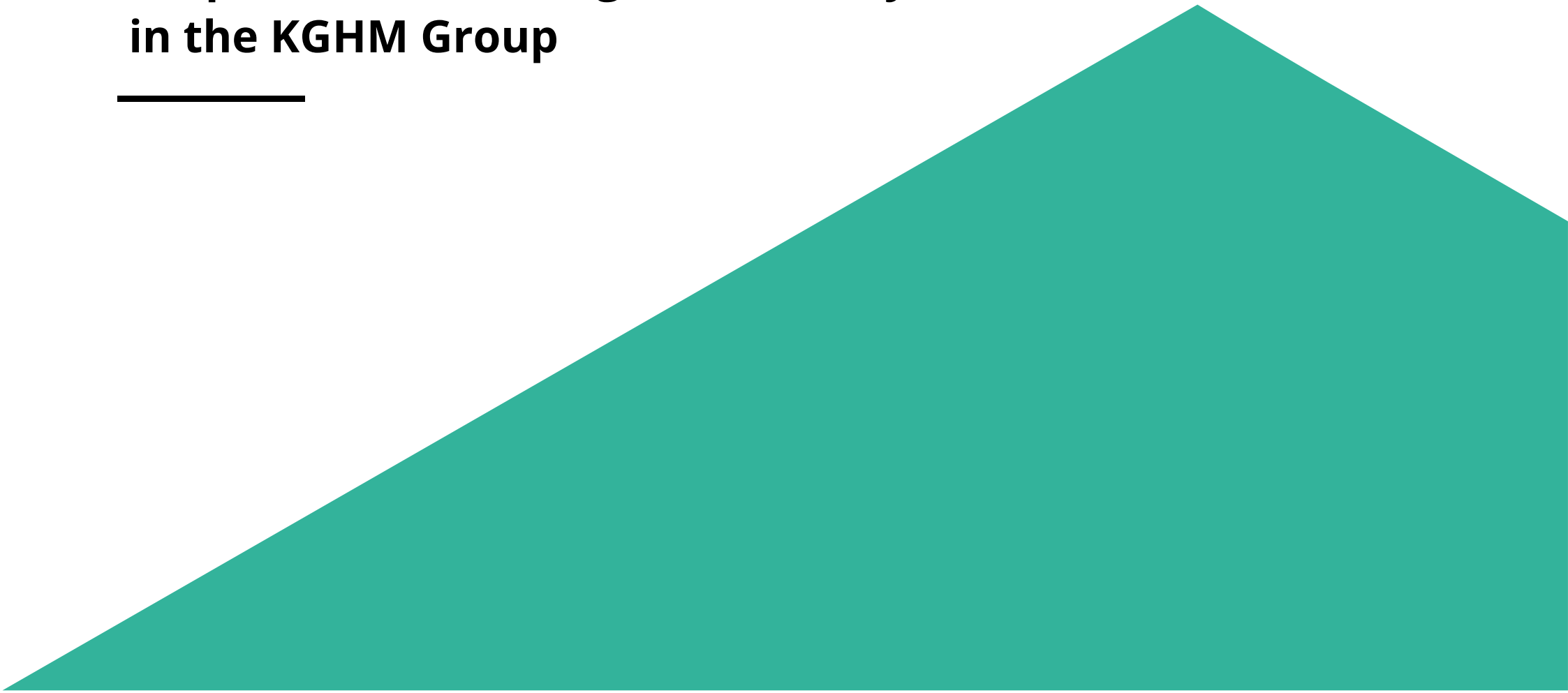




Corporate Risk Management Policy in the KGHM Group



01. Corporate Risk Management in the KGHM Group

Risk definition

The KGHM Group defines risk as the impact of uncertainty, which is an integral part of our business and may result in both opportunities and threats to the achievement of our business objectives.



02. Corporate risk management system

Basic information

We recognise corporate risk management as an important element of effective operation and have a corporate risk management process in place in the entire KGHM Group. **The corporate risk management system, based on the due diligence process, is an important business tool for assessing the current and future, actual and potential impact of risk, including: on stakeholders, environment, on the achievement of our organization's business objectives and building value by our organization.**



03. Scope of the corporate risk management system

The KGHM Group has adopted an organization-wide approach to risk management, based on recognized international standards and industry best practices. The adopted solution has been tailored to the specific case of the KGHM Group. It enables the consistent identification, assessment and analysis of risks so that as a result of this process relevant responses to risks are designed to keep them at expected levels.

As part of its corporate risk management system, the KGHM Group focuses on the following, among other things:

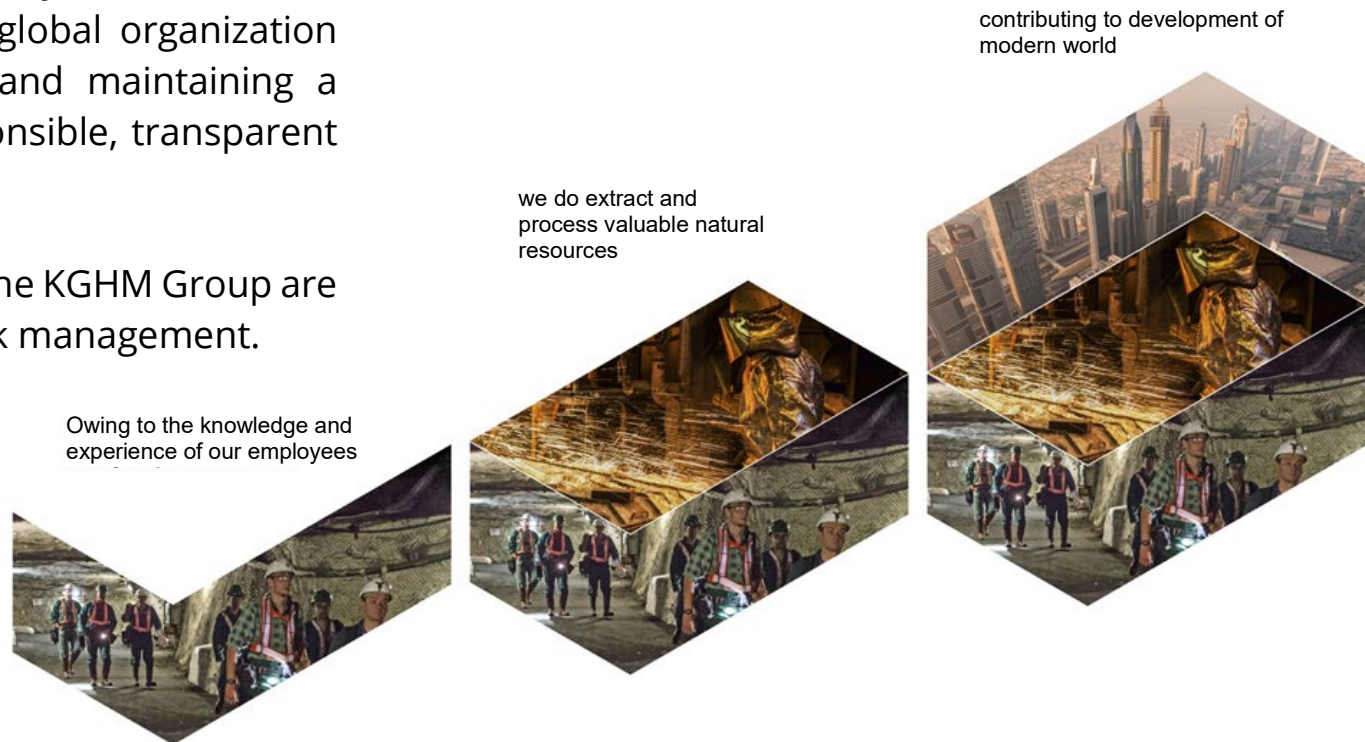
- consistency with the growth strategy, continuous effort to ensure operational excellence and the principles of sustainable development and responsible business,
- taking into account the impact of climate risks on the operations of the KGHM Group using scenario analyses in the short, medium and long term,
- managing risks and opportunities that relate to the environment (E), social issues (S) and corporate governance (G).
- supporting the KGHM Group in building a resilient corporate structure,
- taking into account both the functional and project structure of the KGHM Group,
- promoting an organizational culture that promotes risk management awareness within the KGHM Group,
- corporate risk management in accordance with the Best Practice for GPW Listed Companies,
- management systems based on the ISO standards implemented in KGHM.



04. Objectives of corporate risk management in the KGHM Group

Achieving risk management objectives is crucial for the KGHM Group as a global organization that cares about building and maintaining a reputation for being a responsible, transparent and robust company.

Therefore, all employees of the KGHM Group are involved in the corporate risk management.



Objectives of corporate risk management in the KGHM Group are as follows:

to ensure the creation and protection of shareholder value by establishing a consistent approach to risk identification, assessment and analysis, as well as implementation of key risk response measures;

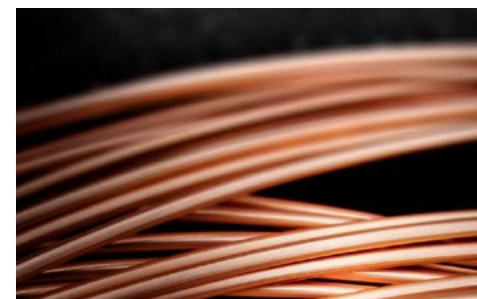
to protect the employees' lives and health, the natural environment, climate and reputation of the brand;

to support the achievement of business objectives through early warning tools for opportunities and threats;

to ensure strong support for decision making at all tiers of the organization;

to promote, across the Group, the awareness of accepted risks and active involvement in continuous improvement;

to support the creation of a culture of sustainable development, among other base on ESG risk estimation and assessment.



05. Roles and responsibilities

Division of powers and responsibilities is underlain by the principles of good corporate governance practices and the commonly recognized model of three lines of defence:

