
PRESENTATION OF FINANCIAL RESULTS OF THE KGHM POLSKA MIEDŹ S.A. GROUP FOR H1 2024

14 AUGUST 2024

ANNA SMYCZ – MICHALAK, ACTING EXECUTIVE DIRECTOR FOR COMMUNICATION:

Good afternoon, our warm welcome to you Ladies and Gentlemen to the KGHM Polska Miedź S.A. conference call, devoted to the presentation of KGHM Polska Miedź S.A.'s results for H1 2024. The results will be presented by the Members of the KGHM Management Board: President Andrzej Szydło, Vice President Zbigniew Bryja responsible for development, Vice President Piotr Krzyżewski in charge of finance, and Vice President Piotr Stryczek responsible for corporate affairs. With us today is also Janusz Krystosiak, Director of the Investor Relations Department, who after the conference and presentations of the Members of the Management Board will chair the Q&A session devoted to both journalists' and analysts' questions. I also would like to remind you that the conference is broadcast live on our Internet website. You can also ask questions there. All the answers will be posted under the Results Center tab, and questions can be emailed to the address ir@kghm.com as well. I shall now hand the floor over to President Szydło

ANDRZEJ SZYDŁO, PRESIDENT OF THE MANAGEMENT BOARD: Ladies and Gentlemen, good afternoon. Let me just add that Vice President Laskowski is not with us today, although he wanted to be here very much. The H1 conference is always a very important event, but due to personal reasons he had to stay in the region. Just to relax the atmosphere a little here, I must say I can see the beginning of a long weekend in sight, as the attendance is in decent numbers, but no crowds really. Ladies and Gentlemen, without further ado, let me move to the subject matter. It is a bit hard for me to read the presentation displayed on the screen, so I will mainly refer to my written materials. Let me present the general results of KGHM in the first half of 2024. I will comment briefly on production as well. Then Vice President Bryja will continue, providing more details on some production-related issues, followed by Vice President Krzyżewski, who will cover the part likely of most interest to you, i.e. our financial results. I think we have a very well-planned agenda here, which will leave more time for your questions and answers. Ladies

and Gentlemen, the year 2024, its first half; we mostly want to compare our results with previous periods, but another obvious benchmark is also our budget. At today's meeting, I will focus more on comparisons with the previous period and comment on them as well. Keeping an eye on how we are doing against our budget is more of an internal matter in the Company. As regards the macroeconomic environment, especially in Q2 we operated in the context of copper prices that were favorable albeit quite volatile. However, we recorded a clear growth on Q1. In USD terms and in comparison to H1 2023, prices increased by 4%. However, due to the 7% correction of USD value against the PLN, in PLN terms we had a negative deviation of 3%, which can be seen in the next slide. I will come back to that. As regards the prices of silver, they were 12% higher in USD terms and 4% higher [in PLN terms]; in other words the weakening USD against the PLN was offset by silver, thanks to commodity prices 12% higher than in H1 2023. As regards dry-weight ore output, no changes can be observed. Annual mining volume is 30-31 million tonnes and I think that quarter over quarter and half-year over half-year these levels are always stable. There is no variance here that would warrant any explanation. Production of copper in concentrate was 1.6% higher in comparison with H1 2023. Production of metallic silver down 4.7%. Anyway, I have already explained why that is. The deviation in Q1 was much higher, over a dozen percent. This is due to the maintenance cycles, and we have to go all the way back here to Q4 2022, when we had an overhaul downtime at the Precious Metals Plant. Hence, a lot of semi-finished products, a lot of stocks were used in Q1 2023, and we had a high base level from 2023 to match. So after Q1, there was a big deviation of 17%. In comparison to 2023, Q2 represents production by 10% higher, i.e. 324 tonnes in Q2 2023 and 356 tonnes in Q2 2024, respectively. This gives us the overall result of minus 4.7% for H1 2024. With regard to the production of metallic gold: minus 22.4%, a large deviation. It is also due to comparison to these materials high prior-year base, as well as of less processing of imported concentrates containing significant amounts of this metal. Capital expenditures in H1 2024 - PLN 1 570 million, i.e. 15% higher than in the same period of last year, and at the level of about 40%, Mr. Vice President will elaborate on that, but I think it is about 40% just this year. Lower revenues - only slightly, by 2%, down to PLN 17 480 million. In PLN terms, it is a direct result of this 3% deviation, mainly in relation to copper. A very good debt ratio. After H1, the ratio of

net debt to adjusted EBITDA was 0.7, which represents a reduction by 30% from the level of 1.0 at the beginning of this year. Revenues, as I already mentioned, PLN 17,480 million for the KGHM Group; these were lower by 1.5% as compared to the same period of the previous year. Adjusted EBITDA - PLN 4.2 billion, an increase by 35% relative to H1 2023, including growth of the EBITDA margin from 17 to 24%. And finally the net profit of PLN 1 074 million. This represents a very high growth of over 160%, from the level of PLN 400 million last year. As regards KGHM Polska Miedź S.A. alone, i.e. our domestic assets, the revenues are PLN 15 billion: PLN 15 076 million to be exact. Adjusted EBITDA: PLN 2 472 million, which is a growth of 8% in comparison to H1 2023; and net profit: PLN 1 331 million, representing growth too, by 10%. Could I ask for the next slide. Not much more to comment here as I have already discussed it in quite extensive detail. Copper in concentrate - 205.5 thousand tonnes. Indeed, the performance for all products is higher than in the past, above 50%. Noteworthy is the fact that we produced 292.5 thousand tonnes of electrolytic copper, while at the same time preparing a stock of anodes for the planned downtime of the core production line of the Głogów I Copper Smelter and Refinery, and this stock of anodes prior to this downtime amounted to over 40 thousand tonnes. This is what was realized, in a way, parallel to the electrolytic copper production, i.e. if the stock of anodes had not been created, this production could have been higher. On the other hand, in a deliberate effort to prepare for a stable tankhouse cycle, we have built up a stock of anodes, which we will consume in Q3 of this year. As regards the production in KGHM Polska Miedź S.A., I have nothing more to add at this stage, perhaps I will come back to it during the Q&A session. We achieved much better production at KGHM INTERNATIONAL, but here too, we have to state objectively, the base level of the first half of 2023 was very poor, there were problems both in terms of mining, but also availability of mining machinery. Next slide, please. In total, the production of payable copper in the Group was 358 thousand tonnes in H1, and was 2% higher relative to H1 2023. Specifically, KGHM Polska Miedź S.A. produced 293 thousand tonnes, which is a result just 1% lower. I say "just", because one has to keep in mind the creation of half-finished product stocks for the technological downtime happening right now. Very good results, a very good first half with a growth of 91% from the Robinson mine, which is the key asset of KGHM INTERNATIONAL. And slightly worse performance, by 11%, in copper

production in Sierra Gorda. Next slide, please. To a large extent, it repeats the information that we have already presented to you. Noteworthy, however, if one looks at the production at KGHM Polska Miedź S.A., the share of copper production from own concentrate and the share from purchased materials, be it scrap or concentrate, is actually identical to last year. In the current year it is 66% from own concentrate and 34% from purchased materials, respectively. It is also worth pointing out that the share of the KGHM Group's foreign segments in the total production of payable copper is below 20%. As regards silver production, I have largely covered it already, it is still 5% lower than in H1 2023. It has been explained, so I will not repeat this information. The production of precious metals was 10% lower, I have spoken about this as well, and molybdenum production lower - regrettably - by 50%, mainly from the Sierra Gorda mine. Indeed it can be said that molybdenum is a difficult product; yet still, the focus in this mine is on the production of copper and processing. Thank you for your attention. Let me now ask Vice President Bryja to follow up on production results in breakdown by the individual areas.

ZBIGNIEW BRYJA, VICE PRESIDENT OF THE MANAGEMENT BOARD (DEVELOPMENT):

Thank you very much. Ladies and Gentlemen, many of the matters of interest to you will be shown in my part of the presentation, as mentioned by our President. However, perhaps let us cover one region after another. Starting from Poland. With regard to the results of KGHM Polska Miedź S.A., the volume of wet weight ore production was slightly better than expected. Whereas as regards the volume of dry weight mining output, it is at the planned level, around 15.6 million tonnes, but the silver and copper content parameters have improved. This is not exclusively the effect of better work organization, higher work discipline. It would not be fair on our part to attribute these effects only to our efforts. The graphs show how the mining output was changing in the individual quarters, starting from Q2 of last year. To put it simply, we have started to mine better parts of the deposit, containing both more silver and copper. The result of this better feed is better concentrate, and we are now noting more copper content in the concentrate in comparison to last year. In H1 we achieved 205.5 thousand tonnes, which is about 3.2, say 3.3 thousand tonnes more. With respect to the production of electrolytic copper, i.e. 293 thousand tonnes, President Szydło has already discussed why this result is slightly

lower, about 1%, in comparison to H1 of last year. What I mean is building the stocks of anodes, so the copper mined from better ore production, better yields from the concentrates, has not been wasted; it will be recovered in future production cycles. The same applies to silver. In other words, the volatility of 2022-2023 translates into a gradual return to the silver production at the planned levels, and this silver is still there, it has not evaporated anywhere. It will be mined as the time goes on. Production results of Sierra Gorda. Here, regrettably, we are not able to boast as good results as at KGHM, because at KGHM we actually have achieved performance around 100% of the plan. In the case of Sierra Gorda, however, the changes of the deposit brought about very bad results: the lower production of payable copper in Q1 even by 11% relative to the same period of 2023 was primarily attributable to the mining of lower content ore. Worse ore – and it is polymetallic ore, i.e. lower in copper content – also has worse parameters as regards molybdenum and gold. At the same time, however, silver carried in this ore demonstrates very favorable values. We have posted a slight increase in silver production, about 7% relative to the planned volumes. As regards the production results of KGHM INTERNATIONAL, the situation is quite opposite to Sierra Gorda. Last year we achieved a breakthrough at the Robinson mine, which notably was in very poor geological conditions. Deteriorated weather conditions, etc., meant that the base for calculating the plan for the current year was lower. This year, the Robinson mine is making up for the entire KGHM INTERNATIONAL Group. And despite the worse results in Sudbury and in Carlota, Robinson's result even improves, in the context of our entire consolidated holding, the overall result of KGHM, posting copper production in KGHM INTERNATIONAL of 14 thousand tonnes higher than the plan assumed. Of course, the result related to molybdenum will pop up everywhere, but in this particular case molybdenum contributed positively. There is higher production thanks to the production of copper from a good deposit, where molybdenum is also present. Silver would render a similar result. Unfortunately, in terms of silver the Sudbury mine reached a worse quality part of the deposit, and generated a negative result. So this would close the topic of production. Let me now move to the area I am responsible for, because as the Vice President for development I am in charge of the Company's investments and development. H1 of this year saw the realization of a CAPEX plan of PLN 1 570 million, whereby the

highest expenditure was on mining, i.e. PLN 1 281 million, followed by metallurgy at PLN 201 million, other activities at PLN 11 million, research and development at PLN 1 million, and leasing at PLN 76 million. If we deduct leasing from this value of expenditure - you can see it on the right in more analytical terms, how this money has been earmarked to the individual projects. So we have replacement, meaning the replacement of machinery and equipment, modernization and purchase of new machinery - this totals 33%. 38% was spent on maintenance, maintenance of production capacities given in the production plans. Next is research and development, including exploration, i.e. everything related to acquiring new deposit areas, shaft construction, etc. and 1% are the so-called adaptation projects. By this we mainly mean adapting to the changing legislation, EU norms, etc. It is not a high amount. To sum up, the posted capital expenditure is PLN 1 399 million. Add to this the cost of borrowing at PLN 94 million, research and development at PLN 1 million, and leasing at PLN 76 million, which in total is PLN 1,570 million. And I would like to say that this performance is similar to last year. In capital expenditure it is not a rule that you spend proportionally as the time passes by. This time last year we had already spent PLN 1 369 million out of the PLN 3 250 million planned in total for the year. Our investment plan for this year is PLN 3 950 million. May I ask for the slide showing the performance by the type of key investments. The amount of PLN 1 494 covers the deposit access program. On the side here you can see the main divisions, the main areas that the money has been earmarked to. It is the amount of PLN 345 million, for construction of new shafts. Shaft GG-1, this is the equipment for the shaft, which was already drilled and ventilated last year, in June. Permanent reinforcement is currently being built in the shaft. It will be rigid reinforcement, not rope reinforcement, but rigid reinforcement. We have started the reinforcement now, in Q3. Increasing the capacity of the central air-conditioning station, as well as work on installations such as compressed air supply function, water drainage and so on. All these facilities that have to be built in the final phase of the construction of each shaft, as well as the construction which is under design right now, and then there will be the construction of social facilities - target facilities, because at the moment there were container facilities for the period of shaft sinking, so we are now completing these works. I think that in my presentations I will discuss this topic for another 2-3 years, but already as an investment, so to speak, heading towards

completion. As far as the GG-2 shaft is concerned, the geological studies from the shaft openings are currently being analyzed. These are essential for the design of the shaft lining. It is a very important part of capital expenditures on the construction of the whole shaft complex, highly dependent on the variable geological conditions of the rock masses. As regards other shafts, we are at the stage of planning works, land acquisitions, etc. Next year, I would like to start exploration, geological drilling: the Retków shaft station, at least one opening for the Gaworzyce shaft station; all this along with investment funds becoming available, because unfortunately we are still short of funding to gain full momentum and implement all investment tasks. We simply will start the shaft construction as soon as we have the financial means to do so. That is all as regards the shaft construction. The next task is the development of mining areas. Of course, these are such invisible, unspectacular matters, they do not have nice names like the Odra shaft or Deep Głogów... this is routine investment work done every year, in every mining area, i.e. extension of conveyor belt routes, construction of pipe installations, electrical installations, electrical switchgears, air-conditioning, etc. This is a very serious outlay, as we are spending PLN 267 million on this. Another objective is machinery replacement. We are a Company that operates around 1 500 mining vehicles underground. The annual replacement program covers about 250 machines - it was to be 254 this year, 251 will be purchased. This is a high expenditure item, recurring every year at more or less the same level. This year, there has been a slight delay in the implementation due to the fact that the Stage 5 standard for internal combustion engines has come into force and, as a result, manufacturers, seeking to adapt to these new EU requirements, will be delivering machines to us by the end of the year, i.e. with some delay. So we will achieve the planned performance, just with some time shift. The next area is dewatering of mines. As you know, because this topic is, so to speak, brought back to life from time to time, there have been some increased water inflows at the Polkowice-Sieroszowice mine since 2019. We now have this phenomenon under control, nevertheless it requires significant capital expenditures. These include construction of the pump chamber under the SW-4 shaft, as well as injections carried out from the surface in order to stop the inflow from the rock masses to the mine. This expenditure item will most likely recur for some time. Other

investments are related to IAS. These are highly distributed tasks, as they apply to the Concentrators as well as the individual mines and metallurgical facilities.

Investment in existing machinery components, significant overhauls of equipment currently in operation. This is not about replacing them, but about maintaining their efficient operation; we classify it as replacement rather than development. Restoration of mines (understood very broadly), Concentrators as well as the Tailings Plant and metallurgical facilities. And again, it is not about building new facilities, but rather about extending the existing conveyor belts, the existing installations in the smelters. In the Concentrators, these are works on filter presses, mills, crushers, and on-going work. As regards the metallurgical facilities, the investment projects cover sulphuric acid storage tanks, modernization of electrorefining at the Głogów II Smelter and Refinery, but also at the Legnica Smelter and Refinery. These are modernization tasks classified as investment. Those are not new facilities, replacement rather - maintaining production capabilities. On to exploration, prospecting. We have seven mining concessions, in addition to these - seven exploration and prospecting concessions and four so-called non-copper concessions. In all of these areas, we do either geological exploration, drilling or design. In any case, the outlay for exploration is a necessary expenditure and one could even say that it could be higher in terms of the rate of depletion of resources in the existing areas. Just imagine, Ladies and Gentlemen, that one geological borehole to a depth of 1 400 to 1 500 meters is a cost of several million zlotys, one borehole. Three boreholes take us up to about PLN 45-50 million, which, relatively speaking, is not really that much. At the same time, moving towards the north-west, we must explore, prospect, find out what the resource base is. Furthermore, we have not yet completed the Puck project, where analytical work is underway, a feasibility study of this deposit; we need to answer a number of questions if we decide to build shafts there and start mining - we must be sure that it will be a successful investment. At the moment, we have no doubts about the funding, but we do have doubts as to the geology and ability to start production. Expansion of the Żelazny Most tailings storage facility. At present we are at the elevation of 195 m of the dam crest. For several months now we have been engaged in all townships, to obtain approvals up to an elevation of 205 meters. Local zoning plans are available for viewing in the three townships of interest here: Grębocice, Rudna and

Polkowice. Stakeholders can currently view the plans and make comments. We hope that the plans will be adopted in the nearest future, which will be followed by an environmental decision procedure. We believe that we should obtain such a permit by June next year. We hope so. The next investment task is shaft maintenance. Shafts are not just sunk, they also need to be maintained and require investments on an ongoing basis. Shaft SW-4 is, so to say, a borderline CAPEX and OPEX task. Given that at a certain fragment it leads through a 150 meter long salt section. This section is exposed, and requires constant chiseling off to maintain the cross-section, or shaft clearance, for the various installations and to maintain ventilation capacity; this is continual work that is repeated every few years. The point is to chisel off the salt flowing into the shaft clearance from the rock masses under the pressure they exert. These factors must be tackled in the Concentrators and the Głogów Copper Smelter and Refinery. It is a small task, worth about PLN 22 million, from the area of OHS really. And now the construction - as regards our metallurgical Vice President, perhaps you can say a few words about the bars. So a really minor issue. Tiny modernization tasks. And the remaining projects account for the amount of PLN 64 million, which in the scheme of the total of PLN 1 494 million is insignificant. We cannot be too mindful of the passage of time because we implement some tasks under multi-year contracts. So those tasks are planned in stages. On the other hand, some tasks have only started, after negotiations and selection of contractors, so even parts thereof cannot be taken into account, yet. These are on-going projects, so to say. We do not think our CAPEX performance is under any threat this year. I think the implementation should be at a similar level as last year. Let me remind you that in 2023, CAPEX was performed at 98%, not a bad result at all. Next slide, please. Ladies and Gentlemen, this is a slide that has been appearing at results conferences for years now, showing an increase in mining efficiency, an increase in mining productivity in the Deep Głogów area. Deep Głogów is an area north of Sierszowice and Rudna. At present, there is a single shaft there, Deep Głogów 1, the so called GG-1. This shaft is over 1 350 meters deep, the deepest in our Company and in the country. As a Company, we have been interested in this area since 2004. The first mining section was situated there in 2014. At the moment, there are seven sections in operation there. Six sections of Polkowice-Sierszowice and one section of Rudna. And that is why I say that you have seen this slide

for a year now, and today I will just add that I think I will refer to this area in future presentations, so I will not devote any special slide to this information today; therefore please note that in terms of performance as regards mining output, copper in the output and silver in the output, Q1 2024 differs from Q2 2024 only by 2-6%, it is not much. Whereas H1 of the previous year as compared with H1 of this year - it is 16-18%. Where does this result come from? We created a ventilation connection in June last year. A ventilation connection which allowed those seven sections to work at full productivity level. It is therefore going to be relatively routine for us to maintain extraction at the current level. In six months' time this slide will not be interesting for you anymore, because not much will change. And then under "development, capital expenditure", we will propose something interesting from among the ideas that we have for implementation in the future. However, this is a slide interesting for analysts, as it shows how important in mining is construction of a shaft and its proper ventilation. The air, albeit light, translates into tonnes of mining output. And quite directly so. This slide shows it perfectly. It is all from me. Thank you very much.

PIOTR KRZYŻEWSKI, VICE PRESIDENT OF THE MANAGEMENT BOARD (FINANCE):

Ladies and Gentlemen, before I move on to discuss our financial results, a few more words about our production. I would like to add a few words about Robinson and Sierra Gorda. As regards Robinson, with our President we had an opportunity to spend some time in Nevada. We reviewed the block model. We are now at extraction, Ruth West 5 mine. As you can see, the production there proceeds on schedule. The obvious next steps are process optimization, logistics and maintenance optimization. These are the elements that we will particularly focus on in the nearest quarters. Additionally, preparations are underway in the Liberty and Veteran mines; these are the next locations for us to sink shafts and extract mining output. Furthermore, we are very actively taking over operations, for example the entire Tailings Storage Facility located in Nevada. We have decided not to use external services, we have done the whole operation, taken it over and we will do it on our own. It will of course be reflected in time and cost schedules, and should have a positive impact on our results achieved in this mine. As far as Sierra Gorda is concerned, there are obviously many challenges and similarly as with Robinson, we are

dispatching our teams from Poland, who, together with the local teams, work to improve operations and production volumes. It also links up with the entire block model of infield drilling, so that measured and indicated we could build a reliable long-term model of the best form. Of course, there will be drillings farther away as well, to develop and extend the LOM of this mine. These are our activities planned for now and the quarters to come.

Moving on to financial performance. Key financial indicators primarily include EBITDA of PLN 4 208 million, which in H1 2024 represents a growth of 35% on H1 2023. If we wanted to build a bridge between H1 2023 and H1 2024, the PLN 1 100 million is primarily attributable to KGHM INTERNATIONAL; it is an inflow of about PLN 1 billion, out of which almost PLN 200 million was contributed positively by KGHM Polska Miedź S.A., while Sierra Gorda had a negative contribution over this period. But let us have a look at Q2 alone, taking it as the first quarter of the period, then EBITDA in the period of Q2 2023 to Q2 2024 yielded a two-fold increase in all categories of all segments. In other words, in the KGHM segment we have almost PLN 1.6 billion, and respectively, KGHM INTERNATIONAL in the black with over PLN 400 million, and Sierra Gorda with PLN 470 million. The remaining Companies, the remaining segment, also had a positive contribution into EBITDA. These numbers obviously translate into net profit, which also grew from PLN 401 million up to PLN 1.74 billion, an increase by the factor of two and a half. And it is mainly attributable as an effect on operating results. There is also a higher income tax, having negative impact. But it was the main driver that brought the consolidated net profit to this level. When we look at the revenues, as our CEO already mentioned, the difference between the half-year periods is 2%, and a revenue bridge would reveal two main drivers of this result: changes in the metals market and here I can mention: copper plus 4%, silver plus 12%, gold plus 14% and molybdenum minus 25% in H1 2023 to H1 2024, which all generated positive contribution to our revenues, of over PLN 700 million. On the other hand, the second factor, the USD/PLN exchange rate, had an opposite impact. This effect reduced the revenue by over PLN 1 billion. At the same time, however, the effect was compensated for by hedging transactions. What remains is the amount of PLN 57 million. So this is the bridge between these two periods, while the result on hedging transactions alone on the revenue side was over PLN 284 million. It is worth noting that this amount corresponds to certain cost items that you will see,

whereas the second element is disclosed in hedge accounting. In examining the transactions, some of them are attributed to revenues, while another technical part, which is not recognised in other items, is attributed to other activities. At the same time it can be said that in this half year, thanks to hedging - if we added the three factors - we are close to zero, so the hedging can be said to be effective and the effect has been eliminated from the viewpoint of our core activity. On the other hand, if we look at our results through the lens of revenue segments, KGHM brought in over PLN 15 billion in revenue, KGHM INTERNATIONAL over PLN 1.3 billion, and the segment "Other" is still over PLN 1 billion. Costs. Going back to our first conference call, it was the call for 2023, when we told you - as a kind of declaration - that we, so to say, know about the mining business and heavy industry, and that's what we do in the first place, also taking into account the cost point of view - so what I am discussing here are the first effects of this approach. We said that an area which is particularly important for us, from all cost, operating and strategic points of view, is energy. And it is going to continue to be under our special scrutiny, where we will be working through the cost lens. And, Ladies and Gentlemen, here are the effects. In the period H1 2023 versus H1 2024, our costs fell 6%, and the main category warranting our attention is primarily energy. At the level of KGHM Polska Miedź S.A., the impact is over PLN 600 million. Of course, you have to consider two categories here. We have both energy and gas. We have introduced a lot of changes in this area. Starting from organizational changes, moving the energy price change risk to the team that is responsible for other risks as well. We strengthened the team in terms of personnel and tools. We launched a number of initiatives. We also established a team (and it is our CEO who chairs the energy committee) which addresses the most important energy aspects, which translate into costs as well as production security. And the effects of this work are clearly visible. The next element is materials. But before I move to this topic, let me come back to energy, just to tell you how we manage this area, because we receive many questions regarding the impact, our measures in the area of energy consumption, or the split between energy and gas prices. Let me give two examples of projects. The first project implemented after we took office addressed - as you know - our source of generation, i.e. the CCGT units. Furthermore, as our President has already mentioned, we have power sources for ventilation which generate energy to produce ice

water for ventilation equipment. We also took measures having weather in mind, which also give effects today although we really implemented them in a predictive kind of way. We are lowering the work of our generating sources, gas-fired, we know the cut-off price and buy energy at the energy exchange (TGE), so we are a big beneficiary and this you can see in our results; we take advantage of the fact that energy prices, when we experience sunny weather, are negative or nil. So this is how we manage switching on our generating subunits, so that it is the most dynamic and cost-efficient way, generating savings. Other projects include, for example, the reverse project of power takeoff at source. We are now analyzing a pumping station. Water in mining is a very extensive issue. From the viewpoint of our results, Ladies and Gentlemen, a cubic meter of water pumped out in different times has a different price. We are now examining the infrastructural security aspects of the use of our machinery park. We would like to manage the units in a dynamic and predictive way, so that when the energy price is high they are used as little as possible, and are engaging 100% of their capacity when energy is cheaper. We have very many initiatives of this kind. I think that these are the low hanging fruits which we already are gathering, while all the other elements are hanging higher up and they will require more and more CAPEX on our part. As regards expenses by nature for this year, our objective is to break a multi-year long trend. If you look at our costs over recent years, year over year, there are increments of growth. This year, we would like to break this rule and try and fight to stop this trend of increasing costs year to year. It is a very ambitious and multi dimensional task. Certainly, to keep the trend of long-term costs under effective control, we will need a lot of CAPEX; however, it will be CAPEX which generates operational leverage and gives positive results. Of course, these effects are reflected in C1. C1 in the KGHM Group fell by 7%, to USD 2.65. We need to remember, however, that over this time (and our President mentioned that) the Polish zloty strengthened against the US dollar by 7%. If we eliminated this effect, the difference would be at the level of minus 11%, respectively, then in KGHM the difference would not be 1%, but almost over 6%; in other words, the "USD effect" is only due to the fact that we convert C1 to USD, and it generates this effect. If we look at KGHM INTERNATIONAL, a big change can be noticed, but - as we said - it is attributable mainly to the return of this asset on the production path. This has caused a fall in C1. Sierra Gorda - regrettably here the

effect operates in the opposite direction: lower production combined with growing costs of fuel and throughput in this mine have led to higher costs, including a naturally higher C1. And, of course, one of the key issues: money. In H1 2024, from January to June, we note a rise in cash by PLN 700 million. However, I would rather back-engineer this analysis, i.e. start from investment activities, because out of the PLN 700 million, PLN 400 million is the positive effect on operations as regards loans and debt instruments. Let me offer a commentary here, because there were many questions after our bond issue. We launched a new bond issue of PLN 1 billion and redeemed PLN 400 million of maturing bonds. Ladies and Gentlemen, I wish to extend my great thanks to our bondholders who decided to subscribe. It was the cheapest post-covid, corporate, non-secured and non-rated issuance of bonds under a program totalling PLN 4 billion. There surely will be more bond issuances. As regards our Strategy, we cooperate in a number of areas. The first area is cooperation with banking institutions, both Polish and international. This cooperation is developing and will be developing. The second leg is external financing: non-secured and non-rated debt. Again, we will certainly develop this cooperation as well. As regards the second area, what we do is primarily to extend the tenor, because - as you know - mining and heavy industry are sectors of very high CAPEX and long return periods. We need our financing structure to match this, and it is taken into account in our Strategy. When we look at our capital expenditures (as our President said earlier), we have a total of PLN 2.5 billion in negative cash flow. It is worth noting, however, that the second half of the year is still ahead of us, and it will be more intensive CAPEX-wise, so the expenditure will be growing. At the same time, we get a textbook picture of how operating and investment cash flows have been financed: the operating activity financed investment activity, giving a net growth: by the end of June 2024, we noted increased cash in all our segments. Ladies and Gentlemen, thank you for your attention.

ANNA SMYCZ – MICHALAK, ACTING EXECUTIVE DIRECTOR FOR COMMUNICATION:

Many thanks to the President and Vice Presidents for their presentation of the financial and production results for H1 2024. We can now move on to the Q&A session. Mr. Janusz Krystosiak will address the questions asked via the Internet. Questions from the audience asked here will be taken by our President and Vice Presidents.

JANUSZ KRYSOŚIAK, DIRECTOR, INVESTOR RELATIONS DEPARTMENT: Thank you very much. I can already see the first question from the audience.

PAWEŁ PUCHALSKI: Good afternoon, Paweł Puchalski, Santander. I have a few questions. The first one relates to OPEX, and in particular HR costs, because they grew by 1-2% in Q2 and the entire H1 2024, year over year. While I seem to remember that the annual pay rise was to be about 9% plus a few one-off raises. Could I ask if we should expect a strong growth in pay rises y/y in H2? What I mean here are costs recognized in the profit and loss statement.

JANUSZ KRYSOŚIAK, DIRECTOR, INVESTOR RELATIONS DEPARTMENT: Thank you very much.

ANDRZEJ SZYDŁO, PRESIDENT OF THE MANAGEMENT BOARD: Paweł, HR costs arise from the negotiated Collective Labour Agreement. In other words, the Collective Labour Agreement does not change and its provisions obligate the parties to agree the pay rise ratio. This ratio has been agreed and for the current year it is at a very good level for our employees, i.e. 9.2%. Furthermore, we have agreed on a certain incentive reassignment system for some employees in the Group. If we compare last year's pay costs to this year's, then on an annual basis we anticipate this increment to be at this level. Of course, it is hard here to make quarter-on-quarter comparisons, because these agreements are made at different times. Also, the amounts of annual results-linked bonuses vary. So it is individual years that should be commented on, rather than periods of the year that may have different contexts. I don't know, perhaps Vice President Krzyżewski will elaborate on that.

PIOTR KRZYŻEWSKI, VICE PRESIDENT OF THE MANAGEMENT BOARD (FINANCE): Yes, Paweł, I do understand that your question arises most likely from the profit and loss statement. If we look at this item in more detail, we should also take into account the re-measurement of the actuarial provision write-down, which is PLN 89 million for future

employee benefits. It is simply a re-valuation and it has had a positive impact, reducing the value of this item. At the same time, as our President has said, we have disclosed all pertinent elements here and we have no expectations whatsoever regarding this item.

PAWEŁ PUCHALSKI: Right, so I have two more questions. One relates specifically to the presentation. When the President was discussing the slide about Deep Głogów, I heard that in Q2 and H1 we see this strong growth, however a number of those sections have been in operation since Q3 of the previous year, and you said that in the quarters to come in fact there will be nothing more to talk about, as the picture will stabilize. Does it mean that in Q2 the Company has reached its target output from Deep Głogów and there will simply be no more growth of output volumes from this particular field? That is my first question. And - as I am by the microphone - the second question. Of course it relates to CAPEX, as on the one hand I hear that you have to invest a lot in the new shafts and that's evident. On the other hand, however, I hear that savings in OPEX are possible, but only if you invest more. Thirdly, Madam Minister said recently that you need from PLN 1.2 to 1.5 billion additional CAPEX for a desalination plant. Should I infer from all of this that next year's CAPEX will be significantly higher than this year's?

ZBIGNIEW BRYJA, VICE PRESIDENT OF THE MANAGEMENT BOARD (DEVELOPMENT):

As regards Deep Głogów, the intention of what I said was the following. Air ventilation of these seven extraction sections has made it possible for the crews to work, so to say, in higher numbers and in a full week. As regards the future days and productivity achieved by these operational sections, they should not change much, because they have reached a [target] level of productivity for this level of staffing and equipment available. Productivity in Deep Głogów may still go up if we open another mining section there. With a new operational section there, the productivity of this field will increase as well. Anyway, we do not treat the Deep Głogów sections as a separate mine, a separate area. There are six sections of Rudna and this production is included in Rudna's volumes. One section belongs to Sieroszowice, and its production is included in the Sieroszowice numbers.

PAWEŁ PUCHALSKI: If you let me ask an additional question then: so when is KGHM planning to open a new section in Deep Głogów

ZBIGNIEW BRYJA, VICE PRESIDENT OF THE MANAGEMENT BOARD (DEVELOPMENT):

The opening of a new mining section in this area depends on the preparatory work done. The operating sections need to be contoured, receive installations and air conditioning, and electricity, and water, and all other utilities. Therefore, at the present stage of crosscuts and installation connections, we are not able to start another section there.

PAWEŁ PUCHALSKI Thank you. Could you still address the CAPEX question please.

ANDRZEJ SZYDŁO, PRESIDENT OF THE MANAGEMENT BOARD: As regards CAPEX, let me offer a comment here, so it will not be a direct answer to your question; I am sorry, but I will address it in more general terms. The amount of PLN 3.5 billion is the capital expenditures that KGHM has to incur to maintain a certain status quo and a certain level of mining output volumes, under current conditions, which are somewhat more difficult than, for example, five years ago. However, this level of investment will not secure long-term development of the Company. This level is not satisfactory to us, as it cannot ensure KGHM's long-term operation over the next 30 years and more, more, with the emphasis on "more". Some investment projects take a very long time and must be planned in advance, sufficiently early in order not to be exposed to the time running out later. This applies, among others, to opening new mining areas and ensuring the desired working conditions there. So undoubtedly we will seek to grow our efficiency in parallel with the generation of cash from operating activities, but we are also aware that capital expenditures will have to grow to ensure the long-term development of this Company and start investment projects early enough to secure stable mining output on the one hand, and safe functioning on the surface on the other, together with proper disposal of mining waste. We expect an increase in capital expenditures in the future. We are working intensively on KGHM's Strategy with the fundamental assumption that our core production line is the priority. And of course with the ambition for this core production business to be matched with efficiency focused projects which will reduce its costs, such

as energy; however, these steps must come in the correct sequence, so first of all investments in the core production line, to work the deposit to the last available tonne, within, of course, a time horizon of many, many years. Up to the last tonne of copper, the last kilogram of silver, of gold. That is the most general answer I can give. Capital expenditures will be growing.

JANUSZ KRYSOŚIAK, DIRECTOR, INVESTOR RELATIONS DEPARTMENT: Thank you very much. I can see Mr. Łukasz Rudnik has a question. Please, go ahead.

ŁUKASZ RUDNIK: Good afternoon, Łukasz Rudnik, Trigon Brokerage House. I would like to still follow up on CAPEX. We have PLN 4 billion over the entire year, PLN 1.5 billion after H1, which leaves about PLN 2.5 billion for H2. This additional PLN 1 billion in H2, what will it fund in H2 vs. what you have already funded in H1? And by the way of a comment, could you elaborate on the salt works plant, will there be a final decision in this respect any time soon? And when will you be able to present to us information on surplus CAPEX accumulated over five years, because, as I understand, the maintenance CAPEX is PLN 3.5 billion. And the question: in the time horizon of 2025, 2030 or 2029, will this cumulative surplus CAPEX be PLN 5 billion, PLN 10 billion - of course with the intention to secure future stability or higher output volumes and keeping expenses by nature at the current level?

ANDRZEJ SZYDŁO, PRESIDENT OF THE MANAGEMENT BOARD: Perhaps let me start; I don't know if this will be a full answer, perhaps if not, my colleagues will add more information. When it comes to capital expenditures, you should not assess probability relative to the passage of time, because CAPEX is not spent proportionately to the time elapsed. On the other hand, we see no threats that would in any significant way prevent us from performing the CAPEX plan. This is my answer to the first question. I really do not feel comfortable to quote any numbers regarding the future. I did say that capital expenditures will be growing, and besides the restoration and maintenance CAPEX we are building the Strategy, which sets out a hierarchy of the projects. However, I would not like to be too detailed as to what the level of capital expenditures is going to be in five

years' time - PLN 5-10 billion... It can also change depending on which stage is achieved by these investment projects. Undoubtedly the time to start intensive work in this respect is now. As regards the salt works plant, it is a highly likely investment project of adaptive nature. It is not about salt production business, but rather about increasing the safety margin in the context of mining waters which has emerged in the recent years. Some measures in this regard are already being taken and we have worked on this very intensively over recent months in order to prevent excessive salinity of the Odra River. The salt works plant will most likely be an investment project that will go into implementation, however we first would like to make sure that its size is right, that the installation will be neither too big nor too small, and meets the right parameters as regards the input salinity.

PIOTR KRZYŻEWSKI, VICE PRESIDENT OF THE MANAGEMENT BOARD (FINANCE): To add to our President's answer. Speaking directly, at present we are modelling various scenarios, within the framework of the update to the Strategy currently under preparation. All these aspects will be addressed there. Moreover, the salt works plant is not, so to say, a stand-alone business, but rather an element of a more general water management system in our Company. We will definitely present this information to you, on specific numbers and with a timeline - which CAPEX projects will be performed and to what effect, so if I could ask you for some more time. As we said, the Strategy is being prepared and should be ready by the end of the year, but we are working on it on our own, we are updating it, changing, as well as doing modelling. So we will also be able to present such a financial model to you in due course.

ŁUKASZ RUDNIK: My next question pertains to the Victoria project. Quarter over quarter, the level of capital expenditure on this project was a bit lower. Given the current prices of nickel, is there any chance that - I don't know - you will declare a final decision regarding this investment, or will it be postponed? Or else could some CAPEX speed up things there in the nearest future? If I could ask for a brief commentary on the Victoria mine project?

PIOTR KRZYŻEWSKI, VICE PRESIDENT OF THE MANAGEMENT BOARD (FINANCE):

Ladies and Gentlemen, as you said, we are faced with a major decision in respect of the Victoria project, which in this first phase is called Advanced Exploration. I think that within weeks, perhaps a month, we will take a decision in this regard, so we will be briefing you on that topic. Including the various financing scenarios for this venture.

ŁUKASZ RUDNIK: Two more questions on my part. The first one is related to copper having been included in the list of critical, strategic resources of the European Union. What does it mean for you? I don't know, any non-reimbursable grants, low interest rate loans? Have you applied for any such measures to the European Commission, yet? Or is it that now copper is on the list, but it in fact entails nothing, yet, no favorable financial instruments for you?

ANDRZEJ SZYDŁO, PRESIDENT OF THE MANAGEMENT BOARD: I may answer this question in a somewhat indirect manner. It is not really clear what positive results there will be arising from copper having been included in the critical metals list. There will be positive results for sure. I think they could be positive also in the sense of a change of perspective, some modification in the context of the fact that significant copper resources in Europe are located only in Poland. So perhaps there will be some positive changes. We are now reflecting with our shareholder, with the Ministry of Finance, how to ensure long-term functioning of KGHM also in the aspect of the minerals extraction tax, which is a material cost item for KGHM. I would see this more through the lens of a more favorable atmosphere around copper and KGHM, rather than through the lens of grants or any other kinds of assistance or support.

ŁUKASZ RUDNIK: And my last question concerns EBITDA in the remaining companies of the Group in Poland. Their EBITDA in Q2 was PLN 184 million. It was significantly better than in Q1. Have there been any one-off events? Or is it a level that is sustainable in future periods? Indeed, I think there is a factor at play here that seems to have defied the market consensus. Could you indicate which companies are responsible for this positive effect? Is it sustainable? Or has there been a one-off event?

PIOTR STRYCZEK, VICE PRESIDENT OF THE MANAGEMENT BOARD (CORPORATE AFFAIRS): I will answer this question if I may. It is a question touching upon many themes. First, as you know, and as we have promised, we are completing the process of staff replacement, both at the supervision, as well as the managerial level. I see it as one factor of influence, a long-term one, just what you asked about. We seek professionalism of these personnel and experience. This is my first point. Secondly, the broad process of cost optimization also had a significant effect on this outcome. And thirdly, these are events related to factors such as energy and gas prices that Vice President Krzyżewski mentioned earlier. Another factor is optimization related to the recruitment process. We are trying to optimize these costs as well. If you are asking about positive events in the companies, this would be primarily in the company Metraco, as well as Zanam and Nitroerg. Thank you.

JANUSZ KRYSOŚIAK, DIRECTOR, INVESTOR RELATIONS DEPARTMENT: Thank you very much. Perhaps now we can give an opportunity to answer the questions flowing into our inboxes, i.e. the questions asked via the Internet. Here comes the first one: Mr. Jakub Szkopek from Erste, who is not with us here today. He sends two questions. The first one regards the Victoria project. The Management Board have already answered this one. We would just go again through a discussion of the development and CAPEX planned for the Victoria project. The second question of Jakub is a request for an update on the modernization plans for the metallurgical lines in the current year: for the Głogów Smelter and Refinery, and the Precious Metals Plant. Any changes planned as regards downtimes?

ANDRZEJ SZYDŁO, PRESIDENT OF THE MANAGEMENT BOARD: The planned progress on the Precious Metals Plant core production line will not be subject to any fundamental changes. However, the overhauls are not carried out in an annual cycle. As a result, we have downtimes in various times during the year. No technological changes are expected on these lines.

JANUSZ KRYSOŚIAK, DIRECTOR, INVESTOR RELATIONS DEPARTMENT: Dan Major, UBS. Could you give an update on the project of a fourth line in Sierra Gorda?

PIOTR KRZYŹEWSKI, VICE PRESIDENT OF THE MANAGEMENT BOARD (FINANCE):

Ladies and Gentlemen, it is my pleasure - as it is a rotating function - that we as KGHM are currently chairing the Owners Council in Sierra Gorda. At present, this project is undergoing analysis, and a pre-feasibility study is being prepared. So we will take a decision together with our partner, South32, as regards this investment as well as others, such as Oxide. We will surely brief you when we can. Nevertheless, now our priority is to improve the operations of this asset, to simply achieve budget plans and the implications of the block model.

JANUSZ KRYSOŚIAK, DIRECTOR, INVESTOR RELATIONS DEPARTMENT: One more question from Mr. Daniel Major. The new Management Board has been in office for 4-5 months. Can you indicate anything about the strategic review of KGHM's operations, in particular in the context of a potential disposal of the foreign assets or the option of financing renewable energy sources in the future?

ANDRZEJ SZYDŁO, PRESIDENT OF THE MANAGEMENT BOARD: Undoubtedly, the foreign assets are in need of certain restructuring. They produce approximately 20% of KGHM's copper. However, currently we do not envisage any fundamental acquisitions or divestments of foreign assets in the near future. If at all, it may concern the assets in the Sudbury Basin, some of the ones too small for KGHM or those that do not generate positive cashflows. It is more about streamlining these assets, trimming off those that are not needed and focusing on the optimization of the core ones, i.e. the Robinson mine and the already mentioned Victoria Project. We have to take an unequivocal decision rather than make successive injections of CAPEX in the near future, but also, in close cooperation with South32, we will have to have a very close look at and optimize operations at Sierra Gorda, which - we hope - will allow us to generate positive cashflows from the viewpoint of either a fourth line or the Oxide project; however we rather don't want to finance these projects through more shareholder loans. Is that a satisfactory answer?

JANUSZ KRYSOŚIAK, DIRECTOR, INVESTOR RELATIONS DEPARTMENT: Thank you very much. Continuing with the questions asked via the Internet from abroad, we have Bank of America, Mr. Paul Kirjanovs. These questions concern the INTERNATIONAL segment. KGHM INTERNATIONAL posted higher profitability in Q2. How sustainable is this trend? How sustainable can it be in the future? And how should we see the remaining part of the year in the INTERNATIONAL segment?

PIOTR KRZYŹEWSKI, VICE PRESIDENT OF THE MANAGEMENT BOARD (FINANCE): Ladies and Gentlemen, as we have already said: if we look at Robinson and the tasks faced by this mine, as well as the preparations to enter new mining areas, we feel comfort about the fact that we have done enough stockpiling for production, so the mine is prepared for a long-term process as well as generating regular results. That is the guiding theme for us as the Management Board. We do not seek to generate above-standard short-term results because we happened to come across a higher grade in this area. What we are trying to do is to blend, optimize recovery, optimize passage routes, and maintenance; if we have a very efficient mine, then the percentage points we trim off translate into measurable millions of additional results. These are the activities we are focusing on now. Thank you.

ANDRZEJ SZYDŁO, PRESIDENT OF THE MANAGEMENT BOARD: Let me only add that what is the most important is stability, i.e. stockpiling of ore which will allow us later to compose an optimum processing mixture. So to say: you cannot lick off the butter from your bread, because what you will be left with is dry bread alone, which you have to eat stale. It has happened before. We hope to prevent such situations in the future; we want to stabilize the production by composing the ongoing stockpiles in such a way as to optimize processing.

JANUSZ KRYSOŚIAK, DIRECTOR, INVESTOR RELATIONS DEPARTMENT: Thank you very much. There is one more question here. I think it is also addressed to Vice President Piotr Krzyżewski. A question from Łukasz Prokopiuk, BOŚ. How can the Company explain the

major growth of copper stocks on the LME, COMEX or Shanghai? And how do you see the copper market prospects by the end of the year?

ANDRZEJ SZYDŁO, PRESIDENT OF THE MANAGEMENT BOARD: I immediately volunteer to answer, because I like this question very much. KGHM is a large copper producer; however, if we were a producer which floods supply in 60%, then we could comment on the stocks on the Shanghai Exchange or LME. Indeed, KGHM is a large, one of the largest copper producers in the world, yet in the context of total supply - not so much large, with a share of a few percent. We don't want to comment on stocks. Of course, the smaller the stock on exchanges, the stronger the likelihood of higher prices, so large stocks may indicate some kind of cooling down in terms of economy's demand, a slowdown. In a way it does worry us, but we shall not comment. We do not feel responsible for these stocks.

PIOTR KRZYŻEWSKI, VICE PRESIDENT OF THE MANAGEMENT BOARD (FINANCE): Ladies and Gentlemen, this last quarter was a time of dynamic changes. The volatility of the copper market and prices is very high. Yet let us also look at who we are and where we want to be. We are a long-term asset, which sets out our path quite clearly, and we can see objectively that the demand for copper will be growing. Supply-wise, it is a reflection of the fact that copper is a strategic mineral. Only time will show what the effects will be. I think that a test which will come the soonest is Rio Tinto with Serbia. We will see what lithium means for the European Union from this point of view. It will be a good kind of check I think. Whereas from the viewpoint of our assets, our approach is long-term and we can see that copper is going to be a rare resource, the demand for which will be growing. As you have heard here, creation of supply, on the other hand, construction of new mines - these are multi-billion, very long-term, and know-how intensive projects. And we can also see that these new projects contemplated here and there are very few, so the supply will be very limited.

JANUSZ KRYSOŚIAK, DIRECTOR, INVESTOR RELATIONS DEPARTMENT: I now have the last question. In the conversations after the results were published there was a recurring

theme of hedging, both of metals prices as well as energy and foreign exchange rates. Could I ask you, Mr. President, for a commentary? Thank you.

PIOTR KRZYŻEWSKI, VICE PRESIDENT OF THE MANAGEMENT BOARD (FINANCE): Of course. Ladies and Gentlemen, as you can see in the Note to the financial statements, in the last quarter we concluded a transaction for nearly 30 thousand tonnes of copper. The hedging period is from July 2024 to December 2025. Similarly, we have a transaction on silver - over 3 million troy ounces. And the period is also from July 2024 to December 2025. So from this perspective, we do have a hedging policy. The Management Board analyses it regularly. However, the transactions that we will want to communicate to the market will be implemented in successive steps, so you should see it in our reports for successive periods. Definitely we do not want any surprises, neither for ourselves nor for you, with any transactions, so we observe [the market] and implement [transactions as needed]. As I said before, you do understand, Ladies and Gentlemen, what our long-term approach to resources is, and it will be reflected in our hedging structure. As regards energy prices, please allow me not to comment. We are hedged, this I can assure you of. And I think the result of Q2 does confirm it to some extent. We have also issued mandates in respect of new transactions, so it is work in progress. Objectively we seem to be the largest industrial participant of the energy exchange. So we don't want to disclose this information in case it could disrupt the market. I think all of us in energy-intensive sectors in Poland have enough volatility and problems to deal with. But it is a particularly important area for us. You can see the effects after the last quarter, and definitely we will continue to closely follow the gas, energy and CO₂ markets.

JANUSZ KRYSOŚIAK, DIRECTOR, INVESTOR RELATIONS DEPARTMENT:

Thank you very much. And here I have the last of the last questions, one more has just come in from Radio Plus Legnica. Mr. Jacek Saja. What is the completion date for the modernization of the Electrorefining Section in the Legnica Copper Smelter and Refinery? What is the capital expenditure on these investments and will the starter sheets technology have an impact on increasing the production of the Legnica Smelter and Refinery?

ANDRZEJ SZYDŁO, PRESIDENT OF THE MANAGEMENT BOARD: Frankly, I don't remember exactly, but there is surely one thing we need to do as regards this investment project. We must have a look at these capital expenditures that are currently planned, because they seem to be very, very hard to meet. So we are analyzing this issue and I have spoken with the persons in the Company in charge of this project. What we definitely do not want is to go over the planned CAPEX. As regards the completion date, the analysis of this project and certain decisions that we will take in the nearest future may also have an impact on this date. I may not be specific enough here, and I do admit that this project, albeit the development project of the Legnica Copper Smelter and Refinery and a very important one for this plant, has not been among the top priorities on our agenda, while we have been dealing with other very important issues. But we will provide a reply to this question. I think we should realistically complete the analysis of the project within a month or two.

JANUSZ KRYSOŚIAK, DIRECTOR, INVESTOR RELATIONS DEPARTMENT: Thank you very much, and let me turn to the audience here one more time. Are there any more questions from the floor? If not, let me hand it over to Madam Director.

ANNA SMYCZ – MICHALAK, ACTING EXECUTIVE DIRECTOR FOR COMMUNICATION: If there are no more questions, thank you very much for those asked here today. You can still send your queries via the Internet to the address ir@kgm.com. The answers will be posted on our website. Ladies and Gentlemen, thank you very much for taking part in our conference call and thank you to the Members of the Management Board for the presentation of results. Goodbye.

Responses to questions raised at the Results Conference for H1 2024

1. **Good afternoon, Paweł Puchalski, Santander. I have a few questions. The first one relates to OPEX, and in particular HR costs, because they grew by 1-2% in Q2 and the entire H1 2024, year over year. While I seem to remember that the annual pay rise was to be about 9% plus a few one-off raises. Could I ask if we should expect a strong growth in pay rises y/y in H2? What I mean here are costs recognized in the profit and loss statement.**

Reply Paweł, HR costs arise from the negotiated Collective Labour Agreement. In other words, the Collective Labour Agreement does not change and its provisions obligate the parties to agree the pay rise ratio. This ratio has been agreed and for the current year it is at a very good level for our employees, i.e. 9.2%. Furthermore, we have agreed on a certain incentive reassignment system for some employees in the Group. If we compare last year's pay costs to this year's, then on an annual basis we anticipate this increment to be at this level. Of course, it is hard here to make quarter-on-quarter comparisons, because these agreements are made at different times. Also, the amounts of annual results-linked bonuses vary. So it is individual years that should be commented on, rather than periods of the year that may have different contexts. I don't know, perhaps Vice President Krzyżewski will elaborate on that.

Yes, Paweł, I do understand that your question arises most likely from the profit and loss statement. If we look at this item in more detail, we should also take into account the re-measurement of the actuarial provision write-down, which is PLN 89 million for future employee benefits. It is simply a re-valuation and it has had a positive impact, reducing the value of this item. At the same time, as our President has said, we have disclosed all pertinent elements here and we have no expectations whatsoever regarding this item.

2. **Right, so I have two more questions. One relates specifically to the presentation. When the President was discussing the slide about Deep Głogów, I heard that in Q2 and H1 we see this strong growth, however a number of those sections have been in operation since Q3 of the previous year, and you said that in the quarters to come in fact there will be nothing more to talk about, as the picture will stabilize. Does it mean that in Q2 the Company has reached its target output from Deep Głogów and there will simply be no more growth of output volumes from this particular field? That is my first question. And - as I am by the microphone - the second question. Of course it relates to CAPEX, as on the one hand I hear that you have to invest a lot in the new shafts and that's evident. On the other hand, however, I hear that savings in OPEX are possible, but only if you invest more. Thirdly, Madam Minister said recently that you need from PLN 1.2 to 1.5 billion additional CAPEX for a desalination plant. Should I infer from all of this that next year's CAPEX will be significantly higher than this year's?**

Reply As regards Deep Głogów, the intention of what I said was the following. Air ventilation of these seven extraction sections has made it possible for the crews to work, so to say, in higher numbers and in a full week. As regards the future days and productivity achieved by these operational sections, they should not change much, because they have reached a [target] level of productivity for this level of staffing and equipment available. Productivity in Deep Głogów may still go up if we open another mining section there. With a new operational section there, the productivity of this field will increase as well. Anyway, we do not treat the Deep Głogów sections as a separate mine, a separate area. There are six sections of Rudna and this production is included in Rudna's volumes. One section belongs to Sieroszowice, and its production is included in the Sieroszowice numbers.

3. If you let me ask an additional question then: so when is KGHM planning to open a new section in Deep Głogów

Reply The opening of a new mining section in this area depends on the preparatory work done. The operating sections need to be contoured, receive installations and air conditioning, and electricity, and water, and all other utilities. Therefore, at the present stage of crosscuts and installation connections, we are not able to start another section there.

4. Thank you. Could you still address the CAPEX question please.

Reply As regards CAPEX, let me offer a comment here, so it will not be a direct answer to your question; I am sorry, but I will address it in more general terms. The amount of PLN 3.5 billion is the capital expenditures that KGHM has to incur to maintain a certain status quo and a certain level of mining output volumes, under current conditions, which are somewhat more difficult than, for example, five years ago. However, this level of investment will not secure long-term development of the Company. This level is not satisfactory to us, as it cannot ensure KGHM's long-term operation over the next 30 years and more, more, with the emphasis on "more". Some investment projects take a very long time and must be planned in advance, sufficiently early in order not to be exposed to the time running out later. This applies, among others, to opening new mining areas and ensuring the desired working conditions there. So undoubtedly we will seek to grow our efficiency in parallel with the generation of cash from operating activities, but we are also aware that capital expenditures will have to grow to ensure the long-term development of this Company and start investment projects early enough to secure stable mining output on the one hand, and safe functioning on the surface on the other, together with proper disposal of mining waste. We expect an increase in capital expenditures in the future. We are working intensively on KGHM's Strategy with the fundamental assumption that our core production line is the priority. And of course with the ambition for this core production business to be matched with efficiency focused projects which will reduce its costs, such as energy; however, these steps must come in the correct sequence, so first of all investments in the core production line, to work the deposit to the last available tonne, within, of course, a time horizon of many, many years. Up to the last tonne

of copper, the last kilogram of silver, of gold. That is the most general answer I can give. Capital expenditures will be growing.

5. **Good afternoon, Łukasz Rudnik, Trigon Brokerage House. I would like to still follow up on CAPEX. We have PLN 4 billion over the entire year, PLN 1.5 billion after H1, which leaves about PLN 2.5 billion for H2. This additional PLN 1 billion in H2, what will it fund in H2 vs. what you have already funded in H1? And by the way of a comment, could you elaborate on the salt works plant, will there be a final decision in this respect any time soon? And when will you be able to present to us information on surplus CAPEX accumulated over five years, because, as I understand, the maintenance CAPEX is PLN 3.5 billion. And the question: in the time horizon of 2025, 2030 or 2029, will this cumulative surplus CAPEX be PLN 5 billion, PLN 10 billion - of course with the intention to secure future stability or higher output volumes and keeping expenses by nature at the current level?**

Reply Perhaps let me start; I don't know if this will be a full answer, perhaps if not, my colleagues will add more information. When it comes to capital expenditures, you should not assess probability relative to the passage of time, because CAPEX is not spent proportionately to the time elapsed. On the other hand, we see no threats that would in any significant way prevent us from performing the CAPEX plan. This is my answer to the first question. I really do not feel comfortable to quote any numbers regarding the future. I did say that capital expenditures will be growing, and besides the restoration and maintenance CAPEX we are building the Strategy, which sets out a hierarchy of the projects. However, I would not like to be too detailed as to what the level of capital expenditures is going to be in five years' time - PLN 5-10 billion... It can also change depending on which stage is achieved by these investment projects. Undoubtedly the time to start intensive work in this respect is now. As regards the salt works plant, it is a highly likely investment project of adaptive nature. It is not about salt production business, but rather about increasing the safety margin in the context of mining waters which has emerged in the recent years. Some measures in this regard are already being taken and we have worked on this very intensively over recent months in order to prevent excessive salinity of the Odra River. The salt works plant will most likely be an investment project that will go into implementation, however we first would like to make sure that its size is right, that the installation will be neither too big nor too small, and meets the right parameters as regards the input salinity.

To add to our President's answer. Speaking directly, at present we are modelling various scenarios, within the framework of the update to the Strategy currently under preparation. All these aspects will be addressed there. Moreover, the salt works plant is not, so to say, a stand-alone business, but rather an element of a more general water management system in our Company. We will definitely present this information to you, on specific numbers and with a timeline - which CAPEX projects will be performed and to what effect, so if I could ask you for some more time. As we said, the Strategy is being prepared and should be ready by the end of the year, but we are working on it on our own, we are updating it, changing, as well as doing modelling. So we will also be able to present such a financial model to you in due course.

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6. **My next question pertains to the Victoria project. Quarter over quarter, the level of capital expenditure on this project was a bit lower. Given the current prices of nickel, is there any chance that - I don't know - you will declare a final decision regarding this investment, or will it be postponed? Or else could some CAPEX speed up things there in the nearest future? If I could ask for a brief commentary on the Victoria mine project?**

Reply Ladies and Gentlemen, as you said, we are faced with a major decision in respect of the Victoria project, which in this first phase is called Advanced Exploration. I think that within weeks, perhaps a month, we will take a decision in this regard, so we will be briefing you on that topic. Including the various financing scenarios for this venture.

7. **Two more questions on my part. The first one is related to copper having been included in the list of critical, strategic resources of the European Union. What does it mean for you? I don't know, any non-reimbursable grants, low interest rate loans? Have you applied for any such measures to the European Commission, yet? Or is it that now copper is on the list, but it in fact entails nothing, yet, no favorable financial instruments for you?**

Reply I may answer this question in a somewhat indirect manner. It is not really clear what positive results there will be arising from copper having been included in the critical metals list. There will be positive results for sure. I think they could be positive also in the sense of a change of perspective, some modification in the context of the fact that significant copper resources in Europe are located only in Poland. So perhaps there will be some positive changes. We are now reflecting with our shareholder, with the Ministry of Finance, how to ensure long-term functioning of KGHM also in the aspect of the minerals extraction tax, which is a material cost item for KGHM. I would see this more through the lens of a more favorable atmosphere around copper and KGHM, rather than through the lens of grants or any other kinds of assistance or support.

8. **And my last question concerns EBITDA in the remaining companies of the Group in Poland. Their EBITDA in Q2 was PLN 184 million. It was significantly better than in Q1. Have there been any one-off events? Or is it a level that is sustainable in future periods? Indeed, I think there is a factor at play here that seems to have defied the market consensus. Could you indicate which companies are responsible for this positive effect? Is it sustainable? Or has there been a one-off event?**

Reply I will answer this question if I may. It is a question touching upon many themes. First, as you know, and as we have promised, we are completing the process of staff replacement, both at the supervision, as well as the managerial level. I see it as one factor of influence, a long-term one, just what you asked about. We seek professionalism of these personnel and experience. This is my first point. Secondly, the broad process of cost optimization also had a significant effect on this outcome. And thirdly, these are events related to factors such as energy and gas prices that Vice President Krzyżewski mentioned earlier. Another factor is optimization related to the recruitment process. We are trying to optimize these

costs as well. If you are asking about positive events in the companies, this would be primarily in the company Metraco, as well as Zanam and Nitroerg. Thank you.

9. **Thank you very much. Perhaps now we can give an opportunity to answer the questions flowing into our inboxes, i.e. the questions asked via the Internet. Here comes the first one: Mr. Jakub Szkopek from Erste, who is not with us here today. He sends two questions. The first one regards the Victoria project. The Management Board have already answered this one. We would just go again through a discussion of the development and CAPEX planned for the Victoria project. The second question of Jakub is a request for an update on the modernization plans for the metallurgical lines in the current year: for the Głogów Smelter and Refinery, and the Precious Metals Plant. Any changes planned as regards downtimes?**

Reply The planned progress on the Precious Metals Plant core production line will not be subject to any fundamental changes. However, the overhauls are not carried out in an annual cycle. As a result, we have downtimes in various times during the year. No technological changes are expected on these lines.

10. **Dan Major, UBS. Could you give an update on the project of a fourth line in Sierra Gorda?**

Reply Ladies and Gentlemen, it is my pleasure - as it is a rotating function - that we as KGHM are currently chairing the Owners Council in Sierra Gorda. At present, this project is undergoing analysis, and a pre-feasibility study is being prepared. So we will take a decision together with our partner, South32, as regards this investment as well as others, such as Oxide. We will surely brief you when we can. Nevertheless, now our priority is to improve the operations of this asset, to simply achieve budget plans and the implications of the block model.

11. **One more question from Mr. Daniel Major. The new Management Board has been in office for 4-5 months. Can you indicate anything about the strategic review of KGHM's operations, in particular in the context of a potential disposal of the foreign assets or the option of financing renewable energy sources in the future?**

Reply Undoubtedly, the foreign assets are in need of certain restructuring. They produce approximately 20% of KGHM's copper. However, currently we do not envisage any fundamental acquisitions or divestments of foreign assets in the near future. If at all, it may concern the assets in the Sudbury Basin, some of the ones too small for KGHM or those that do not generate positive cashflows. It is more about streamlining these assets, trimming off those that are not needed and focusing on the optimization of the core ones, i.e. the Robinson mine and the already mentioned Victoria Project. We have to take an unequivocal decision rather than make successive injections of CAPEX in the near future, but also, in close cooperation with South32, we will have to have a very close look at and optimize operations at Sierra Gorda, which - we hope - will allow us to generate positive cashflows from the viewpoint of either a fourth line or the Oxide project; however we rather don't want to finance these projects through more shareholder loans.

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- 12. Thank you very much. Continuing with the questions asked via the Internet from abroad, we have Bank of America, Mr. Paul Kirjanovs. These questions concern the INTERNATIONAL segment. KGHM INTERNATIONAL posted higher profitability in Q2. How sustainable is this trend? How sustainable can it be in the future? And how should we see the remaining part of the year in the INTERNATIONAL segment?**

Reply Ladies and Gentlemen, as we have already said: if we look at Robinson and the tasks faced by this mine, as well as the preparations to enter new mining areas, we feel comfort about the fact that we have done enough stockpiling for production, so the mine is prepared for a long-term process as well as generating regular results. That is the guiding theme for us as the Management Board. We do not seek to generate above-standard short-term results because we happened to come across a higher grade in this area. What we are trying to do is to blend, optimize recovery, optimize passage routes, and maintenance; if we have a very efficient mine, then the percentage points we trim off translate into measurable millions of additional results. These are the activities we are focusing on now. Thank you.

Let me only add that what is the most important is stability, i.e. stockpiling of ore which will allow us later to compose an optimum processing mixture. So to say: you cannot lick off the butter from your bread, because what you will be left with is dry bread alone, which you have to eat stale. It has happened before. We hope to prevent such situations in the future; we want to stabilize the production by composing the ongoing stockpiles in such a way as to optimize processing.

- 13. A question from Łukasz Prokopiuk, BOŚ. How can the Company explain the major growth of copper stocks on the LME, COMEX or Shanghai? And how do you see the copper market prospects by the end of the year?**

Reply I immediately volunteer to answer, because I like this question very much. KGHM is a large copper producer; however, if we were a producer which floods supply in 60%, then we could comment on the stocks on the Shanghai Exchange or LME. Indeed, KGHM is a large, one of the largest copper producers in the world, yet in the context of total supply - not so much large, with a share of a few percent. We don't want to comment on stocks. Of course, the smaller the stock on exchanges, the stronger the likelihood of higher prices, so large stocks may indicate some kind of cooling down in terms of economy's demand, a slowdown. In a way it does worry us, but we shall not comment. We do not feel responsible for these stocks.

Ladies and Gentlemen, this last quarter was a time of dynamic changes. The volatility of the copper market and prices is very high. Yet let us also look at who we are and where we want to be. We are a long-term asset, which sets out our path quite clearly, and we can see objectively that the demand for copper will be growing. Supply-wise, it is a reflection of the fact that copper is a strategic mineral. Only time will show what the effects will be. I think that a test which will come the soonest is Rio Tinto with Serbia. We will see what lithium means for the European Union from this point of view. It will be a good kind of check I think. Whereas from the viewpoint of our assets, our approach is long-term and we can see that copper

is going to be a rare resource, the demand for which will be growing. As you have heard here, creation of supply, on the other hand, construction of new mines - these are multi-billion, very long-term, and know-how intensive projects. And we can also see that these new projects contemplated here and there are very few, so the supply will be very limited.

- 14. I now have the last question. In the conversations after the results were published there was a recurring theme of hedging, both of metals prices as well as energy and foreign exchange rates. Could I ask you, Mr. President, for a commentary? Thank you.**

Reply Of course. Ladies and Gentlemen, as you can see in the Note to the financial statements, in the last quarter we concluded a transaction for nearly 30 thousand tonnes of copper. The hedging period is from July 2024 to December 2025. Similarly, we have a transaction on silver - over 3 million troy ounces. And the period is also from July 2024 to December 2025. So from this perspective, we do have a hedging policy. The Management Board analyses it regularly. However, the transactions that we will want to communicate to the market will be implemented in successive steps, so you should see it in our reports for successive periods. Definitely we do not want any surprises, neither for ourselves nor for you, with any transactions, so we observe [the market] and implement [transactions as needed]. As I said before, you do understand, Ladies and Gentlemen, what our long-term approach to resources is, and it will be reflected in our hedging structure. As regards energy prices, please allow me not to comment. We are hedged, this I can assure you of. And I think the result of Q2 does confirm it to some extent. We have also issued mandates in respect of new transactions, so it is work in progress. Objectively we seem to be the largest industrial participant of the energy exchange. So we don't want to disclose this information in case it could disrupt the market. I think all of us in energy-intensive sectors in Poland have enough volatility and problems to deal with. But it is a particularly important area for us. You can see the effects after the last quarter, and definitely we will continue to closely follow the gas, energy and CO₂ markets.

- 15. Thank you very much. And here I have the last of the last questions, one more has just come in from Radio Plus Legnica. Mr. Jacek Saja. What is the completion date for the modernization of the Electrorefining Section in the Legnica Copper Smelter and Refinery? What is the capital expenditure on these investments and will the starter sheets technology have an impact on increasing the production of the Legnica Smelter and Refinery?**

Reply Frankly, I don't remember exactly, but there is surely one thing we need to do as regards this investment project. We must have a look at these capital expenditures that are currently planned, because they seem to be very, very hard to meet. So we are analyzing this issue and I have spoken with the persons in the Company in charge of this project. What we definitely do not want is to go over the planned CAPEX. As regards the completion date, the analysis of this project and certain decisions that we will take in the nearest future may also have an

impact on this date. I may not be specific enough here, and I do admit that this project, albeit the development project of the Legnica Copper Smelter and Refinery and a very important one for this plant, has not been among the top priorities on our agenda, while we have been dealing with other very important issues. But we will provide a reply to this question. I think we should realistically complete the analysis of the project within a month or two.