

*Report of the Supervisory Board of KGHM Polska Miedź S.A.
on the results of its evaluation of the recommendation
of the Management Board of KGHM Polska Miedź S.A.
regarding the distribution of profit for the year ended 31 December 2018*

**Report of the Supervisory Board of KGHM Polska Miedź S.A. on the results
of its evaluation of the recommendation of the Management Board of
KGHM Polska Miedź S.A. regarding the distribution of profit for the year
ended 31 December 2018.**

*(Adopted by Resolution No. 32/X/19 of the Supervisory Board of KGHM Polska Miedź S.A.
dated 17 April 2019)*

Lubin, April 2019

Evaluation of the recommendation of the Management Board of KGHM Polska Miedź S.A. regarding the distribution of profit for the year ended 31 December 2018

The Supervisory Board of KGHM Polska Miedź S.A. hereby issues a positive opinion of the recommendation of the Management Board of KGHM Polska Miedź S.A. regarding the distribution of profit for financial year 2018 by transferring all of the profit earned to the reserve capital of the Company.

The recommendation of the Management Board of KGHM Polska Miedź S.A. results from an assessment of the current financial possibilities of the Company, and takes into consideration the program of investments being implemented as set forth in the updated Strategy of KGHM Polska Miedź S.A. for the years 2019-2023. The proposal of the Management Board of KGHM Polska Miedź S.A. is compliant with the existing Dividend Policy of KGHM Polska Miedź S.A., which provides for a balance to be maintained between the level of dividends paid out and opportunities to effectively invest the Company's funds given the current level of debt of the KGHM Polska Miedź S.A. Group.