

**8<sup>th</sup>** largest global **copper producer** in 2018

**2<sup>nd</sup>** largest global **silver producer** in 2019

According to Copper Market Outlook, CRU, April 2019 and World Silver Survey 2020



We are a global and innovative organisation engaged in exploration, mining and metallurgy using cutting-edge technology. For nearly 60 years we have been extracting and processing the earth's valuable resources, providing the world with commodities that facilitate its development.

We continuously strive to enhance our reputation as a reliable producer, a trusted business partner and as a company committed to sustainable development. We are also a responsible employer fully aware of the commitment and diverse cultural identities of our 34 thousand staff around the world.

## Polish assets



### Poland

- KGHM Head Office
- underground mines:
  - Polkowice-Sieroszowice (Cu, Ag)
  - Lubin (Cu, Ag)
  - Rudna (Cu, Ag)
  - Głogów Głęboki-Przemysłowy - project

- Głogów I + II (copper smelter/refineries)
- Legnica (copper smelter/refinery)
- Cedynia (copper wire rod plant)
- Ore Processing Plants
- Hydrotechnical Unit
- Others (incl. Emergency Mine/Smelter Rescue Service)

## Foreign assets



### Canada

Ajax Project (Cu, Au)

### USA

Robinson (Cu, Au, Mo) - open-pit mine  
Carlota (Cu) - open-pit mine

### Chile

Sierra Gorda (Cu, Mo, Au) - open-pit mine  
Sierra Gorda Oxide Project (Cu)  
Franke (Cu) - open-pit mine

KGHM worldwide assets in numbers:

- 8** Copper mines
- 3** Smelters & refineries
- 3** Tailings storage facilities

### Canada

KGHM INTERNATIONAL Head Office - Vaughan (Toronto)  
DMC Mining Services Head Office - Vaughan  
McCreehy West, Sudbury Basin\* (Cu, Ni, TPM) - underground mine  
Victoria Project (Cu, Ni, TPM)

\* at the beginning of Q2 2019, production in the Morrison mine (Cu, Ni, TPM) was suspended

In addition, KGHM has its own sales office in Shanghai, China

## 2019 key data

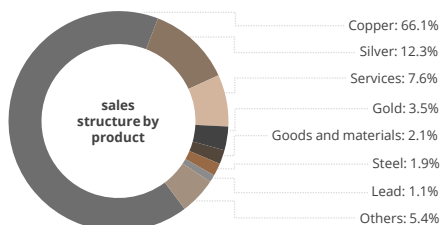
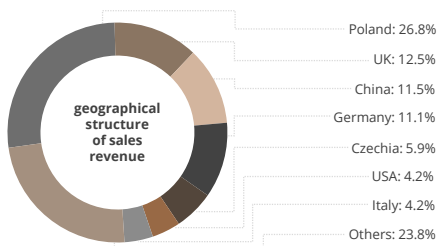
Payable copper production by the KGHM Group amounted to 702 kt and was 11% higher compared to 2018. Silver production was also higher by 18% and amounted to 1.417 tonnes compared to 1.205 t in 2018. In both cases, the increase in production was due to better equipment availability.

<b>22.7</b> bn PLN +11% higher y/y Sales revenue	<b>5.2</b> bn PLN +5% higher y/y Adjusted EBITDA	<b>1.42</b> bn PLN -14% lower y/y Net income
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<b>34.3</b> thousand -0.2% lower y/y Average employment	<b>18.6</b> bn PLN -1.2% lower y/y Average market cap	<b>1.70</b> USD/lb -6% lower y/y C1 cost
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## Markets and products

KGHM generates the largest revenues from the sale of copper and silver. The largest export markets are the UK, China and Germany.



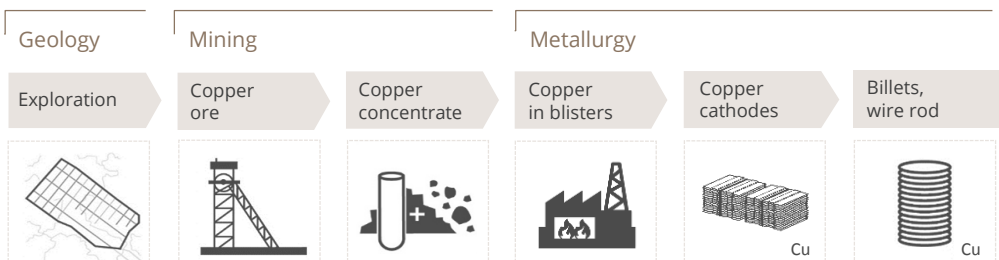
## Did you know that...



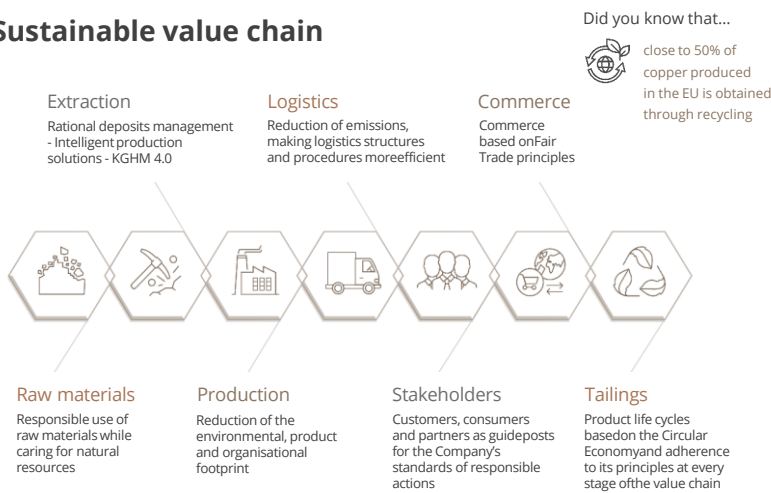
Copper is a strategic material for a carbon neutral and circular economy in Europe



## Diagram of integrated geological, mining, and metallurgical activities



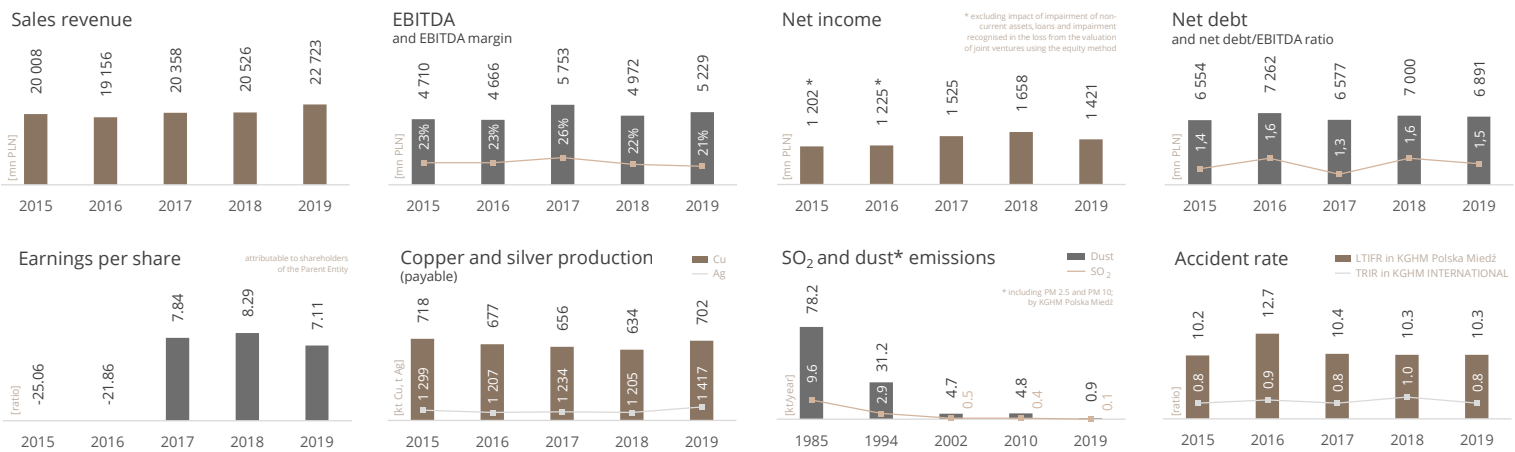
## Sustainable value chain



## Strategic priorities

- Higher production – Higher ore processing by Sierra Gorda (130 kt Cu), continued high level in Poland (450 kt Cu)
- Energy independence – 50% of consumption provided by internal generating resources by the end of 2030
- International assets 2.0 – Review, integration, financial efficiency
- Long-term financial strategy – Effective use of long-term instruments, an additional 20% efficiency thanks to back-office digitalisation
- Ecosystem innovation for KGHM – Higher spending on R&D: over PLN 200 million (minimum 1% of annual revenues)
- Technologies of the future – KGHM 4.0: Internet of Things, automation and digitalization
- New quality: safety and development – Ambitious plan for the management and employees prioritises sustainable development

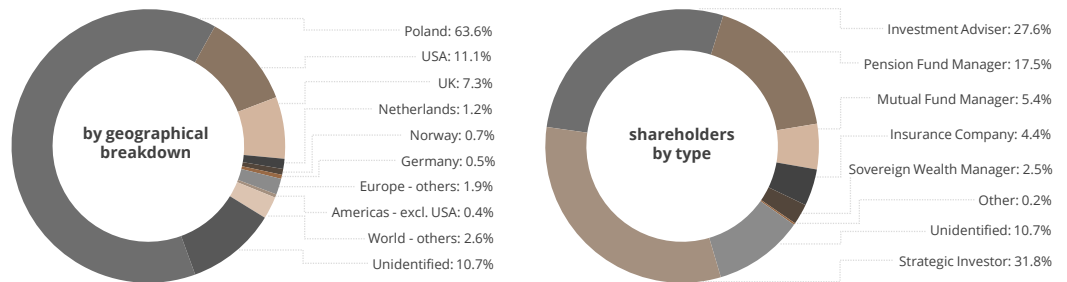
## KGHM Group results



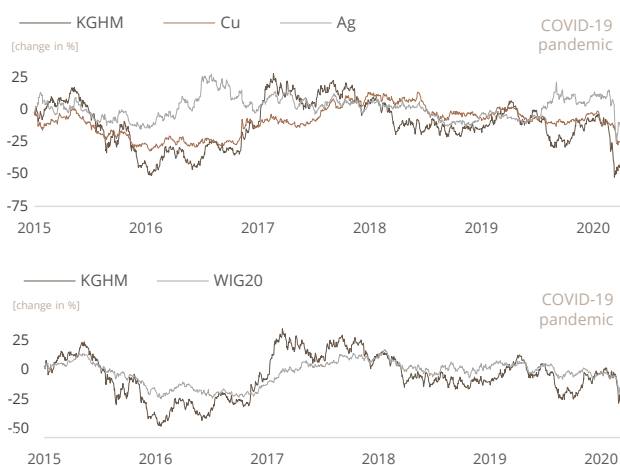
## Shareholders

The State Treasury is the largest shareholder of the Company (31.79%). Above 5% of shares (votes), according to notifications received based on art. 69 of the Act on Public Offering, as of Dec 31, 2019, had pension funds: OFE Nationale-Nederlanden (5.05%) and OFE Aviva Santander (5.02%).

Unofficial shareholding data based on cyclical fund's reports are updated and published by [stoog.pl](http://stoog.pl)



## KGHM correlation with metals and WIG20 index



## Stock data

KGHM's shares are a component of the indices: WIG, WIG20, WIG20TR, WIG30, WIG30TR, WIG-GÓRNICIOWO, WIG-Poland, WIG.MS-BAS, WIG-ESG, CEEplus, and the prestigious FTSE4Good index since 2018.

WSE debut	July 10, 1997
WSE ticker	KGH
Bloomberg/Reuters tickers	KGH PW/KGH.WA
Share price [PLN]	59.82
Market cap [bn PLN]	11.96
No. of shares	200,000,000
Share capital [PLN]	2,000,000,000
Max/min share price [PLN]	112/49.40
Spread [PLN]	62.60
Avg. share price [PLN]	89.12
Avg. volume	624,729
Avg. turnover [mn PLN]	53.25

52 weeks

## Contact for investors

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