



HARMONY GOLD MINING COMPANY LIMITED

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## HARMONY'S CODE OF ETHICS

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## 1 Message from the Chief Executive (CE)

The continued success of Harmony depends on the highest levels of integrity across all aspects of our business. We would like all our stakeholders to view Harmony as the company they can trust – therefore we have to be unequivocal about our values and the way in which these values have to find expression in our daily behaviour.

The Harmony Code of Ethics has been developed to respond to the challenge of ethical conduct in a business environment. All our employees were involved in the development of the code, and therefore all employees will be expected to comply with its contents.

*The term “employees” is used in the broadest sense and includes: all staff with which a service contract exists, including management, non-management, directors, contractors, consultants and temporary staff.*

Harmony acknowledges the constitution of the countries in which we operate as the supreme law of that country, and commits itself to abide by all existing legislation. We have also committed the company to sound corporate governance. However, this code goes beyond our legal and institutional responsibilities by formalizing our values within Harmony.

Please take the time to familiarise yourself with the code: it complements all our existing internal policies, and compliance with the code is a condition of employment for all Harmony directors and employees.

The purpose of the code is to guide your behaviour, not to provide specific answers to every conceivable situation in the workplace. It is possible that you might be confronted with difficult situations where – even after having consulted this document – you are still not sure what the right thing is to do. In such a case, you should not hesitate to follow the easy steps set out in paragraph 5 of this document.

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Signed and dated by the CE

## 2 Our Values

Our values represent the basic beliefs that we aspire to, and should be reflected in our actions at all times. The Harmony values are:

- *Honesty and Transparency:* We should be open and frank in our dealings with all stakeholders and never withhold the truth from anyone.
- *Trust and Accountability:* The level of trust that we display in our colleagues and business partners is crucial to long-term success. However, trust has to be earned by being accountable for our actions at all times.
- *Respect and Equality:* We should display respect for the human dignity of others and acknowledge every person's right not to be discriminated against.

## 3 Ethical Conduct

Our values should be reflected in all aspects of our business operations. To ensure consistency in the way in which these values are interpreted, we have developed practical guidelines on a few issues that sometimes involve difficult decisions. The guidelines are not intended to provide answers to all our questions, and all employees should ensure that the spirit of the code is always reflected in their actions.

### 3.1 Relationships with third parties (conflicts of interest)

In terms of our employment contracts, all Harmony employees are expected to serve the interests of the company faithfully and consistently, and to maintain professional relationships with clients, suppliers, etc. This implies that all potential or perceived conflicts of interests should be avoided. Examples of potential conflicts of interests are:

- Having a second job that will impact negatively on your ability to fulfil your professional responsibilities towards Harmony, i.e. impairing on your time, doing business with Harmony as a representative of your own company, etc)
- Receiving gifts or preferential treatment from any third party (e.g. Consultants, suppliers or clients) valued at more than a normally accepted seasonal gift.
- Having a financial interest in a third party (e.g. suppliers or distributors). This would also apply to the wife or children or siblings or other close family member or friend of a director or employee.

There are many more examples. If an employee has any interest in another business/company, irrespective of whether the business/company provides a service to Harmony, s/he has to report it to his/her Head of Department in writing within 48 hours. The Head of Department must sign the letter to acknowledge receipt and the employee will be required to hand the signed letter to the Company Secretary, who will record the employee's interest in a register. The Company Secretary is required to submit the register to the Ethics Committee as and when a new entry is made. The Ethics Committee is required to review the register and will advise the Company Secretary if any conflict exists. If a conflict exists, the employee will receive a written request from the Company Secretary to discontinue such activity with immediate effect.

### 3.2 Legislation

All employees are expected to comply with the letter and the spirit of all applicable laws and regulations, which relate to our business conduct for and on behalf of the company.

### 3.3 Bribery and corruption

Accepting or paying or the intent to accept or pay a bribe, “kick-back”, commission and payments in kind (which includes personal favours, gifts, entertainment, the provision of free goods and services) which is meant to unduly influence you or the person receiving the payment are unacceptable and will lead to dismissal. In its most basic form, a bribe, “kick-back”, commission and payments in kind, is when you pay someone to change a “no” into a “yes”. Corruption involves a breach of loyalty and leads to unauthorized transactions. Examples include, but are not limited to, receiving payments from suppliers to influence the award of a contract, social functions being sponsored by suppliers, contractors and service providers, payment to government officials to receive preferential treatment and receiving money from competitors to disclose confidential information.

You are required in terms of section 34(1) of the Prevention and Combating of Corruption Act No. 12 of 2004, to report all possible bribery and corruption to your General Manager and the Company Secretary.

### 3.4 Gifts, entertainment and travel

#### 3.4.1 Gifts

- Employees may accept gifts that are received as promotional material (i.e. ashtray, folder, pen, etc) and occasional business lunches that are necessary or useful to expedite or promote business matters.
- Employees may not accept expensive gifts. For example, sponsored flight tickets, household appliances, sponsored holidays, cases of liquor, gift vouchers, sponsored sport trips, etc are not allowed. Many more examples exist. Employees should politely, but firmly, decline expensive gifts.
- Employees acknowledge that delivery of expensive gifts to their residential addresses to circumvent this policy will result in immediate dismissal.
- Employees may not accept cash as gifts under any circumstances.
- **All** gifts must be recorded in a gift register to be held at each operation. An extract from the gift register must be sent to the Company Secretary in the week following the end of each quarter. The Company Secretary must submit the gift registers to the Ethics Committee, who will assess whether employees did comply with the provisions of this Code.

#### 3.4.2 Entertainment

- Employees may only accept invitations to occasional business meals and entertainment that are necessary or useful to expedite or promote Harmony's business matters.
- Employees must decline invitations to meals and entertainment that is meant to influence the employee's ethical conduct.
- No sponsorship from suppliers or contractors will be accepted.

### 3.4.3 Travel

- Employees' travel and accommodation are paid for by Harmony if there is a business purpose to travel locally or overseas. Employees will be required to refund any allowances and funds not utilised. A breakdown of expenses must be submitted no later than 14 days within your return to the office.
- Employees must adhere to the internal car hire and accommodation policies
- All employees will fly economy class, unless you can justify in writing to your HOD why you should fly business class.

### 3.5 Use of company assets

All Harmony assets (which include property, funds, equipment, e-mail, internet facilities and other resources) have been acquired for business purposes and should be used as such. This means that no company asset may be used for private purposes. This also applies to the use of Harmony's employees for private work like gardening, moving, etc. Any theft of company assets is unethical as well as illegal, and no protection will be offered against criminal proceedings in such cases. Employees spending working hours on private business are in breach of their employment contracts.

All company assets (including e-mail and Internet facilities) should be used responsibly, i.e. for the business purposes for which they are intended, and will be protected/safe-guarded by the employee. See Harmony's IT policy which is incorporated into this Code by reference.

Each employee therefore accepts ownership of the company assets entrusted to him/her.

### 3.6 Computer software

All computer software loaded onto company computers should be properly licensed. There are no exceptions to this rule.

### 3.7 Intellectual property and confidential information

In terms of the Harmony conditions of employment, it is the responsibility of all directors and employees to use their skills and knowledge to promote the welfare of the company. Knowledge and know-how are important assets of the company, and should be protected at all times. Confidential information should never be disclosed to third parties, even when individuals are no longer employed by the company.

### 3.8 Insider Trading

All employees are required to declare their trading in Harmony shares to the Company Secretary in writing. No employee will be allowed to trade in the shares of companies that Harmony intends doing business with or are doing business with. All employees are required to adhere to the provisions of the Harmony Insider Trading Policy, which is incorporated into this Code by reference. If you are new to the company and already hold shares in Harmony, you must report your holding to the Company Secretary in writing immediately.

### 3.9 Services to and from our stakeholders

Our stakeholders (for example the unions, government, the communities we mine in, suppliers, contractors, etc.) are important to the long-term success of Harmony and they should be treated with respect and dignity at all times. We should strive towards providing and demanding the highest level of service.

We will treat all stakeholders of the company with the same respect and dignity that we would treat our own colleagues and we will support them in every possible way.

We acknowledge that the services provided by and to our stakeholders may not be used for private purposes.

### 3.10 A second job or position

Employees shall not without written authority from the Company Secretary undertake any other work for remuneration on or off Harmony premises. All employees who act as a director or member of another company or organization (which will include a trust, close corporation and becoming an official of a professional body or sporting club) have to declare his/her position to the Company Secretary in writing.

### 3.11 Protection from intimidation and discrimination

All employees have the right to be treated with respect and equality. Therefore, any form of unfair discrimination, e.g. based on race, gender, religion, physical ability, sexual orientation or political persuasion is unacceptable and will lead to disciplinary action. Employees are requested to speak up against discrimination, and should be able to do so without fear of intimidation.

All employees are required to adhere to the provisions of the Harmony policy on sexual harassment. The following serves as a short summary of the policy:

- Harmony management and employees are required to refrain from committing acts of sexual harassment as well as behaviour that constitute indecent and/or sexual behaviour in the workplace, during working hours.
- Harmony management and employees have a role to play in contributing towards creating and maintaining a working environment in which sexual harassment is unacceptable. They should ensure that their standards of conduct do not cause offence and they should discourage unacceptable behaviour on the part of others.
- Harmony management should attempt to ensure that persons such as contractors, suppliers, job applicants and those who have dealings with the business are not subjected to sexual harassment by any Harmony employee.
- Harmony management is required to take appropriate action when instances of sexual harassment that occur within the workplace are brought to their attention.
- Employees, who fail to report relevant incidents that he/she is aware of, may be viewed as party to an alleged offence and will be dealt with in terms of the disciplinary procedure.

### 3.12 Communication

Good communication is not only a precondition for a successful business operation, but also illustrates respect for others, e.g. by listening properly, giving the other person the opportunity to express his or her views, etc. Successful communication has to take place in two directions, not only from senior management to general staff, but also from the latter to the former.

### 3.13 Health and safety

Harmony is committed to take every reasonable precaution to ensure a safe and healthy work environment for all employees. Each employee is expected to adhere to all health and safety regulations and legislation. If an employee becomes aware of an activity which pose a real or potential health or safety risk he/she should follow the guidelines provided in the clause marked "Where to find help".

### 3.14 Protection of the environment

Harmony believes that the proper use and management of the world's limited resources and the environment are the responsibility of industry and individuals alike. Therefore, Harmony recognizes its responsibility and role in both fostering and prompting sound environmental stewardship, both in its own activities and in those of client companies. Any contravention of the environmental regulations and legislation or of our Environmental Management Programmes (EMP's) should be reported in terms of the guidelines set out in the clause marked "where to find help".

### 3.15 Dealings with the Media

Only the Chief Executive and the Investor Relations Executive may deal directly with the press, unless one of them has given authority to an employee to speak to the Media. Employees approached by the Media must decline to comment and refer the Media to one of the individuals referred to in this clause.

## 4 Dealings in a country other than South Africa

A copy of Harmony's "Operating procedure guidelines in foreign countries" is applicable to you if you travel to foreign countries as a representative of Harmony. Please obtain a copy from your HR Manager and sign off on the said guidelines in addition to this Code of Ethics.

## 5 Where to find help

It has been stated before that the code is not intended to provide answers to every conceivable question that an employee might have. The practical guidelines provided in this document will not always be sufficiently detailed or appropriate for a specific situation. Therefore, the values of Harmony should always determine our final actions.

**Never do anything that you believe will clash with our values.**

If you feel that you have doubts about what the right thing is to do, you should always ask for help. Your query will be treated as confidential.

The following easy steps can be followed to ensure that you do the right thing:

1. **ASK FOR ADVICE** - approach your General Manager for advice. Your General Manager will be expected to keep a register of all questions relating to Ethics, which

will be submitted to the Ethics Committee on a quarterly basis. Your General Manager must provide any answer to your ethics question to you in writing.

2. Not comfortable to discuss your question with your General Manager? Then:
  - 2.1 phone the Khuluma Crime Line on 0800 811 811, or.
  - 2.2 phone any of the following individuals:
    - o Company Secretary (Khanya Maluleke, 011 411 2019)
    - o Central ER Services (Richard de Villiers, 011 411 2000), or
  - 2.3 send an e-mail to [compliance@harmony.co.za](mailto:compliance@harmony.co.za)
3. Read, memorise and live the Code of Ethics!!

If you have done something that may be unethical, then report it to your General Manager immediately.

You can also contact any of the above individuals if you are unhappy with any aspect of this code, or if you believe that the activities of directors or other employees are in contravention of the code. Again, your approach will be treated in the strictest confidence.

## **6 Contravention of the Code**

- Harmony follows a zero tolerance approach to the non-compliance of this code.
- Where violation or contravention of the provisions of this code is concerned disciplinary action (which may include dismissal) will be taken, irrespective of the extent of the matter. Legal proceedings may also be instituted against parties concerned and cases handed to the South African Police Services for investigation and criminal prosecution. In the event of conviction by a court, the information regarding the matter concerned will be recorded in the company personnel records and may be conveyed to future potential employers who request references for the employees concerned.
- Suppliers and contractors will, if implicated in any contravention, be prohibited from doing business with Harmony in future. Suppliers and contractors shall refrain from giving gifts or providing other benefits of whatever nature to Harmony employees. Contracts with suppliers and contractors should incorporate the relevant provisions of this code by reference.
- If employees believe that their own actions have, or may have, contravened the code, or if employees suspect that a contravention of this code has been committed by another employee of Harmony, they should immediately follow the process set out in the clause marked "Where to find help". They need not confront the individual concerned. By following this process, confidentiality will be maintained and the matter will be investigated impartially.