

KGHM GROUP ENVIRONMENTAL POLICY

Together for the environment!

The KGHM Polska Miedź S.A. Group (hereinafter: the 'KGHM Group'), as a global copper and silver producer, operates in accordance with the sustainable development principles. The operations of the KGHM Group, comprising exploration, mining, smelting and processing of metals, as well as service, technical and engineering, research and development activities, have an impact on the environment through the use of raw materials and resources, emission to air, water and soil, and generation of residues in the form of waste. When conducting its business operations, the KGHM Group takes into account environmental and climate protection requirements while ensuring dialogue with all stakeholders.

The Environmental Policy (hereinafter: the 'Policy') is consistent with and supports the long-term strategic directions of the KGHM Group.

The policy applies to all KGHM Group entities and takes into account the entire value chain. It covers the operations of the KGHM Group and applies to all persons working for the KGHM Group, including in particular the Top Management, the employees and all other persons engaged under our supervision. The legal requirements and objectives defined in this Policy should be met at all times.

The Management Board of KGHM Polska Miedź S.A., supported by all the Management Boards of the KGHM Group companies is responsible for the implementation and supervision of the Policy. The Policy forms an integral part of the KGHM Group's management system affecting the decision-making, operational planning and reporting activities.

The KGHM Group undertakes to:

- Perform its operations in a responsible manner by implementing best environmental management practices.
- Implement and maintain ISO 14001-compliant environmental management systems in production plants requiring integrated permits.
- Continuously improve its processes to minimise the adverse impact of our operations on the surrounding environment and communities.
- Perform its operations based on the highest standards, in compliance with the requirements of the applicable legislation and the accepted values: safety, collaboration, focus on results, responsibility and courage.
- Identify, assess, communicate and mitigate environmental and climate risks in its operations.
- Minimise adverse environmental impacts associated with emission to air, water and soil.
- Manage waste and the safety of mining waste facilities in a responsible manner to protect health and safety and minimise adverse environmental impacts.
- Pursue rational water management in a way that ensures the safety of production processes in accordance with the applicable permits.
- Monitor and reduce greenhouse gas emissions.
- Develop and implement innovative technologies, including renewable energy sources, to increase energy efficiency and reduce emission.
- Apply the precautionary principle in relation to substances recognised as hazardous to humans and/or the environment.
- Optimise production operations in accordance with the principles of the circular economy (CE), by maximising recycling in production processes and improving the recycling and recovery processes.
- Maintain biodiversity in all regions of its operations by following the mitigation hierarchy with the aim to avoid, minimise, restore and compensate impacts on the nature and biodiversity.
- Restore the usable value of land adversely altered by our activities,
- Engage in active dialogue and cooperation with stakeholders, including local communities, business partners and NGOs, in order to achieve the objectives set.
- Raise awareness of environmental and climate protection among our employees.

Cooperation and stakeholder engagement

The KGHM Group maintains permanent contact with its stakeholders, taking into account their expectations and needs in the decision-making process. The KGHM Group cooperates with international organisations, trade organisations and local communities striving to achieve the environmental and climate goals set. Openness to dialogue and transparency of operations are the cornerstones of KGHM Group's relations with the environment.

Monitoring and reporting

The KGHM Group regularly monitors progress in the achievement of its environmental and climate goals. The results are presented in sustainability reports that are publicly available to all stakeholders.

References to standards and initiatives

The KGHM Group operates on the basis of transparent, standardised procedures. Many of our entities have implemented and certified environmental management systems, in compliance with the requirements of ISO 14001. This allows us to define key environmental requirements and challenges. Our systems fully integrate all aspects related to the company operations. They contribute to improving the competence and technical capabilities of our business units. We take into account the expectations of both internal and external stakeholders by identifying and fulfilling the legal, administrative and individual requirements of our partners.

The KGHM Group Environmental Policy has been developed to ensure its consistency with the European Sustainability Reporting Standards (ESRS) and the ISO 14001 standard.

Final provisions

The policy is an open document, subject to regular review and update in response to changing external circumstances and new challenges as well as stakeholder expectations. It provides framework for responsible decision-making and supports the long-term achievement of the KGHM Group's strategic objectives.

This Environmental Policy, adopted by the Management Board of KGHM Polska Miedź S.A., applies in the entire the KGHM Group and is generally available and known to employees and other persons working for the KGHM Group.

The Management Board of KGHM Polska Miedź S.A. declares its support for any activities resulting from this Policy and the provision of adequate resources and means for its implementation.