THE MANAGEMENT BOARD'S REPORT ON THE ACTIVITIES OF THE GROUP IN THE FIRST HALF OF 2025

Lubin, August 2025

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SIGNIFICANT EVENTS IN THE FIRST HALF OF 2025 AND TO THE DATE OF PREPARATION OF THIS REPORT

Date	*Event*
Change in macroeconomic conditions	
1st half of 2025	An increase, compared to the first half of 2024, in average prices for the period of copper by +4% and silver by +26%
1st half of 2025	A decrease, compared to the first half of 2024, in the average USD/PLN exchange rate for the period by -3%
KGHM Polska Miedź S.A. on the Warsaw Stock Exchange	
1st half of 2025	A decrease in the share price of KGHM Polska Miedź S.A. by 16% from PLN 150.35 at the end of 2024 to PLN 128.90
Allocation of profit for 2024	
15 May 2025	Recommendation of the Management Board regarding the allocation of profit for 2024 by transferring all profit earned to the Company's reserve capital
18 June 2025	Resolution of the Ordinary General Meeting of KGHM Polska Miedź S.A. regarding the allocation of profit for 2024 in accordance with the Management Board's recommendation
Impairment of assets	
5 February 2025	Information on the occurrence of indications of possible impairment or indications that the impairment loss recognised in prior periods was reduced for the Polish and international assets of the KGHM Polska Miedź S.A. Group
4 March 2025	Information on the results of the conducted tests for impairment
Changes in the composition of bodies of KGHM Polska Miedź S.A.	
8 January 2025	Appointment of Joanna Zakrzewska to the Supervisory Board of KGHM Polska Miedź S.A.
9 April 2025	Information on the dismissal of Iga Dorota Lis from serving in the Management Board of KGHM Polska Miedź S.A.
2 June 2025	Dismissal of the Management Board of KGHM Polska Miedź S.A. due to completion of the 11th term
2 June 2025	Appointment of the 12th term Management Board of KGHM Polska Miedź S.A.
2 June 2025	Anna Sobieraj-Kozakiewicz appointed to the 12th term Management Board
Changes in the Company's main documents	
24 June 2025	Adoption of the unified text of the Statutes of KGHM Polska Miedź Spółka Akcyjna with its registered head office in Lubin by the Supervisory Board of KGHM Polska Miedź S.A., as a result of resolutions adopted by the Ordinary General Meeting on 18 June 2025.

1. ADVANCEMENT OF THE STRATEGY OF THE KGHM POLSKA MIEDŹ S.A. GROUP

In the current reporting period, the Company continued the implementation of the "Strategy of the KGHM Polska Miedź S.A. Group to the year 2030 with an outlook to 2040", adopted on 14 January 2022 by the Supervisory Board of the Company, based on the development directions: Elasticity/flexibility, Efficiency, Ecology, E-industry and Energy (the Strategy).

At the same time, the Management Board of the Company engaged in work related to reviewing and updating the Strategy, adapting it to the changing conditions in the sector as well as to current challenges and the Group's operating situation.

1.1. Advancement of the Strategy – key achievements

Table 1. Key achievements in individual strategic directions of development

Efficiency	–	Continuation of the Deposit Access Program – 21.6 kilometres of tunnelling were excavated in the Rudna and Polkowice-Sieroszowice mines. The work carried out was related to building infrastructure as regards among others the power system, building piping and local pumps, conveyor belt haulage and air conditioning, which enables the successive opening of new mining areas.
	–	Preparatory work commenced, comprising among others geological-hydrogeological research, related to the planned construction of three new mine shafts: GG-2 „Odra", Retków and Gaworzyce, for the Rudna and Polkowice-Sieroszowice mines. These investments are a key element in the functioning and development of the Core Production Business of KGHM and will enable further mining of existing and future deposit concessions. Estimated expenditures on the shaft projects are a minimum of PLN 9 billion.
	–	Development of the Żelazny Most Tailings Storage Facility (TSF) continued, among others an environmental impact statement decision was received as well as a construction permit to develop the TSF above the crown height of 195 m a.s.l. Work was carried out on building up the walls of the TSF and infrastructure, among others as regards the East and Kalinka pumps, the construction of excess water intakes and superstructures of towers.
	–	Work was carried out on restricting the level of the water hazard – a project was continued to build an anti-filtration barrier to restrict the level of inflow of water from the rockmass to the „Polkowice-Sieroszowice" mine and to increase the possibilities of pumping out underground water.
	–	R&D activities were carried out, aimed at searching for innovative solutions primarily for the Core Production Business of the Company.
	–	Actions were undertaken to enable the acquisition of external sources to finance R&D&I projects, in particular from EU assistance funds as well as domestic programs. Initiatives were undertaken aimed at preparing and advancing subsidised projects. Other available support mechanisms were also utilised in this area.
	–	In order to undertake optimisation activities, raising in a permanent and strategic way the economic efficiency of the Group, work is underway related to preparing a Costs Optimisation Program for the Group.
	–	Electrolytic copper production in the domestic assets amounted to 272 thousand tonnes, which was higher compared to the adopted budget targets for the first half of 2025 by 0.6%.
	–	Payable copper production in the international assets was slightly higher compared to the adopted budget targets and amounted to 71.7 thousand tonnes, of which: Sierra Gorda 42.4 thousand tonnes (55%); Robinson 27.8 thousand tonnes; Carlota 1.2 thousand tonnes; Sudbury Basin 0.3 thousand tonnes.
	–	Production of silver by the Group amounted to 657 tonnes of silver, which kept the Company in first place in the ranking of the "largest silver mines in the world" (World Silver Survey 2025 ranking) and in second place in the global ranking „ largest silver producers".
Elasticity /flexibility	–	Exploration projects continued with respect to exploring for and evaluating copper ore deposits in the Copper Basin in Poland (Retków-Ścinawa, Głogów, Synklina Grodziecka, Radwanice, Kulów-Luboszyce). Preparatory work commenced on re-starting geological and other work on the Bytom Odrzański concession in the Lubuski voivodeship.
	–	In terms of other non-copper concessions for exploration and evaluation, work is underway as regards developing a feasibility study for the management of the Mieroszyno deposit of potassium and magnesium salts in the vicinity of Puck. The Minister of Climate and the Environment issued a decision approving the geological deposit documentation. Moreover, a concession for the exploration and evaluation of crude oil and natural gas in the area of Nowe Miasteczko expired.
	–	In the area of metallurgy, work continued on developing business justifications for the analysis of development directions, including as regards projects in the area of processing. Modernisation work continued as regards the electrorefining process by converting to permanent starter sheet technology at the Legnica Copper Smelter and Refinery.
	–	The copper cathodes produced at the Głogów Copper Smelter and Refinery were registered on the American exchange CME, at the same time representing the fourth international metals exchange where the Company's cathodes are registered and attesting to the product's high quality.
	–	The Company is systematically increasing the amount of copper scrap it processes in its metallurgical plants. During the reported period, 86 thousand tonnes of copper scrap (dry weight) were processed.

	– Internal production testing commenced at the Legnica Copper Smelter and Refinery, assessing the technical, technological and market potential for the production of lead alloys. – Development projects in the international assets were continued, including the sinking of an exploration shaft under the Advanced Exploration stage of the Victoria project in Canada, whose goal is to provide a detailed level of knowledge of the mineral resources. At the Sierra Gorda mine, work was carried out related to preparing project documentation to build a fourth grinding line as well as an exploration program, aimed at a more precise assessment of already-identified mineralisation bodies, as well as exploration of new areas beyond the Catabela pit.
Ecology, Safety and Sustainable Development	– Scope 1, 2 and 3 greenhouse gas emissions by the KGHM Group in 2024 were calculated. – Annual reports on CO_2 emissions for 2024 to meet the needs of the system for the trading of greenhouse gas emissions allowances were verified by an authorised entity. – Work on the Transformation Plan for KGHM Polska Miedź S.A. for climate change mitigation continued. – Actions were continued related to managing water and reducing the salt content of water discharged to the Odra river. Tests were concluded positively for the desalinisation of mine water in a pilot reverse osmosis installation at the Lubin mine. Technical and economic assessment is being prepared aimed at adapting the scale of the installation to the flow of water at the Lubin mine. – A second oversight audit was performed on the Energy Management System (EMS) by an independent Certification Body, which ended in a positive result. KGHM maintains the validity of the ISO PN-EN ISO 50001:2018-compliant EMS Certificate granted in 2023. – The Occupational Health and Safety Improvement Program was continued (LTIFR: 5.18, TRIR: 0.42). A Climbing-Related Medical Training Centre (Centrum Szkoleniowe Medyczno-Wysokościowe) was opened, providing advanced training for the Emergency Mine-Smelter Rescue Division. Individual Divisions of KGHM carried out annual Safety Days, whose goal is to promote health and safety amongst employees of the raw materials industry.
E-industry	– The advancement of projects to automate the production lines of the Mining Divisions of the Company continued. Operational testing continued of the prototype bolting rig with an automated bolting turret at the Rudna mine. Initiatives were advanced related to testing electric battery-powered mining machines. Actions were undertaken related to starting the testing of electric battery-powered machines to transport people and materials. – The system for locating and identifying machinery and people in the underground mines was integrated and extended. – Following the positive completion of functional testing of a specialised robot capable of high-temperature operation in the Głogów II Copper Smelter and Refinery, based on the experience gained, actions commenced as regards designing an individual passage cleaning system in the vicinity of the Głogów I Copper Smelter and Refinery. – The advancement of projects in the area of digital transformation continued, focused on implementing tools using new technology and IT solutions as well as tasks involving the operationalisation and harmonisation of cyber security processes.
Energy	– Intensive actions continued in the area of energy, aimed at increasing the Company's energy security and independence. – In the first half of 2025, own sources of energy, including from RES in the Group, supplied 39% of KGHM Polska Miedź S.A.'s need for ordered electrical power. – The package of projects aimed at increasing power generation from own sources was developed, including from RES, among others photovoltaic farms and a wind farm, by a total of approx. 180 MW. At present, some of these projects have building permits, while other projects are at the preparatory stage of gaining administrative approval and developing area management plans. – Market analysis continues as regards the possibility of advancing acquisition processes, located in the vicinity of the Divisions of KGHM Polska Miedź S.A., in particular in the area of wind power. – Analytical work is underway as regards the capture, transport and geological storage of carbon dioxide under conceptual work to construct a carbon dioxide capture installation (CCS technology) for the metallurgical production line at the Głogów Copper Smelter and Refinery. – Analytical work is underway on utilising energy storage facilities, which will ultimately cooperate with the planned construction of photovoltaic farms (PV) and wind farms (PW). – The Sierra Gorda mine operates solely on RES-generated power.

1.2. Development directions of the KGHM Polska Miedź S.A. Group

Of fundamental importance for the Group is development of the resource base and ensuring profitable production, while at the same time maximising the value of the assets held in the long term. In the short-term perspective, the existing policy aimed at adapting the functioning of the organisation to the business model and the market environment, as well as at cooperation between the Group's entities, will be continued. Nevertheless, an important task will be the advancement of investments with a view to ensuring cost effectiveness and development scenarios for the individual international assets in the Company's portfolio.

As part of the implementation of the Climate Policy and the energy transition, an increase is expected in the scope of investment in renewable energy sources to meet own needs, projects related to improving energy efficiency and projects aimed at protecting the environment and adapting to increasing regulatory requirements in this regard.

Key development-related investments include projects as regards the Core Production Business, including among others:

- searching for and exploring deposits in areas under exploration concessions,
- the Deposit Access Program in the area of Deep Głogów, including building shafts, central air conditioning stations, and the construction of access and development tunnels,
- outfitting new areas of the mines along with the construction of conveyor belts,
- replacement of mining machinery (among others replacement of the machine park with machines with low-emission engines),
- construction of mine de-watering systems,
- construction of air cooling systems,
- development of the Żelazny Most Tailings Storage Facility above the dam's crown height of 195 m a.s.l.,
- adapting the metallurgical assets in terms of optimising the utilisation and development of existing production infrastructure as regards the production and processing of electrolytic copper, taking into account the possibility of intensification of processing purchased charge materials, including copper scrap and the recovery of other elements,
- construction of an installation and acquisitions as regards renewable energy.

The Group has solid foundations for further growth and strengthening of the Company's position on the global commodity market. The Group's functioning is determined by its ability to adapt to changing market conditions, use of innovative technologies and effective management of geopolitical and regulatory risks. Adapting to global trends related to ESG and energy transition is also of key importance.

2. MACROECONOMIC SALES CONDITIONS

The KGHM Group, due to the nature of the products it sells, operates on a market highly dependent on the market environment, including macroeconomic conditions. In particular, a significant impact on the KGHM Group's results in the first half of 2025 came from the general economic situation, which impacted the level of metals consumption globally, as well as the prices of these metals and exchange rates.

In the first half of 2025, uncertainty in the global economy was very high, with particular emphasis on uncertainty in international trade. Amongst the most important factors shaping the macroeconomic landscape during the reporting period in question were the following:

Geopolitical hazards	– a change in the paradigm in the USA's international policy towards isolationism, and consequently a gradual change in the composition of alliances globally. A change in the geopolitical balance of power from a bi-polar to a multi-polar world, – continuation of Russia's aggression against Ukraine, with particular emphasis on the undermining of the role of the USA as Ukraine's main ally, – expansion of the conflict in the Middle East by open war between Israel and Iran, in which the United States was also engaged, conducting attacks on Iranian uranium enrichment installations and military facilities, – a deepening humanitarian crisis in the Gaza Strip and growing tension around the conflict, – the USA is dealing with greater political polarisation, social tensions and controversial institutional reforms, creating challenges for the maintenance of internal stability and the predictability of the regulatory environment
Trade war	– commencement of tariff war, including its culmination on 2 April during so-called „Liberation Day", – marginalisation of the stabilising role of the WTO for global trade, – prolonged trade negotiations by the USA with numerous trade partners generate fears of possible retaliation and protective tariffs, particularly in the context of China's export surplus, which could be directed beyond the American market.
Copper market fundamentals	– restrictions in the form of the small number of new investments in mining projects, – a clear surplus in metallurgical capacity over the supply of copper-bearing materials, – changes in regulations in the USA, aimed at facilitating the construction of mines, – a change in the structure of demand for copper in China – higher demand from sectors related to modern technology and the energy transition, – a drop in global economic development forecasts by the largest forecasting institutions as a result of uncertainty caused by the trade war, – in the first half of the year thousands of tonnes of copper were relocated to the USA. Investors tried to import material to the United States before the end of the „Section 232" procedure, which, as expected, was to end with the introduction of tariffs on copper. As a result, inventories in exchange warehouses in the rest of the world fell substantially, – just after the end of the reporting period, on 8 July, President Trump announced, in an unofficial statement, the imposition of a 50% tariff on the import of copper to the USA
Currency market	– central banks began a cycle of interest rate cuts, with various rates in individual economies. The most advanced in its cycle of monetary easing is the ECB. The US Fed reduced rates only once, basing its decision on the threat of price stability due to increased tariffs, – the policy of the new American administration is perceived by the market as one which weakens the domination of the US dollar, as a result of which the USD weakened in the first half of the year, – the new budget bill supported by Trump („One Big Beautiful Bill Act") may lead to a permanent budget deficit in the USA at a high level, – continued, relatively high interest rates in Poland and investor expectations as to a reduction in the intensity of the conflict in Ukraine led to a strengthened PLN, – decisions by EU member states, especially as regards Germany, on increasing spending on defence and the fiscal easing of debt rules, may lead to the higher profitability of European debt and appreciation of the common currency.

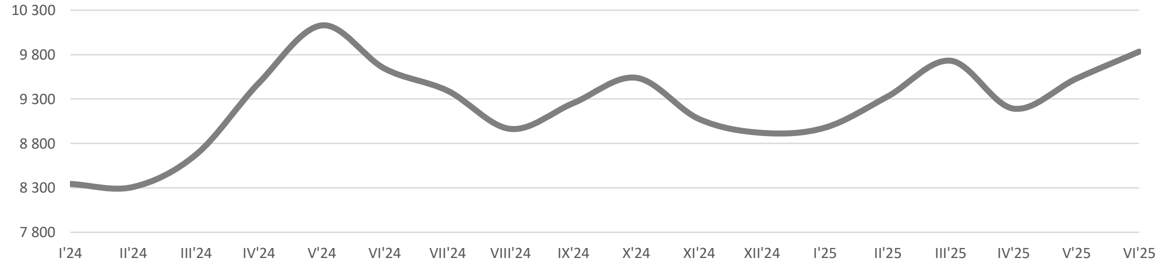
The average *cash settlement* **price of copper** in the first half of 2025 on the LME ranged from 8 539 – 10 115 USD/t. The first half of 2025 brought declarations of the imposition of tariffs on the import of copper to the USA. A rapid inflow of metal to this country was observed, aimed at avoiding the potential, forthcoming tariffs. This situation led to the build-up of substantial copper inventories in the USA at the cost of the rest of the world, as reflected in the rapid growth of inventories in COMEX warehouses, and at the same time falling inventories in LME and SHFE warehouses. The desire to rapidly acquire metal for delivery to the USA led to a rapid increase in the *spread* between the price of copper on COMEX versus on the LME, which in the first half of the year exceeded 1 600 USD/t. The high consumption of physical metal resulted in *backwardation* on the forward copper curve on the LME. In the first quarter of 2025, copper found itself in a clear rising trend – beginning the year with a *spot* price of 8 700 USD/t, by the end of March it had reached 10 040 USD/t.

At the start of April the situation rapidly changed as a result of the so-called „Liberation Day" – the announcement by Donald Trump of the introduction of high import tariffs, justifying his decision by the trade deficit of the United States. The market reacted with fears of a global economic slowdown, which led to a fall in the copper price to around 8 500 USD/t several days later. Despite the initial panicked reaction of the markets, the growth trend returned and continued in the second quarter of the year.

The main factor supporting the recovery was the high demand for copper by investors exploiting the opportunity for arbitrage – the transport of copper to the USA from other parts of the world before the new tariffs took effect.

The average *cash settlement* **price of copper** in the first half of 2025 on the LME amounted to 9 431 USD/t and was 3.7% higher than in the comparable period of 2024, when it amounted on average to 9 090 USD/t.

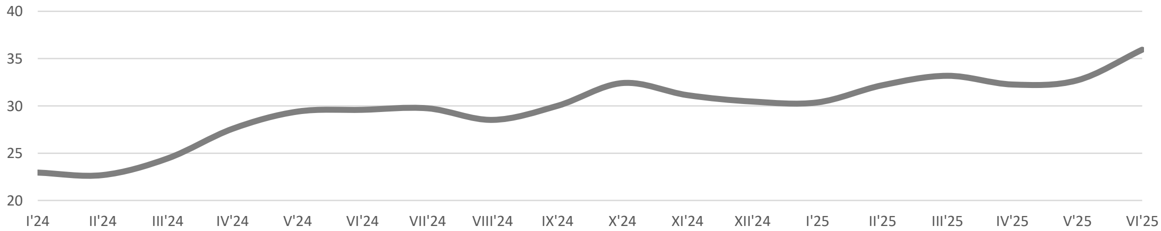
Chart 1. Average monthly copper price on the London Metal Exchange (USD/t)



The average **price of silver** according to the London Bullion Market Association (LBMA) in the first half of 2025 reached the level of 32.76 USD/oz t, and was nearly 26% higher than the price of silver in the first half of 2024 (26.07 USD/oz t). The precious metals market in the first half of 2025 was impacted by depreciation of the USD as well as by the unstable geopolitical situation. Since the start of the year, the price of silver has been in a rising trend, exceeding 31 USD/oz t in January, 33 USD/oz t in February, 34 USD/oz t in March, and ending the first half at 36 USD/oz t.

In the narration of investors concerning the silver market, there continues to be a repeat of the fear of a deficit of the metal over the next several years alongside rising consumption by the industrial sector (in particular producers of photovoltaic panels) and heightened interest by both private and institutional investors.

Chart 2. Average monthly silver price per the London Bullion Market (USD/oz)



The price of **gold** during the period in question rose from January to April, setting a new all-time-high on 22 April during the morning *fixing* at the level of 3456 USD/oz t. The gold-to-silver ratio in the first half of 2025 oscillated around 94, i.e. above the average for the last 5 years of around 80. Central banks continue to buy gold and their actions are a real support for demand for this metal. At the end of 2024 gold reached a value of around 20 percent of official global reserves, higher than the Euro (16%).

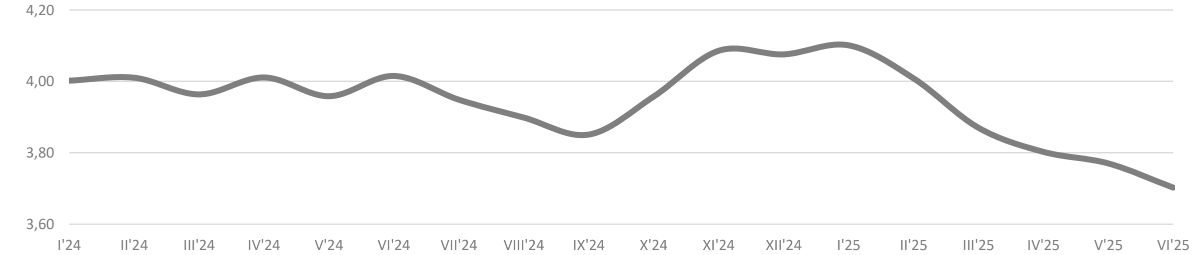
The average **USD/PLN exchange rate** (NBP) in the first half of 2025 amounted to 3.88 and was lower compared to the corresponding period of 2024 by nearly 3% (in the first half of 2024 the average USD/PLN exchange rate amounted to 3.99).

The Monetary Policy Council, despite the continued decrease in inflation, did not reduce interest rates in 2024, deciding on an interest rate decrease of 50 bp. no sooner than in May 2025, remaining the most hawkish bank in the region. In the first quarter of 2025, the Polish złoty continued to appreciate, supported by the global weakening of the USD, the stable macroeconomic situation in Poland and the inflow of EU funds.

The USD/PLN exchange rate in the first months of the year remained on average above 4.00, finally coming down in June to below 3.70, testing the lower bases of support. The Polish currency gained on the depreciation of the USD. Despite momentary supply pressure in January, resulting from the global rise in risk aversion, the PLN quickly returned to a rising trend.

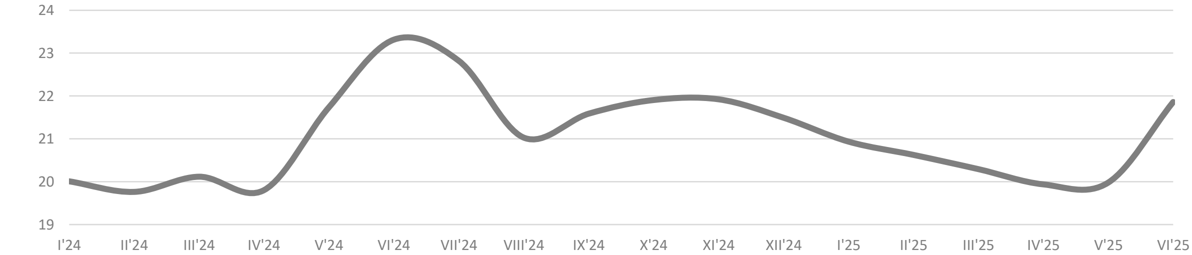
Both in relation to the Euro and to regional currencies, the Polish złoty remained strong, confirming its relative robustness to external market shocks. The złoty is also supported by rising hope for a decrease in the intensity of the conflict in Ukraine.

Chart 3. Average monthly USD/PLN exchange rate per the National Bank of Poland



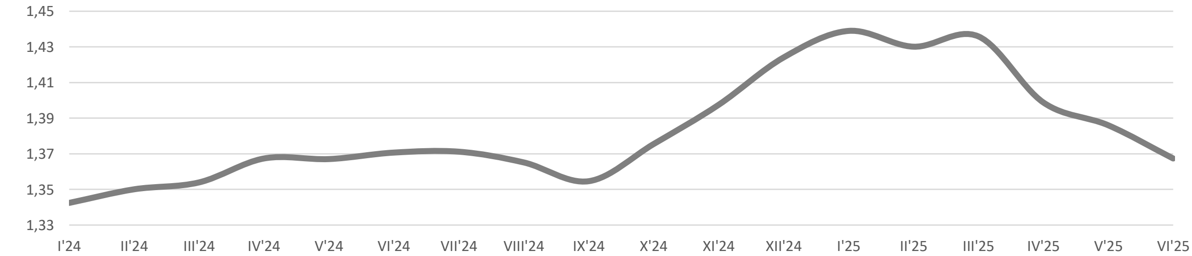
The average **price of molybdenum** in the first half of 2025 amounted to 20.62 USD/lb, or a decrease by nearly 1% compared to the corresponding period of 2024 (20.77 USD/lb). During the period from January to May the price of molybdenum slightly fell to around 20 USD/lb, and at the end of the period in question rose to 22 USD/lb. The maximum price of molybdenum in the first half of 2025 amounted to 21.97 USD/lb, with a minimum of 19.71 USD/lb.

Chart 4. Average monthly molybdenum price per Platts (USD/lb)



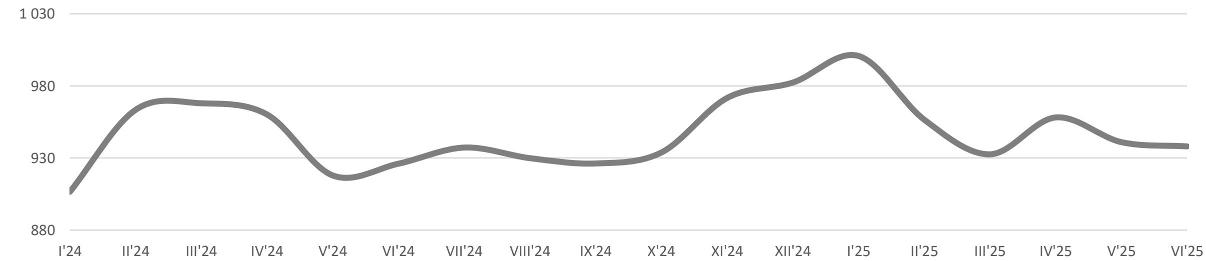
The average **USD/CAD exchange rate** (per the Bank of Canada) in the first half of 2025 amounted to 1.41 and was nearly 4% higher than the level recorded in the corresponding period of 2024 (1.36). The Canadian dollar weakened compared to the USD during the period in question. The value of the Canadian currency changed versus the USD due to the dovish monetary policy carried out by the Bank of Canada. In 2025 the Bank of Canada reduced interest rates altogether by 50 basis points, to the level of 2.75%, continuing the cycle of monetary easing policy begun in May 2024. The last reduction took place in May 2025.

Chart 5. Average monthly USD/CAD exchange rate per the Bank of Canada



The average **USD/CLP exchange rate** (per the Bank of Chile) in the first half of 2025 amounted to 956 and was nearly 2% higher than the level recorded in the first half of 2024 (940). The weakening of the Chilean peso was connected with a series of decisions on lowering interest rates. The Bank of Chile commenced the cycle of interest rate cuts in July 2023, coming down from the level of 11.25%. This process ended in December 2024, when interest rates were reduced from 5.25% to 5%, approaching the level of interest rates prevailing in the USA. Altogether in 2024 interest rates were reduced by 225 bp., while the FED reduced interest rates by 100 bp. in the corresponding period.

Chart 6. Average monthly USD/CLP exchange rate per the Bank of Chile



The macroeconomic factors of the greatest significance for the operations of the Group are presented in the following table.

Table 2. Market factors significant for the operations of the KGHM Polska Miedź S.A. Group – average prices [1]

	Unit	1st half 2025	1st half 2024	Change (%)	2nd quarter 2025	1st quarter 2025
Copper price on the LME	USD/t	9 431	9 090	3.7	9 524	9 340
Copper price on the LME	PLN/t	36 546	36 304	0.7	35 782	37 286
Silver price per the LBMA	USD/oz	32.76	26.07	25.7	33.68	31.88
Molybdenum price per Platts	USD/lb	20.62	20.77	-0.7	20.61	20.62
USD/PLN exchange rate per the NBP		3.88	3.99	-2.9	3.76	3.99
USD/CAD exchange rate per the Bank of Canada		1.41	1.36	3.7	1.38	1.44
USD/CLP exchange rate per the Bank of Chile		956	940	1.6	947	964

[1] *mathematical average of daily quotes*

3. CONSOLIDATED FINANCIAL RESULTS OF THE KGHM POLSKA MIEDŹ S.A. GROUP

3.1. Financial results

Table 3. Financial results of the Group (in PLN million)

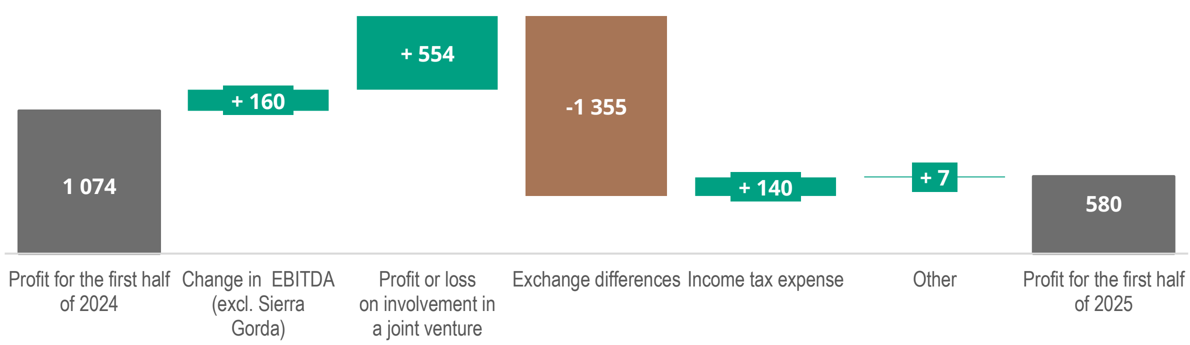
	1st half 2025	1st half 2024	Change (%)	2nd quarter 2025	1st quarter 2025
Revenues from contracts with customers	17 556	17 480	+0.4	8 614	8 942
Cost of sales, selling costs and administrative expenses	(15 455)	(15 370)	+0.6	(7 641)	(7 814)
Profit on sales	**2 101**	**2 110**	**(0.4)**	**973**	**1 128**
Profit or loss on involvement in a joint venture	438	(116)	×	288	150
Other operating income / (costs)	(1 403)	168	×	(766)	(637)
Finance income / (costs)	179	(213)	×	86	93
Profit before income tax	**1 315**	**1 949**	**(32.5)**	**581**	**734**
Income tax expense	(735)	(875)	(16.0)	(331)	(404)
Profit for the period	**580**	**1 074**	**(46.0)**	**250**	**330**
Adjusted EBITDA	**4 863**	**4 208**	**+15.6**	**2 374**	**2 489**

Adjusted EBITDA, defined as profit or loss on sales increased by depreciation/amortisation recognised in expenses by nature and adjusted by recognition/reversal of impairment losses on property, plant and equipment recognised in cost of sales, selling costs and administrative expenses, is one of the basic parameters considered by the Management Board of the Parent Entity when evaluating the results of individual reporting segments.

Table 4. Main factors impacting the change in profit or loss of the Group

Item	Impact on change of profit or loss (in PLN million)	Description
EBITDA	**+160**	An increase in EBITDA of reporting segments (excluding Sierra Gorda), comprised of: – EBITDA of the segment KGHM Polska Miedź S.A. -PLN 41 million, – EBITDA of the segment KGHM INTERNATIONAL LTD. +PLN 241 million, – EBITDA of the segment Other segments -PLN 40 million. The results of the aforementioned segments are described respectively in sections 4-7 of this report.
Profit or loss on involvement in a joint venture	**+554**	A decrease in the result on involvement in a joint venture, comprised of: – a change in the measurement of loans granted to a joint venture, +PLN 558 million, – a decrease in interest income on loans by PLN 4 million.
Exchange differences	**(1 355)**	A decrease in the result on exchange differences due to: – a lower by PLN 1 717 million result on exchange differences presented in other operating income and costs (mainly due to loans within the Group), – a higher by PLN 362 million result on exchange differences from the measurement and realisation of borrowings presented in finance income and costs (mainly exchange differences on borrowings of KGHM Polska Miedź S.A.)
Income tax expense	**+140**	– A decrease in income tax.

Chart 7. Change in profit/loss of the Group in the first half of 2025 (in PLN million)



3.2. Cash flows

Table 5. Cash flow of the Group (in PLN million)

	1st half 2025	1st half 2024	Change (%)	2nd quarter 2025	1st quarter 2025
Net cash generated from/(used in) operating activities	1 818	3 028	(40.0)	415	1 403
Change in working capital	(615)	180	×	(620)	5
Net cash generated from/(used in) investing activities	(2 034)	(2 576)	(21.0)	(715)	(1 319)
Net cash generated from/(used in) financing activities	(133)	268	×	(168)	35
Net cash flows	**(349)**	**720**	**×**	**(468)**	**119**
Exchange differences	64	(8)	×	29	35
Cash and cash equivalents at beginning of the period	715	1 729	(58.6)	869	715
Cash and cash equivalents at end of the period	**430**	**2 441**	**(82.4)**	**430**	**869**

Net cash generated from operating activities in the first half of 2025 amounted to +PLN 1 818 million and mainly comprised:

- EBITDA, excluding Sierra Gorda S.C.M., PLN 3 561 million,
- negative effect of the change in working capital of -PLN 615 million, including +PLN 83 million change in trade payables within the reverse factoring mechanism,
- income tax paid, PLN 584 million.

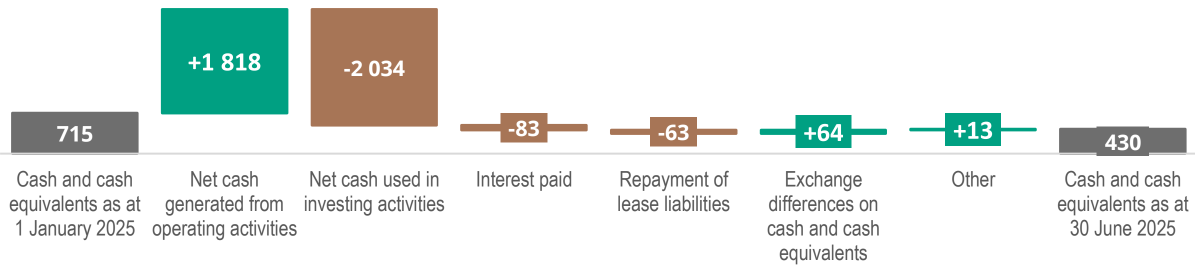
Net cash used in investing activities in the first half of 2025 amounted to -PLN 2 034 million and mainly comprised:

- expenditures on property, plant and equipment and intangible assets of the segment KGHM Polska Miedź S.A. in the amount of PLN 1 892 million,
- expenditures on property, plant and equipment and intangible assets of the segment KGHM International LTD., PLN 405 million,
- expenditures on property, plant and equipment and intangible assets of the segment Other segments, PLN 299 million,
- repayment of the loan by Sierra Gorda S.C.M., together with interest, PLN 414 million.

Net cash used in financing activities in the first half of 2025 amounted to -PLN 133 million and mainly comprised repayment of interest, PLN 83 million, and repayment of lease liabilities, PLN 63 million.

After reflecting exchange differences on cash and cash equivalents, the balance of cash and cash equivalents decreased by PLN 285 million and at the end of the first half of 2025 amounted to PLN 430 million.

Chart 8. Cash flow of the Group in the first half of 2025 (in PLN million)



3.3. Assets

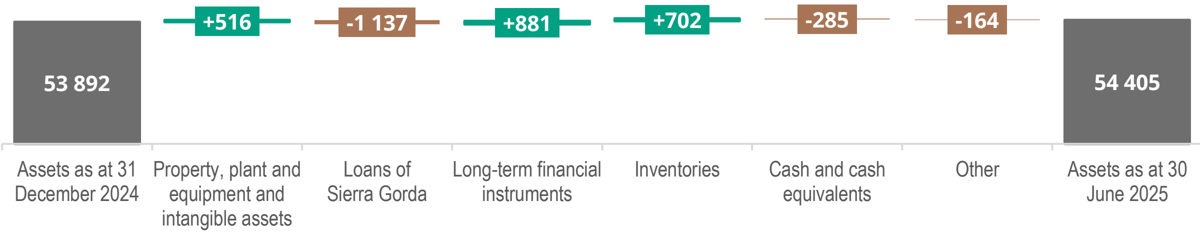
Table 6. Consolidated assets (in PLN million)

	30 June 2025	31 December 2024	Change (%)	31 March 2025
Property, plant and equipment and intangible assets	30 696	30 180	+1.7	30 376
Joint ventures – loans granted	8 663	9 800	(11.6)	9 210
Financial instruments	2 607	1 726	+51.0	1 947
Deferred tax assets	297	302	(1.7)	306
Other non-financial assets	269	277	(2.9)	271
Non-current assets	**42 532**	**42 285**	**+0.6**	**42 110**
Inventories	8 765	8 063	+8.7	8 321
Trade receivables	1 204	1 345	(10.5)	1 418
Tax assets	338	453	(25.4)	365
Derivatives	293	219	+33.8	196
Other financial assets	275	317	(13.2)	287
Other non-financial assets	568	366	+55.2	572
Cash and cash equivalents	430	715	(39.9)	869
Assets held for sale	-	129	×	-
Current assets	**11 873**	**11 607**	**+2.3**	**12 028**
Total assets	**54 405**	**53 892**	**+1.0**	**54 138**

At the end of the first half of 2025, total assets in the consolidated financial statements amounted to PLN 54 405 million and were higher by PLN 513 million as compared to 31 December 2024. The main changes comprised:

- an increase in property, plant and equipment and intangible assets by PLN 516 million due to expenditures on property, plant and equipment and intangible assets in the amount of PLN 2 438 million and depreciation/amortisation at the level PLN 1 403 million,
- a decrease in the carrying amount of loans for Sierra Gorda S.C.M. by PLN 1 137 million due to a partial repayment of loans by PLN 414 million, accrued interest by PLN 287 million, a gain due to reversal of allowance for impairment by PLN 151 million and exchange differences by -PLN 1 161 million,
- an increase in the carrying amount of non-current financial instruments by PLN 881 million, including mainly instruments measured at fair value,
- an increase in inventories by PLN 702 million,
- a decrease in cash and cash equivalents by PLN 285 million.

Chart 9. Change in assets of the Group in the first half of 2025 (in PLN million)



3.4. Equity and liabilities

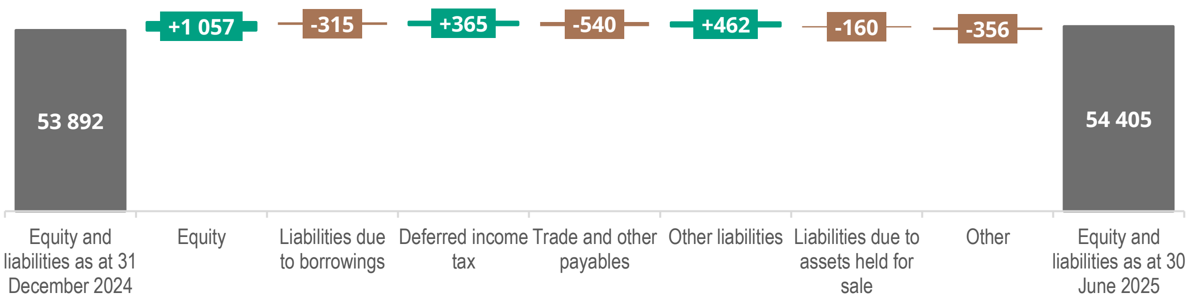
Table 7. Consolidated equity and liabilities (in PLN million)

	30 June 2025	31 December 2024	Change (%)	31 March 2025
Equity	**32 115**	**31 058**	**+3.4**	**31 411**
Borrowings, leases and debt securities	5 271	4 910	+7.4	4 963
Derivatives	142	269	(47.2)	161
Employee benefits liabilities	2 934	2 784	+5.4	2 847
Provisions for decommissioning costs of mines and other facilities	2 063	2 084	(1.0)	2 086
Deferred tax liabilities	1 749	1 384	+26.4	1 437
Other liabilities	369	397	(7.1)	368
Non-current liabilities	**12 528**	**11 828**	**+5.9**	**11 862**
Borrowings, leases and debt securities	585	1 261	(53.6)	1 229
Derivatives	96	44	×2.2	136
Trade and other payables	4 592	5 132	(10.5)	4 949
Employee benefits liabilities	1 830	2 019	(9.4)	2 035
Tax liabilities	893	1 049	(14.9)	970
Provisions for liabilities and other charges	215	280	(23.2)	261
Other liabilities	1 551	1 061	+46.2	1 285
Liabilities due to assets held for sale		160	×	
Current liabilities	**9 762**	**11 006**	**(11.3)**	**10 865**
Non-current and current liabilities	**22 290**	**22 834**	**(2.4)**	**22 727**
Total equity and liabilities	**54 405**	**53 892**	**+1.0**	**54 138**

Equity and liabilities at the end of the first half of 2025 amounted to PLN 54 405 million and were higher compared to 31 December 2024 by PLN 513 million. The main changes comprised:

- an increase in equity by PLN 1 057 million,
- a decrease in liabilities (non-current and current) due to borrowings, leases and debt securities by PLN 315 million,
- an increase in deferred tax liabilities by PLN 365 million,
- a decrease in trade and other payables in total by PLN 540 million,
- an increase in other liabilities (non-current and current) in total by PLN 462 million,
- a decrease in liabilities due to assets held for sale by PLN 160 million.

Chart 10. Change in equity and liabilities of the Group in the first half of 2025 (in PLN million)



3.5. Financing of Group activities

The Group's management of financial resources involves securing an adequate level of cash and cash equivalents and access to a broad portfolio of flexible sources of financing to ensure the ability to meet both current and future financial liabilities in a timely manner, taking into account the cost of gaining liquidity. The Financial Liquidity Management Policy in force in the Group regulates the rules of raising external funding, the management of debt, the monitoring of the Group's debt levels and the effective management of working capital.

Net debt in the Group

Borrowings of the Group as at 30 June 2025 amounted to PLN 5 856 million, of which 94% represented debt of the Parent Entity.

The amount of free cash and cash equivalents held by the Group, which as at 30 June 2025 amounted to PLN 417 million, are of a short term nature.

Table 8. Net debt in the Group (in PLN million)

	30 June 2025	31 December 2024	Change (%)
Liabilities due to:	**5 856**	**6 171**	**(5.1)**
Bank loans	929	856	+8.5
Loans	1 584	1 980	(20.0)
Debt securities	2 602	2 602	-
Leases	741	733	+1.1
Free cash and cash equivalents	**417**	**691**	**(39.7)**
Derivatives related to external sources of financing	122	177	(31.1)
Net debt	**5 317**	**5 303**	**+0.3**

Sources of financing in the Group

As at 30 June 2025, the Group held open lines of credit, loans and bonds with a total available equivalent amount of PLN 15 517 million, out of which PLN 5 115 million had been drawn.

Table 9. Sources of financing in the Group

Unsecured, revolving syndicated credit facility in the amount of USD 1.4 billion	A credit facility in the amount of USD 1 438 million acquired on the basis of a financing agreement entered into by the Parent Entity with a syndicate banks group in 2019, with maturity falling on 20 December 2024, with the option of extending for a further 2 years (5+1+1). The Parent Entity twice obtained the consent of the Syndicate Members to extend the term of the agreement, with the expiry date of the agreement set at 20 December 2026, while the amount of available financing during the extension period amounts to USD 1 438 million. The funds acquired through this credit facility are being used to finance general corporate goals.
Investment loans, including from the European Investment Bank, in the total amount of PLN 3.5 billion with financing periods of up to 12 years	Financing agreements signed by the Parent Entity with the European Investment Bank: – in August 2014 in the amount of PLN 2 000 million, which was drawn in the form of three instalments with maturities falling on 30 October 2026, 30 August 2028 and 23 May 2029. The funds acquired through this loan were used to finance the Parent Entity's investment projects related to modernisation of metallurgy and development of the Żelazny Most tailings storage facility, – in December 2017 in the amount of PLN 1 340 million, under which the Parent Entity drew four instalments with maturities falling on 28 June 2030, 23 April 2031, 11 September 2031 and 6 March 2035. The funds acquired through this loan are being used to finance the Parent Entity's development and replacement projects at various stages of the production line.

Bilateral bank loans in the amount of PLN 4.2 billion	The Group holds lines of credit in the form of bilateral agreements in the total amount of PLN 4 220 million. These are overdraft facilities with availability of up to 2 years, the maturities of which are successively extended for subsequent periods, as well as long-term revolving and investment bank loans. The funds obtained under the aforementioned bank loan agreements are a tool supporting the management of current financial liquidity and support the financing of investments advanced by the Group's companies.
Debt securities in the amount of PLN 2.6 billion	The Parent Entity carried out two issuances of bonds on the domestic market, as follows: – an issuance agreement dated 27 May 2019 – on 27 June 2019, 5-year bonds were issued in the amount of PLN 400 million, which were redeemed by the Parent Entity on 27 June 2024, as well as 10-year bonds in the amount of PLN 1 600 million with a redemption date of 27 June 2029, – an issuance agreement dated 29 May 2024, which established an issuance program up to the amount of PLN 4 000 million for a 10-year period. On 26 June 2024, 7-year bonds were issued in the nominal value of PLN 1 000 million with a redemption date of 26 June 2031. The funds obtained from the bond issuance were used to finance general corporate goals.

Another source supporting the Group's liquidity is reverse factoring, the main goal of which is to support the effective management of working capital by the timely execution of trade payables towards the suppliers of the Group.

The aforementioned sources fully cover the current, medium- and long-term liquidity needs of the Group.

External financing as at 30 June 2025

The following table presents the Group's external financing structure and the extent to which it was utilised.

Table 10. Amount of external financing available and drawn by the Group (in PLN million)

	Amount drawn as at 30 June 2025	Amount drawn as at 31 December 2024	Change (%)	Amount available as at 30 June 2025	Amount drawn (%) as at 30 June 2025
Unsecured, revolving syndicated credit facility	-	-	-	5 200	0.0
Loans	1 584	1 980	(20.0)	3 497	45.3
Bilateral bank loans	929	856	+8.5	4 220	22.0
Debt securities	2 602	2 602	-	2 600	100.0
Total	**5 115**	**5 438**	**(5.9)**	**15 517**	**33.0**

Cash pooling in the Group

In managing its liquidity, the Group utilises tools which support its efficiency. One of the basic instruments used by the Group is the cash pooling management service for a group of accounts – local cash pooling in PLN, USD and EUR and international in USD. The cash pooling is aimed at optimising cash management, limiting interest costs, the effective financing of current needs in terms of financing working capital and supporting short term financial liquidity in the Group.

Loans granted

As at 30 June 2025, the balance of loans granted by the Group amounted to PLN 8 684 million. This item mainly comprises long-term loans with interest based on a fixed interest rate, granted by the KGHM INTERNATIONAL LTD. Group to finance mining assets in Chile and Canada.

Liabilities due to guarantees granted

As at 30 June 2025, the Group held liabilities due to guarantees and letters of credit granted in the total amount of PLN 1 091 million and due to promissory notes liabilities in the amount of PLN 209 million.

Detailed information on the amount and nature of liabilities due to guarantees granted may be found in part 4.5 of the condensed consolidated half-year financial statements – Liquidity risk and capital management.

Evaluation of Group liquidity

In the first half of 2025, the KGHM Polska Miedź S.A. Group was fully capable of repaying its liabilities. The cash and cash equivalents held by the Group along with the external financing obtained ensure that liquidity will be maintained and enables the achievement of investment goals.

4. RESULTS OF THE SEGMENT KGHM POLSKA MIEDŹ S.A.

4.1. Production

Table 11. Production results of KGHM Polska Miedź S.A.

	Unit	1st half 2025	1st half 2024	Change (%)	2nd quarter 2025	1st quarter 2025
Mined ore (dry weight)	million t	15.30	15.63	(2.1)	7.62	7.68
Copper content in ore	%	1.482	1.485	(0.2)	1.483	1.480
Production of copper in concentrate	kt	201.0	205.5	(2.2)	101.5	99.4
Production of silver in concentrate	t	659.7	679.7	(2.9)	331.1	328.6
Production of electrolytic copper	kt	272.4	292.5	(6.9)	138.4	134.0
- including from own concentrate	kt	182.5	193.3	(5.6)	92.2	90.3
Production of metallic silver	t	646.3	665.8	(2.9)	330.7	315.6
Production of gold	koz t	43.7	44.8	(2.5)	22.3	21.5

In the first 6 months of 2025 ore extraction was lower compared to the corresponding period of 2024 by 330 thousand tonnes dry weight, due to less favourable production calendar in the first half of 2025. Copper content in ore decreased to 1.482%.

Production of copper in concentrate was lower by 4.5 thousand tonnes compared to the first 6 months of 2024. The decrease in production was due to lower extraction of lower quality ore.

Compared to the corresponding period of 2024, electrolytic copper production decreased by 20.1 thousand tonnes. The lower production of cathodes was due to the planned maintenance of rails and current disconnectors at the Głogów II Copper Smelter and Refinery.

Production of metallic silver amounted to 646.3 tonnes and was lower by 19.5 tonnes (-3%) compared to the first half of 2024. The decrease in production of metallic silver was due to the availability of charge materials in the Precious Metals Plant.

Production of metallic gold amounted to 43.7 thousand troy ounces and was lower by 1.1 thousand troy ounces (-2%) compared to the first half of 2024. The lower production of metallic gold was due to the lower processing of gold-bearing materials.

4.2. Sales

Table 12. Revenues from contracts with customers of KGHM Polska Miedź S.A.

	Unit	1st half 2025	1st half 2024	Change (%)	2nd quarter 2025	1st quarter 2025
Revenues from contracts with customers, including:	**PLN mn**	**14 860**	**15 076**	**(1.4)**	**7 323**	**7 537**
- copper	PLN mn	10 911	11 647	(6.3)	5 344	5 567
- silver	PLN mn	2 748	2 284	+20.3	1 407	1 340
- gold	PLN mn	554	466	+18.9	267	287
Sales volumes:						
- copper	kt	285.8	302.6	(5.6)	142.5	143.3
- silver	t	683.7	679.0	+0.7	351.0	332.8
- gold	koz t	46.9	52.6	(11.3)	21.6	25.3

The decrease in revenues from contracts with customers compared to the first half of 2024 by PLN 216 million was mainly due to:

- an increase by PLN 1 103 million in revenues due to higher prices of copper, silver and gold,
- a decrease by PLN 668 million in revenues due to lower sales volume of copper and gold, with a higher silver sales volume,
- a decrease by PLN 395 million in revenues from sales of main products (copper, silver and gold) due to a less favourable average annual USD/PLN exchange rate,
- a decrease by PLN 224 million in adjustments to revenues due to hedging transactions (from +PLN 284 million to +PLN 60 million),
- a decrease by PLN 32 million in other revenues from sales, including mainly revenues from the sale of lead, rock salt and heat energy.

4.3. Costs

Table 13. Costs of KGHM Polska Miedź S.A.

	Unit	1st half 2025	1st half 2024	Change (%)	2nd quarter 2025	1st quarter 2025
Cost of sales, selling costs and administrative expenses	**PLN mn**	**13 319**	**13 405**	**(0.6)**	**6 590**	**6 729**
Expenses by nature	**PLN mn**	**13 810**	**13 277**	**4.0**	**6 790**	**7 020**
Pre-precious metals credit unit cost of electrolytic copper production from own concentrate [2]	PLN/t	45 501	43 446	4.7	46 026	44 965
Total unit cost of electrolytic copper production from own concentrate	PLN/t	30 521	31 064	(1.7)	31 505	29 514
C1 unit cost [3]	**USD/lb**	**3.15**	**3.00**	**5.0**	**3.16**	**3.15**

The Parent Entity's cost of sales, selling costs and administrative expenses (total cost of products, merchandise and materials sold, selling costs and administrative expenses) in the first half of 2025 amounted to PLN 13 319 million and was lower by 0.6% as compared to the corresponding period of 2024, mainly due to an increase in inventories of half-finished products (the preparation of anode copper inventories due to planned maintenance shutdown in 2026).

In the first half of 2025, total expenses by nature compared to the first half of 2024 were higher by PLN 533 million, with higher costs of consumption of purchased metal-bearing materials by PLN 91 million (a higher purchase price by 6% with a lower volume of consumption by 3.7 thousand tonnes of copper) and a higher by PLN 127 million minerals extraction tax charge due to higher silver prices.

The increase in expenses by nature, after excluding purchased metal-bearing materials and the minerals extraction tax, was higher by PLN 315 million and was mainly due to an increase in the following:

- labour costs by PLN 176 million, +6% (of which PLN 90 million represented the upward adjustment of the provision for future employee benefits),
- depreciation/amortisation by PLN 89 million, +11% due to investments advanced by the Company,
- external services by PLN 40 million, +3% mainly as regards maintenance and renovations (+PLN 38 million) and mine development work (+PLN 9 million),
- costs of consumption of materials and technological fuels by PLN 34 million, +3% - an increase in respect of technological gas due to a higher purchase price.

C1 cost in the first half of 2025 amounted to 3.15 USD/lb and was higher than in the corresponding period of 2024 by 5%. The increase in cost was mainly due to a higher minerals extraction tax charge and to the strengthening of the PLN versus the USD.

The pre-precious metals credit unit cost of electrolytic copper production from own concentrate (unit cost prior to decrease by the value of anode slimes containing, among others silver and gold) amounted to 45 501 PLN/t (in the corresponding period of 2024: 43 446 PLN/t) and was higher by 4.7%, mainly due to a higher minerals extraction tax charge and lower production of copper from own concentrates by 6%.

The total unit cost of electrolytic copper production from own concentrate amounted to 30 521 PLN/t and was lower than in the first half of 2024 by 1.7% due to higher silver and gold prices.

[2] *Unit cost prior to decrease by the value of anode slimes containing, among others, silver and gold*
[3] *Cash cost of producing concentrate, reflecting the minerals extraction tax, administrative expenses and smelter treatment and refining charges (TC/RC), less depreciation/amortisation and the by-product premium, calculated as sold payable copper in concentrate*

4.4. Financial results

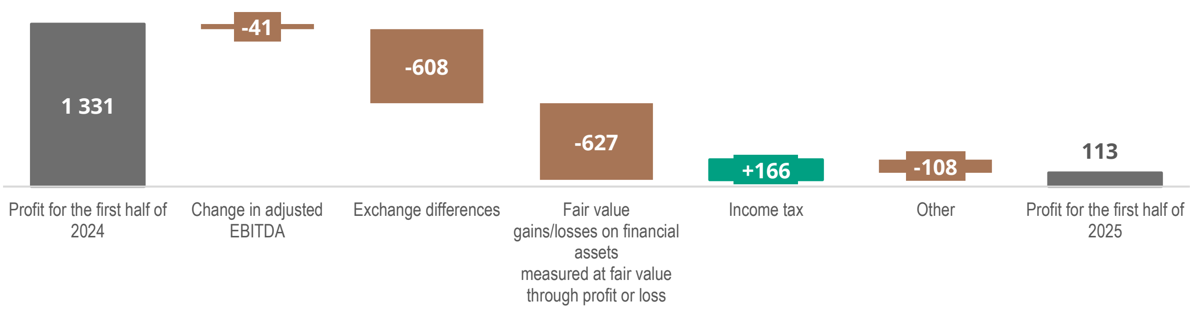
Table 14. Basic items of the statement of profit or loss of KGHM Polska Miedź S.A. (in PLN million)

	1st half 2025	1st half 2024	Change (%)	2nd quarter 2025	1st quarter 2025
Revenues from contracts with customers, including:	14 860	15 076	(1.4)	7 323	7 537
- adjustment to revenues due to hedging transactions	60	284	(78.9)	44	16
Cost of sales, selling costs and administrative expenses	(13 319)	(13 405)	(0.6)	(6 590)	(6 729)
Profit or loss on sales (EBIT)	**1 541**	**1 671**	**(7.8)**	**733**	**808**
Other operating income / (costs)	(1 076)	578	×	(581)	(495)
Finance income / (costs)	169	(231)	×	89	80
Profit or loss before income tax	**634**	**2 018**	**(68.6)**	**241**	**393**
Income tax expense	(521)	(687)	(24.2)	(255)	(266)
Profit or loss for the period	**113**	**1 331**	**(91.5)**	**(14)**	**127**
Adjusted EBITDA	**2 431**	**2 472**	**(1.7)**	**1 178**	**1 253**

Table 15. Main factors impacting the change in profit or loss of KGHM Polska Miedź S.A.

Item	Impact on change of profit or loss (in PLN million)	Description
Adjusted EBITDA	**(41)**	A decrease in the EBITDA due to: – **-PLN 216 million** due to lower revenues from contracts with customers, described in more detail in section 4.2, – **+PLN 175 million** due to a decrease in cost of sales, selling costs and administrative expenses related to EBITDA, mainly due to an increase in inventories of half-finished products (preparation of copper anode inventories due to the planned maintenance shutdown in 2026). Detailed information on cost of sales, selling costs and administrative expenses may be found in Section 4.3.
Exchange differences	**(608)**	A decrease in the result on exchange differences due to: – **-PLN 972 million** – a lower result on exchange differences presented in other operating income and costs, – **+PLN 364 million** – a higher result on exchange differences on the measurement and realisation of borrowings, presented in financial income and costs
Fair value gains/losses on financial assets measured at fair value through profit or loss	**(627)**	A decrease in fair value gains/losses on financial assets measured at fair value through profit or loss from PLN 270 million to -PLN 357 million, mostly with respect to loans granted (-PLN 676 million)
Income tax expense	**+166**	A decrease in income tax
Other	**(108)**	Other changes in the result, mainly in respect of: – **-PLN 89 million** – a higher level of depreciation/amortisation, – **+PLN 77 million** – the recognition and release of provisions, – **-PLN 72 million** – the measurement and realisation of derivatives, – **-PLN 68 million** – impairment losses on shares in subsidiaries, – **+PLN 54 million** – reversal of impairment losses on financial instruments measured at amortised cost.

Chart 11. Change in profit for the period of KGHM Polska Miedź S.A. (in PLN million)



4.5. Capital expenditures

In the first half of 2025, capital expenditures on property, plant and equipment and intangible assets amounted to PLN 1 512 million and were lower by 4%.

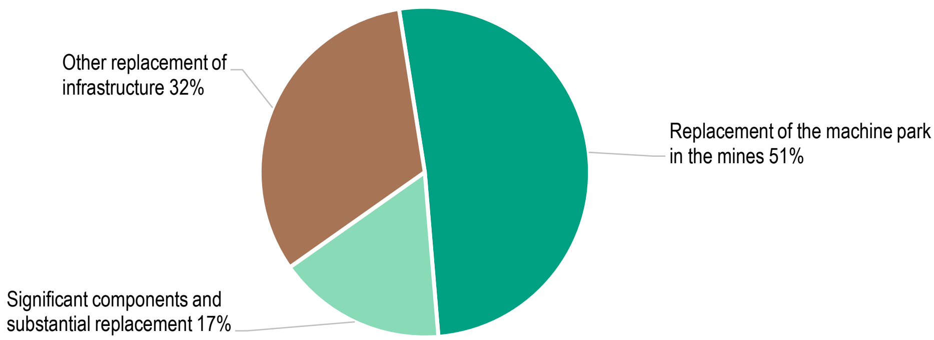
Table 16. Structure of expenditures on property, plant and equipment and intangible assets of KGHM Polska Miedź S.A. (in PLN million)

	1st half 2025	1st half 2024	Change (%)	2nd quarter 2025	1st quarter 2025
Mining	1 240	1 281	(3.2)	664	576
Metallurgy	190	201	(5.5)	103	87
Other activities	9	11	(18.2)	6	3
Leases per IFRS 16	73	76	(3.9)	47	26
Total	**1 512**	**1 570**	**(3.7)**	**820**	**692**
including borrowing costs	116	94	+23.4	51	65

Investment activities comprised projects related to replacement, maintenance, development and adaptation in mining, metallurgy and other activities.

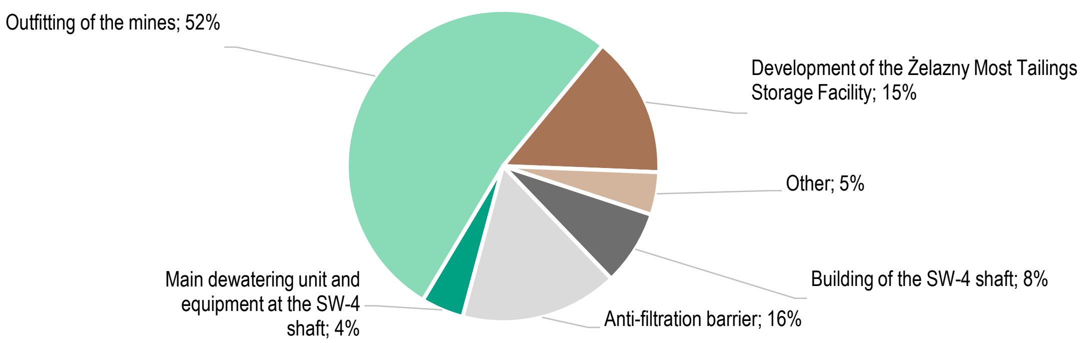
Projects related to replacement aimed at maintaining production equipment in an undeteriorated condition, represent 33% of expenditures incurred.

Chart 12. Structure of expenditures on replacement of KGHM Polska Miedź S.A.



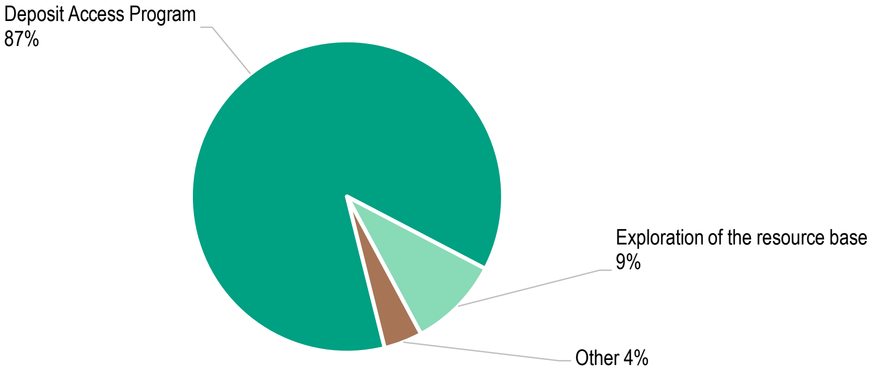
Projects related to maintenance aimed at maintaining mine production on the level set in approved Production Plan (development of infrastructure to match mine advancement) represent 31% of total expenditures incurred.

Chart 13. Structure of expenditures on maintenance of KGHM Polska Miedź S.A.



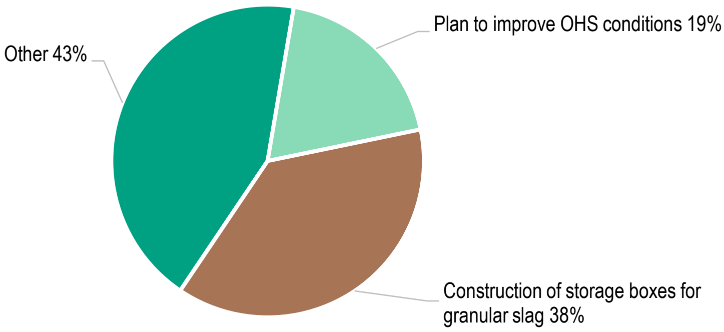
Development projects aimed at increasing the level of revenues from sales or maintaining them at the current level, at the implementation of technical and technological activities optimising the use of existing infrastructure, and at reducing operating costs, represent 35% of expenditures incurred.

Chart 14. Structure of expenditures on development of KGHM Polska Miedź S.A.



Adaptation projects aimed at adapting the company's operations to changes in laws, existing standards or other regulations, especially as regards occupational health and safety, securing property, cybersecurity, ethical and anti-corruption standards, environmental impact, quality standards and management systems, represent 1% of expenditures incurred.

Chart 15. Structure of expenditures on adaptation of KGHM Polska Miedź S.A.



Detailed information on the advancement of key projects may be found in Section 1.1. Advancement of the Strategy in the first half of 2025 – key achievements.

5. RESULTS OF THE SEGMENT KGHM INTERNATIONAL LTD.

5.1. Production

Table 17. Production results of KGHM INTERNATIONAL LTD.

	Unit	1st half 2025	1st half 2024	Change (%)	2nd quarter 2025	1st quarter 2025
Payable copper, including:	**kt**	**29.2**	**29.4**	**(0.7)**	**14.8**	**14.4**
- Robinson mine (USA)	kt	27.8	26.4	+5.3	14.2	13.6
Payable nickel	**kt**	**0.1**	**0.3**	**(66.7)**	**0.0**	**0.1**
Precious metals (TPM), including:	**koz t**	**25.3**	**25.6**	**(1.2)**	**12.1**	**13.2**
- Robinson mine (USA)	koz t	22.5	18.5	+21.6	11.7	10.8
- Sudbury Basin mines (Canada)[4]	koz t	2.8	7.1	(60.6)	0.5	2.3

Despite the sale of the Sudbury assets in February 2025, the production of copper and precious metals by KGHM INTERNATIONAL LTD. remained at a level similar to that recorded in the first half of 2024. The sale of the assets in Sudbury Basin, leading to a decrease in production capacity of copper (-1.1 kt) and TPM (-4.3 koz t) to a large extent was offset by an increase in volume, higher copper content in feed and improved recovery parameters at the Robinson mine.

5.2. Sales

Table 18. Volumes and sales revenues of KGHM INTERNATIONAL LTD. (in USD million)

	Unit	1st half 2025	1st half 2024	Change (%)	2nd quarter 2025	1st quarter 2025
Revenues from contracts with customers[5], including:	**USD mn**	**442**	**340**	**+30.0**	**217**	**225**
- copper	USD mn	265	203	+30.5	128	137
- nickel	USD mn	1	5	(80.0)	(0)	1
- TPM – precious metals	USD mn	75	37	x 2.0	35	40
Copper sales volume	kt	27.8	22.5	+23.6	13.6	14.2
Nickel sales volume	kt	0.1	0.3	(66.7)	0.0	0.1
TPM sales volume	koz t	25.0	20.4	+22.5	10.8	14.2

In the first half of 2025, production volume (29.2 thousand tonnes of copper) was at a similar level to that recorded in the corresponding half-year of 2024, while the copper sales volume was higher by 24% (in the first half of 2024 there were delays in the schedule of deliveries of Robinson concentrate).

The impact of individual factors on the increase in revenues is discussed in the further parts of this Report.

5.3. Costs

The cost of sales, selling costs and administrative expenses amounted to USD 304 million, i.e. 14% higher than the amount recorded in the first half of 2024.

Table 19. C1 payable copper production cost of KGHM INTERNATIONAL LTD.

	Unit	1st half 2025	1st half 2024	Change (%)	2nd quarter 2025	1st quarter 2025
Expenses by nature	USD mn	409	408	+0.2	202	207
Change in inventories and work in progress	USD mn	(59)	(59)	-	(37)	(22)
Capitalised stripping costs	USD mn	(46)	(82)	(43.9)	(16)	(30)
Cost of sales, selling costs and administrative expenses	**USD mn**	**304**	**267**	**+13.9**	**149**	**155**
Cost of sales, selling costs and administrative expenses	PLN mn	1 179	1 067	+10.5	562	617
C1 payable copper production cost [(1]	**USD/lb**	**0.99**	**1.87**	**(47.1)**	**0.93**	**1.03**

The largest impact on the increase in costs came from the scope of mine access works for future mining - in the first half of 2025, there was a decrease in mining costs, which were capitalised in investments (USD 46 million versus USD 82 million in the corresponding period of 2024).

[4] *McCreedy West mine in the Sudbury Basin (assets sold in February 2025)*
[5] *Includes processing premium*

Despite the increase in the cost of sales, selling costs and administrative expenses, the unit cash cost of copper sold (C1) represents a level substantially lower than that recorded in 2024. The main factor in this improvement was the increase in the amount of copper sold and the substantially higher deduction from revenues from sales of precious metals (higher volume and price).

5.4. Financial results

Table 20. Financial results of KGHM INTERNATIONAL LTD. (in USD million)

	1st half 2025	1st half 2024	Change (%)	2nd quarter 2025	1st quarter 2025
Revenues from contracts with customers	**442**	**340**	**+30.0**	**217**	**225**
Cost of sales, selling costs and administrative expenses[6], of which:	(304)	(267)	+13.9	(149)	(155)
(recognition)/reversal of impairment losses on non-current assets	(0)	(4)	(92.5)	(0)	-
Profit/(loss) on sales	138	73	+89.0	68	70
Profit/loss for the period	**141**	**(127)**	**x**	**106**	**35**
Depreciation/amortisation	(97)	(90)	+7.8	(51)	(46)
Adjusted EBITDA	**235**	**167**	**+40.7**	**119**	**116**

Table 21. Financial results of KGHM INTERNATIONAL LTD. (in PLN million)

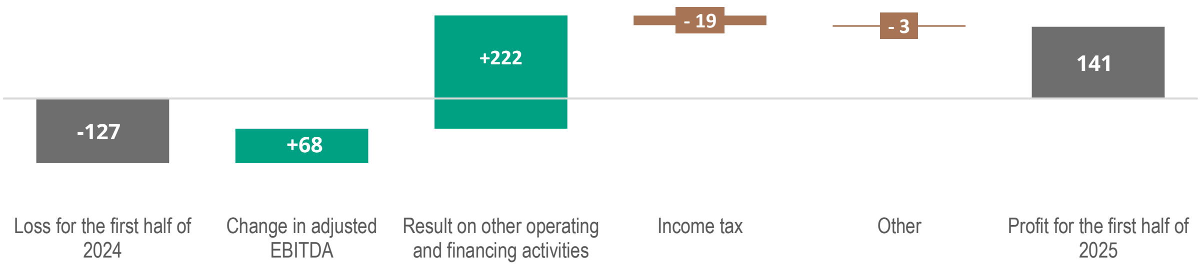
	1st half 2025	1st half 2024	Change (%)	2nd quarter 2025	1st quarter 2025
Revenues from contracts with customers	**1 712**	**1 361**	**+25.8**	**817**	**895**
Cost of sales, selling costs and administrative expenses[6], of which:	(1 179)	(1 067)	+10.5	(562)	(617)
- (recognition/reversal of impairment losses on non-current assets	(1)	(15)	(92.0)	(1)	-
Profit/(loss) on sales	533	294	+81.3	255	278
Profit/loss for the period	**546**	**(506)**	**x**	**408**	**138**
Depreciation/amortisation	(376)	(360)	+4.4	(192)	(184)
Adjusted EBITDA	**910**	**669**	**+36.0**	**448**	**462**

Table 22. Main factors impacting the change in profit or loss of KGHM INTERNATIONAL LTD.

Item	Impact on change of profit or loss (in USD mn)	Description
Adjusted EBITDA	**+68**	**+USD 102 million** – an increase in revenues, including mainly due to an increase in the volumes of sales of copper (+USD 55 million) and gold (+USD 28 million), higher metals prices (+USD 23 million) and higher revenues from mining services carried out by DMC (+USD 6 million).
		-USD 34 million – higher costs reducing adjusted EBITDA, including mainly due to a lower scope of access work and related to the lower capitalised stripping costs (-USD 36 million).
Result on other operating and financing activities	**+222**	**+USD 142 million** – gain on a reversal of allowances for impairment of POCI loans in the amount of USD 42 million as compared to allowances for impairment of loans (-USD 101 million) in the first half of 2024
		+USD 38 million – gains on revaluation of loans. In the first half of 2024, gains in this regard did not occur.
		+USD 28 million – lower interest costs
		+USD 17 million – gain on disposal of Sudbury assets in February 2025
		-USD 3 million – other
Income tax	**(19)**	**-USD 0.3 million** – change in current tax
		-USD 18 million – change in deferred tax
Other	**(3)**	Impairment loss on property, plant and equipment -USD 0.3 million versus -USD 4 million in the first half of 2024 Higher depreciation/amortisation (-USD 7 million)

[6] *Cost of products, merchandise and materials sold, selling costs and administrative expenses*

Chart 16. Change in profit or loss for the period of KGHM INTERNATIONAL LTD. (in USD million)



5.5. Cash expenditures

Table 23. Cash expenditures of KGHM INTERNATIONAL LTD. (in USD million)

	1st half 2025	1st half 2024	Change (%)	2nd quarter 2025	1st quarter 2025
Victoria project	33	38	(13.2)	13	20
Stripping and other	71	135	(47.4)	34	37
Total	**104**	**173**	**(39.9)**	**47**	**57**

Table 24. Cash expenditures of KGHM INTERNATIONAL LTD. (in PLN million)

	1st half 2025	1st half 2024	Change (%)	2nd quarter 2025	1st quarter 2025
Victoria project	128	152	(15.7)	49	79
Stripping and other	277	540	(48.7)	130	147
Total	**405**	**692**	**(41.5)**	**178**	**227**

The decrease in cash expenditures is mainly due to a lower scope of stripping work at the Robinson mine.

6. RESULTS OF THE SEGMENT SIERRA GORDA S.C.M.

The segment Sierra Gorda S.C.M. is a joint venture, whose owners are the KGHM Polska Miedź S.A. Group (55%) and the Australian mining group South32 (45%).

The following production and financial data are presented on a 100% basis for the joint venture and proportionally to the interest in the company Sierra Gorda S.C.M. (55%), pursuant to the presentation of data in the note of the consolidated financial statements concerning the operating segments.

6.1. Production

Table 25. Production of copper, molybdenum and precious metals by Sierra Gorda S.C.M.[7]

	Unit	1st half 2025	1st half 2024	Change (%)	2nd quarter 2025	1st quarter 2025
Copper production	kt	77.1	64.9	+18.8	39.4	37.7
Copper production – segment (55%)	kt	42.4	35.7		21.6	20.8
Molybdenum production	mn lb	3.1	1.7	+82.4	2.2	0.9
Molybdenum production – segment (55%)	mn lb	1.7	0.9		1.2	0.5
TPM production – gold	koz t	26.8	24.9	+7.7	14.1	12.7
TPM production – gold – segment (55%)	koz t	14.7	13.7		7.7	7.0

In the first half of 2025, copper production surpassed the level recorded in the corresponding period of 2024 by 19%, mainly due to the mining of areas with higher copper content than was the case in 2024. A higher level of copper recovery was also recorded. Similar factors (higher content and recovery) led to an increase in molybdenum production.

6.2. Sales

Revenues from sales in the first half of 2025 amounted to USD 951 million (on a 100% basis), or PLN 2 027 million respectively to the 55% interest held by KGHM Polska Miedź S.A.

Table 26. Volume and sales revenues of Sierra Gorda S.C.M.

	Unit	1st half 2025	1st half 2024	Change (%)	2nd quarter 2025	1st quarter 2025
Revenues from contracts with customers[8], including from the sale of:	**USD mn**	**951**	**723**	**+31.5**	**476**	**475**
- copper	USD mn	782	585	+33.7	389	393
- molybdenum	USD mn	58	61	(4.9)	25	33
- TPM (gold)	USD mn	89	58	+53.5	49	40
Copper sales volume	kt	77.8	63.3	+22.9	40.2	37.6
Molybdenum sales volume	mn lb	2.8	3.1	(9.7)	1.2	1.6
TPM sales volume (gold)	koz t	27.2	24.6	+10.6	13.9	13.3
Revenues from contracts with customers[8] - segment (55%)	**PLN mn**	**2 027**	**1 590**	**+27.5**	**988**	**1 039**

Revenues increased by 32% (in USD) mainly due to the increase in production, and consequently the volume of sales of copper and gold. The impact of individual factors on the change in revenues is presented below in the section on factors impacting the change in the results.

[7] *Payable metal in concentrate*
[8] *Reflecting treatment/refining and other charges*

6.3. Costs

The cost of sales, selling costs and administrative expenses amounted to USD 538 million, while proportionally to the interest held (55%) the costs of the segment amounted to PLN 1 147 million.

Table 27. Cost of sales, selling costs and administrative expenses and C1 payable copper production cost of Sierra Gorda S.C.M.

	Unit	1st half 2025	1st half 2024	Change (%)	2nd quarter 2025	1st quarter 2025
Expenses by nature	USD mn	718	668	+7.5	365	353
Change in inventories and work in progress	USD mn	4	24	(83.3)	3	1
Capitalised stripping costs	USD mn	(184)	(167)	+10.2	(94)	(90)
Cost of sales, selling costs and administrative expenses	**USD mn**	**538**	**525**	**+2.5**	**274**	**264**
Cost of sales, selling costs and administrative expenses	PLN mn	1 147	1 154	(0.6)	570	577
C1 payable copper production cost [1]	**USD/lb**	**1.12**	**1.89**	**(40.7)**	**1.07**	**1.18**

The following factors had a favourable impact on the level of costs compared to the first half of 2024:

- change in inventories and work in progress – costs, to a lesser degree than was the case in the prior year, were impacted by the utilisation of ore inventories in the process of concentrate production,
- capitalisation of stripping costs – increase in the scope of access work contributed to the increase in costs capitalised in investments,
- fuel and energy – lower costs due to market conditions.

On the other hand an increase in costs was mainly with respect to external services, depreciation/amortisation, employment and costs related to transport and logistics due to a higher sales volume of copper concentrate. As a result, cost of sales, selling costs and administrative expenses increased during the year by 3%, while in the case of the C1 unit cash cost of copper sold, this cost fell by nearly 41%. An additional positive impact on the C1 cost was the increase in the volume of copper sales (increase in the denominator), the increase in revenues from the sale of gold and molybdenum (higher offsets) and lower processing premiums.

6.4. Financial results

Adjusted EBITDA for the first half of 2025 amounted to USD 610 million, of which proportionally to the interest held (55%) PLN 1 302 million is attributable to the KGHM Group.

Table 28. Results of Sierra Gorda S.C.M. in USD million (on a 100% basis)

	1st half 2025	1st half 2024	Change (%)	2nd quarter 2025	1st quarter 2025
Revenues from contracts with customers	**951**	**723**	**+31.5**	**476**	**475**
Cost of sales, selling costs and administrative expenses (prior to reversal of impairment loss as regards 2023)	(538)	(525)	+2.5	(274)	(264)
Profit/(loss) on sales	413	198	x 2.1	202	211
Profit/loss for the period	**171**	**19**	**x 9.0**	**77**	**94**
Depreciation/amortisation	(197)	(169)	+16.6	(101)	(96)
Adjusted EBITDA	**610**	**367**	**+66.2**	**303**	**307**

Table 29. Results of the segment Sierra Gorda S.C.M. proportionally to the interest held (55%) in PLN million

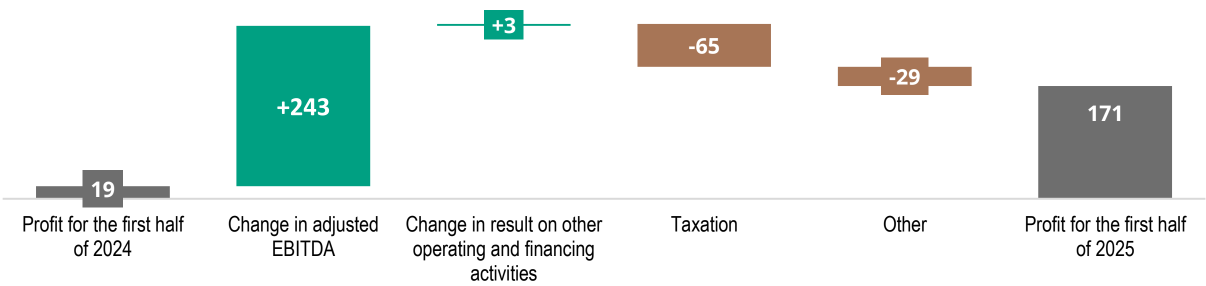
	1st half 2025	1st half 2024	Change (%)	2nd quarter 2025	1st quarter 2025
Revenues from contracts with customers	**2 027**	**1 590**	**+27.5**	**988**	**1 039**
Cost of sales, selling costs and administrative expenses (prior to reversal of impairment loss as regards 2023)	(1 147)	(1 154)	(0.6)	(570)	(577)
Profit/(loss) on sales	880	436	x 2.0	418	462
Profit/loss for the period	**364**	**41**	**x 8.9**	**159**	**205**
Depreciation/amortisation	(422)	(371)	+13.7	(212)	(210)
Adjusted EBITDA	**1 302**	**807**	**+61.3**	**630**	**672**

In the functional currency (USD) adjusted EBITDA is higher by 66% than the amount recorded in the corresponding period of 2024. The impact of the main factors on higher EBITDA and on profit for the period is presented below.

Table 30. Main factors impacting the change in profit or loss of the segment Sierra Gorda S.C.M.

Item	Impact on change of profit or loss (in USD mn)	Description
Adjusted EBITDA	**+243**	**+USD 228 million** – higher revenues due to a higher metals sales volume (+USD 128 million), more favourable market conditions (+USD 76 million, mainly Mark to Market), and a more favourable refining premium (+USD 24 million).
		+USD 15 million – lower costs (excluding depreciation/amortisation)
Result on other operating and financing activities	**+3**	**-USD 13 million** – foreign exchange losses (-USD 7 million) versus gains in the first half of 2024 (+USD 6 million).
		+USD 9 million – lower interest from Owner loans and commercial loans
		+USD 4 million – lower costs related to guarantee fees
		+USD 3 million - other
Taxation	**(65)**	higher current income tax (mining tax at the same level as in the first half of 2024).
Other	**(29)**	higher depreciation/amortisation, mainly as regards capitalised stripping costs

Chart 17. Change in profit/loss for the period (in USD million)



6.5. Cash expenditures

Cash expenditures in the cash flow statement of Sierra Gorda S.C.M. amounted to USD 260 million, i.e. at a level not exceeding that recorded in the first half of 2024, while there was an increase in capitalised stripping costs (+USD 17 million), with lower costs in the case of other investments.

Table 31. Cash expenditures of Sierra Gorda S.C.M.

	Unit	1st half 2025	1st half 2024	Change (%)	2nd quarter 2025	1st quarter 2025
Cash expenditures on property, plant and equipment	USD mn	260	260	-	119	141
Cash expenditures on property, plant and equipment – segment (55% share)	PLN mn	553	572	(3.3)	246	307

Cash flow generated by operating activities amounted to USD 500 million, which entirely covered investment expenditures. This financial surplus enabled the Company to partially pay down the loans granted by the Owners. In the analysed half-year, on a 100% basis, expenditures on the repayment of principal and interest amounted to USD 200 million, i.e. USD 110 million proportionally to the interest held by the KGHM Group (in the first half of 2024 expenditures on a 100% basis in this regard amounted to USD 20 million).

7. RESULTS OF THE REPORTING SEGMENT "OTHER SEGMENTS"

Companies recognised in the reporting segment "Other segments" are very diversified in their operations. They include companies supporting the core business and others of a non-operating nature or playing an important role in fulfilling the policy of corporate social responsibility.

7.1. Revenues

Table 32. Revenues from contracts with customers of companies within the KGHM Group – excluding intra-segment revenues (in PLN million)

Revenues from contracts with customers	1st half 2025	1st half 2024	Change %	2nd quarter 2025	1st quarter 2025
Metraco S.A.	3 020	2 832	+6.6	1 458	1 562
Mercus Logistyka Sp. z o.o.	627	637	(1.6)	332	295
PeBeKa S.A.	477	511	(6.7)	244	233
Energetyka Sp. z o.o.	457	418	+9.3	257	200
KGHM ZANAM S.A.	403	414	(2.7)	186	217
Centrozłom Wrocław S.A.	286	349	(18.1)	138	148
NITROERG S.A.	268	249	+7.6	129	139
WPEC S.A. w Legnicy	190	192	(1.0)	56	134
Miedziowe Centrum Zdrowia S.A.	191	171	+11.7	100	91
POL - MIEDŹ TRANS Sp. z o.o.	129	132	(2.3)	64	65
Other	522	498	+4.8	278	244
TOTAL	**6 570**	**6 403**	**+2.6**	**3 242**	**3 328**

7.2. Financial results

Table 33. Financial results of Other segments – prior to consolidation adjustments (in PLN million)

	1st half 2025	1st half 2024	Change (%)	2nd quarter 2025	1st quarter 2025
Revenues from sales	6 570	6 403	+2.6	3 242	3 328
- including from external clients	1 293	1 394	(7.2)	613	680
Profit or loss on sales	68	101	(32.7)	42	26
Profit/loss for the period	**55**	**74**	**(25.7)**	**30**	**25**
Depreciation/amortisation recognised in expenses by nature	(152)	(159)	(4.4)	(76)	(76)
Adjusted EBITDA	**220**	**260**	**(15.4)**	**118**	**102**

Other segments recorded a profit for the first half of 2025, prior to recognition of consolidation adjustments, in the amount of PLN 55 million, or a significant deterioration compared to the first half of 2024 by PLN 19 million (profit for the first half of 2024 amounted to PLN 74 million). This profit for the period is comprised of the profits/losses of individual companies of the KGHM Group after eliminating turnover between companies within the segment.

The highest profit was achieved by the following companies: Energetyka Sp. z o.o. (PLN 32 million), NITROERG S.A. (PLN 21 million), KGHM ZANAM S.A. (PLN 15 million), WPEC S.A. (PLN 15 million) and Pol-Miedź Trans Sp. z o. o. (PLN 12 million). The lowest results were recorded by PeBeKa S.A. (-PLN 20 million) and Centrozłom Wrocław S.A. (-PLN 12 million).

8. RISK MANAGEMENT IN THE GROUP

The KGHM Polska Miedź S.A. Group defines risk **as the impact of uncertainty, being an integral part of the activities conducted and having the potential to result in both opportunities and threats to achievement of the business goals**.

The **current and future, actual and potential impact of risk** on the KGHM Polska Miedź S.A. Group's activities is assessed. On the basis of the conducted assessment, management practices are reviewed and adjusted in terms of responses to risk.

- Under the Corporate Risk Management Policy and Procedure and the Rules of the Corporate Risk and Compliance Committee, the process of corporate risk management in the KGHM Polska Miedź S.A. Group is consistently performed.
- KGHM Polska Miedź S.A. oversees the process of managing corporate risk in the KGHM Polska Miedź S.A. Group, while in the companies of the KGHM Polska Miedź S.A. Group, documents regulating this area are consistent with those of the Parent Entity.
- The implementation of the aforementioned Policy and Procedure and approval of their updates is made at the level of the Management Board of KGHM Polska Miedź S.A. following recommendations by the Corporate Risk and Compliance Committee.
- Each year, the process of managing corporate risk is subjected to an efficiency audit compliant with the guidelines of "Best Practice for GPW Listed Companies 2021".
- Risk factors in various areas of the KGHM Polska Miedź S.A. Group's operations are continuously identified, assessed and analysed in terms of their possible limitation.
- Key risk factors in the KGHM Polska Miedź S.A. Group undergo in-depth analysis in order to develop a Risk Response Plan and Corrective Actions. Other risk factors undergo monitoring by the Department of Corporate Risk Management and Compliance, and in terms of financial risk by the division of the Executive Director for Financial Management.
- The reporting of key types of corporate risk of the KGHM Polska Miedź S.A. Group is performed cyclically to the Management Board of KGHM Polska Miedź S.A. and to the Audit Committee of the Supervisory Board of KGHM Polska Miedź S.A.

The Company publishes key documents concerning risk and risk management on its website in the section Risk management, while those of only an internal nature are published through internal IT systems available to employees. Publicly-available documents on the subject of corporate risk management may also be addressed to various external stakeholder groups in terms of establishing business relationships. Operational documents developed at individual stages of the risk management process are addressed to those persons who are directly engaged in carrying out this process within the KGHM Polska Miedź S.A. Group.

In order to unify the approach to the systematic identification, evaluation and analysis of the risk of a loss of compliance, defined as adherence to the requirements arising from existing regulations (external and internal) or from voluntarily-assumed legal obligations and standards (including ethical standards), a **Compliance Management Policy for the KGHM Polska Miedź S.A. Group together with a Procedure and Methodology for managing compliance in KGHM Polska Miedź S.A.** as adopted by the Management Board of KGHM Polska Miedź S.A. is in force. The process of managing compliance, which is connected with the process of managing corporate risk within the KGHM Group, is an important business tool for the prevention of events which could lead to the imposition of sanctions.

The Company keeps registers containing the applicable requirements resulting from identified external regulations determining the Company's regulatory situation within various aspects of its business, as well as ongoing monitoring of draft requirements located at various levels of the legislative process in areas of key importance for the Company. The identified external regulations are accompanied by a register of related internal regulations governing the Company's internal relations. The Company's approach enables systematic identification, assessment and analysis of the risk of loss of compliance or possible non-compliance with generally applicable law, internal corporate regulations and voluntarily adopted legal obligations and standards, including ethical norms, to ensure that the process produces a design and an implementation of measures ensuring compliance.

The foregoing is to ensure that the Company has current information on non-compliance, risk of non-compliance and their impact on the organisation, which ensures the creation and protection of shareholder value by establishing a consistent approach to ensuring compliance and avoiding non-compliance or non-compliance risk, as well as supports the achievement of business objectives by implementing tools to mitigate the risk of sanctions.

The compliance management process is also a valuable tool within the Company's broader management activities carried out **in the area of sustainable development**. The identification of external requirements creating obligations for the Company to maintain a sound approach to sustainability issues, including those relating to sustainability reporting standards, allows for understanding and adapting the Company's operations to the dynamic regulatory environment in this area.

The identification of the requirements related to the individual areas that make up the concept of ESG, i.e. environment, social responsibility and corporate governance, as well as the proper management of data acquired during various stages of the compliance management process, such as information on incidents, risk of non-compliance or discrepancies, are part of the Company's due diligence approach in conducting its business in accordance with the principles of sustainable development.

A comprehensive business continuity management system has been implemented, which enables a detailed breakdown of the scope of actions undertaken as regards managing corporate risk in terms of the risk of a catastrophic impact and low probability of occurrence. KGHM Polska Miedź S.A. holds an ISO 2230-compliant Business Continuity Management System (BCMS). The System covers the Divisions of KGHM Polska Miedź S.A. where the production processes comprising the core business and the Head Office are carried out. The documentation in force under the BCMS sets forth the principles and requirements to build the resilience of KGHM Polska Miedź S.A. as regards catastrophic events by sorting out and unifying the current approach to management of the risk of loss of operational continuity of the core production business and preparing for unforeseen events.

The corporate risk management process adopted in the KGHM Polska Miedź S.A. Group is inspired by the solutions adopted by the ISO 31000 standard, best practice in risk management and the specific nature of the Group, and is comprised of the following steps:

Diagram 1. Corporate risk management process in the KGHM Polska Miedź S.A. Group

STEP 1 **Defining the Context**	The first step in the process is comprised of three actions: defining the external context, the internal context and the risk management context. The external context is the environment in which the KGHM Polska Miedź S.A. Group advances its Strategy. Here the definition needs to update the understanding of the social, political, legal, regulatory, financial, economic and technological aspects of the environment which affect its activities. During this step also assessed, based on the results of scenario analysis, are the most important factors for transitioning to a low-emission economy and the paths of climate change and weather models, which are processed in subsequent steps of the process. During the process of defining the internal context, goals are analysed (strategic/business), changes in the organisational structure are planned and performed, new areas of activities, projects, etc. The last part of this step is to define the risk management context, which comprises the setting or updating of goals, the scope, responsibilities and procedures and methodologies applied in the risk management process.
STEP 2 **Identification and Evaluation**	In this step of the process risks which could impact the achievement of goals at the level of the KGHM Polska Miedź S.A. Group are identified and evaluated. The main task in this step is to prepare a complete list of threats which could facilitate, impede, accelerate or delay the achievement of goals. Each identified risk is assigned to a category and a sub-category in the form of a Risk Model, which provides the KGHM Polska Miedź S.A. Group with a consistent risk taxonomy. The following input parameters, data sources and assumptions are used as part of the identification and evaluation: – results of the Context analysis; – Risk Model - a key tool in the context of ensuring that the list of risks is complete; – the results of audits and other control tasks identifying potential new risks in operational areas; – incidents that occurred in the past in connection with the identified risks, non-standard events that caused the risk to materialise and had an actual (loss or gain) or potentially positive or negative impact on the achievement of objectives; – events that may result from the materialisation of risks and their potential consequences; – ESG risk factors, – the approach of the most likely loss or gain rather than the greatest possible loss or gain when assessing risk. When identified, each corporate risk is subjected to assessment using the Risk Assessment Matrix, which provides scaled assessment ranges for the scale of impact, vulnerability and probability. A risk may have various effects, and therefore in order to ensure the broadest possible recognition of potential impact and the limitation of subjective evaluation, the following Impact evaluation measures have been defined:

	– **finance** – impact of the effects of a given risk in its financial aspect by applying value ranges, – **strategy** – evaluation of the risk's impact on the ability to achieve strategic goals, – **reputation and stakeholders** – impact of the risk on the Company's reputation, trust in the brand, investor relations, relations with stakeholders, also including the context of the effectiveness of actions related to building a responsible business and sustainable development, – **health and safety** – direct impact on health and safety and human life, – **natural environment** – impact of the materialisation of risk on the natural environment, the functioning of the ecosystem and the time required to restore the disturbed balance, – **regulations and laws** – evaluation of the compliance of events with existing laws, with the need to participate in proceedings before bodies of public administration of a supervisory and regulatory nature as well as potential sanctions as a result of such proceedings, – **operational continuity** – evaluation of the impact of risk on interruptions to activities resulting in significant/irreversible effects and loss of access to information important from the point of view of conducted activities. The results of the identification and evaluation of risk are presented in a graphic form, i.e. Risk Maps. These provide a profile of the given risk and support the process of identifying the key risk.
STEP 3 **Analysis and Response**	The goal of this step is to deepen knowledge and to understand the specific nature of the types of key risks identified in the previous step. Cause and effect analyses and a more substantive description of the means of dealing with risk are aimed at facilitating decision making on whether to maintain or eventually change current actions. The following input parameters, data sources and assumptions are used as part of this step for the purpose of determining the risk management methods: – results of the previous stages of the process, including the identified ESG risk factors, – a comprehensive approach that takes into account points of contact with other areas, outside the Risk Owner's area of competence, where the effects of risk materialisation may still be significant or even greater than in the Risk Owner's area, – an overview of the current approach to risk, – an analysis to identify potential gaps in the way risks are managed in order to determine the necessary Adaptation Measures. A directional decision is called a Response to risk. A change in the approach requires specification of Corrective Actions, i.e. organisational, process, systemic and other changes aimed at reducing the level of key risks. As a consequence of decisions regarding the acceptance of actions identified in response to risks, the necessary financial, human or investment resources are provided as required. During this step KRIs – *Key Risk Indicators* – are also defined, i.e. a set of business process parameters or environmental parameters which reflect changes to a given risk profile.
STEP 4 **Monitoring and Communication**	The goal of this step is to ensure that the adopted Risk Response Plan is effective (ad hoc and periodic reports), new risk categories are identified (updating of the Risk Registry), changes in the internal and external environments and their impact on activities are identified, and appropriate actions are taken in response to incidents (updating of information on Incidents). Effective, well-planned and properly executed risk monitoring enables flexible and quick reactions to the changes occurring in the external and internal environments (e.g. risk escalation, changes in the measures related to risk response, or risk assessment parameters, etc.). Realisation of this step guarantees that risk management in the KGHM Polska Miedź S.A. Group fulfils the expectations of the Management Board of KGHM Polska Miedź S.A., the Audit Committee of the Supervisory Board of KGHM Polska Miedź S.A. and other stakeholders by supplying reliable information about risk, continuous improvement and adaptation of the quality and effectiveness of Risk Response to the demands of the external and internal context.

Diagram 2. Organisational structure of risk management in KGHM Polska Miedź S.A.

<table>
<tr><th colspan="6">Supervisory Board (Audit Committee)</th></tr>
<tr><td colspan="6">Performs annual assessment of the effectiveness of the risk management process and monitors the level of risk and ways to address it.</td></tr>
<tr><th colspan="6">Management Board</th></tr>
<tr><td colspan="6">Has ultimate responsibility for the risk management system and supervision of its individual elements.</td></tr>
<tr><th>1st line of defence</th><th colspan="4">2nd line of defence</th><th>3rd line of defence</th></tr>
<tr><th>Management</th><th colspan="4">Risk Committees</th><th>Audit</th></tr>
<tr><td rowspan="6">Managers are responsible for identifying, assessing and analysing risk and for the implementation, within their daily duties, of responses to risk. Managers are tasked with ongoing supervision over the application of appropriate responses to risk within the realised tasks, to ensure the expected level of risk is not exceeded.</td><td colspan="4">Support the effectiveness of the risk management process.</td><td rowspan="3">The Internal Audit Plan is based on assessing risk and subordinated to business goals, the current level of risk and the degree of efficiency of its management is assessed.</td></tr>
<tr><td>Corporate Risk and Compliance Committee</td><td>Market Risk Committee</td><td>Credit Risk Committee</td><td>Financial Liquidity Committee</td></tr>
<tr><td>Manages corporate risk and continuously monitors key risk</td><td>Manages risk of changes in metals prices (e.g.: copper and silver), other merchandise (including energy), as well as exchange and interest rates</td><td>Manages risk of failure of customers to meet their obligations</td><td>Manages risk of loss of liquidity, understood as the ability to pay current liabilities on time and to carry out necessary purchases as well as the ability to rapidly obtain financing for operations</td></tr>
<tr><td>Corporate Risk Management Policy
Compliance Management Policy
Operational Continuity Management Policy</td><td>Market Risk Management Policy</td><td>Credit Risk Management Policy</td><td>Financial Liquidity Management Policy</td><td>Internal Audit Rules</td></tr>
<tr><td>Director of the Corporate Risk Management and Compliance Department</td><td colspan="3">Executive Director for Financial Management</td><td>Executive Director for Internal Audit</td></tr>
<tr><td>Reports to the Management Board</td><td colspan="3">Reports to the Vice President of the Management Board (Finance)</td><td>Reports to the President of the Management Board</td></tr>
</table>

Corporate risk – key risks, risk factors and mitigation

A comprehensive approach to risk management is consistent across the KGHM Polska Miedź S.A. Group and it was designed in such a way as to support the building of a resistant corporate structure.

Our comprehensive approach in this area is also reflected in the actions taken by KGHM in the reporting period regarding **risks associated with ESG**, i.e. environmental, social and corporate governance issues. The approach to the ESG risk management is further described in The Management Board's Report on the activities of the Company and the Group in 2024, in section 4.1.1 IRO -1 Description of the process of identification and assessment of significant impact, risks and opportunities and SBM-3 Material impacts, risks and opportunities and their links with the strategy and business model.

KGHM Polska Miedź S.A., as part of its risk management, **takes into account issues related to climate change** in accordance with best practices and standards and distinguishes a category of climate risk, the significance of which is equivalent for the Company to the other categories of risk. In The Management Board's Report on the activities of the Company and the Group in 2024, in section 4.1.1 GOV-5 Risk management and internal controls over sustainability reporting, we describe in more detail our climate risk management strategy, which is one of the elements of the Company's commitment to operational excellence and its mission to act in accordance with sustainable business principles.

The **Risk Model** is a tool used to identify risk in the KGHM Polska Miedź S.A. Group. Its structure is based on the sources of risks and is divided into the following six categories: Technological, Value Chain, Market, External, Internal and Climate**.** Several dozen sub-categories have been identified and defined for each of these categories, covering particular areas of the operations or management. The KGHM Polska Miedź S.A. Group applies due diligence when undertaking actions aimed at minimising exposure to risk by lowering vulnerability to individual risk factors and reducing the probability of the materialisation of events which such factors could induce.

The KGHM Polska Miedź S.A. Group, as part of the improvement of the corporate risk management process, applies a **two-track approach** consisting not only of limitation of the risk and minimisation its negative effects, but also in optimisation of the ability to accept risks and the effectiveness of the tools used and their profitability. The two-track approach is also **reflected in the assessment of dual materiality performed as part of the ESG risk analysis**, where both the materiality of KGHM's impact on humans and the environment, but also financial materiality, understood as the impact of climate change and sustainable development issues on KGHM, are assessed.

Diagram 3. Risk categories in the Risk Model of KGHM Polska Miedź S.A. and their definitions

Category	Definition
Technology	This category is associated with changes in competitiveness resulting from the application of industrial technology, IT, innovation management, protecting and/or managing intellectual property as well as the impact of investment projects involving productivity and technology quality, or changes in the quality and efficiency of IT infrastructure affecting business units, support functions and infrastructure.
Value chain	This category is associated with changes in the operational efficiency of logistics and warehousing in the production process and in providing services, in managing sales, in managing waste and restoration as well as being correlated with the process of managing the supply chain, the availability of utilities and materials in the production process, changes in the evaluation and management of mineral deposit resources, or the advancement of research and exploration projects.
Market	This category is associated with changes in the value of assets, the level of liabilities or profit and loss resulting in a change in the sensitivity to interest rates, currencies, liquidity, inflation rates, customer insolvency, commodities prices, energy and property rights. This category also involves changes in the impact of demand and supply on the products of the KGHM Polska Miedź S.A. Group, the selection of appropriate tools to advance the marketing strategy, changes in expected rates of return on equity investments or the efficiency of transferring risk to the insurer.
External	This category is associated with the conditions involved in conducting activities resulting from changes in economic conditions, changes in laws and regulations (*compliance*), political decisions, changes in the natural environment as well as catastrophic natural events and force majeure. This category also comprises changes in market share or margins due to changes in the competitive environment or substitutes, the risk of the result of decisions in the courts or arbitration proceedings, the risk of unfavourable administrative decisions, changes in obligations, the designation of tax liabilities or their payment deadlines.
Internal	This category is associated with changes in an entity's activities affected by changes in its structure, organisation, procedures, processes or business model, as well as the risk of changes in corporate image, its products or services, the effectiveness of principles of proceedings related to ethics and anti-corruption, company's interests, or safeguards against loss of confidentiality, integrity, availability and authenticity of informational assets.
Climate	This category is associated with climate-related risk (climate risk) and its impact on the KGHM Polska Miedź S.A. Group's business activities, comprising physical risk (violent and chronic) and risk associated with transition to a low-carbon economy (regulatory, reputational, market and technological).

A detailed description of key risks of the KGHM Polska Miedź S.A. Group, mitigation actions and an identification of the specific risk for the Parent Entity and the KGHM INTERNATIONAL LTD. Group, was presented in the Management Board's Report on the activities of KGHM Polska Miedź S.A. and the KGHM Polska Miedź S.A. Group in 2024 in section 1.5 Risk management.

Information on the impact of the war in Ukraine on the functioning of the Company and Group

The situation as regards the war in Ukraine did not have a substantial, direct impact on the activities of the Company and Group in the first half of 2025. Detailed information on its impact and the related risks was presented in note 5.6 of the condensed consolidated financial statements of the KGHM Polska Miedź S.A. Group for the first half of 2025, "Monitored areas – important issues that may affect the Group's situation".

Market risk management

In terms of market risk management (in particular the risk of changes in metals prices and exchange rates) of greatest significance and impact on the results of the Group are the scale and nature of the activities of the Parent Entity and the mining companies of KGHM INTERNATIONAL LTD. The Parent Entity actively manages market risk, undertaking actions and decisions in this regard within the context of the global exposure throughout the KGHM Polska Miedź S.A. Group.

Commodity risk, currency risk	In the first half of 2025, the Group was mainly exposed to the risk of the changes in the prices of metals it sells: copper and silver. Of major significance for the Parent Entity was the risk of changes in exchange rates, in particular the USD/PLN exchange rate. The Group's companies are additionally exposed to the risk of volatility in the prices of other metals. Market risk related to changes in metals prices arises from the formula for setting prices in physical metals sales contracts, which are usually based on the average monthly market prices for the relevant future month. In accordance with the Market Risk Management Policy, in the first half of 2025 the Parent Entity continuously identified and measured market risk related to changes in metals prices, exchange rates and interest rates (analysis of the impact of market risk factors on the Parent Entity's activities – profit or loss, balance sheet, statement of cash flows), and also analysed the metals, currencies and interest rates markets. These analyses, along with assessment of the internal situation of the Parent Entity and the Group, represented the basis for taking decisions on the application of hedging strategies on the metals, currency and interest rates markets. Disclosures regarding the management of the risk of changes in metal prices and exchange rates in the first half of 2025 in the Parent Entity and in the Group are presented in note 4.4 of the condensed consolidated financial statements.
Interest rate risk	As at 30 June 2025, the balance of items exposed to interest rate risk by impacting the amount of interest income and costs was as follows: – cash and cash equivalents: PLN 424 million, – borrowings: PLN 3 890 million. As at 30 June 2025, the balance of items exposed to interest rate risk due to changes in the fair value of instruments with fixed interest rates was as follows: – receivables due to loans granted by the Group: PLN 21 million, – borrowings (i.e. bank and other loans drawn with fixed interest rates): PLN 1 225 million. In the first half of 2025, the Parent Entity did not implement any transactions hedging against the risk of changes in interest rates. As at 30 June 2025, it held open CIRS (*Cross Currency Interest Rate Swap*) transactions for the notional amount of PLN 1.6 billion, hedging both revenues from sales in terms of currency as well as in terms of the variable interest rate of the issued bonds.
Result on derivatives and hedging transactions	The total impact of derivatives and hedging instruments (transactions on the copper, silver, currency and interest rate markets as well as embedded derivatives and a loan in USD designated as a hedge against a change in the exchange rate) on the Group's profit or loss for the first half of 2025 amounted to -PLN 46 million, of which: – PLN 60 million increased revenues from contracts with customers, – PLN 104 million decreased the result on other operating activities, – PLN 2 million decreased the financial result. Moreover, in the first half of 2025, gains from the settlement of the bond interest rate hedging instrument (CIRS) in the amount of PLN 30 million were recognised in the statement of financial position – non-current assets. Meanwhile, other comprehensive income was increased by PLN 189 million (impact of hedging instruments; increase from PLN 78 million to PLN 267 million). As at 30 June 2025, the fair value of open transactions in derivatives of the Group (on the metals, currency and interest rate markets and in embedded derivatives) amounted to PLN 352 million.
Risk of changes in prices of energy and energy carriers	In terms of management of market risk arising from changes in prices of energy and energy carriers, the scale and profile of operations of the Parent Entity have the greatest significance and impact on the results of the KGHM Polska Miedź S.A. Group. It represents a commodity risk for the Parent Entity, which is measured based on its impact on cash flows. Commodity price risk management for planned purchases of electricity and gaseous fuel involves managing the exposure to the risk of changes in the price of electricity and gaseous fuel over a time horizon of up to 36 consecutive months resulting from energy and gas purchase plans, less previously-concluded purchase contracts with delivery in future periods. Detailed disclosures regarding the risk of changes in energy and energy carrier prices in the first half of 2025 in the Parent Entity are presented in note 4.4 of the financial statements and the consolidated financial statements.
Price risk related to changes in the share prices of listed companies	Price risk related to the shares of listed companies held by the Group is understood as the change in their fair value due to changes in their quoted share prices. As at 30 June 2025, the carrying amount of shares of companies listed on the Warsaw Stock Exchange and on the TSX Venture Exchange amounted to PLN 1 563 million.

Credit risk management

Credit risk is defined as the risk that counterparties will not be able to meet their contractual liabilities.

The Management Board is responsible for credit risk management in the Parent Entity and for compliance with policy in this regard. The main body involved in actions in this area is the Credit Risk Committee.

In the first half of 2025, the KGHM Polska Miedź S.A. Group was exposed to credit risk mainly in four areas.

Credit risk related to trade receivables	To reduce the risk of insolvency by its customers, the Parent Entity has a receivables insurance contract which covers receivables from entities with buyer's credit which have not provided strong collateral or have provided collateral which does not cover the total amount of the receivables. Taking into account the collaterals held and the credit limits granted by the insurance company, as at 30 June 2025 the Parent Entity had secured 81% of its trade receivables (as at 31 December 2024, 80%).
Credit risk related to cash and cash equivalents and bank deposits	The Group allocates periodically free cash in accordance with the requirements to maintain financial liquidity and limit risk and in order to protect capital and maximise interest income. Credit risk related to deposit transactions is continuously monitored by the review of the credit ratings of financial institutions with which the Group cooperates, and by limitation of the level of concentration in individual institutions. As at 30 June 2025, the maximum share of a single entity in terms of credit risk arising from funds of the Group deposited in financial institutions amounted to 22% (as at 31 December 2024, 35%).
Credit risk related to derivatives transactions	All of the entities with which the Group enters into derivatives transactions (with the exception of embedded derivatives) operate in the financial sector. These are mainly financial institutions with a medium-high rating. According to fair value as at 30 June 2025, the maximum share of a single entity with respect to credit risk arising from open derivative transactions entered into by the Group and from net receivables due to settled derivatives amounted to 15% (as at 31 December 2024, 29%). Due to diversification of risk in terms both of the nature and of their geographical location of risk, as well as taking into consideration the ongoing monitoring of the rating of financial institutions with which it cooperates, the Group is not materially exposed to credit risk as a result of the derivative transactions entered into.
Credit risk related to loans granted	As at 30 June 2025, the balance of loans granted by the Parent Entity amounted to 8 442 PLN million. The most important positions are long-term loans in the total amount of PLN 8 277 million granted to the company Future 1 sp. z o.o. and to the KGHM INTERNATIONAL LTD. Group. As at 30 June 2025, the balance of loans granted by the Group amounted to PLN 8 684 million. The most important of these are short-term and long-term loans in the total amount of PLN 8 663 million, i.e. USD 2 395 million granted by the KGHM INTERNATIONAL LTD. Group for the financing of a mining joint venture in Chile. The loans granted in connection with the financing of a mining joint venture in Chile are subordinated to liabilities due to a loan in the amount of up to USD 500 million received by Sierra Gorda S.C.M. from a banks syndicate. In order to guarantee the subordinating of owner loans to the debt granted by the banks syndicate, a Subordination Agreement was entered into. Under this Agreement, there exists the possibility to repay the owner loans by the joint venture Sierra Gorda S.C.M., which is contingent on the acceptance of the banks syndicate following the fulfilment of strictly-defined parameters in the Subordination Agreement. Credit risk related to the loans granted to the joint venture Sierra Gorda S.C.M. is dependent on the risk related to mine project advancement and is assessed by the Management Board of the Parent Entity as moderate.

Financial liquidity risk and capital management

Important information regarding financial liquidity risk and capital management is presented in part 4 of the condensed consolidated financial statements.

9. OTHER INFORMATION

9.1. Factors which, in the issuer's opinion, will impact its results over at least the following quarter

The most significant factors affecting the results achieved by the KGHM Polska Miedź S.A. Group, through the Parent Entity, including in particular over the following quarter, may be:

a) the ongoing war in Ukraine and the system of economic sanctions and their potential impact on changes in the supply chain and the availability of materials and components, fuels and energy on international markets,
b) the impact of tariff policy and the global trade war (USA, China, European Union),
c) the further impact of the conflict in the Middle East and its potential impact on destabilisation of global economies,
d) volatility in crude oil prices due to the tension in the Persian Gulf, the global trade war and the production policy of OPEC+,
e) the impact of a slowdown in the Chinese economy and its impact on the global supply chain,
f) the impact of a slowdown in the German economy and its impact on the sales structure,
g) volatility in copper and silver prices on the metals markets,
h) volatility in the USD/PLN exchange rate,
i) volatility in electrolytic copper production costs, including in particular due to the minerals extraction tax, changes in the value of consumed purchased copper-bearing materials and volatility in prices of energy carriers and electricity,
j) the effects of the implemented hedging policy,
k) changes in the monetary policies of central banks and changes in interest rates, and
l) the general uncertainty on financial markets.

The most significant factors affecting the results achieved by the KGHM Polska Miedź S.A. Group through the KGHM INTERNATIONAL LTD. Group, including in particular over the following quarter, may be:

a) similarly as in the case of the Parent Entity, the ongoing war in Ukraine and the further impact of the conflict in the Middle East and its potential impact on business continuity disruptions or restrictions of activities,
b) the impact of tariff policy and the global trade war (USA, China, European Union),
c) volatility in crude oil prices due to the tension in the Persian Gulf, the global trade war and the production policy of OPEC+,
d) the different rates of growth of global economies compared to forecasts (mainly China and the USA) due among others to the global trade war,
e) volatility in the level of extraction and metal recovery,
f) volatility in copper, silver and gold prices,
g) volatility in the CLP/USD and USD/PLN exchange rates,
h) volatility in the cost of mined copper production,
i) an increase in the prices of materials and services,
j) the general uncertainty on financial markets.

The above may affect the results of the Group in subsequent quarters. However, it is not possible to present quantitative estimates of the potential impact of current conditions on the results of the Group. To date, there has not yet been recorded a substantial negative impact of the aforementioned factors on the continuity of production of the Core Business, on sales or on the continuity of the supply chain for materials and services.

The Parent Entity continues to monitor the global economic situation, in order to assess its potentially negative impact on the KGHM Polska Miedź S.A. Group and to undertake pre-emptive actions to mitigate this impact.

9.2. Position of the Management Board with respect to the possibility of achieving previously published forecasts of results

KGHM Polska Miedź S.A. does not publish forecasts of financial results.

9.3. Significant contracts for the Group[9]

In the first half of 2025, and up to the date of preparation of this report, one contract significant for the activities of the Parent Entity and the Group was entered into:

Wire rod sales agreement with Tele-Fonika Kable S.A.	On 3 June 2025 KGHM Polska Miedź S.A. entered into an agreement with Tele-Fonika Kable S.A. for the supply of copper wire rod in the years 2026-2030. The estimated value of sales based on copper price and exchange rate forecasts ranges from PLN 6.9 billion to a maximum of PLN 9.7 billion.

9.4. Information on transactions entered into between related parties, under other than arm's length conditions

The KGHM Polska Miedź S.A. Group has implemented a variety of internal rules and regulations regulating the principles under which contracts between the Group's entities may be entered into, including:

- The Organisational Regulation of the Vice President of the Management Board (Finance) of KGHM Polska Miedź S.A. regarding the introduction in the organisational units of KGHM Polska Miedź S.A. of rules for setting transaction prices and procedures for preparing taxation documentation, and setting rules for the cooperation of KGHM Polska Miedź S.A. with the companies of the Group,
- The Principles of Financial Management and Economic System of KGHM Polska Miedź S.A., and
- The Procurement Policy of the KGHM Polska Miedź S.A. Group.

Acting in compliance with the aforementioned rules and regulations, during the first half of 2025 neither the Parent Entity nor its subsidiaries entered into significant transactions with related parties under other than arm's length conditions.

9.5. Human resources in the Company and Group

KGHM Polska Miedź S.A.

Average employment in KGHM Polska Miedź S.A. in the first half of 2025 was slightly higher than in the corresponding period of 2024. This increase in employment was caused by the need to fill additional positions in mines as a result of infrastructure development and employment of additional employees in the area of cybersecurity.

Employment as at 30 June 2025 amounted to 18 895 persons and was 0.3% higher than the level of employment at the end of the corresponding period of 2024.

Table 34. Average employment in KGHM Polska Miedź S.A.

	1st half 2025	1st half 2024	Change (%)
Mines	12 700	12 629	+0.6
Metallurgical plants	3 629	3 623	+0.2
Other divisions	2 624	2 590	+1.3
KGHM Polska Miedź S.A.	**18 953**	**18 842**	**+0.6**

Group

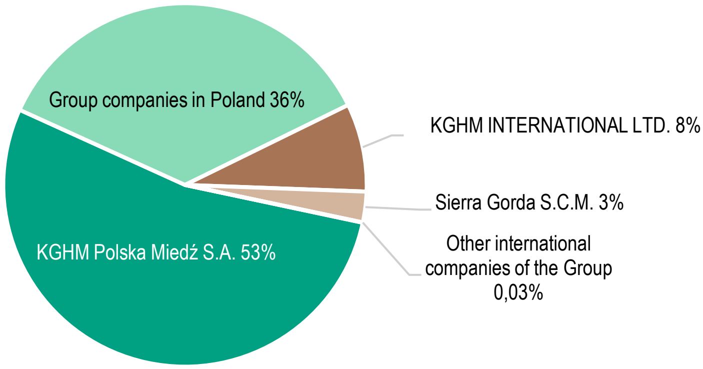
In the first half of 2025, 35 458 people were employed in the Group, or an increase as compared to the first half of 2024 by 1%. The employment structure is shown below:

Table 35. Average employment in the Group

	1st half 2025	1st half 2024	Change (%)
KGHM Polska Miedź S.A.	18 953	18 842	+0.6
Companies of the KGHM Group in Poland	12 751	12 695	+0.4
KGHM INTERNATIONAL LTD.	2 780	2 655	+4.7
Sierra Gorda S.C.M.[10]	965	906	+6.5
Other international companies of the KGHM Group	9	10	(10.0)
Total	**35 458**	**35 108**	**+1.0**

[9] *Value of contracts based on metals prices and exchange rates estimated as at the date of signing of a given contract*
[10] *Sierra Gorda S.C.M. – employment proportional to share in the company (55%)*

Chart 18. Employment structure in the Group in the first half of 2025[11]



Companies in Poland

In the first half of 2025, as compared to the first half of 2024, average employment in the companies of the KGHM Polska Miedź S.A. Group in Poland increased by 56 positions (i.e. by 0.4%). This increase was mainly in white collar positions.

Companies abroad

Compared to the first half of 2024, average employment in the reporting period in the companies of the KGHM International Ltd. Group increased by 125 positions, or an increase of 4.7%. Despite the disposal at the end of February 2025 of operating assets in the Sudbury Basin in Canada (McCreedy West, Levack, Podolsky), which led to a reduction in employment in the company FNX Mining Company Inc., in the remaining entities of the Group an increase in employment was recorded. The main factor responsible for this increase was the start of new projects carried out by DMC Mining Services in Chile, which led to an increased need for staff. Moreover, the increase in average employment results from the successive filling of budgeted positions in the companies of the KGHM International Ltd. Group.

In the first half of 2025, compared to the corresponding period of 2024, average employment in the company Sierra Gorda S.C.M. rose by 59 positions, or an increase by 6.5%. This change was due to the employment of workers for a specified time period under operating and development projects being advanced, as well as to the filling of vacancies.

[11] *Sierra Gorda S.C.M. – employment proportional to share in the company (55%)*

9.6. Litigation and claims

List of significant proceedings before courts, arbitration authorities or public administration authorities respecting the payables and receivables of KGHM Polska Miedź S.A. and its subsidiaries

Proceedings regarding royalties for use of invention project no. 1/97/KGHM "Method for increasing the production capacity of the electrorefining sections of the Metallurgical Plants"	In the claim dated 26 September 2007, the Plaintiffs (14 natural persons) filed a claim against KGHM Polska Miedź S.A. with the Regional Court in Legnica for the payment of royalties for the use by the Company of invention project no. 1/97/KGHM called „Sposób zwiększenia zdolności produkcyjnej wydziałów elektrorafinacji Huty Miedzi" (Method for increasing the production capacity of the electrorefining sections of the Metallurgical Plants) (the "Project") for the 8th calculation period (2006). The amount of the claim (principal amount) was determined by the Plaintiffs in the statement of claim in the amount of approximately PLN 42 million (principal amount excluding claimed interest and court costs). In its response to the statement of claim of 21 January 2008, the Company requested that the claim be dismissed in its entirety and filed a counterclaim for the reimbursement of unduly paid remuneration for the sixth and seventh years of application of the Project (2004 and 2005), also raising a possible plea of set-off of the mutually asserted claims. The amount of the claim (principal amount excluding claimed interest and court costs) in the counterclaim was determined by the Company in the amount of approximately PLN 25 million. In the judgement of 25 September 2018, the Regional Court in Legnica dismissed the counterclaim and partially upheld the principal claim to the total amount of approx. PLN 24 million, and at the same time ordered the payment of interest in the amount of approx. PLN 30 million, totalling to approx. PLN 54 million. Both parties to the proceedings appealed against this judgement. In the judgement of 12 June 2019, the Court of Appeals in Wrocław dismissed the appeals of both parties, changing the judgement of the court of first instance only with regard to the decision on the costs of the main action, charging them to KGHM. The judgements are binding and were executed by KGHM on 18-19 June 2019. As a result of the execution of liabilities there is no basis for the recognition of provisions for liabilities. KGHM Polska Miedź S.A. filed a cassation appeal against the judgement of the court of second instance with respect to the partially upheld principal claim in the amount of approx. PLN 24 million as well as with respect to the dismissed counter-claim in the amount of approx. PLN 25 million. The plaintiffs did not file a cassation appeal with respect to the dismissed portion of the main claim. In a judgement dated 24 November 2022 the Supreme Court overturned the disputed judgement and ordered the case to be reheard by the Court of Appeal in Wrocław. In a preparatory letter dated 5 May 2023, KGHM requested the return of the liabilities paid by KGHM to the plaintiffs of the claim, justified by the judgement of the court of first instance and amended as regards the costs of the judgement of the court of second instance (petition for restitution). In its judgement of 4 December 2024, the Court of Appeals in Wrocław again dismissed KGHM's appeal and the Company's petition for restitution, set-off the costs of the appeal and cassation proceedings between the parties and partially amended the decision regarding the costs of the main claim for the first instance. By a cassation appeal dated 14 March 2025, KGHM filed a claim against the Court of Appeals in Wrocław in its entirety.

9.7. Shareholders and the capital market

Shareholder structure of KGHM Polska Miedź S.A.

As at 30 June 2025, the share capital of the Company, in accordance with the entry in the National Court Register, amounted to PLN 2 000 million and was divided into 200 million shares, series A, having a face value of PLN 10 each. All shares are bearer shares. Each share grants the right to one vote at the general meeting. The Company has not issued preference shares.

In the first half of 2025, there was no change in either registered share capital or in the number of outstanding shares issued. During this same period there was no change in the ownership structure of significant blocks of shares of KGHM Polska Miedź S.A.

The Company's shareholder structure as at 30 June 2025 and at the date this report was prepared, established on the basis of notifications received by the Company pursuant to art. 69 of the Act on public offerings and conditions governing the introduction of financial instruments to organised trading, and on public companies, was as follows:

Table 36. Shareholder structure of the Company as at the date this report was prepared

Shareholder	number of shares/votes	total nominal value of shares (PLN)	percentage held in share capital/total number of votes
State Treasury [12]	63 589 900	635 899 000	31.79%
Allianz Polska Otwarty Fundusz Emerytalny [13]	11 961 453	119 614 530	5.98%
Nationale-Nederlanden Otwarty Fundusz Emerytalny [14]	10 104 354	101 043 540	5.05%
Other shareholders	114 344 293	1 143 442 930	57.18%
Total	**200 000 000**	**2 000 000 000**	**100.00%**

[12] *based on a notification received by the Company dated 12 January 2010*
[13] *based on a notification received by the Company dated 16 May 2023*
[14] *based on a notification received by the Company dated 18 August 2016*

As far as the Company is aware, the shareholder structure of KGHM Polska Miedź S.A. did not change since the publication of the consolidated report for the first quarter of 2025.

Other shareholders, whose combined share in the share capital and in the total number of votes amounts to 57.18%, are mainly institutional investors, both international and domestic.

According to information held by KGHM Polska Miedź S.A., as at the date of preparation of this report none of the members of the Company's Management Board or Supervisory Board held shares of KGHM Polska Miedź S.A. or rights to them. There was no change in this situation since the date of publication of the consolidated report for the first quarter of 2025.

The Company does not hold any treasury shares. The Management Board of the Company is unaware of any agreements which could result in changes in the proportion of shares held by present shareholders in the future.

The shares of KGHM Polska Miedź S.A. on the Warsaw Stock Exchange

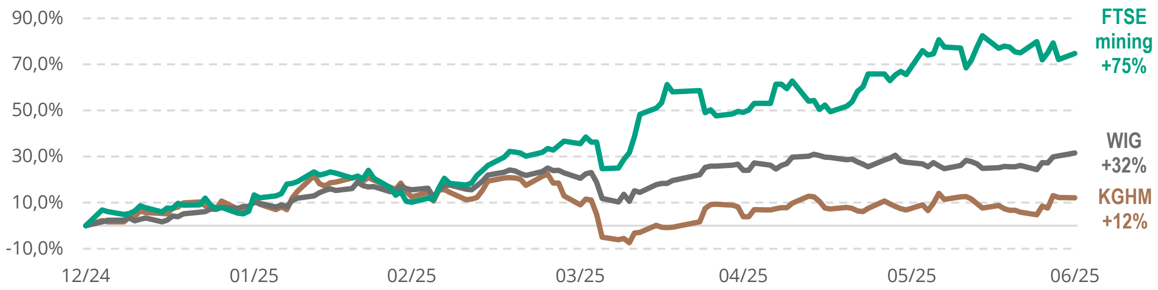
KGHM Polska Miedź S.A. debuted on the Warsaw Stock Exchange (WSE) in July 1997. The Company's shares are traded on the primary market of the WSE in the continuous trading system and are a component of the WIG, WIG20 and WIG30 main indices as well as the mining sector index WIG-MINING. Moreover, KGHM Polska Miedź S.A. is a component company of the FTSE4Good Index Series. The FTSE4Good Index Series is part of the group of ethical investment indicators, reflecting criteria of corporate social responsibility and ESG risk management.

The Company's shares in the first half of 2025

At the end of the first half of 2025 the share price of KGHM Polska Miedź S.A. recorded an increase by 12.1% compared to the closing price on the last day of trading in 2024, and at the close of trading on 30 June 2025 amounted to PLN 128.90. During the same period the price of copper – the Company's main product – increased by 13.7%, alongside a decrease in the average USD/PLN exchange rate by 11.7%. At the same time the following WSE indices recorded growth: WIG by 31.6%, WIG20 by 29.8%, and WIG30 by 31.8%. Meanwhile, the FTSE 350 mining index – comprised of companies from the mining sector listed on the London Stock Exchange – rose by 74.8%.

The Company's shares reached their maximum half-year closing price of PLN 140.75 on 25 March 2025. The minimum closing price of PLN 106.50 was recorded on 9 April 2025.

Chart 19. Share price of KGHM Polska Miedź S.A. versus the WIG and FTSE 350 mining (percentage change)



Source: KGHM Polska Miedź S.A., Bloomberg

Key share price data of KGHM Polska Miedź S.A. on the Warsaw Stock Exchange are presented in the following table.

Table 37. Key share price data of the Company on the Warsaw Stock Exchange

Symbol: KGH, ISIN: PLKGHM000017	Unit	I-VI 2025	I-VI 2024	2024
Number of shares issued	million	200	200	200
Market capitalisation of the Company at period's end	PLN bn	25.8	30.1	23.0
Average trading volume per session	shares	795 295	751 125	696 305
Change in share price in the period	%	12.1	22.5	-6.3
Highest closing price in the period	PLN	140.75	170.0	170.00
Lowest closing price in the period	PLN	106.50	105.75	105.75
Closing price from the last day of trading in the period	PLN	128.90	150.35	115.00

Source: KGHM Polska Miedź S.A., statistical bulletin of the WSE for 2024 and the first half of 2025, Bloomberg

Allocation of profit

In accordance with Resolution No. 6/2025 of the Ordinary General Meeting of KGHM Polska Miedź S.A. dated 18 June 2025 regarding the allocation of profit of KGHM Polska Miedź S.A. for 2024, it was decided that all of the profit earned by the Company in 2024 in the amount of PLN 2 787 596 997.52 would be transferred to the Company's reserve capital.

9.8. Organisational changes in the Group

Companies in Poland

In the first half of 2025, there were no changes in the structure of the group of domestic companies.

In terms of equity investments within this group of companies, KGHM Polska Miedź S.A. increased its equity involvement in the direct subsidiary PMT Linie Kolejowe Sp. z o.o. and increased the share capital in four companies being operators of photovoltaic farms. Details are in the following table.

Table 38. Equity investments of KGHM Polska Miedź S.A.

Acquisition of newly-issued shares: INVEST PV 7 Sp. z o.o. INVEST PV 40 Sp. z o.o. INVEST PV 58 Sp. z o.o. INVEST PV 59 Sp. z o.o.	In June 2025 the Extraordinary Shareholders' Meeting of the companies (1) INVEST PV 7 Sp. z o.o., (2) INVEST PV 40 Sp. z o.o., (3) INVEST PV 58 Sp. z o.o. and (4) INVEST PV 59 Sp. z o.o., adopted resolutions to increase the share capitals of these entities by the following respective amounts: (1) PLN 16.50 million, (2) PLN 31.60 million, (3) PLN 60.70 million and (4) PLN 78.70 million. All of the newly-issued shares in the increased share capitals were acquired by KGHM Polska Miedź S.A. and were paid for entirely in cash, at their nominal value. The share capitals of these companies following the increases amount to respectively: (1) PLN 16.73 million, (2) PLN 32.06 million, (3) PLN 60.71 million, (4) PLN 78.72 million. The funds acquired from the increase in share capital were used to pay back owner's loans to KGHM Polska Miedź S.A. as well as accrued interest as at the date of repayment. KGHM Polska Miedź S.A. owns 100% of the shares of all the aforementioned companies.
Acquisition of newly-issued shares of PMT Linie Kolejowe Sp. z o.o.	In January 2025, the Extraordinary Shareholders' Meeting of PMT Linie Kolejowe Sp. z o.o. adopted a resolution on an increase in the company's share capital by PLN 35.34 million. All of the newly-issued shares in the increased share capital were acquired by KGHM Polska Miedź S.A. and were paid for entirely in cash on 31 January 2025, at their nominal value. The Company's share capital following the increase amounts to PLN 140.04 million. The funds acquired from the increase in share capital will be used to advance the investment objective called "Modernisation of Railway Infrastructure". This is the third of four instalments planned to be transferred by KGHM Polska Miedź S.A. to the company as an increase in share capital, to be used for the acquisition of non-current assets to achieve the aforementioned investment objective. The first instalment in the amount of PLN 17.25 million was transferred in July 2023, and the second in the amount of PLN 70.21 million in January 2024. KGHM Polska Miedź S.A. owns 100% of the company's shares.

International companies

Table 39. Equity investments in the international assets

Increase in the share capital of DMC Mining Services Ltd. with its registered head office in Canada	On 15 January 2025 the share capital of DMC Mining Services Ltd (hereafter DMC) was increased. The share capital was increased by transferring to DMC real estate being the property of the sole shareholder of DMC, i.e. FNX Mining Company Inc., in the amount of CAD 1 543 000.00. The acquisition of this real estate was made based on a purchase sales agreement, while the purchase price, i.e. CAD 1 543 000.00, was used in its entirety to increase the share capital of DMC. This increase in share capital was not accompanied by the issuance of new shares or by an increase in the value of the shares already issued.

On 28 February 2025, based on a Sales Agreement signed on 11 September 2024, FNX Mining Company Inc. sold 100% of the shares of the special purpose company Project Nikolas Company Inc. to Magna Mining Inc. All of KGHM's mines in the Sudbury Basin, i.e. those currently engaged in mining activities: McCreedy West, as well as those having the status of being in care & maintenance, Levack/Morrison and Podolsky, were transferred to the special purpose company.

Entities subject to consolidation

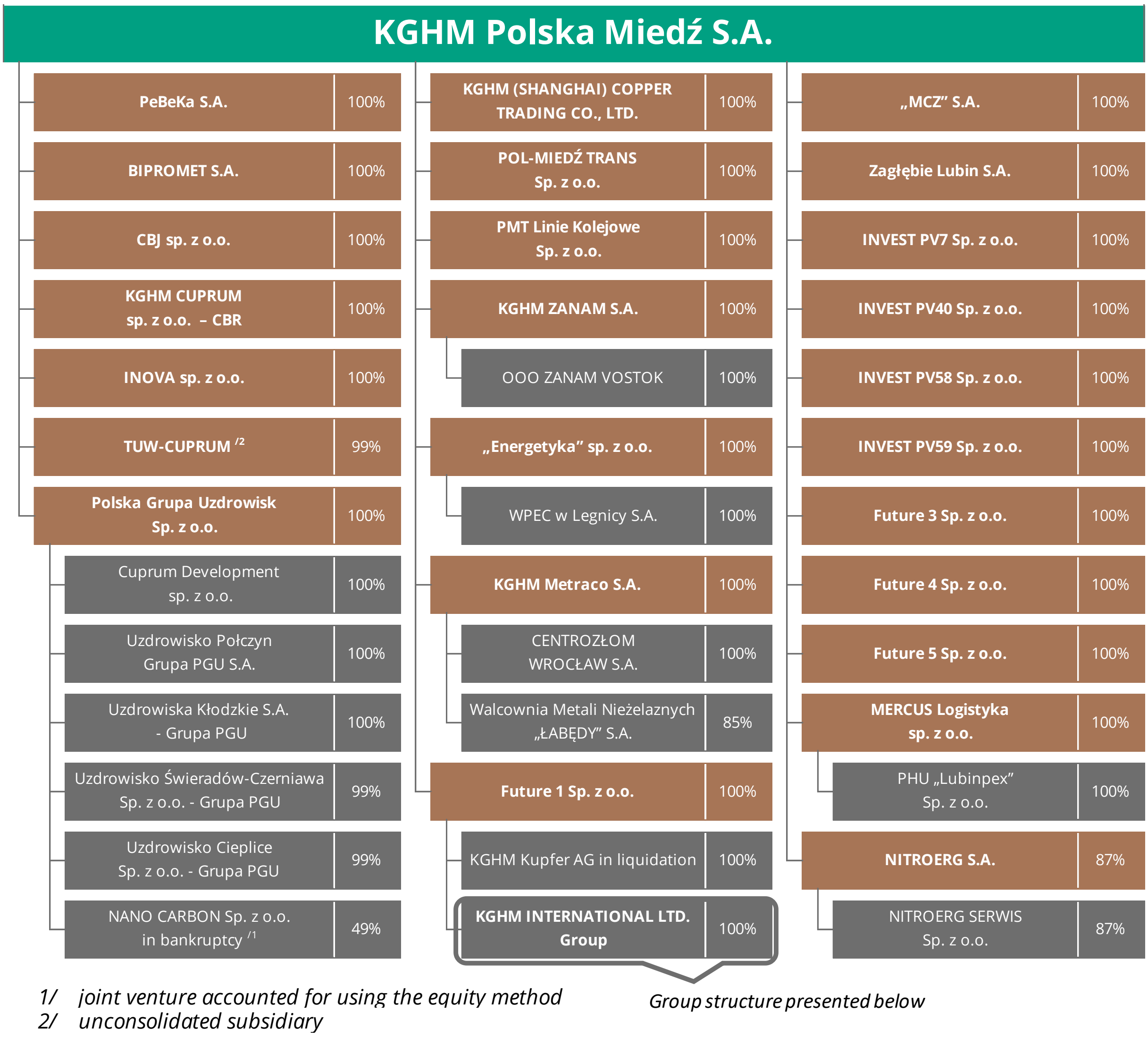
As at 30 June 2025, the Group was composed of the Parent Entity – KGHM Polska Miedź S.A. – and 36 direct and indirect subsidiaries consolidated using the simultaneous method, as well as the KGHM INTERNATIONAL LTD. Group consolidated by including its consolidated financial statements in the financial statements at the highest level of Group consolidation. Altogether, 63 entities (including KGHM Polska Miedź S.A.) are consolidated.

At the end of the first half of 2025, two jointly-controlled entities were accounted for using the equity method in the consolidated financial statements: Sierra Gorda S.C.M. and NANO CARBON Sp. z o.o. in bankruptcy.

Excluded from consolidation was Towarzystwo Ubezpieczeń Wzajemnych „CUPRUM", whose assets, revenues and financial results do not have a significant impact on the consolidated statement of financial position and the consolidated statement of comprehensive income.

The detailed structures of the KGHM Polska Miedź S.A. Group as well as the KGHM INTERNATIONAL LTD. Group as at 30 June 2025 are provided below:

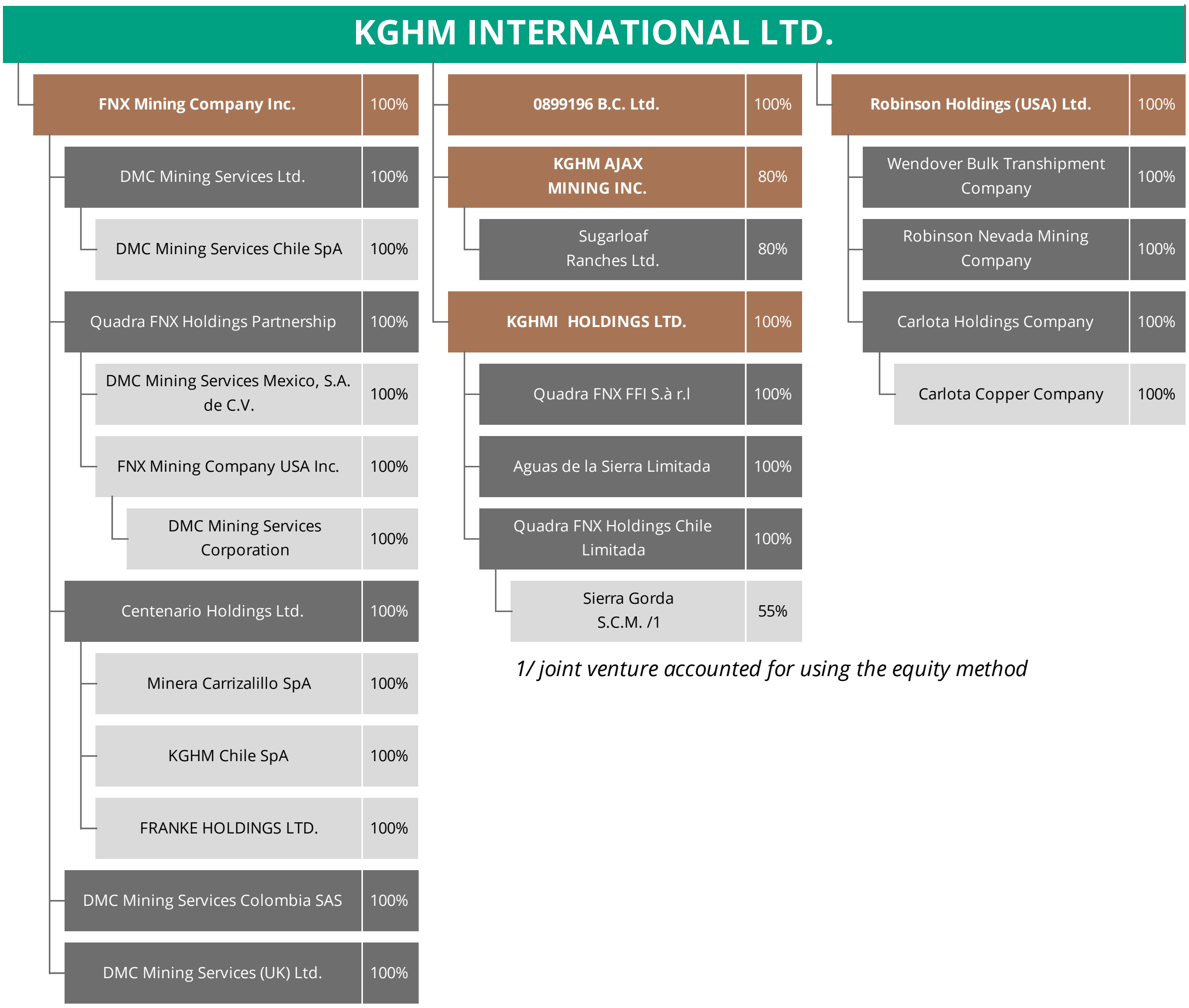
Diagram 4. Structure of the KGHM Polska Miedź S.A. Group as at 30 June 2025[15]



1/ joint venture accounted for using the equity method
2/ unconsolidated subsidiary

[15] *The percentages shown represent the total share of the Group*

Diagram 5. Structure of the KGHM INTERNATIONAL LTD. Group as at 30 June 2025[16]



1/ joint venture accounted for using the equity method

9.9. Subsequent events

Information concerning events which occurred after the end of the reporting period may be found in note 5.7 of the condensed consolidated financial statements for the first half of 2025.

[16] *The percentages shown represent the total share of the Group*

10. USEFUL TERMS AND ABBREVIATIONS

Bearer shares	In accordance with the Polish legal system the term: "bearer shares" has a different meaning than "bearer shares” (anonymous and unregistered shares facilitating illicit actions) eliminated from the market by certain countries, e.g. in the UK. The obligatory dematerialisation of shares carried out in Poland in 2021 abolished the anonymity of all shareholders of joint-stock companies. The necessity to register bearer shares makes it possible to identify each shareholder entitled to hold shares. The division into registered and bearer shares has been upheld largely due to the legal tradition in Poland
BAT **(Best Available Technique)**	Best Available Technique, as defined in Directive 96/61/EC, means the most effective and advanced stage in the development of activities and their methods of operation which indicate the practical suitability of particular techniques for providing in principle the basis for emission limit values designed to prevent and, where that is not practicable, generally to reduce emissions and the impact on the environment as a whole
BGP	Gas-Steam Blocks
BREF	“BAT REFerence document”, the reference document of best available techniques (BAT)
Total unit cost of producing copper from own concentrate	The sum of costs of mining, flotation, smelter processing per cathode and support functions (the Data Center Division, the Mine-Smelter Emergency Rescue Division and the Head Office), together with cathode selling costs, adjusted by the value of inventories of half-finished products and work in progress and less the value of anode slimes, divided by the volume of electrolytic copper production from own concentrate
CRU	CRU Group, a London-based analytical company providing, among other things, business analytics and advisory services, primarily in the mining, metals and fertiliser markets.
COMEX	The Commodity Exchange, Inc. a global commodity exchange with the head office in New York, focusing on trading in derivatives (futures and options) on metals such as gold and silver, as well as copper, aluminium, steel, molybdenum, zinc, lead and iron ore.
COPI	KGHM Polska Miedź S.A. Data Center Division
Net debt **Net Debt**	The value of loans, borrowings, debt securities and leases payable less free cash and cash equivalents, taking into account the impact of derivatives related to sources of external financing. Liabilities arising from the use of financial instruments containing reverse factoring mechanisms are not included in this category
OFE rod	Oxygen-free copper wire produced at HM Cedynia based on UPCAST technology
CSRD	Directive 2022/2464 of the European Parliament and of the Council on sustainability reporting (CSRD - Corporate Sustainability Reporting Directive) published in the Official Journal of the EU on 16 December 2022.
Adjusted EBITDA **(Earnings Before Interest, Taxes, Depreciation and Amortisation)**	Profit on sales plus depreciation/amortisation recognised in profit or loss and recognition/reversal of impairment losses on non-current assets.
EE TGE YA	Electricity price on the Warsaw Power Exchange (TGE) in delivery for the next calendar year (YA - Year Ahead)
Electrorefining	The process of electrolising dissoluble anodes which are produced from refinable alloys. During this process refined metal is collected on starter sheets under controlled conditions, while contaminants remain in the electrolyte as solids or liquid
ESRS **(European Sustainability Reporting Standards)**	European Sustainability Reporting Standards issued in the form of Commission Delegated Regulation (EU) 2023/2772. The regulation entered into force and is applicable from 1 January 2024.
Fed	The Federal Reserve System, customarily referred to as the Federal Reserve, abbreviated to Fed - the central bank of the United States.
Pillar (mining)	An unremoved mass of rock in an underground mine used to support the ceiling against collapse
Flotation (ore enrichment)	A stage in the process of breaking down ore into fragments of varying composition of useful elements which exploits differences in the degree of wettability of individual mineral grains. Well-wetted minerals fall to the bottom of the flotation tank, while the poorly-wetted grains (those whose wettability additionally decreases due to the action of so-called collecting agents, e.g. xanthates) collect at the surface of the froth created from froth-inducing agents
FOMC **(The Federal Open Market Committee)**	The Federal Open Market Committee, the body within the Federal Reserve System (Fed) responsible for shaping the monetary policy, overseeing US open market operations and setting money supply targets.

TTF MA gas	European wholesale TTF (Title Transfer Facility) gas price for Month Ahead (MA) gas futures.
Group	KGHM Polska Miedź S.A. Group
HM	Metallurgical plant/ smelter
INE	Shanghai International Energy Exchange, a subsidiary of the Shanghai Futures Exchange, allowing trading in futures and options on crude oil, copper, low-sulphur fuel oil and rubber.
ISO	International Organization for Standardization
JRGH	KGHM Polska Miedź S.A. Mine-Smelter Emergency Rescue Division
Senior management	Top management level in the organisation of the entity (Management Board, Supervisory Board)
Management staff	Managers of individual units or departments of the organisation, including the senior management and the middle management staff.
Copper cathodes	The basic form of electrolytically-refined copper; the product of electrolytic copper refining
Copper concentrate	The product of enriching low-grade copper ore
Cost of producing payable copper (C1)	Unit cash cost of producing payable copper, reflecting ore mining and processing costs, transport costs, the minerals extraction tax, administrative expenses during the mining phase and smelter treatment and refining charges (TC/RC) less by-product value. C1 cost is in regard to payable copper in own concentrate in the case of the segment KGHM Polska Miedź S.A. and payable copper in end products of individual mines of the segment KGHM INTERNATIONAL LTD. and the segment Sierra Gorda S.C.M.
Mineral	Raw material of economic significance extracted from the ground e.g. coal, oil, salt, metal ores
CPC	Act of 15 September 2000, Commercial Partnerships and Companies Code (Journal of Laws no. 94, item 1037, as amended)
LBMA	London Bullion Market Association, the precious metals industry association responsible for setting the main standards in the silver and gold market.
LME	London Metal Exchange, the world's largest non-ferrous metals exchange, which allows trading in futures and options on various commodities. It provides the global benchmark for metal prices and plays a key role in international trade.
Payable metal	Volume of metal produced less the loss incurred in further processing to pure metal
Electrolytic copper	The product of electrolytic copper refining
NBP	National Bank of Poland
Flotation tailings	Waste remaining after the ore enrichment process
OPEC+	A broader agreement that comprises members of OPEC (Organisation of Petroleum Exporting Countries) and additional oil-producing countries that have agreed to work with OPEC to regulate the supply of oil on global markets.
TSF	Tailings Storage Facility
Time perspective	The perspective and defined time for the implementation of a particular action The following assumptions are made : – Short-term perspective - covers a period of up to 2 years – Medium-term perspective - covers a period of 2 to 5 years – Long-term perspective - covers a period of more than 5 years
Mobility policy	The Policy on International Mobility in the KGHM Polska Miedź S.A. Group setting out the principles for the transfer of employees seconded from one entity of the KGHM Polska Miedź S.A. Group to another entity of the KGHM Polska Miedź S.A. Group with its registered head office in another country.
Invention Regulations	Internal document of the Company defining the principles and procedures for the consideration and remuneration for submission of invention projects, the acquisition by KGHM of rights to use invention projects and the acquisition of rights to obtain Exclusive Rights.
YoY	year on year, i.e. comparison between one year and the next year
REACH	Registration, Evaluation, Authorisation and Restriction of Chemicals - regulation issued by the European Parliament and of the Council (EU) on the safe use of chemicals through their registration and evaluation, and in certain cases through the issuance of permits and restrictions in the sale and use of certain chemicals
WTI crude oil	WTI (West Texas Intermediate) crude oil, a type of crude oil originating in the USA. It serves as one of the main international price benchmarks for crude oil (alongside Brent and Ural).
Ore	Rock which contains one or more useful elements. Ore can be monometallic (containing a single metal) or polymetallic (containing more than one metal)

Sell-side	A term used in the financial services industry designating the provision of securities sales services by entities such as investment banks, brokerage houses or market makers.
SHFE	Shanghai Futures Exchange, one of the main futures exchanges in China, trading financial instruments based on metals (e.g. copper, aluminium, zinc), including precious metals, energy products or rubber.
Barren rock	Rock which accompanies the extraction of mineral ore and is not considered as useful
SMR **(Small Modular Reactor)**	Small modular nuclear reactor technology
Pre-precious metals credit unit cost of electrolytic copper production from own concentrate	The sum of costs of mining, flotation, smelter processing per cathode and support functions (the Data Center Division, the Mine-Smelter Emergency Rescue Division and the Head Office), together with cathode selling costs, adjusted by the value of inventories of half-finished products and work in progress divided by the volume of electrolytic copper production from own concentrate. Indicator used solely in the Parent Entity
SX-EW **(solvent extraction and electrowinning)**	Copper cathode production technology applied in some plants of KGHM INTERNATIONAL LTD. based on solvent extraction (the process of leaching useful minerals using a solvent) of the copper ore heap, with the aid of diluted sulphuric acid, under the atmospheric conditions
Electrolytic copper refining technology	A process involving the electrolytic refining of metal, in this case copper. The periodic removal of portions of the electrolite is required to maintain the level of contaminates at an acceptable level, which is the one of decisive factors determining the quality of electrolytically-refined copper. The contaminated electrolyte and slimes are used as the raw materials in the recovery of some of the metals accompanying the copper, such as silver, gold, selenium and nickel
Silver smelting and electrolytic refining technology	Comprised of: batch preparation (the mixture of batch elements followed by drying); the smelting of Doré metal and the casting of anodes (melting of the batch in a Kaldo furnace to remove slag or gasify impurities followed by casting of the product [99% silver] into anodes); silver electrorefining (forming into cathodes containing a min. 99.99% silver); melting in an electric induction furnace and the casting of refined silver into commercial form (billets or granules)
TPM **(Total Precious Metals)**	Precious metals (gold, platinum, palladium)
Troy ounce **(t oz)**	A unit of measure mainly used in English-speaking countries. The troy ounce (abbreviated as oz) is universally used in jewellery and precious metals commerce. 1 troy ounce equals 31.1035 grams
Muck	Rock removed from a mine face. Contains both ore and barren rock
Copper wire rod	Drawn copper rod, usually with a diameter of 6-12 mm, universally used as a starting material in the cable industry
Mine excavation	Open area left after the mining work
LTIFR KGHM indicator **(Lost Time Injury Frequency Rate)**	Indicator of the number of accidents at work (as defined in Poland) in the Company KGHM Polska Miedź S.A., standardised to 1 million worked hours
TRIR indicator **(Total Recordable Incident Rate)**	Indicator of the number of accidents at work meeting the conditions of registration as defined in the ICMM (International Council on Mining & Metals) standard, standardised to 200 000 worked hours
RMR	Revolving-Melting-Refining Furnace
Green transformation	Action to increase the use of renewable sources for energy production
Deposit/Orebody	Natural collection of minerals in the earth, arising as a result of various geological processes
Concentrators Division	Concentrators Division

SIGNATURES OF MEMBERS OF THE MANAGEMENT BOARD

This report was authorised for issue on 18 August 2025.

President
of the Management Board

Andrzej Szydło

Vice President
of the Management Board

Zbigniew Bryja

Vice President
of the Management Board

Piotr Krzyżewski

Vice President
of the Management Board

Mirosław Laskowski

Vice President
of the Management Board

Anna Sobieraj - Kozakiewicz

Vice President
of the Management Board

Piotr Stryczek