HUMAN RESOURCES DEVELOPMENT POLICY

HR – T01

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Revision	Prepared	Reviewed	Approved	Date	Description
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1.   Purpose

The purpose of this policy is to detail the guidelines and principles which govern Education, Skills and Human Resource Development within Harmony Gold Mining Company's (Harmony's) South African Operations.

2.   Interpretation, Definitions and Abbreviations

NB: Any reference to one specific gender shall be deemed to refer to the other as well

2.1   **"AET"** means Adult Education and Training which refers to a programme offered for adults who have not completed a ninth grade education based on an approved assessment

2.2   **"Accredited or Registered"** refers to a provider or institution that has been certified by the Education Training Quality Assurance committee of the body or Higher Education Institution which quality assures any specific programme.

2.3   **"Assessment"** is the process of documenting, usually in measurable terms for knowledge, skills, attitudes, ability to learn and/or determine an employee's potential.

2.4   **"Career Path"** involves outlining what knowledge, skills, personal characteristics, and experience are required for an employee to progress his career in a series of successive positions as they advance in the organisational hierarchy. Occupations would be grouped by similarities in work, qualification requirements, grading levels, and career progression.

2.5   **"Competence"** is a standardized requirement for an individual to properly perform a specific job. It encompasses a combination of knowledge, skills and behaviour utilized to improve performance.

2.6   **"Education"** refers to the gradual process of acquiring knowledge – Education encompasses both the teaching and learning of knowledge, proper conduct, and technical competency. It thus focuses on the cultivation of skills, trades or professions, as well as mental and moral development.

2.7   **"HOD"** means Head of Department

2.8   **"HRD"** means Human Resources Development.

2.9 **"Learnerships"** are work-based education and training programmes that are linked to a qualification registered on the National Qualifications Framework with the South African Qualifications Authority. Learnerships are occupationally directed programmes that consist of both structured theoretical learning and practical workplace experience. The Skills Development Act 97 of 1998 provides for internal learnerships (18.1) and external learnerships (18.2).

2.10 **"Mentorship"** refers to a developmental relationship in which a more experienced person helps a less experienced person; it provides guidance that motivates the mentored person to take action in pursuit of own career development.

2.11 **"Policy Holder"** means a functional head that is responsible for a specific function within the Human Resources (HR) discipline, i.e. Employee Relations, Systems, Learning and Development, Remuneration and Benefits and Human Resources - Operations.

2.12 **"Records"** includes, without limitation, any technical, commercial, financial information, know-how, trade secrets, processes, machinery, designs, drawings, technical specifications, and data in whatever form, disclosed to or assessed by the Employee during the course of its employment, which includes private information as defined in the Protection of Personal Information Act, No 4 of 2013.

2.13 **"SDF"** means Skills Development Facilitator.

2.14 **"Subject Matter Expert (SME)"** refers to a person with a high degree of skill in or knowledge of a specific field.

2.15 **"Succession planning"** is the process of identifying and preparing suitable employees for career opportunities through, for example, mentoring, training and development as well as career development panels.

2.16 **"Training and development"** Training refers to the acquisition of knowledge, skills, and competencies as a result of the teaching of vocational or practical skills and knowledge that relate to specific useful competencies.

Development is putting into practice and perfecting the new competencies gained through training.

Development is working with individuals or organisations to enable them to cross a threshold which has qualitative significance to them and their life. For Harmony this will mean employees who are developed:

- To perform multifaceted tasks competently
- To understand the values and systems of the organisation
- To complement intellectual competence (academic knowledge) and emotional competence (i.e. Holistic development)
- To deal with changes in the work environment
- In line with a career path referred to later in this policy.

3. Introduction

Harmony believes that its employees are the most important asset in achieving its long term objectives. As a result education, training and development forms an integral part of the business strategy. The HRD Policy is meant to provide guidance to equip all employees with the required competencies to perform their work effectively and efficiently, in pursuit of the vision and mission of the Company and to align the employees' aspirations with the business objectives.

4. Policy

This policy encompasses the need to create an enabling environment for:

4.1   Suitably qualified and deserving individuals to be identified and developed to their full potential.

4.2   Careers and succession planning to be managed successfully.

4.3   Equal access by all employees at all levels to meaningful training and development opportunities.

4.4   The development of previously disadvantaged and marginalized groups in line with the Harmony Employment Equity Plan.

4.5   Promotion of self-development and life-long learning.

5. Procedure

Education, Training and Development incorporate the following:

5.1   Nomination of employees to attend courses and training programmes

The nomination of employees to attend courses or other training programmes shall be based on specific company skills needs/goals and development criteria   as authorised by the respective HODs.

An employee who fails to attend a course/programme for which they are nominated must advance reasons, in good time, to the HOD and SDF, so that substitute/alternative arrangements can be made. If no attempt is made to make alternative arrangements in time, the relevant department will be accountable for the costs incurred.

Any employee who is nominated for a course is to meet all the stipulations of the provider including but not limited to, portfolio submissions. Any costs incurred as a result of not meeting the requirements including submission of reports, Portfolio of evidence, such costs will be deducted from the employees.

5.2   External Education, Training and Development

This refers to all external training and development offered by a registered accredited service provider or institution as well as Original Equipment Manufacturers which can be done through:

- The Harmony Study Assistance Policy – HR-T05.
- Company sponsored interventions and programmes based on specific company needs/goals and development criteria.

N.B All courses should be cleared with the Quality Manager – Learning and Development to verify if such courses or service providers are accredited, before such courses can be approved.

5.3   Internal Training & Development

This includes all those interventions which employees receive from Harmony's training centres in order to equip them with the competence to enable them to function effectively and efficiently. This is done internally by the training function or identified providers. These interventions include AET, Induction and Refresher, Skills Programmes, Learning Programs, Learnerships and various Supervisory and Management/Leadership Development Programmes.

The Recruitment and Selection policy will be followed for the selection of persons to be nominated to attend Learning Programs, Learnership and for Supervisory/Management Development Programmes. A recommendation will

be done by the supervisor based on talent pool requirements and employee performance.

The following methods will amongst other things, be used to transfer or acquire required competence

- Facilitation
- Instruction
- Presentation
- E-Learning
- Self-study
- In the workplace learning with a SME
- Compiling Portfolio of evidence
- Research
- Completion of workbooks
- Projects

5.4   Mentorship/coaching programmes

Mentorship can be classified into informal and formal programmes. Employees identified to partake in a formal development programme will select a formal mentor as the need dictates.

5.5.1   **Formal mentorship/coaching:** Formal mentoring/coaching occurs when a more senior employee establish with a less senior employee a developmental alliance with the assistance or guidance from the organisation.

5.5.2   **Informal mentorship/coaching:** Informal mentoring/coaching occurs when two people establish a developmental alliance without the assistance or guidance from the organisation.

Formal development programmes could include inter alia the Graduate/diplomat development, supervisory development, Management/Leadership development, learnership, skills programmes, learning program etc.

Informal mentorship can be available to all employees. Mentorship programmes should be implemented where there is a specific need for it.

5.5   Induction

The company must ensure that all newly appointed staff receive appropriate induction, initial training and the necessary support to meet their job demands. The induction process is necessary to facilitate the transition of

new employees into the working environment and enable them to respond effectively to new responsibilities. Induction is a briefing, orientation and socialization process.

Induction in Harmony is done via the eLearning systems at the various operations and through a video for other employees.

5.6   Learnerships

Learnership programmes should be occupationally based and when completed should constitute a credit towards a qualification registered in terms of the National Qualification Framework as defined in section 1 of the South African Qualifications Authority Act 58 of 1995.   Learnership programmes should consist of a structured learning programme and should include practical work experience of a specific nature and duration.   Learnership agreements should be entered into as defined in the Skills Development Act 55 of 1998.

Learnerships are based on legally binding agreements between the employer, a learner and a training provider. This agreement will spell out the tasks and duties of the employer, the learner and the training provider. It is designed to ensure the quality of the training and to protect the interests of each party.

Learnerships can be offered to own employees or unemployed people can be recruited for training. Current employees who are provided with learnerships are referred to as 18(1) learners. Unemployed learners who are offered learnerships are referred to as 18(2) learners.

5.7   Recognition of Prior Learning

Recognition of prior learning is a formal assessment process by which a person is given credits for what they know and can do, even if they did not learn it through a formal learning programme.

Recognition of Prior Learning (RPL) is the identification, assessment and acknowledgement of an individual's skills and knowledge within the context of a specific qualification, irrespective of how and where they have been acquired. It is the acknowledgement of skills, competencies, knowledge and work ethos obtained through:

- Informal training
- On-the-job experience
- Life experience
- Formal training, e.g. short courses.

All skills and competencies will be measured against specified learning outcomes. The assessment criteria for RPL will be the same as for normal developmental programmes.

5.8   Training Records and Reporting

The training function shall keep accurate information on all training interventions. These records will be recorded on the company approved Management Information System and hard copies will be filed in accordance with company requirements.

The Skills Development Facilitator is accountable to compile all reports i.e.: Workplace Skills Plan / Annual Training Report on training activities according to legislation.

All process and relating documentation with regards to Human Resource Development can be found on the Harmony Electronic Business Management System (EBMS) which is available on the Intranet.

http://harmonyintranet/harmony/Training/QMS/EBMS/Home_View/G___Home_Page.htm

6.   Appendices/ References

6.1   Appendices:

Appendix 1: Engineering Learnership Intake / Recruitment Procedure

Appendix 2: Learner Miner Intake Procedure – 18.1 Learners

Appendix 3: Learner Miner Intake Procedure – 18.2 Learners

6.2   References:

6.2.1   Recruitment and Selection Policy

6.2.2   AET Agreement

6.2.3   Psychometric Assessment Policy

6.2.4   Talent Management Policy

6.2.5   Study Assistance Policy

7. Record Security and prevention of unauthorised access to records

All relevant documents must be retained as per Harmony's retention of documents policy.

8. Compliance

8.1   All procedures, policies, etc must be drafted in accordance with relevant legislation and regulatory requirements.

8.2   Non- compliance with this procedure may result in disciplinary action.

8.3   This policy is applicable to all Harmony operations and subsidiaries operating in the Republic of South Africa.

8.4   Any proposal for amendments to this policy must be submitted in writing to the Group Manager: Learning and Development for consideration and recommendation to the Executive Human Resources.

8.5   This policy document must be updated at least once in every three year cycle, but more frequently as significant changes in circumstances may necessitate. It must be approved by the Executive Human Resources and Chief Executive Officer, in order to formally establish the policy as a significant element of the governance framework of Harmony.

9. Adoption of Policy

9.1   The designated person will inform all relevant policy holders by means of a note that the policy has been approved and of the date of implementation.

9.2   The policy holder will communicate the adoption of the policy to all relevant staff within the Company.

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Chief Executive Officer   **Executive – Human Resources**
Harmony Gold Mining Company Limited   **Harmony Gold Mining Company Limited**
(On behalf of the Social and Ethics committee)

APPENDIX 1

Engineering Learnership Intake / Recruitment Procedure	Responsible Person
Training Coordinators to initiate the learnership intake process by communicating the intake guidelines, timeframes and procedure to the Operations at least two months prior to the training starting date.	Training Coordinators
Training Manager to request Central HR to place an internal advert at least 2 month prior to the training starting date to all Operations. Place an external advert IF sufficient applications are not received for the specific learnerships after the closing date of the internal advert.	Training Manager / HR
The timeframes for the following actions will be communicated to the Operations at least two months before the official intake date:	Training Coordinators
Each Operation to forward the number of learners required per trade to the relevant Engineering Training Coordinator, before the closing date of the internal advert.	Operation HRL
Initial short listing of applicants that comply with the minimum requirements - conducted at the Operation.	Operation HR
Forward assessment request to Engineering Training Coordinator for all candidates that complies with minimum requirements (If assessments were conducted for a candidate in a previous intake and the results are not older than 2 years these results can be used).	Operation HR
Two assessment dates will be arranged centrally for each region and these dates will be fixed.	Central Training
Conduct Sinexus assessment on short listing candidates who meet the requirements	
Engineering Training Centre will communicate the assessment results to the Engineers & HR Leader of the Operation	Central Training Coordinator
Interviews to be conducted at the Operation with candidates that were recommended by Sinexus report. (Scheduled and done at Operation and must include an Engineer from the Operation and a representative from Engineering Training to evaluate learnership pre-requisites)	Operation HR
Complete and authorise the nomination forms with all relevant signatures, and brief the successful candidates to report to the engineering training department.	SDF & Operation HR
Nominated candidates report to the relevant engineering training official with approved nomination form, and start with the registration process as per the Quality Management System (QMS) learnership process	Nominated Candidate

APPENDIX 2

Learner Miner Intake / Recruitment Procedure : 18.1 Learner	Responsible Person
Courses to be planned and scheduled annually (Plan: Number of courses, number of trainees per course, seat allocation to different operations.)	Mining Training Manager/ Shaft Training Coordinator
Notify all General managers and HR leader on the operations of the course dates	Mining Training Manager/ Shaft Training Coordinator
Operation HR leader to advertise/ earmark possible candidate	Operation HR
Sift applications according to the program requirements and determine the shortlist. Set up an interview date.	Operation HRD committee
Conduct interviews and select the candidates. Plan course attendance date, refer to the course schedule.	Operation HRD committee
Complete and authorise the nomination forms with all relevant signatures, and brief the successful candidates to report to the training department.	SDF & Operation HR & HOD & Shaft Training Coordinator
Nominated candidates report to the relevant mining training centre with approved nomination form and relevant documentation, and start with the registration process as per the QMS learnership process.	Nominated Candidate

APPENDIX 3

Learner Miner Intake / Recruitment Procedure : 18.2 (Community) Learner	Responsible Person
Learnership courses to be planned and scheduled annually (Number of courses, number of trainees, seat allocation to operations.	Mining Training Manager/ Shaft Training Coordinator
Notify services HR leader of the course dates	Mining Training Manager/Shaft Training Coordinator
Create an external advert	Mining Training Manager/ Shaft Training Coordinator
HR leader to advertise for possible candidate in the local news paper	HR leader services
Sift applications according to the learnership requirements and determine the shortlist. Set up an interview date.	HRD committee
Conduct interviews and select the candidates. Plan course attendance date, refer to the course schedule.	HRD committee
Complete and authorise the nomination forms with all relevant signatures, and brief the successful candidates to report to the training department.	SDF & Operation HR & HOD & Training Coordinator
Nominated candidates report to the relevant mining training centre with approved nomination form and relevant documentation, and start with the registration process as per the QMS learnership process.	Nominated Candidate