

Report on evaluation of the Supervisory Board of KGHM Polska Miedź S.A. with a justification regarding the financial statements of KGHM Polska Miedź S.A. for the year ended 31 December 2018, the consolidated financial statements of the KGHM Polska Miedź S.A. Group for the year ended 31 December 2018 and the Management Board's report on the activities of KGHM Polska Miedź S.A. and of the KGHM Polska Miedź S.A. Group in 2018 in terms of their compliance with the accounting records, documents and facts

In accordance with art. 382 § 3 of the Commercial Partnerships and Companies Code, § 70 sec. 1 point 14 and § 71 sec. 1 point 12 of the Decree of the Minister of Finance dated 29 March 2018 on current and periodic information published by issuers of securities and conditions for recognising as equivalent information required by the laws of a non-member state and § 20 sec. 2 points 1) and 3) of the Statutes of KGHM Polska Miedź S.A., on 14 March 2019, based on:

- ✓ the contents of documents presented by the Management Board of KGHM Polska Miedź S.A., in particular:
 - 1) The financial statements of KGHM Polska Miedź S.A. for the year ended 31 December 2018,
 - 2) The consolidated financial statements of the KGHM Polska Miedź S.A. Group for the year ended 31 December 2018,
 - 3) The Management Board's report on the activities of KGHM Polska Miedź S.A. and of the KGHM Polska Miedź S.A. Group in 2018 prepared in conjunction with the Non-Financial Report of KGHM Polska Miedź S.A. and the KGHM Polska Miedź S.A. Group for 2018.
 - ✓ the auditor's report on the audit of the financial statements of KGHM Polska Miedź S.A. for 2018,
 - ✓ the auditor's report on the audit of the consolidated financial statements of the KGHM Polska Miedź S.A. Group for 2018,
 - ✓ the additional report of the auditing company for the Audit Committee of the Supervisory Board of KGHM Polska Miedź S.A.,
- and also based on
- ✓ meetings of the Supervisory Board with representatives of the auditing company, including with the key certified auditor, and
 - ✓ recommendations of the Audit Committee of the Supervisory Board of KGHM Polska Miedź S.A. regarding providing an opinion on the audited financial statements

the Supervisory Board of KGHM Polska Miedź S.A. positively evaluated the following:

- 1) The financial statements of KGHM Polska Miedź S.A. for the year ended 31 December 2018,
- 2) The consolidated financial statements of the KGHM Polska Miedź S.A. Group for the year ended 31 December 2018,
- 3) The Management Board's report on the activities of KGHM Polska Miedź S.A. and of the KGHM Polska Miedź S.A. Group in 2018 prepared in conjunction with the Non-Financial Report of KGHM Polska Miedź S.A. and the KGHM Polska Miedź S.A. Group for 2018.

The results of the evaluation with the justification are presented below.

1. Evaluation of the financial statements of KGHM Polska Miedź S.A. for the year ended 31 December 2018.

The Supervisory Board reviewed and analysed the financial statements of KGHM Polska Miedź S.A. for the year ended 31 December 2018, comprising:

- ✓ The statement of profit or loss showing a profit for the period of PLN 2 025 million
- ✓ The statement of comprehensive income with a total comprehensive income of PLN 1 935 million
- ✓ The statement of cash flows showing an increase in net cash flow of PLN 368 million
- ✓ The statement of financial position showing total assets and total equity and liabilities of PLN 34 250 million
- ✓ The statement of changes in equity showing an increase in equity of PLN 1 789 million
- ✓ Explanatory notes to the financial statements,

and reviewed the results of the audit carried out by the auditor of KGHM Polska Miedź S.A. (Deloitte Audyt Spółka z ograniczoną odpowiedzialnością Sp.k.).

In accordance with the auditor's report issued by the certified auditor, the financial statements were prepared in compliance with International Financial Reporting Standards approved by the European Union and:

- ✓ give a true and fair view of the financial and economic position of the Company as at 31 December 2018 as well as its financial result and cash flow,
- ✓ is compliant in form and content with the law applicable to the Company as well as with the Company's Statutes, and
- ✓ were prepared on the basis of properly-kept accounting records in compliance with chapter 2 of the Accounting Act.

The Supervisory Board hereby declares that the Separate financial statements of KGHM Polska Miedź S.A. for the year ended 31 December 2018 were prepared in all material aspects in accordance with International Financial Reporting Standards and is compliant with the accounting records and documents, as well as facts.

2. Evaluation of the consolidated financial statements of the KGHM Polska Miedź S.A. Group for the year ended 31 December 2018.

The Supervisory Board reviewed and analysed the consolidated financial statements of the KGHM Polska Miedź S.A. Group for the year ended 31 December 2018, comprising:

- ✓ The consolidated statement of profit or loss showing a profit for the period of PLN 1 658 million
- ✓ The consolidated statement of comprehensive income with a total comprehensive income of PLN 1 360 million
- ✓ The consolidated statement of cash flows showing an increase in net cash flow of PLN 353 million
- ✓ The consolidated statement of financial position showing total assets and total equity and liabilities of PLN 37 237 million
- ✓ The consolidated statement of changes in equity showing an increase in equity of PLN 1 440 million
- ✓ Explanatory notes to the consolidated financial statements,

and reviewed the results of the audit carried out by the auditor of KGHM Polska Miedź S.A. (Deloitte Audyt Spółka z ograniczoną odpowiedzialnością Sp.k.).

In accordance with the auditor's report issued by the certified auditor, the consolidated financial statements were prepared in compliance with International Financial Reporting Standards approved by the European Union and:

- ✓ give a true and fair view of the financial and economic position of the Group as at 31 December 2018 as well as its financial result and cash flow,
- ✓ is compliant in form and content with the laws applicable to the Group as well as with the Company's Statutes, and
- ✓ were prepared on the basis of properly-kept accounting records in compliance with chapter 2 of the Accounting Act.

The Supervisory Board hereby declares that the Consolidated financial statements of the KGHM Polska Miedź S.A. Group for the year ended 31 December 2018 were prepared in all material aspects in accordance with International Financial Reporting Standards and is compliant with the accounting records and documents, as well as facts.

3. Evaluation of the Management Board's report on the activities of KGHM Polska Miedź S.A. and of the KGHM Polska Miedź S.A. Group in 2018 prepared in conjunction with the Non-Financial Report of KGHM Polska Miedź S.A. and the KGHM Polska Miedź S.A. Group for 2018.

The Supervisory Board evaluated the Management Board's report on the activities of KGHM Polska Miedź S.A. and of the KGHM Polska Miedź S.A. Group in 2018 prepared in conjunction with the Non-Financial Report of KGHM Polska Miedź S.A. and the KGHM Polska Miedź S.A. Group for 2018 and declares that the report was prepared in compliance with art. 49 of the Accounting Act dated 29 September 1994 and with §70 and § 71 of the Decree of the Minister of Finance dated

29 March 2018 on current and periodic information published by issuers of securities and conditions for recognising as equivalent information required by the laws of a non-member state and is compliant with the information contained in the separate financial statements of KGHM Polska Miedź S.A. for the year ended 31 December 2018 and in the consolidated financial statements of the KGHM Polska Miedź S.A. Group for the year ended 31 December 2018.

The Management Board's report on the activities of KGHM Polska Miedź S.A. and of the KGHM Polska Miedź S.A. Group gives a true and fair view of the economic and financial position of the Company and the KGHM Polska Miedź S.A. Group as well as their development. The completeness of the Management Board's report on the activities of KGHM Polska Miedź S.A. and of the KGHM Polska Miedź S.A. Group and the consistency of the disclosed information, was confirmed by the certified auditor.

Furthermore, the certified auditor, in its auditor's report, confirmed that the Company provided information in the Management Board's report regarding the preparation of a separate non-financial report, as provided for in art. 49b sec. 9 of the Accounting Act, and that the Company prepared such a separate report.

Consequently, the Supervisory Board positively evaluates the Management Board's report on the activities of KGHM Polska Miedź S.A. and of the KGHM Polska Miedź S.A. Group in 2018 as well as the Non-Financial Report of KGHM Polska Miedź S.A. and the KGHM Polska Miedź S.A. Group.

Chairman of the Supervisory Board
Andrzej Kisielewicz

Member of the Supervisory Board
Józef Czyczerski

Deputy Chairman of the Supervisory Board
Leszek Banaszak

Member of the Supervisory Board
Janusz Kowalski

Secretary of the Supervisory Board
Jarosław Janas

Member of the Supervisory Board
Ireneusz Pasis

Member of the Supervisory Board
Bartosz Piechota

Member of the Supervisory Board
Marek Pietrzak

Member of the Supervisory Board
Bogusław Szarek

Member of the Supervisory Board
Agnieszka Winnik-Kalemba

the appropriate signatures are on the original

Lubin, 14 March 2019