed by those shareholders who are:
   a. registered holders of shares in certificated form; or
   b. holders of dematerialised shares of the Company in their own name.
2. If you have already dematerialised your shares through a CSDP or broker and wish to participate in and vote at the AGM, you must request your CSDP or broker to provide you with a letter of representation or instruct your CSDP or broker to vote by proxy on your behalf in terms of the agreement entered into between yourself and your CSDP or broker.
3. A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space provided. The person whose name stands first on the Form of Proxy and who is present at the AGM will be entitled to act to the exclusion of those whose names follow.
4. On a poll, a shareholder who is present or represented by proxy will be entitled to that proportion of the total votes in the Company which the aggregate amount of the nominal value of the shares held by him/her bears to the aggregate amount of the nominal value of all the shares issued by the Company.
5. A shareholder's instructions to the proxy must be indicated by inserting the relevant numbers of votes exercisable by the shareholder in the appropriate box. Failure to comply will be deemed to authorise the proxy to vote or to abstain from voting at the AGM as he/ she deems fit in respect of all the shareholder's votes exercisable. A shareholder or the proxy is not obliged to use all the votes exercisable by the shareholder or by the proxy, but the total of votes cast and in respect of which abstention is recorded may not exceed the total of votes exercisable by the shareholder or by the proxy.
6. Forms of Proxy (enclosed) (enclosed) must be dated and signed by the shareholder appointing a proxy and must be lodged electronically with JSE Investor Services Proprietary Limited. Shareholders are urged (but not required) to electronically deliver their completed Form of Proxy by no later than 09:00 (South African Standard Time) on Thursday, 30 November 2023 to the offices of the Transfer Secretaries, JSE Investor Services Proprietary Limited, One Exchange Square, Gwen Lane, Sandown, Sandton, 2196 (PO Box 4844, Johannesburg, 2000 email: **meetingservices@jseinvestorservices.co.za).**
7. Completing and lodging this Form of Proxy will not preclude the relevant shareholder from electronically attending the AGM and speaking and voting electronically to the exclusion of any proxy appointed in terms hereof.
8. Documentary evidence establishing the authority of a person signing this Form of Proxy in a representative capacity or other legal capacity must be attached to this Form of Proxy, unless previously recorded by the Transfer Secretaries or waived by the chairman of the AGM.
9. The completion of blank spaces overleaf need not be initialled. Any alteration or correction made to this Form of Proxy must be initialled by the signatory(ies).
10. Despite the aforegoing, the chairman of the AGM may waive any formalities that would otherwise be a prerequisite for a valid proxy.
11. If any shares are jointly held, all joint shareholders must sign this Form of Proxy. If more than one of those shareholders is present at the AGM either electronically or by proxy, the person whose name appears first in the Register will be entitled to vote.

ELECTRONIC PARTICIPATION **FORM**

Electronic participation in the Harmony Gold Mining Company Limited electronic annual general meeting to be held on 4 December 2023

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

- Shareholders or their proxies who wish to participate in the annual general meeting via electronic communication ("**Participants**"), must apply to the Company's meeting scrutineers to do so by emailing the form below ("**the application**") to the email address of the Company's meeting scrutineers, The Meeting Specialist (Proprietary) Limited ("**TMS**"), by no later than 11:00 (SA time) on 30 November 2023. The email address is as follows: **proxy@tmsmeetings.co.za**
- Shareholders who have dematerialised their shares, other than those shareholders who have dematerialised their shares with 'own name' registration, should contact their Central Securities Depository Participant ("**CSDP**") or broker in the manner and time stipulated in their agreement with their CSDP or Broker:
  - to furnish them with their voting instructions; and
  - in the event that they wish to participate in the meeting, to obtain the necessary authority to do so.
- Participants will be able to vote during the annual general meeting through an electronic participation platform. Such participants, should they wish to have their vote(s) counted at the annual general meeting, must provide TMS with the information requested below.
- Each shareholder, who has complied with the requirements below, will be contacted between 30 November and 4 December 2023 via email/mobile with a unique link to allow them to participate in the electronic annual general meeting.
- The cost of the participant's phone call or data usage will be at his/her own expense and will be billed separately by his/her own telephone service provider.
- The cut-off time, for administrative purposes, to participate in the meeting will be **11:00am (SA time) on 30 November 2023**.
- The participant's unique access credentials will be forwarded to the email/mobile telephone provided below.

Application form

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

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

Terms and conditions for participation at the Harmony Gold Mining Company Limited annual general meeting to be held on 4 December 2023 via electronic communication

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

Shareholder name:

Signature:

Date:

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

FORWARD-LOOKING **STATEMENTS**

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

These forward-looking statements, including, among others, those relating to our future business prospects, revenues, and the potential benefit of acquisitions (including statements regarding growth and cost savings) wherever they may occur in this 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) 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**

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**

Telephone: +27 11 411 6073 or +27 82 746 4120

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

Company Secretariat
Email: companysecretariat@harmony.co.za

Telephone: +27 11 411 2359

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

PO Box 4844, Johannesburg, 2000, South Africa

Email: info@jseinvestorservices.co.za

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

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

Email queries: db@astfinancial.com

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

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

Telephone: +27 11 507 0300
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Trading symbols
JSE: HAR
NYSE: HMY
ISIN: ZAE 000015228

THE OAK TREE GROUP