

**Report of the Supervisory Board of KGHM Polska Miedź S.A.
on the results of its evaluation of the proposal
of the Management Board of KGHM Polska Miedź S.A.
regarding the appropriation of profit for financial year 2020**

*(Adopted by Resolution No. 89/X/21 of the Supervisory Board of KGHM Polska Miedź S.A.
dated 10 May 2021)*

Lubin, May 2021

Ocena wniosku Zarządu KGHM Polska Miedź S.A. dotyczącego podziału zysku za rok 2020

The Supervisory Board of KGHM Polska Miedź S.A. hereby issues a positive opinion of the proposal of the Management Board regarding the appropriation of profit for the year ended 31 December 2020 in the amount of PLN 1 779 079 095.44, in the following manner:

- payment of a dividend in the amount of PLN 300 000 000,00 PLN (1,50 PLN/share)
- to the reserve capital of the Company: PLN 1 479 079 095,44 PLN

The proposal 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 well as the current and anticipated situation on the metals market. It 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.