

Responses to questions raised at the Results Conference for H1 2025

- 1. How do KGHM's investments fit into the long-term strategy for the development of Lower Silesia as an industrial and technological center? The first question. Secondly, how does the Company intend to cooperate with local authorities in the areas of infrastructure, roads, energy and housing in relation to the development of new shafts?**

Reply As regards the first question, we are, so to speak, in constant contact with administrative centres, i.e. the Marshal's Office and the provincial governor, and we receive various types of proposals. We are considering them, and if they are in line with our know-how and our core business, we are more than ready to take them on. Let me remind you that one of the Lower Silesian provincial governors is the former mayor of the municipality of Pęcław, so he is definitely a local man and is also interested in locating certain investments here. That said, there are currently no definitive decisions. However, we definitely want to be a center for industrial development in this region, because we have felt this role for 65 years. So, based on what we produce, we are open to all kinds of proposals and respond to them. But in terms of infrastructure, in conjunction with the local governments that are involved here, ladies and gentlemen, almost every new shaft investment is accompanied by some kind of road infrastructure, even in the case of the Żelazny Most TSF. What was the reason for that? The increased number of vehicles travelling in the area causes damage to roads, which are sometimes winding, in small housing estates, villages and so on. We are aware that this will be a never-ending series of repairing, upgrading these roads and so on. Present-day technologies allow for this, and there is a trend towards diverting traffic away from towns, in the form of ring roads or bypasses, and we are moving in this direction, although we do not want to finance it ourselves. Here, we are counting, first, on aid programs, and second, on cooperation with local authorities. At the moment, for example, we need to build a road to the GG-2 shaft, and here we have the arrangements, the funds allocated for this purpose, and we have completed the tender, the municipality of Żukowice will build this road with our money. As regards the expansion of the Żelazny Most TSF, we are in agreement with the municipality of Grębocice, and the traffic that takes place at the foot of the TSF embankment will have to be relocated due to the raising of the embankment. Some funds have also been earmarked for the construction of a section of road that will bypass this danger zone, but we are also thinking about the municipality of Rudna and Jerzmanowa. We are in the process of talks, and I must admit that I have been familiar with these relations with local governments for 30 years here in the area, and there has not been such a good atmosphere and understanding between both sides for a long time, if ever. Also, as far as possible, you have heard about the Company's financial situation, but we are doing our best to meet your needs. We realise that residents expect more from us at the moment, and besides, these residents are often our employees, or mostly our

employees. Thus, this is an investment that is of interest to both parties, us and local governments. We do not avoid it. We are in the process of reaching agreements.

- 2. You said that drilling will begin in September for the new Retków shaft. How many of these boreholes need to be drilled? Will the figure be similar for the other two shafts? And what will be the timeframe? When will the drilling be completed?**

Reply Ladies and gentlemen, indeed, even the schedule for these drillings has been prepared. Three boreholes will be drilled in each area in the shaft yards. Three openings. These boreholes will allow us to study the lithology, i.e. the sequence and succession of geological strata, as well as the geological structure of the deposit in this section. As I said, in the case of the GG-2 shaft, the initial location was not suitable due to the excessive thickness of the salt and the insufficient layer of stable rock to support the casing column, so to speak, which is why we changed the location. However, three boreholes in each of these areas are sufficient to identify the lithology and geological structure, especially since, in addition to drilling these boreholes, we are installing equipment that will allow us to identify the geological structure of the 3D deposit, so we know how these layers are arranged, whether they expand or narrow, etc. how they continue, so at each of these sites there are three boreholes, as I said, and the period for completing one set of boreholes is approximately two quarters, so we start in September and finish in the first quarter of next year, then we move on to the fourth quarter of this year, actually with an overlap, and the first quarter of next year is Gaworzyce, and then at the end of the first quarter and the second quarter of the following year is the Odra shaft, which is the first borehole M1, because these boreholes are drilled using different equipment. Then, return to perform exploratory and geological boreholes, along with 3D surveys in Retków. Generally speaking, the period for drilling the complete set of boreholes on these three shafts is from the third quarter of this year to the second quarter of 2027. That's it. After drilling these holes, the drilling results, i.e. the cores and 3D survey results, are processed by Cuprum, which uses them to design the casing for each of these shafts. We do not have two shafts in identical lining. The lining is determined specifically by the geological structure of the deposit, so the set of exploratory boreholes for the Retków shaft will be completed in the third quarter of 2026. I expect that in 2026 I will already have the shaft lining design, and PeBeKa will be able to proceed with further works.

- 3. With regard to the GG-2 shaft, can we talk about any threat to this investment due to unfavourable geological conditions? Is it just a matter of moving from one area to another, and then it will be fine?**

Reply Ladies and Gentlemen, in connection with the fact that in the past, long, long ago, when these regions of Poland were being documented, certain exploratory boreholes were drilled, but in a very sparse grid, because that was then sufficient. At the moment, we are refining this grid in order to better understand the geological structure, especially in the case of such an important installation as a shaft. This is a major excavation, it is to serve until the end of the mine's existence, and besides, according to geological and mining definitions, it is a place where there is a third degree of water

hazard. The highest one. Why? Because it intersects a water-saturated sand layer, these are highly critical investments where no mistakes can be tolerated. The first location chosen was based on an interpolation between historical boreholes. It seemed that there was an improvement between the favorable borehole and the next one. This improvement has not occurred. We are nearing the historical borehole, where we have a general understanding of the parameters and are forming our expectations. They will certainly be better than the location from last year. There will be better results for sure. We anticipate that this will be enough for our needs. I am referring to the layer of salt and the layer of bedrock beneath the salt. Ladies and gentlemen, the SW-4 shaft and the GG-1 shaft are examples of the truly amazing work and incredible struggle against the elements to construct these shafts. In the SW-4 shaft, we have 150 meters of salt. A similar situation occurred in the GG-1 shaft, where, as you know, water had previously leaked in. That's why we are being cautious. In the GG-1 shaft, due to this failure, we recorded a 25-month delay as a result of dealing with this hazard. We cannot afford it because each of our shafts is delayed by at least a few years, if not 15 years in some cases. Thus, a good location for a shaft means, first of all, lower costs of lining, shorter sinking period, avoidance of disasters, and faster air supply to the horizontal workings of the mine.

- 4. Just a technical question, Mr. President: can these exploratory boreholes for shaft construction also be used, or will they be used, for freezing, or is that a separate technology?**

Reply The M1 borehole that I am talking about, which will be drilled in one place, then in another, then in a third, and then back to the remaining boreholes, is a borehole that will be used among 43 freezing boreholes, future freezing boreholes of a given shaft, so there will be no duplication, because one of these boreholes will later serve as a freezing borehole. These are M1 boreholes that are drilled in each of the shafts.

- 5. When it comes to financial matters, can the employees count on an additional bonus for the profit generated and an advance payment with this financial result?**

Reply We are having a board meeting tomorrow, and among other things, we will be discussing a potential advance payment, an annual bonus based on profits, I repeat, an advance payment for the first half of the year. I don't want to get ahead of myself or speak on behalf of the entire Management Board. I think we will discuss this in detail once again, formally. As of today, KGHM's net profit is as follows. We know the Collective Labor Agreement, which, when forecasting the second half of the year, means that even if the Management Board decided to pay an advance, it would be at a strictly defined level. Today, it is a bit too early to give a definitive answer as to whether this will happen or not. We have considerable doubts as to whether this would be a deliberate, beneficial move and also whether it would be well received by the employees. Perhaps I will add a few words to what the President said. The CLA clearly states the algorithm and also how the advance payment is recognised, or how the reward is recognised, in an amount depending on the result. In view of the above, we update this

item every month for the half-year period. I need to check it now, but it will be around PLN 140 million. This is a provision that we have established. And here, too, I would like to say that nothing like that is happening. We perform this operation every month, we have these numbers for the half-year, and as the President said, we will talk, but from a financial point of view, we respect all the provisions of the Collective Labor Agreement and they are reflected in the accounts.

6. Questions about the situation and our view on international assets. Please discuss the exceptional improvement in the operating results of international assets. Previously, they were generating large losses, and now it seems they are generating large profits. Is KGHM, to put it bluntly, the best owner of these assets, or would you consider selling them?

Reply As we mentioned earlier, these production results are good and stable. Despite certain problems in previous years, production is now stable, and the Management Board is taking a very thorough approach to strengthening corporate oversight of the international assets, as well as operational oversight, which has translated into improved production results. As regards Sierra Gorda, the temporary problems with molybdenum production have been, let's say, somehow resolved. There were technological issues, but at the moment we are seeing a trend towards catching up on production. Since June this year, production has been in line with the budget, and we are optimistic about the future implementation of the budget. To summarize, or perhaps elaborate, regarding KGHM INTERNATIONAL, specifically the Robinson mine, we are currently mining the Liberty deposit, and production there is at a good, stable level. As far as sales are concerned, the Management Board is constantly conducting analyses, closely examining the costs and revenues of international assets, exercising control over them, while the performance of international assets is good and stable, and that is the answer to this question.

If I may add just two more thoughts, I understand and can guess what the background to this question might be. On the whole, as you are aware, there are fewer and fewer active copper mining projects around the world, and those that are active are constantly experiencing problems, so it is natural to ask what will happen to these existing projects, and I think I can answer that here, just as Ms. President said, but also on behalf of, I think, our competitors, or rather our partners, who operate globally in the sector, that everyone is focusing on their assets and optimising them operationally, because these assets are not available and there are no new ones, and if new ones appear, as President Bryja showed you here, reaching the first tonne that will be extracted at the greenfield site will take a dozen or so, seventeen, eighteen years. Therefore, I understand where this question comes from, but what you also remember, probably in April last year when we talked, and there was a question about what we intend to do with the international assets, is that what the President said here has not changed. We monitor them and develop them operationally. Operational excellence is a guiding principle for us both in Poland and abroad, and its effects are visible. I believe there is still much work to be done, so we continue to move forward.

Just a couple more words from me. Ladies and gentlemen, whenever there are two or

three shareholders in a project, as is the case with our Sierra Gorda mine, the best possible model of cooperation is simply to work together and to communicate at the management level. I will not deny that we have such contacts at various levels, including at my level and that of President Graham Kerr, and it would be strange if, when we meet or talk, we did not share our views on sales or purchases, or ask ourselves whether this level of shareholding is optimal. One thing we agree with President Kerr on is that such a discussion is always, first of all, risky, and secondly, it is always premature because, as long as the asset is not optimal, as long as there are still some problems, the valuation of that asset is so difficult that it actually makes no sense to talk about it and the order is meaningless. First, we optimise, we turn it into an asset, the best possible asset, if we ever get to the point of discussing whether to buy, sell or change the ownership ratio. Firstly, we will never talk about our plans regarding future acquisitions or the liquidation of certain assets, except for those that we have already officially announced, such as the sale of part of the Sudbury Basin assets, which were simply too small and unprofitable for us in our situation. Similarly, and especially when it comes to our key international assets, the priorities are as follows. We are optimising their performance, which so far has been successful, and I am confident that it will continue to be so. Discussions about possible changes are a distant prospect, if they happen at all.

- 7. KGHM has achieved almost 50% of its full-year forecasts for copper in concentrate and electrolytic copper. Considering that most of the maintenance work was carried out in the first half of the year, can we expect an improvement in production forecasts?**

Reply These maintenance and repair works were included in this year's budget, so the second half of the year will proceed according to budget.

- 8. In the second quarter, there was a significant growth in working capital. What was the reason for this, and do you expect capital to be released in the second half of the year? The President has already addressed this when discussing our cash flows — can we provide any additional comments?**

Reply I believe I have already answered that question. However, of course, when it comes to working capital, there are many factors that have an impact. We will see what the macroeconomic situation looks like, what sales will be like, and what our strategy will be. Let's be honest about sales volumes in the fourth quarter. Will we decide to carry certain volumes over into the next year? At the end of the day, we always calculate and review everything from a profitability perspective in order to maximise results, so the cost of working capital is also taken into account and we also consider this element when looking at our company's financial performance.

- 9. Once again, the issue of increasing your own input has been raised. This is obviously reflected in the financial results, but considering the history, there was a problem with the temperature in the furnaces when using own feedstock. I understand that this has already been rectified and there is no longer any risk?**

Reply There was a period when KGHM's own concentrate supply, relative to smelting capacity, was higher – especially during cyclical maintenance periods – when concentrate stocks at the Głogów Copper Smelter and Refinery or Legnica Smelter and Refinery were above the so-called normative level. It is natural that in such a situation there are both financial and profitability issues, as well as problems related to achieving the design capacity for smelting concentrates in flash furnaces. Let me remind you, this is the unit that is first in the processing sequence. Firstly, these processing capacities have been optimised, i.e. the design capacities were achieved a long time ago. Secondly, there is currently no situation in which the supply of our own concentrates, or concentrates in general, exceeds smelting capacity, so to a certain extent, of course, we use the concentrate roasting plant at the Głogów I Copper Smelter and Refinery, but not continuously and not to its full production capacity. This problem does not occur excessively at present.

10. Do you have the possibility to amend the provisions of the proposed act on changes to the copper tax so that the level of this tax after 2028 does not depend on investments? There is also a question about tax from several other brokerages.

Reply We are not able to change anything, but we can express our opinion or make a suggestion. The decision on the final shape or amendment of the act is made by the Parliament and ultimately approved by the President. As we have been doing for a year and a half, perhaps less than a year and a half, for five quarters, we express our opinion, provide information, provide arguments, and also at the stage when the draft bill in its current form was posted on the government's draft bill website, we, as the Management Board, expressed our opinion on this subject and our proposals for improvements and modifications, and as our comments are reviewed, we will continue to supplement this information or provide additional information. However, we are not the final decision-maker as a company.

11. Can we already comment, think and talk to you, to the market, about profit allocation?

Reply Ladies and gentlemen, I would like to return to this chart once again. If, at the consolidation level, we had an impact of exchange rate differences at the level of net profit, it was, to remind you, PLN 1.7 billion. It is hard to say what will happen in the second and subsequent two quarters, and this will determine the answer to this question to some extent, so it is too early now, and considering the global dynamics, we are recipients of information that affects the euro/dollar and euro/zloty exchange rates, as we discussed, and these changes have a direct impact on our net result, and this is the basis for discussing dividends, so to answer your question, it is too early to talk about dividends, given the market variability.

12. If I may, then. President Bryja mentioned that some plots of land had been purchased in the vicinity of Żelazny Most. I understand that this is of marginal importance and there is absolutely no question of expansion here, because investments in expansion only involve raising the crown, not widening it?

Reply Ladies and gentlemen, the geometry of the TSF itself shows that the embankment superstructure will cause the surface area of the TSF at the top to decrease, so this is not an expansion in width but in height. Whereas, in connection with earlier agreements between previous management boards and residents, particularly those of four villages located at the foot of the Źelazny Most TSF, the opinion was expressed that, in the event of the TSF being raised, we would be willing to cooperate and purchase the land from residents if they had difficulty selling their plots. If it is one of these four villages, we prepare an appraisal report. If anyone wishes to move out of the region entirely, we come to an agreement. In this case, two such plots were purchased in the first half of the year, but around 20 applications are currently being processed. Let me add something to that. President Bryja said that in the past there was a certain atmosphere regarding discussions and good neighbourly relations with the residents of the villages around Źelazny Most. As a company, we have continuity of management, but we also want KGHM to maintain a high level of credibility. That's why we try to keep certain commitments, even if they're not entirely formalised. Also, taking into account the fact that we are not leaving here, as KGHM we want to be here for several decades and we must always find a balance between the Company's credibility and, of course, financial capabilities or expectations. This is also always a matter of finding an agreement between the expectations of residents who wish to relocate and the realistic valuation or purchasing possibilities. But credibility comes first.

13. Could you please provide some information regarding potential changes in the Polish minerals extraction tax? If they are introduced, how much of an increase in your profits/ EBITDA can we expect? Timeline?

Reply At the current stage of legislative work it is not possible to state the final scope of changes in the draft bill on the minerals extraction tax or a timeline for its implementation, nor of any estimate of the impact of the legislative change on the Company's financial results or cash flow.

14. Will the trends seen in the volumes of ore (-2% y/y), copper (-2% y/y) and silver (-3% y/y) be continued?

Reply The Company does not publish forecasts, we can only comment on the budget targets for annual production volumes, which following the published H1 results indicate that the targets will be met in full.

15. Will KGHM recognise extraordinary profits from Comex premiums in July 2025? Given its level, can it be expected that the premium for the Group will be comparable to the amounts presented in 2Q 2025?

Reply Here again forecasts and guidance, which we don't provide. We can only point out that at the start of August the newest version of the tariffs on copper were announced, according to which tariffs were imposed on copper products and semi-products such as wire rod, and not on refined copper and concentrates. This led to a collapse of the arbitrage between CME and the LME and a drop in the spread from approx. 2500 USD/t to 160 -180 USD/t as of today.

16. Why do we see a large decrease in production of ore from Deep Głogów? Has KGHM reached a target level in this region? If not, then how much percentage-wise can be extracted annually?

Reply In the first half of 2025, on an annual basis, production by the mines of KGHM Polska Miedź S.A. recorded a decrease in ore extraction as compared to the corresponding prior-year period, which was related to the less favourable production calendar in the first half of 2025. Copper content in ore fell to 1.482%.

17. Will the high operational profitability of the international operations be maintained?

Reply The Company is mainly concentrating on optimising its production assets, including its international ones, primarily in terms of the operations of the production lines, the extension of their useful lives and reducing unit costs. This trend is visible in all of the mines, forced by cost pressures.

18. Can you talk a bit more about that PLN 9-billion investment? How much will you spend in 2025 and is it included in the budget?

Reply The budget for 2025 does not yet include any substantial expenditures as regards this investment.

19. Can you provide a rough estimate of cash costs in the second half of the year? Will the trend be similar to that of the first half?

Reply Avoiding any direct forecasting, pursuant to the Company's policy, we can only point out the lack of substantial deviations from current trends, of course focusing on those expenses by nature which we can control. Another issue is cost items which are indirectly dependent on the macroeconomic situation, including the behavior of commodity and currency markets.

20. Is there any possibility of further reducing costs in Poland and abroad?

Reply Yes, this is the task of the Costs Optimisation Program. The goal of the Management Board is to further improve the basic efficiency of core business processes and their optimisation costs-wise.

21. Is the improvement evident in the international assets a permanent trend, one which will also be seen in the coming quarters, or only a temporary change? You also mentioned that in the international assets copper/silver grade in ore is higher. Will this also be the case or better in H2 25?

Reply As regards solely the most predictable element, meaning production capacities and parameters, we can expect an increase in payable copper output by the Sierra Gorda mine in subsequent periods, together with improved ore extraction parameters and a decrease in payable copper production by KGHM INTERNATIONAL due to the sale of the assets in the Sudbury Basin and, above all, the conclusion of extraction from

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phase 5 of the Ruth deposit in the Robinson mine, as well as the processing of ore almost exclusively from the current Liberty deposit, characterised by lower parameters.