

Extractive Sector Transparency Measures Act - Annual Report

Reporting Entity Name	KGHM International Ltd.					
Reporting Year	From	2023-01-01	To:	2023-12-31	Date submitted	2024-05-20
Reporting Entity ESTMA Identification Number	E431144	<input checked="" type="radio"/> Original Submission <input type="radio"/> Amended Report		Reporting Entities May Insert Their Brand/Logo here		
Other Subsidiaries Included (optional field)	Robinson Nevada Mining Company, Carlota Copper Company, KGHM Chile Spa, DMC Mining Services UK Ltd.					
For Consolidated Reports - Subsidiary Reporting Entities Included in Report:	E401983 FNX Mining Company Inc.					
Not Substituted						
Attestation by Reporting Entity	<p><i>In accordance with the requirements of the ESTMA, and in particular section 9 thereof, I attest I have reviewed the information contained in the ESTMA report for the entity(ies) listed above. Based on my knowledge, and having exercised reasonable diligence, the information in the ESTMA report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.</i></p>					
Full Name of Director or Officer of Reporting Entity	Wojciech Urbanczyk			Date	2024-05-20	
Position Title	Head of Finance					

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Reporting Entity Name		KGHM International Ltd.			Currency of the Report
Reporting Entity ESTMA					USD
Identification Number		E431144			
Subsidiary Reporting Entities (if necessary)		E401983 FNX Mining Company Inc.			

Payments by Payee

[illegible]

Additional Notes:

KGHM International ("KGHMI") has formed a joint venture ("Sierra Gorda JV") with Sumitomo Metal Mining Co. Ltd. and Sumitomo Corporation to develop and operate the Sierra Gorda copper-molybdenum mine in Chile. On February 22, 2022 Sumitomo transferred their stake of the SG ownership to South 32. KGHMI through its subsidiaries in Chile owns 55%. KGHMI has determined that it does not control Sierra Gorda JV notwithstanding the fact that it owns more than 50% of the issued share capital of the Sierra Gorda JV. The owner's council is an independent body responsible for oversight and decision making for the Sierra Gorda JV. The factors that the Group considered in making the determination include the KGHMI's right to appoint an equal number of members to the owners' council. The owners' council consists of three representatives from each Joint venture partner. The three members are directly appointed by KGHM Polska Miedź S.A. (parent company of KGHMI). KGHMI cannot unilaterally control the decision-making and payments for the Sierra Gorda JV and joint venture partners need to agree on decisions at the owner's council. To ensure that the report is transparent in the payments made by the Sierra Gorda JV are included. The Sierra Gorda JV paid tax of \$ 27,115,720.91 to Tesorería General de la República (Federal Government of Chile) and \$ 83,059.43 to Tesorería Municipal de Sierra Gorda (Municipal Authority)". KGHMI has a USD functional currency for all its subsidiaries that were reportable under ESTMA. The payments reported above were recorded at the exchange rate existing at the time the payment was made.

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Reporting Entity ESTMA Identification Number		E431144			
Subsidiary Reporting Entities (if necessary)		E401983 FNX Mining Company Inc.			

Payments by Project

[illegible]

