

AGREEMENT

between

THE MINERALS COUNCIL SOUTH AFRICA

Acting on behalf of **HARMONY GOLD MINING COMPANY LTD** in respect of the
mines and operations listed in Annexure A hereto
(hereinafter referred to as the "Employer" or "Company")

and

ASSOCIATION OF MINeworkERS AND CONSTRUCTION UNION (AMCU)

and

THE NATIONAL UNION OF MINeworkERS (NUM)

and

SOLIDARITY

and

UASA – THE UNION (UASA)

as principals and on behalf of their members as defined herein
(hereinafter respectively referred to as "the NUM", "AMCU", Solidarity and "UASA")
(collectively, the four unions will hereinafter be referred to as "Unions")
(collectively, the Employer and Unions will hereinafter be referred to as "the Parties")

regarding

**THE 2018 – 2021 REVIEW OF WAGES AND OTHER CONDITIONS OF
EMPLOYMENT**

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1. APPLICATION OF THE AGREEMENT

This Agreement shall apply to and bind the Employer as well as the Unions and their members in respect of employees employed by the employer in the Categories 4 to 8, Miners & Artisans and Officials recognition units. This agreement shall endure for the period from 1 July 2018 to 30 June 2021.

2. WAGE OFFERS

2.1 The Company agrees to pay the following increases over the 3 (three) year period:

Harmony	Year 1	Year 2	Year 3
Categories 4-8 surface & underground	R700 Increase on standard rate of pay	R750 Increase on standard rate of pay	R825 Increase on standard rate of pay
Miners, Artisans & Officials	6.3% increase on standard rate of pay	6.3% or CPI (whichever is the greater) increase on standard rate of pay	6.3% or CPI (whichever is the greater) increase on standard rate of pay
*Officials B lower (B1-B3)	R700 or 6.3% increase to standard rate of pay	R750 or 6.3% or CPI (whichever is the greater) increase to standard rate of pay	R825 or 6.3% or CPI (whichever is the greater) increase to standard rate of pay

*in the case of Officials B lower, the greater of the Rand value or the % increase will be affected as the increase in each applicable year, as the case may be.

2.2 Calculation of CPI for purposes of determining the increases on standard rate of pay to be implemented on 1 July 2019 and on 1 July 2020.

2.2.1 "CPI" is the Consumer Price Index, indicating monthly or annual headline consumer inflation rate published from time to time by

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Statistics South Africa (STATSSA) and broadly accepted as an economic inflation indicator.

2.2.2 For the purposes of the agreement CPI will be calculated as follows:

2.2.2.1 the average CPI rates provided by STATSSA for the months of July 2018 to June 2019 will constitute the CPI figure to be taken into account for any CPI linked increments that must be implemented from 1 July 2019.

2.2.2.2 the average CPI rates provided by STATSSA for the months of July 2019 to June 2020 will constitute the CPI figure to be taken into account for any CPI linked increments that must be implemented from 1 July 2020.

3. LIVING-OUT ALLOWANCE

The Company will increase the current Living-out Allowance by R 100 (one hundred Rand) per year to R2 400 over the period of this agreement as follows:

3.1 R100 (one hundred Rand) from 1 September 2018;

3.2 R100 (one hundred Rand) from 1 September 2019; and

3.3 R100 (one hundred Rand) from 1 September 2020.

4. WELLNESS ISSUES

4.1 Medical incapacity benefit

The Company agrees to incrementally increase the current minimum medical incapacity benefit of R 55 000 (fifty-five thousand Rand) to R 60 000 (sixty thousand Rand) over a 3 (three) year period as follows:

4.1.1 R 1 500 (one thousand five hundred Rand) on 1 July 2018;

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4.1.2 R 1 500 (one thousand five hundred Rand) on 1 July 2019; and

4.1.3 R 2 000 (two thousand Rand) on 1 July 2020.

4.2 The Company agrees that employees who are in a Section 20 appeal process will remain in service until the appeal process is finalised.

4.3 Medical aid contributions

4.3.1 In the 2011 – 2013 Gold Wage Agreement the Company agreed to change the medical aid contribution rates of 50/50 for employer and individual employees to 60% (sixty percent) for employers and 40% (forty percent) for Category 4-8 employees for a period of five years from the date of the wage agreement. This concession was extended for the period covered by the 2015-2018 Gold Wage Agreement.

4.3.2 The Company agrees that this concession becomes a condition of employment in respect of Category 4 – 8 employees joining any option of a company recognised medical scheme.

5. MATERNITY BENEFITS

The Company will give female employees four months fully paid maternity leave. The Company offers to give female employees the option of spreading the four months paid maternity leave over a period of six months.

6. MINIMUM SEVERANCE PAY

6.1 The Company will incrementally increase the current guaranteed minimum severance pay of R 30 000 (thirty thousand Rand) to R 50 000 (fifty thousand Rand) over 3 (three) years as follows:

6.1.1 R 10 000 (ten thousand Rand) from 1 July 2018;

6.1.2 R 5 000 (five thousand Rand) from 1 July 2019; and

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6.1.3 R 5 000 (five thousand Rand) from 1 July 2020.

7. FUNERAL BENEFITS

7.1 Category 4 – 8 - Mineworkers Provident Fund

Within 30 days of the signing of the wage agreement, the Minerals Council will address a written request on behalf of the parties, to the Board of Trustees of the Mineworkers Provident Fund to consider a review of the current funeral benefit within the ambit of current premiums.

7.2 Miners, Artisans and Officials - RMA

Within 30 days of the signing of the wage agreement, the Minerals Council, supported by the Company, will address a written proposal on behalf of the parties, to Rand Mutual Assurance (the RMA) to consider an increase to the funeral benefit. The possible models, permutations and frequency will form the subject matter of these engagements.

On receipt of the RMA review, the Minerals Council will convene a meeting of the parties to engage on the outcome of the review.

8. MEAL INTERVAL ALLOWANCE

The Company will increase the current meal interval allowance to R 120 (one hundred and twenty Rand) per month.

9. SERVICE INCREMENT FOR OFFICIALS

The Company agrees to a 0.5% annual service increment for Officials, as from 1 July 2019. The Company will engage at company level on the practical implementation.

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10. UPGRADE OF CATEGORY 4 SUPERVISORS

The Company will upgrade Category 4 Supervisors to Category 5.

11. HEALTH AND SAFETY / PRODUCTION BONUS LINK

11.1 The Company will participate in any joint task team established by the Minerals Council and the Unions in order to consider whether there is any link between health and safety and the production bonus system.

11.2 The task team will meet after the signing of the wage agreement to conclude terms of reference that will regulate its work.

12. TRAVEL INSURANCE FOR EMPLOYEES

Any employee travelling in company arranged transport or to company approved events will be insured.

13. CONTRACTORS

The Company commits to the principle that contractors should comply with minimum conditions of employment legislation and where applicable, with sectoral determinations. Contractors will be required to comply with applicable legislation, including the Labour Relations Act (LRA), Basic Conditions of Employment Act (BCEA), Unemployment Insurance Act (UIA) and Mine Health and Safety Act (MHSA).

14. STUDY LEAVE

The Company will grant those employees studying out of their own initiative study leave as per the study assistance policy, provided they are enrolled with a registered tertiary institution.

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15. HEAVY DUTY LOCO OPERATOR MOAB KHOTSONG

The Company agrees to upgrade all heavy-duty loco operators (wage code 005M080) to Category 8 underground employees.

16. USE OF CONVEYOR BELT AT TARGET MINE

The Parties are unable to classify knee joint diseases as being an occupational disease due to conveyor belt riding, as this is regulated by COIDA. However, the Parties acknowledge that there are laid down processes which may be followed in order to have the list of conditions covered by COIDA as amended.

The Parties agree to enter into a joint process in an attempt to classify knee joint diseases resulting from conveyor belt riding as an occupational condition.

The Parties agree to launch a joint application, under the facilitation of the CCMA, within three months of signing of the wage agreement, to have knee joint diseases resulting from conveyor belt riding classified as an occupational condition. During this period, the Company agrees that no employees will be terminated due to knee joint diseases resulting from conveyor belt riding.

17. BASIC CONDITIONS OF EMPLOYMENT ACT 75 OF 1997 ("BCEA") / VARIATIONS

The Unions hereby pledge their support for an application by the Minerals Council on behalf of the Employer, for a determination to vary, for the period 1 October 2018 to 30 September 2021, the following provisions of the BCEA insofar as they apply to the Company:

17.1 section 12(2)(b) – variation to permit overtime of up to 10 (ten) hours per week, where ordinary hours of work are averaged;

17.2 section 14 – exclusion to the effect that employees in the Miners and Artisans and Officials recognition units who work underground and in processing plants, dispense with the meal interval on the basis that informal rest arrangements and opportunities to take sustenance are made, and existing

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meal arrangements with regards to employees in processing plants remain in place;

- 17.3 section 15(1)(a) – variation to permit periodic daily rest periods of less than 12 (twelve) hours, but not less than 8 (eight) hours, for the purpose of rapid shift changeovers; and
- 17.4 section 17(1) – variation to the effect that shifts commencing at or after 04h00 are not regarded as night work.

18. SETTLEMENT OF WAGES AND OTHER CONDITIONS OF EMPLOYMENT

- 18.1 This Agreement (including any Annexure hereto) will amend the existing terms and conditions of employment of the employees bound by this Agreement to the extent set out herein, and is entered into in full and final settlement of all demands and proposals made during the course of the negotiations that led to the conclusion of this Agreement, and is in full and final settlement of the issues of wages, terms and conditions of employment and benefits, for the period from 1 July 2018 to 30 June 2021. Wages, conditions of employment and benefits that are not amended by this Agreement will continue to apply.
- 18.2 Subject to the provisions of this Agreement, no party to this agreement, or other person or entity bound by this Agreement shall, in respect of the period 1 July 2018 to 30 June 2021, seek to vary, review or negotiate wages and other terms and conditions of employment and benefits.
- 18.3 No party to this Agreement or any other person or entity bound by it will call for, encourage, or participate in any strike or lock-out in respect of any demand having cost implications for the Company or in respect of any demand or proposal to amend wages, other conditions of employment or benefits for the duration of this Agreement.
- 18.4 All parties to this Agreement as well as all other persons and entities bound by it will respect and adhere to this Agreement as well as to all other existing terms and conditions of employment and benefits. No one will endeavour to open negotiations on wages, terms and conditions of employment or benefits.

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18.5 The Parties to this Agreement as well as all other parties and entities bound by this agreement will take such measures as may be reasonable, to ensure compliance with this clause 18.

19. DISPUTE SETTLEMENT PROCEDURES

In the event of any dispute between a Union or Unions on the one hand, and the Company on the other (the parties to the dispute) about the interpretation, application or implementation of this agreement, including any Annexure hereto, the following shall apply:

19.1 A Union or Company must formally declare a dispute in writing and submit this to the other party or parties to the dispute. The document must set out what issue or issues is/are in dispute. The Parties shall then convene at least 3 (three) meetings in an attempt to resolve the dispute.

19.2 Should the procedure mentioned in clause 19.1 fail to resolve the dispute, either party shall have the right to refer the dispute to conciliation by an agreed conciliator and if still unresolved, to arbitration by a single arbitrator agreed to by the parties.

19.3 Should the Parties fail to agree on either a conciliator or arbitrator, either of them may request the Commission for Conciliation, Mediation and Arbitration to make a suitable appointment.

19.4 Should the issue in dispute between the Company and a Union also impact on other Union/s that are party to this agreement or bound by it, the Company shall be entitled to invite the other Unions to participate in this dispute resolution process. If the other unions accept this invitation they will become a party to the process.

19.5 The decision of the arbitrator will not be subject to appeal. The Parties, however, will be entitled to exercise their right of review under the LRA. The Arbitration Act is excluded by agreement.

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19.6 Each party to any conciliation or arbitration proceedings conducted in terms of this agreement will bear its own costs and will contribute equally to the costs of the conciliation and arbitration.

20. EXTENSION OF THE AGREEMENT

20.1 The Minerals Council, acting on behalf of the Company, and the Unions party to this agreement further agree that this Agreement shall, by virtue of the provisions of section 23(1)(d) of the Labour Relations Act 66 of 1995, as amended ("the LRA"), be extended to and bind all other employees employed by the Employer, whether or not they are members of the Unions, who are employed in the abovementioned recognition units in the workplace of the Company, as defined in Annexure A hereto.

20.2 It is hereby recorded that the Unions party to this agreement collectively have as their members the majority of employees employed in the workplace of the Company.

21. IMPLEMENTATION DATE

Unless otherwise stated, the wage increases and other changes to conditions of employment referred to in this Agreement and the Annexure hereto, will be implemented with effect from 1 July 2018.

Signed at JOHANNESBURG on this ^{3RD}.....day of OCTOBER..... 2018

For and on behalf of NUM:

Name: K.D. SIPUKU Signature: [Handwritten Signature]

Name: KC TEISI Signature: [Handwritten Signature]

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For and behalf of AMCU:

Name: _____ Signature: _____

Name: _____ Signature: _____

For and on behalf of UASA:

Name: Stehring SF Signature: _____

Name: B.P. Hlongwane Signature: _____

For and on behalf of SOLIDARITY:

Name: C. Prinsloo Signature: _____

Name: R. Visser Signature: _____

For and on behalf of the MINERALS COUNCIL SOUTH AFRICA acting on behalf of the Employer reflected in Annexure A

Name: M. MÖTLHAMME Signature: _____

Name: ERISSA MARTIN Signature: _____

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ANNEXURE A

HARMONY GOLD MINING COMPANY LTD, South African operation workplace comprises of the following mines and operations, namely:

Unisel Mine; Masimong Mine; Kusasaletu Mine; Kalgold Mine; Bambanani Mine; Joel Mine; Tshepong Mine; Phakisa Mine; Free State Business Services; Doornkop Mine; Central Services; Target One Shaft and Moab Khotsong Operations (including the metallurgical plants and regional services serving these operations and NUFCOR)

It is agreed that the Mines and Operations of the Company as described above constitutes a single workplace in respect of the Company, for the purposes of section 23(1)(d) of the LRA.

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