INVESTOR CHAT WITH KGHM POLSKA MIEDŹ S.A.



Link to the original chat (in Polish): Wyniki finansowe Grupy KGHM za III kwartał 2026 roku – czat z Piotrem Krzyżewskim, Wiceprezesem Zarządu ds. Finansowych

On Monday, 23rd November 2026 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 3rd quarter of 2026 and further development plans.

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

	**Janusz Maruszewski** Hello, welcome to an investor chat with the Vice President of the Management Board (Finance) of KGHM, Piotr Krzyżewski. I'd like to start our meeting, and I invite you to follow our discussion and ask questions!
	**Piotr Krzyżewski** Good day, welcome to our investor chat related to the financial results for the third quarter of 2026. To summarise the most important parameters: For the first nine months of 2026, the KGHM Group recorded a net profit of PLN 7.5 billion, compared to PLN 1 billion in the same period the previous year, driven by a 42% increase in revenue from contracts with customers and an 83% rise in operating profit. The Group's payable copper production reached 533 thousand tonnes (up 1% year-on-year), while silver production stood at 1,073 tonnes (up 8% year-on-year). As of the end of September 2026, the net debt-to-adjusted EBITDA ratio was 0.3, confirming effective debt management. Low debt levels and growing operating cash flows enhance the Group's capacity to finance key investments under its Strategy 2055+. During our meeting today, I will provide more details and will respond to the issues you are interested in. Please feel free to ask questions.

	Guest: Good morning, how is the work on potential acquisitions progressing? Is there any chance for an update on this matter?
	**Piotr Krzyżewski** We are consistently analyzing opportunities to expand KGHM's resource and production base outside of Poland. We are engaged in discussions with global mining companies, metallurgical partners, and customers; however, at this stage, we cannot disclose information regarding any specific transaction. Each potential project is evaluated against rigorous criteria, including the quality and scale of resources, costs, risks, the project's lifespan, the outlook for cash flow generation, and the impact on the Group's debt levels. In Poland, our priority remains the maintenance of long-term mining and metallurgical production, as well as the development of our domestic resource base. We will provide updates on any significant decisions in accordance with the disclosure obligations of a public company.
	Guest: Mateusz: The company's management talks a great deal about new strategies, investment plans, and technologies. But how does this actually translate to the situation on the ground—in the mines, smelters, processing plants, and so on? The company's strategy includes workforce reductions, yet staffing issues at these facilities have been compounding for years; there are fewer and fewer people to handle an ever-increasing number of tasks—and no, neither automation nor technology is compensating for the staff cuts—all while production continues to rise. At what point will we hit a wall and see this growth come to an end?
	**Piotr Krzyżewski** The safety and operational continuity of our facilities require an appropriate level of staffing and the alignment of competencies with production needs. KGHM's strategy does not involve the mechanical reduction of headcount at the expense of safety or the fulfillment of operational objectives. In each area, we analyze workload, the structure of competencies, natural attrition, and recruitment needs. Automation and new technologies are intended primarily to improve safety, efficiency, and working conditions—not to replace the assessment of actual staffing requirements. Where we identify skill gaps or risks to the continuity of processes, we take action through recruitment, training, and organizational adjustments.
	Guest: Kamil: What about the budget for Zagłębia Lubin for 2027?
	**Piotr Krzyżewski** The KGHM Group's budget for 2027 is currently under development and discussion. This also applies to marketing expenditures, which include the partnership with Zagłębia Lubin. We do not wish to predetermine the final level of funding until the budgeting process is complete. We will provide further information once the relevant decisions have been made.
	Guest: Obserwator: Is the investment direction currently planned by KGHM appropriate, given the present situation?
	**Piotr Krzyżewski** We operate in accordance with our new Strategy 55+—an ambitious plan designed to address contemporary market challenges and emerging trends within the raw materials sector. KGHM leverages its extensive experience in deep-mine extraction and

	processing as a competitive advantage to drive further value creation and dynamic growth. Our objective is to develop a competitive, efficient, and resilient enterprise capable of integrating the potential of our Polish industrial base with the opportunities afforded by our international market presence. KGHM plans to expand its multi-commodity portfolio, with a focus on critical metals. By 2035, a key priority will be the diversification of our raw material base, ultimately leading to a robust and balanced multi-commodity portfolio. The path we have chosen—combining selective acquisitions, the expansion of our most profitable assets, and the modernization of our domestic operations—is, in our view, strategically sound.
	**Guest: KGHM Miner: In light of the financial results presented by the KGHM Group, I would like to ask a question that has been on the minds of many of the company's employees for quite some time.** **In the second quarter of 2026 alone, the KGHM Group generated revenues of PLN 12.839 billion, with an adjusted EBITDA of PLN 3.734 billion. Meanwhile, the Group's net profit reached PLN 2.05 billion. These figures illustrate the scale of the company's operations and its financial capabilities.** **At the same time, it is hard not to notice that whenever the subject of additional compensation for employees arises, the responses often boil down to arguments about a lack of feasibility or a lack of grounds for paying out further bonuses.** **I would therefore like to ask directly: does the Management Board truly believe that, given such financial results—achieved thanks to the daily commitment of thousands of employees - it is not possible to allocate a portion of the generated funds toward an additional bonus for the staff?** **This year, KGHM celebrates its 65th anniversary. It is a unique occasion—not only to reflect on the company's history, achievements, and status as a global leader, but, above all, to recognize the people who build this standing every single day - often while working in extremely difficult and hazardous conditions underground. Will KGHM's 65th anniversary be a celebration for the employees as well, or will it be limited solely to official ceremonies and commemorative announcements?** **We demand a clear answer: does the Management Board intend to provide an additional anniversary bonus for the entire workforce? If not, what are the actual reasons for this refusal, and why - given such strong financial results - should the employees once again be left out?** **The employees do not want empty expressions of gratitude or further assurances about how vital their role is to the company's operations. They expect their contribution to KGHM's success to be reflected in their pay.**
	**Piotr Krzyżewski** The Management Board appreciates the commitment and contributions of employees to the results achieved by KGHM. It should be noted, however, that the policy regarding remuneration and additional benefits must take into account the company's long-term financial stability, as well as the need to maintain a balance between employee expectations and the company's economic capabilities.
	**Guest: Paweł Malec: I have started investing in KGHM shares and intend to hold them for the long term; what is the company's development plan regarding its international prospects over the next three years?**
	**Piotr Krzyżewski** Thank you for joining the ranks of KGHM shareholders. The timeframe you are considering coincides with a period for our foreign assets in which we are transitioning from analysis and preparation to the implementation of specific projects aimed at increasing production and our resource base. I also encourage you to review our

	"Strategy 55+" and our operational plans. In the short term (3–5 years), our goal is to stabilize the foundations of our core business—both in Poland and abroad—to support the Company's further development; this involves securing access to our resource base and improving the profitability of our operations. In the medium term (5–10 years), we plan to increase margins and market share through resource diversification—focusing on expanding access to critical raw materials—as well as by broadening our capabilities across the value chain and enhancing the KGHM Group's portfolio of innovative products and services. In the long term (10+ years), our objective is to build a resilient business structure, diversified in terms of both raw materials and products, which will enable the company to grow within a changing economic environment and respond to global transformation trends.
	**Guest: Robert: Good morning. Does the market price of silver or copper have a greater impact on the company's valuation, and at what average prices for these commodities does the company become profitable?**
	**Piotr Krzyżewski** KGHM's financial results and valuation are primarily influenced by copper and silver prices, as well as the USD/PLN exchange rate, production volumes, energy and labor costs, the minerals extraction tax, and market expectations regarding future cash flows. Copper is central to the Group's business profile, while silver serves as a significant source of revenue, effectively lowering the reported C1 cash cost by acting as a credit from by-product metals. There is no single price for copper or silver that serves as a definitive break-even threshold for the entire Group. For reference, the C1 cash cost for the first nine months of 2026 averaged 2.54 USD per pound of copper; however, this figure does not represent the full break-even threshold in terms of either accounting profit or cash flow.
	**Guest: Robert: What will the dividend be for 2026?**
	**Piotr Krzyżewski** KGHM's dividend policy stipulates that the maximum proposed dividend amount may be up to one-third of the issuer's standalone net profit. We are currently in the midst of the financial year; once it concludes and the Company's financial capacity has been assessed, we will begin the decision-making process. The strong results currently being achieved, combined with a positive outlook, will support the generation of positive cash flows and the effective execution of investments, while also creating scope for dividend payments. Naturally, the final decision regarding the amount of dividends to be paid rests with the General Meeting of KGHM Polska Miedź S.A.
	**Guest: Akcjonariusz_TB: Can the current EBITDA level be considered a basis for strong performance by KGHM in future periods?**
	**Piotr Krzyżewski** The results for the first nine months of 2026 confirm the Group's strong financial and operational position. Adjusted EBITDA reached PLN 13.2 billion, an 83% increase compared to the previous year. Recent quarters have demonstrated that, even in a volatile market, KGHM is capable of seizing opportunities and navigating around risks. However, we do not view this level as an automatically repeatable baseline for future periods. KGHM's results remain sensitive, primarily to copper and silver prices, the USD/PLN exchange rate, energy costs, and production volumes. Our task is to strengthen the factors that remain under the Company's control: production stability, cost discipline, operational efficiency, and the responsible execution of investments.

	Guest: Akcjonariusz_TB: What impact did the minerals extraction tax have on the results in the third quarter, and do you—as well as the entire Management Board—see any opportunity for further reducing the burden of this tax?
	**Piotr Krzyżewski** The minerals extraction tax remains a significant factor affecting the operating costs of KGHM Polska Miedź S.A. High prices for copper and precious metals lead to an increase in the tax base, which, under the current mechanism, impacts the Company's tax burden. In August and September 2026, the tax was calculated at the maximum rate. Previous amendments to the tax formula had a favorable impact on the tax burden compared to the earlier rules; specifically, the total tax amount was reduced by PLN 10 billion—an amount the Company will not have to pay over the next 10 years. Further systemic changes are crucial for the long-term competitiveness of KGHM's domestic assets. We will continue to monitor the impact of current regulations on the economic efficiency of the Company's operations on an ongoing basis.
	Guest: Akcjonariusz_TB: Is Sierra Gorda already translating into an increase in the Group's EBITDA?
	**Piotr Krzyżewski** Yes. Sierra Gorda is already a significant contributor to the Group's earnings. In the first nine months of 2026, the segment generated PLN 2.7 billion in adjusted EBITDA, with an EBITDA margin of 68%. While the asset's performance naturally remains dependent on metal prices, production volumes, and operational parameters, its contribution to the Group's EBITDA confirms the importance of Sierra Gorda within KGHM's portfolio.
	Guest: Mateusz Drzewiecki: Could you explain why the expenses by nature have increased so much? By over 30%?
	**Piotr Krzyżewski** The increase in expenses by nature after the first nine months of 2026 - by 30% for the Group and 35% for KGHM Polska Miedź S.A. - was driven primarily by three factors. First, costs for external feedstocks rose due to an approximately 30% increase in purchase prices, combined with a higher consumption volume (an additional 22,000 tonnes of copper equivalent). Second, higher copper and silver prices led to an increase in the minerals extraction tax. Third, employee benefit costs rose, driven by higher wage rates and an increased provision for annual bonuses, which are linked to the Company's net profit. It is important to note that this rise in costs was partly due to a larger scale of operations, rather than solely a decline in efficiency. I would also like to highlight the cost-to-revenue relationship during this period: for the parent company, sales volumes for the first nine months of 2026 increased year-on-year - by 2% for copper, 5% for silver, and 22% for gold. Despite these higher sales volumes, the Company saw an increase in material costs (excluding external feedstocks) of only 1%, even amid high prices for fuels, lubricants, and gas.
	Guest: Inwestor 33: Why does KGHM's share price not reflect its strong financial results?
	**Piotr Krzyżewski** Fluctuations in the share price of KGHM Polska Miedź S.A. since the beginning of 2026 should be analyzed primarily in the context of significant volatility in global commodity

	markets, shifts in investor sentiment toward risk assets, and macroeconomic factors - most notably changes in metal prices, the US dollar exchange rate, and bond yields. In particular, attention should be paid to: • a marked decline in the price of silver, which accounts for a significant share of KGHM's revenue structure; • volatility in the prices of copper and other metals; • the strengthening of the US dollar and rising yields on debt instruments; • a deterioration in global investor sentiment and a reduced appetite for risk; • profit-taking following a prior rally in the share prices of commodity-sector companies. As I have mentioned on several occasions, it is important to remember that KGHM's share price is closely linked to the prices of our core products: copper and silver. One must also consider expectations regarding global demand for metals, as well as an assessment of geopolitical and regulatory risks. The financial results for the first nine months of 2026 confirm the sound condition of the KGHM Group, its ability to generate strong EBITDA, and its maintenance of a safe level of indebtedness. These are the foundations upon which the company's long-term value is built. For us, as the Management Board, the key priorities remain the consistent execution of our strategy, the improvement of operational efficiency, responsible capital allocation, and the development of both domestic and international assets. We believe that a stable financial foundation and the achievement of strategic goals will contribute to a positive assessment of KGHM by the capital market.
	**Guest: Engele: 1. Capex following the completion of the Deposit Access Program: The Deposit Access Program - which includes the sinking of the GG-1 and Retków shafts - currently accounts for a significant portion of KGHM Polska Miedź's capital expenditures. How do you foresee the company's capex levels evolving once these investments are completed? Do you expect a decline to purely maintenance-related spending, or will these be replaced by further deposit access projects? Furthermore, what annual expenditure level do you consider to be the baseline for sustaining operations (replacement capex)? 2. The future of the Carlota mine: The Carlota mine has an estimated remaining lifespan of about four years. Are you considering extending its operations—for instance, by mining new zones of the deposit or through the re-leaching of waste piles—or does the plan entail a phase-out and subsequent land reclamation? What role does KGHM INTERNATIONAL currently play within the Group's overall strategy? 3. The share of the Głogów Głęboki-Przemysłowy (GGP) area in total extraction is increasing, while production from the company's own ore feed remains stable. Looking beyond 2030, will GGP and new deposits - such as Retków-Ścinawa or Bytom Odrzański - enable the company to maintain current production volumes, or should a gradual decline be anticipated?**
	**Piotr Krzyżewski** Deposit Access Program: • 26% of CAPEX in the first 9 months of 2026 was allocated to the implementation of the Deposit Access Program; • approximately 29 km of mine workings were completed; • in Q3 2026, the share of production from the Deep Głogów area in total domestic production rose to 27.7%; • in the GG-1 Shaft area, construction of the target facilities is underway, and a decision has been obtained from the President of the State Mining Authority authorizing the commissioning of the GG-1 shaft and its equipment;

	• in the GG-2 Shaft area, the drilling of shaft site boreholes is in progress; construction of the main shaft station (GST) has been completed, and inspection and measurement work is currently underway; • in the Retków Shaft area, geological and hydrogeological surveys are ongoing, the drilling of shaft site boreholes has been completed, and contracts necessary to begin the design of the shaft-sinking process have been signed; • work continues on analyzing potential locations for the Gaworzyce shaft, taking into account geological, mining, surface, and administrative conditions; • the expansion of the Central Air Conditioning Station at the GG-1 site to a capacity of 40 MW has been completed; an occupancy permit was obtained in September, and a three-month trial operation period has begun. Carlota and KGHM INTERNATIONAL: • Carlota mine, USA – 2.3 thousand tonnes (9M 2026); the process of divesting this asset is being reconsidered (due to its short remaining operational life of approximately 3–4 years). • The company's entire portfolio of foreign assets serves as a key pillar for diversification beyond the Polish Copper Belt. Under our "Strategy 2055+" framework, the projected average annual production of payable copper for the 2026–2030 period is 730,000 tonnes, with approximately 80% expected to come from domestic assets and about 20% from foreign assets. Production from own feedstocks: • Maintaining current production volumes is a strategic objective for the Company; • A planned investment of PLN 32 billion through 2030 is intended to ensure that production levels are sustained into the following decade. Our primary objectives for the 2030–2035 period include: • 2031 – Increasing production at the Sierra Gorda mine, subject to investment decisions regarding specific development projects; • 2032 – Securing an exploitation concession for the "KGHM 2.0" mine and commencing the construction of shaft areas for the KGHM 2.0 project; • 2035 – Completing the sinking of the Retków shaft, connecting the shaft to the horizontal workings of the mining divisions, increasing production volumes through acquisitions, and launching commercial production at the Victoria mine.
	**Guest: Engele: KGHM's mining projects - such as the Deposit Access Program or the expansion of Sierra Gorda - have a time horizon of over a decade, which exceeds the term of a management board. What mechanisms are in place to ensure the continuity of key investment decisions, regardless of changes in the composition of the management board? Which elements of the current strategy do you consider fixed, and which are subject to potential revision?**
	**Piotr Krzyżewski** The continuity of key projects is ensured by long-term production and investment plans, a phased decision-making approach, and formal economic and risk assessment processes. Projects are monitored at the organizational level, as well as by the Management Board and the Supervisory Board; advancing to subsequent stages requires the validation of technical, financial, and scheduling assumptions. The core objectives—derived from the very nature of KGHM's operations—remain constant: safety, access to a resource base, the maintenance of production capacity, cost competitiveness, and a secure financing structure. The pace, sequence, technical scope, and financing methods of projects may be subject to revision in response to changes in

	market, regulatory, or technological conditions, or based on the findings of ongoing analyses. While the strategy establishes a long-term direction, the approach to achieving these goals must be regularly reviewed.
	Guest: When will there be any new updates from Argentina regarding potential international expansion?
	**Piotr Krzyżewski** We are consistently analyzing opportunities to expand KGHM's resource base outside of Poland, including in South America. At this stage, we are not disclosing information regarding any specific project or timeline concerning Argentina. We evaluate every potential investment based on the quality and size of the resources, costs, risks, the outlook for generating cash flows, and the impact on the Group's debt levels. We will communicate any significant decisions in accordance with the disclosure obligations of a public company.
	Guest: Jarosław: What is the sales value of silver in the form of bars?
	**Piotr Krzyżewski** The company does not separately publish the value of silver sales broken down by product form, including silver in the form of bars. Information regarding revenue from silver sales is presented in periodic reports in accordance with the established scope of disclosures.
	Guest: Marian: Why have KGHM shares fallen so sharply in price, given that copper is supposedly becoming increasingly scarce?
	**Piotr Krzyżewski** The share price is determined by the market and reflects not only the current availability of copper but also expectations regarding future metal prices, the USD/PLN exchange rate, production costs, capital expenditures, regulatory factors, and global risk appetite. Consequently, even strong operational results or favorable long-term prospects for the copper market do not necessarily translate into an immediate increase in valuation. The Management Board focuses on factors within its control: stable production, cost discipline, responsible capital allocation, and the execution of the company's strategy. We anticipate that these efforts will be reflected in the Company's valuation.
	Guest: Juliusz Grabowski: At what copper price and USD/PLN exchange rate would KGHM still be able to fund both the maintenance of current production and the key investments outlined in the "Strategy 2055+"—using only its own cash flows and without increasing net debt? Furthermore, which project would you postpone first if copper prices were to remain below your projections for a period of two years?
	**Piotr Krzyżewski** This issue is highly complex. We do not disclose threshold values for copper prices or the USD/PLN exchange rate, nor do we publish the detailed results of our internal stress tests. The ability to fund our investment program depends on a combination of factors: copper and silver prices, exchange rates, production volumes, operating costs, taxes, the capital expenditure schedule, and the Company's current debt levels. Our investment portfolio is managed in stages. In a less favorable environment, our primary focus is to safeguard operational safety and continuity, as well as to prioritize projects essential for maintaining access to ore deposits. Development projects may be deferred,

	phased, or have their scope adjusted; however, any such decision would be made on a project-by-project basis, following an analysis of its economics, contractual obligations, and impact on the Group's value. We do not pre-designate any specific project for deferral.
	Guest: Abraxas: Are you interested in deposits located to the west of Poland? Several companies, such as Anglo American and GreenX, are exploring for copper in Germany.
	**Piotr Krzyżewski** Yes, we are analyzing opportunities to expand our resource base in Europe as well, including in regions located relatively close to our assets in Poland. From our perspective, however, the key factor is not the location itself, but rather the quality and scale of the resources, the economics of the project, the geological and regulatory risks, and the potential to leverage KGHM's expertise and infrastructure. We are also monitoring the exploration activities of other entities, including those in Germany.
	Guest: Analityk: How does KGHM view Lumina Metals? While it is known that the two companies have signed a letter of intent regarding cooperation, does KGHM, in the longer term, see Lumina Metals as a potential competitor within the Copper Belt region?
	**Piotr Krzyżewski** We view Lumina Metals primarily as a potential partner rather than a competitor. The signed letter of intent establishes a framework for discussions regarding possible cooperation—specifically concerning the potential supply of concentrate from the Nowa Sól project to our smelters, as well as technical, metallurgical, and logistical matters. The letter itself does not guarantee that a binding agreement will be reached. KGHM possesses advantages built up over decades: an integrated value chain—spanning exploration and extraction to smelting and processing—along with unique expertise in deep-mine operations, established infrastructure, and extensive operational experience. Consequently, we view the development of new copper projects in Poland not merely as competition for resources, but also as a potential opportunity for collaboration and for strengthening the domestic copper value chain.
	**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 guests for answering them. Best regards, and have a great afternoon and weekend!