INVESTOR CHAT WITH KGHM POLSKA MIEDŹ S.A.

Link to the original chat (in Polish): Wyniki finansowe Grupy KGHM za III kwartał i 9M 2025 roku – czat z Piotrem Krzyżewskim, Wiceprezesem Zarządu ds. Finansowych

On Monday, 17 November 2025 an investor chat was held with the CFO of KGHM Polska Miedź S.A., Mr. Piotr Krzyżewski. During the chat we talked about the financial results for the 3Q of 2025 and further development plans, and the CFO, Piotr Krzyżewski responded to over 20 questions.

Please feel free to read through the chat - following is the transcript of the chat.

	**Janusz Maruszewski** Hello and welcome to our investor chat with the CFO of KGHM Polska Miedź S.A., Mr. Piotr Krzyżewski. The chat is open, we invite you to follow the discussion and to ask questions!
	**Piotr Krzyżewski** Good afternoon, welcome to our investor chat related to the financial results for the third quarter of 2025. To summarise the most important parameters: in the first three quarters of 2025 the KGHM Group earned an operating profit (EBITDA) of PLN 7.2 billion, or an increase by 16% yoy. Profit for the period of the KGHM Group amounted to PLN 1.0 billion, with stable revenues of PLN 25.9 billion. Production of payable copper amounted to 526 thousand tonnes and was in line with budget targets. In recent months the Company focused on investment and operating decisions which are crucial for its stable functioning over the long term. During our meeting today, I will respond to the issues you are interested in and possibly provide more details. Please feel free to ask questions.
	**Guest: Kiki888: Do you already know how much of the budget for 2026 will be allocated to the Zagłębie Lubin football club?**

Piotr Krzyżewski
We are currently working on the KGHM Group budget for 2026. Within a month, we expect to determine the expenditures on marketing, including those related to cooperation with the Zagłębie Lubin Club.

Guest: Observer: What was the average salary at KGHM (mines, smelters, processing plants) in 2024? When will the Management Board start implementing the cost optimization plan and what annual savings will it bring from 2026 and over the ten-year period?

Piotr Krzyżewski
According to the published remuneration report, the average gross salary (excluding the Management Board and Supervisory Board Members) at KGHM amounted to approximately PLN 17,706 per month in 2024.

Guest: Robert: Hello, at the end of October there was an interview with the CEO where he said that he is interested in M&A abroad, is this despite the Sierra Gorda expansion?

Piotr Krzyżewski
Yes, I can confirm that such a development scenario for the KGHM Group is also possible, however, as we emphasize, the priority is long-term development and strengthening present operations.

Guest: Albert: Hello! When can we expect confirmation of the copper tax? When will it be decided in the Polish Parliament? Thank you!

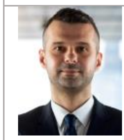
Piotr Krzyżewski
The legislative process is ongoing; we are waiting for the amendment of the regulations. This week, the next step is scheduled; on Tuesday, the Parliamentary Finance Committee will meet.

Guest: Albert: Good morning, are you planning to develop new projects in Poland and abroad? When will we be able to hear about them?

Piotr Krzyżewski
We consistently discuss our growth projects, particularly in Poland where we are in the process of preparing to build three new shafts, which will secure the stable functioning of the Company over the long term. Our international projects are also advancing.
The Victoria project in Canada is progressing (this year, deepening of the exploratory shaft was carried out within the Advanced Exploration phase of the Victoria project in Canada), and at the Sierra Gorda mine, work was conducted related to the preparation of project documentation for the construction of the fourth grinding line. Additionally, there are several exploration projects which may in the future result in the construction of new mines.

Guest: Monika: What is the situation with the development of Sierra Gorda with S32? Can you confirm the investment in the fourth production line? S32 states that this will be 700 million USD for 100% of the project, and can we ask you for a response?

Piotr Krzyżewski
Copper production in Sierra Gorda and Robinson is carried out according to our assumptions. We have stabilized production at the Sierra Gorda processing plant and see greater predictability of copper and molybdenum production. We have achieved this while focusing on operating costs. Thanks to good production results, supported by metal prices and cost discipline, the share of international assets in the adjusted EBITDA

	of the KGHM Group increased to 46%. This allowed the international assets to transfer 240 million USD to KGHM Polska Miedź S.A. over the first 9 months of 2025. Together with South32, we are analyzing possible directions for the development of this asset. We have confirmed the occurrence of mineralization on concessions adjacent to the currently exploited deposit, we are analyzing investments in the 4th grinding line and the oxide ore processing project. According to the schedule established with S32, the decision regarding the 4th line will be made in the first half of 2026. It is now too early to forecast Capex.
	Guest: Carol: Hello, what type of guidance and for what range will you put out in the new strategy update? When are you planning to publish it? What will it be mostly about? Thank you!
	**Piotr Krzyżewski** As we have mentioned numerous times in recent months, the changes in the Strategy, while essentially completed, are highly dependent on the results of the debate on the Minerals Extraction Tax. This debate is nearing completion (currently it is being decided by the Polish Parliament). A final decision is expected over the next several weeks. Once the final formula for the MET is decided, this will affect the final form of KGHM's new Strategy, and we expect to announce the new Strategy shortly thereafter.
	Guest: Janusz: Hello! When will see the inflows from building the three new shafts? When will copper production begin from them?
	**Piotr Krzyżewski** Completion of the construction of the 3 new shafts will allow us to stabilize the level of domestic production at the current level over the perspective of several years to decades.
	Guest: Janusz: Good afternoon, do you plan to change your dividend policy?
	**Piotr Krzyżewski** No, we do not plan any changes; KGHM's dividend policy remains unchanged and stipulates that the maximum proposed dividend amount may be up to one third of the standalone net profit of the Company. Additionally, each time, when recommending the allocation of KGHM's profit for a given financial year, the Management Board of KGHM takes into account the financial position and capital needs of the Parent Company and the whole KGHM Group.
	Guest: Ernest: Hello, what are your plans for cost reduction? Could you provide practical examples and explain their expected impact on EBITDA?
	**Piotr Krzyżewski** Based on the financial results presented for the first three quarters of this year, we see that we have achieved significant stabilization of the cost base across the entire operating cycle, including in material and service costs. Further efforts under the Cost Optimization Program (POK) are focused on identifying new areas for optimization.
	Guest: Kilof: Good afternoon. Everything is as usual, nice, the results are better every year, but there is no bonus for the hard-working people...
	**Piotr Krzyżewski** In accordance with the provisions of the Company Collective Labour Agreement, in the third quarter of this year, the Company set up a reserve for the payment of the annual

	bonus based on the net profit. The Management Board of KGHM Polska Miedź S.A. decided to pay the advance on the annual bonus for the third quarter of 2025 on 21 November this year.
	Guest: What is your outlook for copper in 2026? Will the positive trend continue?
	**Piotr Krzyżewski** We continue to be optimistic about the conditions for copper producers. It can be seen that the problems of some producers, not to mention the impact of U.S. policy on copper prices due to confusion over inventories, caused market fluctuation to be above the norm this year and it appears that a similar situation may repeat in the coming years. Analysts predict that current copper price levels will continue next year. In the case of silver – expectations indicate maintaining the price of this metal at elevated levels compared to previous years.
	Guest: Akcjonariusz_TB: Revenues remained stable compared to the previous year - how was this achieved?
	**Piotr Krzyżewski** In the first three quarters of 2025, the KGHM Group's revenues reached PLN 25.9 billion, and the main factor determining the stable revenue level of the KGHM Group was the diversified sales structure, as well as changes in the quotations of basic products and the levels of realized premiums. Also of significant impact were the contracting policy and exchange rate risk management process applied in response to macroeconomic and market conditions. It is worth mentioning that despite lower cathode sales resulting from lower production (planned electro-refining system repair), we achieved a higher EBITDA level.
	Guest: Akcjonariusz_TB: What is happening with the GG-1 investment?
	**Piotr Krzyżewski** KGHM is engaged in outfitting of the GG-1 shaft, which at present functions as a ventilation shaft but is planned to additionally serve as a materials and personnel shaft. This development will support extraction operations in the area.
	Guest: Inwestor 33: Are you satisfied with the production level? What are the forecasts for the last quarter?
	**Piotr Krzyżewski** Yes, I am satisfied with the good domestic production in the last quarter, which was also emphasized by Vice President Mirosław Laskowski during the recent results conference. As regards international production, the greatest increase was recorded by the Sierra Gorda mine, with good copper parameters and very good molybdenum parameters. Robinson positively contributed to gold production, which, given the current prices, supported the results.
	Guest: Inwestor 33: What was the amount of investment expenditures after the first nine months of this year?

Piotr Krzyżewski
Investment expenditures of KGHM Polska Miedź S.A. after the first 9 months of 2025 amounted to PLN 2,492 million (-2% compared to 9M 2024).

Guest: okocim: Is it true that copper mining in Poland is three times as expensive as in Sierra Gorda?

Piotr Krzyżewski
First, it should be noted that mining in Poland is conducted underground, while at the Sierra Gorda mine it is open-pit mine, which has a significant impact on our costs. At Sierra Gorda, we sell concentrate, whereas in Poland, we sell final products (cathodes, wire rod), on which we earn an additional margin. It is important to remember that the appreciation of the Polish złoty affects the C1 cost in USD, which should be considered when comparing Polish and international data. Indeed, examining the C1 unit cost (cash cost of payable copper production), including the minerals extraction tax, it was approximately three times higher in Poland in the first nine months of 2025 (excluding the tax, the difference was around double). One-third of these costs in Poland is due to the minerals extraction tax. Additionally, we are actively working on cost optimization across all KGHM production segments.

Guest: okocim: Please provide a comparison of the copper production volumes in all your mines and specify the size of these deposits along with their expected remaining operational LOM's.

Piotr Krzyżewski
Information regarding our mining resources in Poland is available, among others, on our corporate website at Mining and enrichment | KGHM Corporate website. As for copper production volumes, these are reported quarterly in our quarterly reports and investor presentations – all available from KGHM Polska Miedź S.A.'s corporate website. Copper mining production (i.e., excluding production from purchased copper bearing materials) accounts for over 70% of production from our own mines within the KGHM Group, and including production from external sources – approx. 80%.
Regarding the international operating assets, according to the 2024 Management Board Report, the mine lives (LOMs) are as follows: Sierra Gorda: approximately 22-23 years; Robinson: approximately 11-12 years; Carlota: approximately 3-4 years. Similarly to the Polish mines, production from these assets is reported quarterly. I remind you that the increase in copper and accompanying metals prices, such as silver and gold, affects the extension of the Life of Mine, due to the increase in the resource base economically justified for extraction.

Guest: okocim: What will the savings from the reduction in the copper tax be used for?

Piotr Krzyżewski
The amendment to the Act on the minerals extraction tax represents an opportunity for KGHM to release funds that can be invested in the core production process. KGHM has been mining copper ore in Poland for many years, extracting about 30 million tonnes annually and producing approximately 390,000 tonnes of electrolytic copper. However, the Company faces significant challenges due to worsening geological and mining conditions, including increasing deposit depth, which leads to higher rock temperatures, which requires measures such as ventilation to improve miners' working conditions.

	Additionally, KGHM's ore deposits have declining metal content, decreasing thickness, increased water inflows, and longer haulage routes. We look at KGHM in a long-term perspective. We want to produce copper for the next decades, so we have to focus on investments across the entire production chain. We are working on the development plans of our deposits and conducting research work. We apply modern solutions. We also secure our mines against water inflows and increase our retention capacities. Furthermore, we want our activity to cross the Odra River in the future. This is an opportunity for the municipalities located there to operate at a high level and for their residents and children to have stable jobs with decent salaries for many years. The investment deduction mechanism from this tax will be active from 2029, but according to principles, KGHM will be able to deduct expenses incurred already in 2026.
	Guest: OKI: Good afternoon, since investors are already focused on the future, could you please provide a commentary on silver and copper prices in USD in Q4?
	**Piotr Krzyżewski** Currently, among the key factors influencing the copper market, there is trade war and growing concerns about limited supply of this metal. In the third quarter, copper prices rose, supported by uncertainty caused by production interruptions at several significant mines. This period was also marked by numerous turbulence resulting from changes in the assumptions of U.S. trade policy. The third quarter of 2025 proved exceptionally favourable for the silver market - prices exceeded the level of 40 USD/oz, rapidly approaching the threshold of 50 USD. The fourth quarter evidently is witnessing a continuation of this trend, with high volatility.
	Guest: Beginner individual investor: How much did the Company pay in copper tax (MET) for the 9 months of this year?
	**Piotr Krzyżewski** In this period, i.e., for the first 9 months of 2025, the Company paid PLN 3.152 billion.
	Guest: Marcus: Hello, KGHM shares are constantly undervalued, trading at ~4 EV/EBITDA. Is that a concern of the management to address this issue?
	**Piotr Krzyżewski** Since the start of this year we have seen the share price rise by around 70%. While we generally do not comment on the market value of the company, we can say that it appears that the market has in recent weeks changed its sentiment towards the company, mainly due to two factors: - The expected change in the minerals extraction tax, which will free up a substantial amount of cash to support the company's development-related investments; - The increase in the market prices of the company's main products, i.e. copper and silver. This is also reflected in changes in broker recommendations. As the Management Board we of course are pleased that the market appears to finally be recognizing the company's efforts to enhance its value, among others by optimizing costs and focusing on advancing the company's development-related investments.

	**Guest: Investor: Has copper production increased in October and November (to date) 2025 compared to the corresponding period of 2024?**
	**Piotr Krzyżewski** The KGHM production and sales report for October will be published at the beginning of next week.
	**Guest: Beginner individual investor: Why is the C1 cost lower at the Group level but higher at the Parent Company?**
	**Piotr Krzyżewski** The C1 cost for the KGHM Group in the discussed period of 2025 amounted to 2.60 USD/pound and was indeed lower than in the corresponding period last year by 6%. Significant decreases in this indicator were recorded by the international assets. On the other hand, the increase of the C1 cost in KGHM Polska Miedź S.A. by 2% mainly results from a higher mining tax charge (the share of the mining tax in the C1 cost is 1.24 USD/pound) and the strengthening of the Polish zloty against the US dollar, resulting in a higher valuation of by-products.
	**Piotr Krzyżewski** Thank you very much for participating in the chat and for all questions asked. I also invite you to follow the Company's information and contact us via our website Investors | KGHM Corporate website
	**Janusz Maruszewski** We would like to thank everyone for participating in the chat and for the questions asked, and to our guest for answering them. Best regards, and have a nice afternoon!