
**PRESENTATION OF THE FINANCIAL RESULTS
OF THE KGHM POLSKA MIEDŹ S.A. GROUP
FOR Q3 AND THE FIRST 9 MONTHS OF 2022**

17 NOVEMBER 2022

LIDIA MARCINKOWSKA-BARTKOWIAK, EXECUTIVE DIRECTOR, COMMUNICATIONS: Ladies and Gentlemen, let me welcome you very warmly at the conference devoted to the financial results of the Company and the KGHM Group for Q3 and the first 9 months of 2022. My name is Lidia Marcinkowska and together with Janusz Krystosiak, the head of KGHM's investor relations, we will have the pleasure of hosting today's meeting for you. Let me welcome you at the Warsaw Stock Exchange Trading Floor. I would also like to welcome the viewers of the video broadcast, which is available both in Polish and in English. Ladies and Gentlemen, KGHM's performance after the first 9 months of the year will be commented on by KGHM's Management Board: Mr. Tomasz Zdzikot, the President, who also serves as the Vice-President of the Management Board (Development), Mr. Andrzej Kensbok – Vice-President of the Management Board (Finance), and Mr. Marek Świder, Vice-President of the Management Board (Production), who is also responsible for managing the international assets. Ladies and Gentlemen, let us begin as usual from the Management Board's commentary on the events of the last quarter. Then we will move on to a Q&A session. I would also like to remind you that, as usual, a transcription of the questions and answers from today's meeting will be posted on KGHM's website. This also applies to the questions that, due to time constraints or because of the need to check detailed data, we will not ask or answer today. We are waiting for questions from viewers of the online broadcast at our e-mail address at ir@kgbm.com. Ladies and gentlemen, let us begin the conference. I will now ask President Tomasz Zdzikot to take the floor.

TOMASZ ZDZIKOT, PRESIDENT OF THE MANAGEMENT BOARD: Thank you very much. Ladies and gentlemen, good afternoon. First of all, since this is my first time meeting you in this capacity, let me say a few more words of introduction before we move on to the presentation of our results after 3 quarters. Ladies and Gentlemen, as Lidia has just said, I would like to first turn your attention to the fact that our Management Board continues to work with several members missing. Some of us are here in dual roles, myself also acting as Vice-President for Development,

and Marek is in charge of production and at the same time oversees the international assets. It is very important to us that the Management Board be established in full and that each area of our activity be headed by a responsible Management Board member. This is important and we are expecting this to happen in the near future. Secondly, Ladies and Gentlemen, as we are working in the current team, we are focusing our attention mainly on developing the 2023 budget. This is a very important challenge for us. A challenge in which we have to reconcile the cost pressure, which we will certainly discuss later today, and the implementation of an ambitious strategy, which comprises investment tasks, development plans, and right now we are at the stage developing the budget. This is the main area where we are focusing our attention. Thirdly, Ladies and Gentlemen, when the Management Board is fully established, I would like us to proceed to a review of the strategy. The strategy that was adopted, announced, presented to you at the beginning of this year. When I speak of a review, I obviously do not mean at this moment any firm decisions that have already been made or would be made. However, using the experience of the appointed, functioning, working Management Board members and those we expect to have on the Management Board, that is the Vice-President for Development and the Vice-President for International Assets, we want to carry out a strategic review also in the context of the macroeconomic environment, the security environment. In the coming months, this will be a task for the full Management Board, which I would like us to do together. Fourth, as the President of the Management Board, also serving as Vice-President for Development, I think I have a particularly strong mandate to say that I would like investment and development to be among our priorities. This will be our focus. We will make sure that the current main projects are implemented on schedule and also that projects envisaged in the strategy are launched. And fifth, in our investment projects, in our development projects, I would very much like us to focus on our core business. Production of copper, production of silver. I would like us to take care of the key projects in Polish and international assets, focusing mainly on our core business. So that was my brief introduction and I took the liberty of addressing you since this is the first conference in which I have the honor of participating. Now moving on to the results. Ladies and gentlemen, they are good. We have had revenue growth of 18% year over year compared to the corresponding period of 2021, and I believe that this is a good result. Especially given the left side of this slide, which is the macroeconomic environment. We have significant differences in quoted copper prices, or

quoted silver prices. Of course, the valuation of the dollar, in which we make our settlements, has had a positive impact on the result, the exchange rate differences have had an effect, but we still view the revenue performance in a positive light. Similarly, we have a positive view on EBITDA. It is admittedly lower than in the same period last year, but it remains strong. Please note that EBITDA was affected in a positive way by the Parent Company's result, by the Polska Miedź result – this is a plus. This negative value is related to our international assets and later we will have an opportunity to address this topic further. We are particularly pleased with the production results. This will be discussed by Marek. We are happy that all production results in Poland are stable. They are growing in Poland. The minus is an issue that was communicated to you earlier, as far as I know, in relation to our international projects, the divestment of the Franke mine, or the quality of the deposit being explored at Sierra Gorda at the moment. We are obviously pleased with the increase in silver production, which is also a plus. The increasing unit cost of copper production, the increasing C1 cost is, as you all know very well, mainly due to cost pressures, especially those caused by energy prices. I've already spoken briefly about production. We are really satisfied with it and with the stability. We are satisfied with the stable production level of 557 thousand tonnes and the plus for Polska Miedź and the plus for the Polish Parent Company, this is satisfactory to us. I have already briefly mentioned the contribution of the Sierra Gorda result or the KGHM INTERNATIONAL result. I believe that this topic will be discussed more extensively by President Świder and President Kensbok, to whom I now give the floor; thank you for your attention.

MAREK ŚWIDER, VICE PRESIDENT OF THE MANAGEMENT BOARD (PRODUCTION): Good afternoon. To address payable copper production results in our Group, we can see the division between Polish assets and international assets. In the Polish assets you can see growth year over year, plus 3 thousand tonnes of copper. This plus also applies to the production plan that we have this year: it is about 4 thousand 200 tonnes. In terms of international assets, to add to what Tomek said in brief about these results, I would like to make it clear that this year we are working in a different phase of the deposit block model. This phase is characterized by lower content, so that is why this year's performance in international assets is lower. The mass of extracted ore is, of course, similar. And if we were to compare this performance to the budget, to the production plans for this year, the situation is reversed: we are at plus 2% and plus about 9.5 thousand tonnes

of copper during the first 9 months of this year. When we look at these assets individually, at Sierra Gorda and KGHM INTERNATIONAL, in KGHM INTERNATIONAL we have plus 13% vs. the budget plans, which is about 5.6 thousand tonnes of copper, as I've said, on the plus side. Regarding Sierra Gorda and the lower content this year – because please remember that the ore grade at Sierra Gorda was 0.51 last year and this year we have 0.44 – Sierra Gorda's current performance is 99.6% of the planned budget. So this is a very good result. If any of you have been following this performance since the beginning of the year, you would have noted that it is improving, and the current loss of 0.4% used to be much higher. In terms of silver production, we have 1022 tonnes: plus 1%. Obviously, the main assets here are the Polish assets, where we produced 1000 tonnes of silver. As for the international assets, 21 tonnes are attributable to Sierra Gorda and the proverbial 1 tonne to the Sudbury Basin. As for TPM, it's very positive, plus 6%, 132 thousand ounces. As for the production of molybdenum, we can see minus 66%, but please also note that this is 16% above Sierra Gorda's budgeted targets. We will now move on to the Polish assets, the performance of the Polish assets. Ore extraction is plus 0.9% and we see 23 million tonnes of dry weight. This result is higher, but here we had to mine more to make up for the lower copper content. As you can see, the content is 1.46 to the planned grade and 1.48 from the previous year and through this higher mass of mined ore we managed to make up for the losses associated with the lower copper content. As for the production of copper in concentrate, it's 0.3% less year over year over the 9-month period. It is also 0.3% below this year's budget. But at KGHM we had an overhaul of the PKP rail infrastructure that was independent of us. Some of the concentrate remained at the ore enrichment plant. And the results are calculated at the end of this plant's production line. Production of electrolytic copper 443 thousand tonnes, 442,501 to be exact, divided into own concentrate and purchased metal-bearing materials. If I were to compare it to the budget, own concentrate is at 99% vs. the budget. Purchased metal-bearing materials are 105% versus the budget. This is obviously due to a different production calendar than last year; we also had transfers of mining divisions; in one of the divisions we are slowly reaching budgeted values and the 4th quarter should be very positive. And silver production: plus 1.7%, 1000 tonnes in the Polish assets which is a very solid result. Thank you very much.

LIDIA MARCINKOWSKA-BARTKOWIAK, EXECUTIVE DIRECTOR, COMMUNICATIONS: I would like to ask our CFO President Andrzej Kensbok to comment on the financial performance.

ANDRZEJ KENSBOK, VICE PRESIDENT OF THE MANAGEMENT BOARD (CFO): Good afternoon. I concur with Tomek that we have had a solid, stable period during the first the first 9 months of this year. What I can add is that the continuation – because it is nearly the middle of November already – is also solid and stable, but we will talk about that in a moment. So we don't see any major threats or extraordinary situations that we would want to share with the market. The revenues for the first 3 quarters of the year are 18% higher than last year. This is mainly due to the impact of the PLN exchange rate, the relative depreciation of the zloty vs. the dollar or the strengthening of the dollar against the zloty. This situation is beneficial to us. We benefit from it in real terms, in our transactions. It also enhances our, I would say, profitability in real terms, but this is something that I'd like to address later, because the rate at which the PLN depreciated was greater than the rate of inflation, to make a long story short. Therefore, this situation is favorable for us in two ways. However, what is also worth noting is the positive impact of the increased volume of sales of our basic products. And this applies both to the sales volume of copper at Polska Miedź S.A. but also other products, such as silver that has already been mentioned. But we produce a whole range of other products: lead, sulfuric acid, etc., all these products also had a positive contribution compared with the previous year. So we are very satisfied with the sales performance. Of course, the macroeconomic situation related to copper prices had a negative effect. The prices fell year over year. We took a conservative approach to the budgeting for this year. We realize that we do not share the budget with you, but we felt internally that the forecast that we had was indeed realistic. We can also see that our assessment of this market, which is, I would say, weak and shaky but with visible support levels, also gives us grounds for continuing our activities with confidence, because the forecasts that anticipated a collapse, a deep recession, are not coming true. Naturally, we do not know what the future will bring. But on the other hand, this demand-based support for copper, as well as a certain I'd say inflation benefit, because some copper projects simply fall out of the market below a certain price point, which immediately reverses the demand situation and supports the price of copper. As you can see, there is one more positive factor, an adjustment to revenues on account of derivative instruments – we have been

explaining this often. This year we also settled our hedging transactions in the first 3 quarters with a slightly negative result. The result however was much less negative than last year. So this is a situation that we mention quite often, in which something can be negative and have a positive impact or positive and have a negative impact; in this case, it works to our advantage. We have a small negative result of our hedging transactions, but a large positive contrast of nearly PLN 1 billion vs. last year. So I would say that revenues are safe. Moving on. Our C1 unit cost is growing year over year. It is growing, unfortunately, in spite of a certain relief from the minerals extraction tax that was granted by the State Treasury this year. But in Polska Miedź, the inflation is the crucial factor: rising energy costs, but also an increase in the cost of steel, blasting materials, chemicals, third-party services and labor, such as labor embedded in third-party services. All these elements unfortunately have affected us in a negative way. In Polska Miedź alone, this is a 7% year over year increase. So we are assuming that we are still in control of our cost growth. More than assuming – we are doing it on a daily basis; this work involves renegotiation, sort of disenchanting certain inflationary elements and bringing them down to realistic levels – this happens every day. A much larger increase in the C1 cost took place at KGHM INTERNATIONAL and Sierra Gorda, however this is due to the lower volume and simply a smaller base to cover fixed costs. We believe this is temporary and will reverse once Sierra Gorda's mining output begins to rise. In Chile we must also note, unfortunately, an increase in the cost of energy carriers. It is quite significant, because it is a country that imports 100% of all its energy carriers, so the increase is not surprising. In the United States, this increase in the cost of energy carriers is much smaller. There are some inflationary pressures in the US, but they are less pronounced than in Europe and in Chile. Regarding our operating results, as the President has already mentioned, EBITDA is 10% lower than last year. However we are still pleased that Polska Miedź in particular made a positive contribution and our operating results are predictable and strong here. Sierra Gorda: the big drop is related to the lower extraction levels, there is a 12% drop in extraction. This is not something that you can mitigate by some efficiency measures. KGHM INTERNATIONAL; also a negative year over year contribution, but this is only partially related to the decline in production, and to a much greater extent to the decline in sales related simply to bottlenecks in rail transport in the US. As we've already mentioned, the USA is struggling, at the systemic level, with the problem of bottlenecks in rail transportation, which has also affected us. There is simply a shortage of cars, a shortage of train

parts, a shortage of capacity. It is the same story across the globe, but I believe it's temporary, because capital expenditures have been made in this respect in the US. So basically, we have concentrate in stock that we cannot export from the States – that is the reason for the negative contribution. Now moving on to the net result itself. The result is 11% better year over year. And here, obviously in addition to the change in revenue offset by the cost of the core business. We also buy concentrate and scrap at market prices. So this growth, since we generated it mainly through increased processing of purchased copper-bearing materials, it is unfortunately offset by the costs of these materials. But the points below also must be explained. The result of involvement in joint ventures: minus PLN 717 million. This is exactly the situation that I mentioned. We reversed the impairment allowances for Sierra Gorda and for loans. However we reversed less of them than we did last year. Last year, we reversed about PLN 1 billion 800 in the first 3 quarters, and this year we reversed about PLN 1 billion 200 on the plus side, so now we have to report that the year over year impact is minus 700 million. On the other hand, this is another brick that we are adding to recover the value that was lost in the impairment loss allowances for the Sierra Gorda project. Last year, the amount was very large, because it was the first one. It was the first one when positive results made it truly possible to reverse the impairment losses. This year, the reversal of the impairment losses continues, but obviously the amount is smaller. However, the PLN 1 billion 200 reversal of impairment losses is also very satisfying for us. Now out of these PLN 3 billion of international exchange differences, PLN 1 billion 330 million is transferred to the result, because here we need to account for our losses related to the revaluation of USD loans, and the net effect is PLN 1 billion 330 million. The result on the measurement and realization of derivatives in profit or loss is plus PLN 137 million. The profit on disposal of subsidiaries – we've talked about that already, this is the sale of Interferie that was accounted for in the current year. This is also the sale of the Franke mine, which generated a profit of I believe PLN 120 million. And we also got a positive contribution from the sale of intangible assets, meaning our stake in the Oxide project, which was sold to the Sierra Gorda joint venture. Unfortunately, we paid increased CIT this year. That was on the one hand due to higher profitability, and on the other hand due to the carryover of a portion of the settlement from last year. So ultimately our net financial result is PLN 5 billion 267 million on the plus side. And two short final slides. I have already discussed our cash flow, because these are the same factors, just reflected in cash flows. We are more or less at the same

net operating cash flow that we had at the beginning of this year, which is about PLN 2 billion. This year we paid a slightly higher dividend than last year, PLN 600 million, compared to PLN 300 million last year, but this did not affect our cash flow as you can see – we are more or less at a similar level. Moving on to debt – this is also an area we review regularly. Here our net debt to EBITDA ratio rose from 0.6 to 0.8, but we remember the time when it was 3 and slightly above. We are obviously aware that our bank covenants have a threshold of 4, and we are naturally very far from that level. The increase is very small and is simply related to the balancing of our cash flow and also with our net cash position. So our net debt rose from PLN 4 billion to PLN 4.8 billion. But I would say that there are no danger areas there. Our loan agreements have even improved this year. We have secured increased liquidity with reduced financing costs for such current agreements, such liquidity agreements. There are additional banks that propose to increase these limits, so we have a feeling that banks also view our cash flow as very safe and the terms on which we can balance our cash flow on an ongoing basis are very good. And we have large resources available and, you could say, completely untouched and remaining in reserve. They are there all the time, at about PLN 8 billion, safely available to us under our current loan agreements. Thank you very much.

LIDIA MARCINKOWSKA-BARTKOWIAK, EXECUTIVE DIRECTOR, COMMUNICATIONS: As we have mentioned, President Zdzikot acts in two roles, so I will ask him for to comment briefly on investments and summarize.

TOMASZ ZDZIKOT, PRESIDENT OF THE MANAGEMENT BOARD: Very well then. Ladies and Gentlemen, perhaps two sentences of a brief summary. Please note the very solid net result. We are really satisfied with it, plus 11% year over year and plus PLN 505 million, a net result above PLN 5 billion 200 million is a solid result. Operating result PLN 6 billion 945, and here please note the positive contribution of the Parent Company KGHM Polska Miedź in terms of the C1 cost. As far as C1 cost is concerned, I would say it's a 13% growth only, considering the cost pressures that we are facing on a daily basis, so our assessment is that it is stable. We are satisfied with the levels of production; we remain stable and the growth in the Parent Company, in KGHM Polska Miedź is positive. Moving on to investments, you are very familiar with this slide. And it is positive as well,

because KGHM is a company that has maintained a very high level of investment commitment for many years now. These expenditures have exceeded PLN 2 billion annually for many years. After 3 quarters, we have 64% execution at PLN 1 billion 828 million. And this is solid performance, considering the special nature of the investment process where the last quarter of the calendar year is the quarter, in which projects are closed and settled – this is a good result. Of course, we are continuing and implementing on schedule all major projects and investment programs. They are not at any risk, just as the execution of capital expenditures in 2022 is not endangered. And in connection with what I said at the beginning, that we want to be very strong, I would like us to be very strong with investments and development, this fall we also prepared and implemented a very extensive program for improving quality, competence and processes at KGHM. The program is dedicated to more than 500 employees of our company and it is ongoing. We are betting on investments, we are betting on further improving the processes and the quality of our staff in this area. This will be one of the key challenges for us in the coming period. And that would be all from us.

LIDIA MARCINKOWSKA-BARTKOWIAK, EXECUTIVE DIRECTOR, COMMUNICATIONS: Thank you very much. Thank you all for your commentary. Let us move on to questions from the audience and the questions that we received in the chatroom. Janusz Krystosiak will host this session for us.

JANUSZ KRYSOŚIAK, DIRECTOR, INVESTOR RELATIONS DEPARTMENT: Good afternoon. Thank you. Naturally, I already have the questions sent to our dedicated mailbox. We are now waiting for questions from you, from the audience. Please introduce yourself. The floor is yours.

MARIUSZ MARSZAŁKOWSKI, BIZNESALERT: Good afternoon. Mariusz Marszałkowski, BiznesAlert. I have questions, two questions in fact. The first about the investment matters that were discussed by the President. And I have two questions here. The first one: will KGHM continue to pursue the investment in SMRs, small modular reactors – that was one of the main investment project announced by KGHM in the recent ten or so months. The other question in the investment area: what is going on with the Baltic wind farms, in which KGHM was to participate. The second question concerns Sierra Gorda. I am curious about the situation of that mine and the future of

this investment in the context, I'd say political context, namely the problems related to the Chilean government and the various plans regarding taxation, nationalization etc. Thank you.

TOMASZ ZDZIKOT, PRESIDENT OF THE MANAGEMENT BOARD: Perhaps I will begin. Obviously, there is the cost pressure that we've mentioned many times during today's meeting. I believe that it strongly supports KGHM's involvement in energy projects. This is quite obvious and justified, even though these are long-term projects. The finalization is still very far, especially in the case of the SMR project you mentioned – at present it is not even an investment project. Today, it is a R&D project. It is a project that we are implementing together with our partner. We will continue it. Naturally, we will analyze this project in terms of its profitability after the R&D phase is completed. But certainly, KGHM's involvement in energy projects, both the nuclear project and RES projects, whether offshore or photovoltaics, is justified, and the strategic objective in the strategy that was adopted and published in January that we want to cover at least 50% of our needs with energy from our own sources by 2030, I believe is right. Especially in the context of what we're talking about, including within the Company and also today during this meeting and the impact of energy costs on the C1 cost. So energy projects are and will remain important to us. I believe Marek can answer the Sierra Gorda question, right?

MAREK ŚWIDER, VICE PRESIDENT OF THE MANAGEMENT BOARD (PRODUCTION): Regarding the draft that was assumed that the mines in Chile would be nationalized, the proposal was not included in the final draft of the constitution and the draft constitution itself was rejected. When it comes to taxes, we are secured with guarantees until 2029. The earlier proposals, the first one and the second one, they have already been softened and are currently being discussed. Sierra Gorda is also participating in that discussion. Thank you.

JANUSZ KRYSOSIAK, DIRECTOR, INVESTOR RELATIONS DEPARTMENT: Thank you very much. Are there any other questions? There you go.

ROBERT MAJ, IPOPEMA SECURITIES: Good afternoon. Robert Maj, Ipopema Securities. Perhaps if we are talking about energy costs then what is the price at which you have secured energy for

2023. And one more question from me. There is a new Management Board in the company and perhaps you could say something about the dividend payment next year from the 2022 profit. What should the market expect and what should the shareholders expect. Thank you very much.

TOMASZ ZDZIKOT, PRESIDENT OF THE MANAGEMENT BOARD: To answer your second question, we are not changing anything in the dividend policy. We aren't changing it in any way whatsoever. The rules are clear. We are prepared for it and the decisions will be made in due course, but we do not envisage any changes in this respect.

ANDRZEJ KENSBOK, VICE PRESIDENT OF THE MANAGEMENT BOARD (CFO): Regarding energy, we are looking at two energy carriers here: electricity and gas. Both are equally as important for us. Regarding electricity then, as we said three months ago, the situation has not changed significantly since then. We have secured about 30% of the volume of electricity for the coming year. However the forward transactions that are currently available and that were available over many, many months recently, are prohibitively priced. This is why we are not buying electricity for the next year at these prices, similarly to many other energy-intensive companies in Poland. Our vision for the development of electricity prices is that ultimately they will be lower next year than what was and still is available in forward transactions. This is connected primarily with the regulation governing the balancing market and also the abolishment of the exchange obligation, which has just been announced or is soon going to come into effect. Regarding the second thing, the whole energy system is perhaps slightly less aware of its impact. We expect this impact to be rather positive, in the sense that it will drive reduction or increased possibility of bilateral contracting of electricity. On the other hand, the impact of the changed formula of the balancing market is not fully known. We believe however that it will increase stability and make next year's costs closer to the spot levels that we've had recently or that we currently have. This is why we can clearly see sort of a support, sort of balancing of supply and demand. And since we are balancing mainly on the domestic market, we are assuming this will be beneficial for us and while we are not planning to use the balancing market to a greater extent, we are still using this market just as any other large enterprise and perhaps the share of this market in our purchases may increase slightly, which will cause a certain leveling out of the energy price increases expected by energy producers

in the coming year. So since I cannot state exactly the price at which we have bought that 30% for the next year, I can say that what we are seeing is the real prices, the energy prices that we will pay next year, that are lower than the prices currently available in forward transactions. The situation is similar with gas – we had a much smaller position hedged the last time that we talked three months ago. Since that time, those who follow the market are aware that the market decreased to some extent. We have benefited from these decreases and concluded forward transactions for the next year. Right now we have hedged about 40% of gas. As my colleagues mentioned before, we are continuing our efforts to reduce consumption; a physical, real reduction of consumption of natural gas next year and as a result, the current estimate of 40% may become 45 or more percent if the gas consumption drops. So we have a feeling that we are more on a safer side in terms of costs of natural gas. Regarding energy costs, we perceive both legislative changes as beneficial for the market and also for us as a large electricity buyer, but I believe they are also favorable generally for all players on the energy market.

TOMASZ BRZEZIŃSKI, CLEANER ENERGY: Good afternoon. Tomasz Brzeziński, Cleaner Energy. Since we are talking about energy, the energy from own production covers about 11% of consumption. This is still a far cry from the 50% declared in the 2020-2030 strategy. Does the Management Board plan on accelerating the path towards the level indicated in that document and if so then how. In addition to the construction of your own photovoltaic farms, are you interested in acquiring such installations? The report notes that you are negotiating an acquisition of wind farms.

TOMASZ ZDZIKOT, PRESIDENT OF THE MANAGEMENT BOARD: Ladies and gentlemen, so first of all, it was not an accident that this goal was set in the strategy. Of course, I have not been long at KGHM and the strategy was adopted in January, but I do know that the 2030 date was not accidental. By 2030, KGHM assumes that it will obtain at least 50% of its energy from its own sources, but this growth does not have to be linear. This means that we want to have at least 50% in 2030 and this is our approach; this is how we will approach the various types of own sources. This obviously includes both the nuclear project as well as renewables projects. But when it comes to renewables, we obviously want to be active in all the areas. Offshore is important for us and

that is where we were active by submitting the appropriate applications. Photovoltaics is also important and you are obviously right: it is not only our own construction projects but also potentially acquisitions. We are conducting analyses in all those areas.

ANDRZEJ KENSBOK, VICE PRESIDENT OF THE MANAGEMENT BOARD (CFO): A small caveat to the President's statement: that 11% was due to the fact that this year we just turned off the Combined Cycle Units when natural gas prices reached PLN 1 thousand and above – simply because it was cheaper to buy electricity on the market, to put it bluntly. But now, when the price fell to the level of 500-600, we turned them on again and we are producing electricity again. Our electric power capacity is equivalent to more or less 22-23% of our consumption and that's how it was in previous years, historically. So this is only due to the very high energy prices at the end of last year and in the first 3 quarters of this year. But now self-production is back and at much higher levels.

TOMASZ BRZEZIŃSKI, CLEANER ENERGY: In November, you signed the first PPA to purchase energy from a third party photovoltaic power station. Do you intend to continue this practice in the coming months and periods? Or is it just an experiment that you want to take a closer look at?

ANDRZEJ KENSBOK, VICE PRESIDENT OF THE MANAGEMENT BOARD (CFO): It is an experiment that we intend to continue. Everything depends, because you know how that PPA market works, right? The bidders come and say: you have to buy it anyway because you need to fulfill your green targets, so we will offer you a price above the market. So, to say it delicately, we don't use these offers.

TOMASZ BRZEZIŃSKI, CLEANER ENERGY: So my understanding is that this partner did not make a "take it or leave it" offer, but offered reasonable pricing conditions?

ANDRZEJ KENSBOK, VICE PRESIDENT OF THE MANAGEMENT BOARD (CFO): We are looking for partners who really want to work together in the long run and have, I would say, a long-term horizon. And they also appreciate the certain stability of relations that we offer, safety of a contract

with KGHM, the elements that not all electricity offtakers can offer. So those are the suppliers that we want to work with. As you can imagine, such suppliers are not in the majority. But we are searching and the market knows it already, so these offers that are just unacceptable are slowly phased out and we are starting to talk to suppliers who think similarly as we do.

TOMASZ BRZEZIŃSKI, CLEANER ENERGY: We are talking here about the contract that you concluded with the Solartech project of the FAMUR Group. Do you intend to continue cooperation with that company? They have a 2 gigawatt portfolio.

ANDRZEJ KENSBOK, VICE PRESIDENT OF THE MANAGEMENT BOARD (CFO): I'm afraid that this question goes into excessive detail. I'm looking at our Investor Relations Director right now.

JANUSZ KRYSOŚIAK, DIRECTOR, INVESTOR RELATIONS DEPARTMENT: Yes, we are talking about specific...

TOMASZ BRZEZIŃSKI, CLEANER ENERGY: But as I understand, this company meets the criteria that you specified? A responsible supplier, expecting reasonable price for the energy it supplied.

JANUSZ KRYSOŚIAK, DIRECTOR, INVESTOR RELATIONS DEPARTMENT: I believe we should not assess these elements here, whether our business partner does or does not satisfy them.

TOMASZ BRZEZIŃSKI, CLEANER ENERGY: Can you say a bit more about the wind projects that you are looking into? What is the capacity? Are the projects ready for construction? Or just on paper, for example with a won auction.

LIDIA MARCINKOWSKA-BARTKOWIAK, EXECUTIVE DIRECTOR, COMMUNICATIONS: Perhaps I could answer. We are at such a stage that at this moment I believe we should not, even due to our negotiation capacity, disclose any such details. The time has not come yet.

TOMASZ BRZEZIŃSKI, CLEANER ENERGY: But I believe we would like to know whether it is operational or on paper only, and at what capacity?

LIDIA MARCINKOWSKA-BARTKOWIAK, EXECUTIVE DIRECTOR, COMMUNICATIONS: So let me go back. Our goal is not specific transactions. Our strategic goal and therefore a goal for the coming years, is to increase energy production from our own sources. Therefore, from our point of view and from the point of view of the strategy, it makes no big difference whether it will be acquired or whether we will build it in due time. What counts is profitability and the efficiency of such a process.

JANUSZ KRYSOŚIAK, DIRECTOR, INVESTOR RELATIONS DEPARTMENT: Thank you very much. Are there any questions from the floor? If there are none at this point, let me read the first question from our Internet mailbox. This one, I will ask President Andrzej Kęsbok to answer. Mr. Paweł Puchalski, Santander is asking: is it the belief of the Management Board that the Parent Company's projected cost increase in 2023 in the low teens of % year over year is realistic? What will the Company's greatest cost challenges be in 2023? Perhaps I will start. It is difficult for us – because we are not forecasting – to quantify the cost increase, especially that we are currently in the budgeting process and in just a moment we will know more. But I will ask Mr. President to discuss the challenges and give his comments on cost increases and generally on cost pressures.

ANDRZEJ KĘSBOK, VICE PRESIDENT OF THE MANAGEMENT BOARD (CFO): In response to the question, your analysts obviously know us very well. You are also perfectly aware of the inflation situation in Poland. And I also believe that everyone is familiar with the so-called second round inflation. Certain expectations of increases which have not yet been realized but which drive the inflation. It applies to costs, transaction prices as well as salaries and labor. And that is the area which we are tackling, I think successfully. I believe that our understanding of the real inflationary drivers and those inflationary expectations is good. Also, I am making an assumption that our negotiating and contracting capability will allow us to keep cost increases below inflation, below the official level. And which areas are those? We must honestly say: all of them. Energy has already grown a lot this year and we assume that it will not grow that much until next year. Of course, it

will certainly grow a little more in our cost share. As for the salary budget, that is regulated by our collective bargaining agreement, and here I would say there is no room for great flexibility. Of course, we are looking very carefully at the personnel, at the FTEs, together with President Marek Świder – we are looking at it in great detail. But we do not intend to challenge or amend the collective bargaining agreement in any way whatsoever. And others: steel, chemicals, third-party services – we more or less know what the prices are in the market. Some of them are growing faster, others slower, but we notice these changes. So, we are subject to inflation just as any other business in Poland. And we counter it with equal firmness, or perhaps with greater firmness, than other businesses.

JANUSZ KRYSTOSIAK, DIRECTOR, INVESTOR RELATIONS DEPARTMENT: Thank you very much. Mr. Paweł also asked about the dividend, but we have already discussed our approach to the potential dividend recommendation from the Management Board. So we will wait for just a bit more. I have a question. Mr. Tomasz Józwiak. Zmiedzi portal: what is the progress status of the GG1 shaft and are there any new projects within the framework of the deposit access program.

MAREK ŚWIDER, VICE PRESIDENT OF THE MANAGEMENT BOARD (PRODUCTION): As far as the GG1 shaft is concerned, the work has reached the bottom of the shaft, which is 1351 meters; the shaft was accepted yesterday; the shaft pipe, the shaft pit was accepted.

JANUSZ KRYSTOSIAK, DIRECTOR, INVESTOR RELATIONS DEPARTMENT: Thank you very much. Thomson Reuters: what is included in the Company's investment tasks planned for 2023? Acquisitions? Development of current entities?

TOMASZ ZDZIKOT, PRESIDENT OF THE MANAGEMENT BOARD: We are currently at the stage of developing the 2023 budget. As I have said, even twice, investments will be an important element of the budget. So you are very well informed about the investments, because this is what today's conference showed, but also the conferences and the numbers for previous years and quarters. The investments include three main groups and this is something that cannot be changed: maintenance, replacement and development. We can and we obviously will discuss the

proportions and this is the discussion that we are engaged in today – how these investment projects will be handled. Right now, development investments account for more or less one third, and the rest is replacement and maintenance. These expenditures have been and will be high. KGHM is a company that invests a lot and I would personally want this to be our focal point. This is my view, but the work on the budget is currently ongoing. The budget must of course be consistent with KGHM's strategy. The key projects in KGHM's strategy to be implemented in the nearest term, such as the deposit access program that has just been mentioned in a question, which is very important to us. It is a program of key importance for our core business. And that is, as I said in the beginning, something that we need to focus on. So that will certainly be one of the investment axes of our budget.

JANUSZ KRYSOSIAK, DIRECTOR, INVESTOR RELATIONS DEPARTMENT: Thank you very much. A question from Thomson Reuters. The President has already mentioned the issue of the strategy as a document and the review activities. So let me read the question: What can be expected from the strategic review in terms of macro and security. What will the conclusions, decisions or changes be in these areas? And obviously, before I give the floor to the President, I will say that it is too early for any conclusions, decisions and changes. Even in a situation when the Management Board is not announcing today any changes or updates, a review. Not to take away from what you have to say, the floor is yours, Mr. President.

TOMASZ ZDZIKOT, PRESIDENT OF THE MANAGEMENT BOARD: Well, you have actually answered this question. Let me add my two cents. Ladies and gentlemen, if we wanted to change the strategy, we would have simply announced it today. What we are saying is that the Management Board is changing. You are fully aware of it and we have already said today that the Management Board is not fully manned today. But it will be and it is very important that it happens as soon as possible. There will be new Management Board members responsible for very important areas. There will be a new Vice-President in charge of development, there will be a new Vice-President in charge of international assets. It seems quite obvious to me that when we reconstruct half of the Management Board, we must review our strategy and we will review our strategy and the review will tell us whether it needs to be changed. And if it does then to what extent. But first: "if". We

have no answer to this question today. I cannot give you any such answer today, to any extent. But when the Management Board is fully established, we will commence that process and as soon as we complete it, we will obviously announce what came out of it.

JANUSZ KRYSOŚIAK, DIRECTOR, INVESTOR RELATIONS DEPARTMENT: Thank you very much. Another question that I believe I can try to answer by myself. Thomson Reuters: When, more or less, do you expect the Management Board to be established? This is obviously up to the Supervisory Board and it is difficult for us to comment such decisions – the decisions of the supervisory body made in due course after announcing competitions etc.

I can see a question on another device. Mr. Łukasz Rudnik: is the poor production in Robinson a one-off or will it continue for the coming quarters? I am looking at President Marek Świder.

MAREK ŚWIDER, VICE PRESIDENT OF THE MANAGEMENT BOARD (PRODUCTION): As I have mentioned, we are working in a different phase of the deposit block model and we are currently preparing plans for the next year. Then I will be able to answer this question because the deposit model will show us everything about production plans for the next year.

JANUSZ KRYSOŚIAK, DIRECTOR, INVESTOR RELATIONS DEPARTMENT: Thank you very much. I am looking through the questions and grouping them and I can see that we have addressed most of them already. Meaning the energy topics, cost topics, strategy, composition of the Management Board. I do not see any new questions at this point. Are there any questions from the floor? Yes, there are. The floor is yours.

MONIKA BORKOWSKA, INTERIA: Good afternoon. Monika Borkowska, Interia. I would like to ask you about the economic conditions – it seems that the next year will be quite a challenge. You have hinted that November is looking quite good, even though the situation in China is far from the best. How do you see the prospects for the coming quarters, for the coming periods. Is there really a difficult year ahead of us?

ANDRZEJ KENSBOK, VICE PRESIDENT OF THE MANAGEMENT BOARD (CFO): This is a question that I believe many people are asking right now. The way we see it however is that there is some expectation of an economic recovery in China, and this expectation seems to be reasonable. This is not the recovery that everyone would expect, the immediate recovery after the new chairman is elected, but still it is noticeable. However there are signals that lending activity would be increased towards the real estate market, that infrastructural investments would be accelerated, mainly those associated with the green transformation in China. This also includes the construction of power routes, power lines. This would provide solid support to demand for copper from, I would say, investment funds. On the other hand, we can see that the situation in the USA and in Europe is shaky, but in no way catastrophic. Also, the talk of interest rate increases is getting quieter. But we do see a return to asset purchases in international markets. So that would be, I would say, a mixed message. Obviously, when we talk to large funds, their view is not changing and ours is similar as well. That is, next year will certainly be difficult, it will be a year that requires hard work and a very strong focus on costs and on ensuring secure revenues. However the following years are expected to be good, that is years of return to good economic conditions. The psychological and financial aspect of demand for raw materials is there. There is a hunger, a need for economic development in many countries, and this will certainly support demand in the coming years. As we move on to the copper market, we can see that certain mining projects that were launched a few years ago, when the price of copper began to rise, they will start opening next year. However in the following years mining projects are more likely to close and there is no pipeline for new projects, new mines or new mining areas. So our opinion coincides also with the analysts' assessment that the following years, especially 2024 and maybe 2025, will be again the years of excessive demand and undersupply of copper globally, which should cause a reversal of the price trend. This answer may be quite long, but this is, more or less, how we see the situation. That is, difficult in the short term and optimistic in the long term.

TOMASZ ZDZIKOT, PRESIDENT OF THE MANAGEMENT BOARD: I would like to add something briefly. Very briefly. Ladies and gentlemen, we are repeating the word stability here, because it is indeed the main determinant of our functioning. Stability of production and a stable foundation for the operation of our company. We should remember that in recent years we have already had

copper significantly below USD 5 thousand per ton and significantly above USD 10 thousand per ton. KGHM is a stable company, and it has stable operations with active use of hedging instruments. We are obviously noticing the cost pressures. However, as we've already mentioned, in my opinion the 13% increase in the C1 cost is lower than what could potentially have resulted from the macroeconomic conditions. So we are betting very heavily on stability. Even though this cost pressure is strong, and that is why, when I listed the challenges or tasks for the near future at the beginning, I very strongly emphasized that at present our attention is focused on preparing the 2023 budget.

MARZAŁKOWSKI MARIUSZ, BIZNESALERT: One more question, if I may. Marszałkowski Mariusz, BiznesAlert. Also regarding the near future, the next year. Next year, the contract for the supply of copper cathodes to China ends. Are you holding talks with the Chinese partners about extending this contract and if you are, can you disclose any details?

JANUSZ KRYSOŚIAK, DIRECTOR, INVESTOR RELATIONS DEPARTMENT: I'm not sure if we want to talk about the status of negotiations with our business partners. We are assessing contracts also in terms of the size of the contract, significance and we would much prefer to inform you in due course after a contract is signed with a partner in the context of the size of delivery. So, if the President agrees, we would rather not make any comments. Thank you very much. From my point of view, I cannot see any new questions from the areas that we did not address. Thank you very much. Director Marcinkowska-Bartkowiak.

LIDIA MARCINKOWSKA-BARTKOWIAK, EXECUTIVE DIRECTOR, COMMUNICATIONS: And with this, we will close our meeting today. Thank you all very much. Thank you all for your commentary. Thank you for your questions. Please remember that the transcript of questions and answers will be available on our website as well as the recording of our conference. We will see you in a quarter to discuss the results for the year 2022. And obviously, we at communication and investor relations are at your service also on a daily basis. Thank you very much.

Summary of questions raised at the Results Conference for the 3rd quarter of 2022

1. **Good afternoon. Mariusz Marszałkowski, BiznesAlert. I have questions, two questions in fact. The first about the investment matters that were discussed by the President. And I have two questions here. The first one: will KGHM continue to pursue the investment in SMRs, small modular reactors – that was one of the main investment project announced by KGHM in the recent ten or so months. The other question in the investment area: what is going on with the Baltic wind farms, in which KGHM was to participate. The second question concerns Sierra Gorda. I am curious about the situation of that mine and the future of this investment in the context, I'd say political context, namely the problems related to the Chilean government and the various plans regarding taxation, nationalization etc. Thank you.**

Answer: Perhaps I will begin. Obviously, there is the cost pressure that we've mentioned many times during today's meeting. I believe that it strongly supports KGHM's involvement in energy projects. This is quite obvious and justified, even though these are long-term projects. The finalization is still very far, especially in the case of the SMR project you mentioned – at present it is not even an investment project. Today, it is a R&D project. It is a project that we are implementing together with our partner. We will continue it. Naturally, we will analyze this project in terms of its profitability after the R&D phase is completed. But certainly, KGHM's involvement in energy projects, both the nuclear project and RES projects, whether offshore or photovoltaics, is justified, and the strategic objective in the strategy that was adopted and published in January that we want to cover at least 50% of our needs with energy from our own sources by 2030, I believe is right. Especially in the context of what we're talking about, including within the Company and also today during this meeting and the impact of energy costs on the C1 cost. So energy projects are and will remain important to us.

Regarding the draft that was assumed that the mines in Chile would be nationalized, the proposal was not included in the final draft of the constitution and the draft constitution itself was rejected. When it comes to taxes, we are secured with guarantees until 2029. The earlier proposals, the first one and the second one, they have already been softened and are currently being discussed. Sierra Gorda is also participating in that discussion.

2. **Good afternoon. Robert Maj, Ipopema Securities. Perhaps if we are talking about energy costs then what is the price at which you have secured energy for 2023. And one more question from me. There is a new Management Board in the company and perhaps you could say something about the dividend payment next year from the 2022 profit. What should the market expect and what should the shareholders expect. Thank you very much.**

Answer: To answer your second question, we are not changing anything in the dividend policy. We aren't changing it in any way whatsoever. The rules are clear. We are prepared for it and the decisions will be made in due course, but we do not envisage any changes in

this respect.

Regarding energy, we are looking at two energy carriers here: electricity and gas. Both are equally as important for us. Regarding electricity then, as we said three months ago, the situation has not changed significantly since then. We have secured about 30% of the volume of electricity for the coming year. However the forward transactions that are currently available and that were available over many, many months recently, are prohibitively priced. This is why we are not buying electricity for the next year at these prices, similarly to many other energy-intensive companies in Poland. Our vision for the development of electricity prices is that ultimately they will be lower next year than what was and still is available in forward transactions. This is connected primarily with the regulation governing the balancing market and also the abolishment of the exchange obligation, which has just been announced or is soon going to come into effect. Regarding the second thing, the whole energy system is perhaps slightly less aware of its impact. We expect this impact to be rather positive, in the sense that it will drive reduction or increased possibility of bilateral contracting of electricity. On the other hand, the impact of the changed formula of the balancing market is not fully known. We believe however that it will increase stability and make next year's costs closer to the spot levels that we've had recently or that we currently have. This is why we can clearly see sort of a support, sort of balancing of supply and demand. And since we are balancing mainly on the domestic market, we are assuming this will be beneficial for us and while we are not planning to use the balancing market to a greater extent, we are still using this market just as any other large enterprise and perhaps the share of this market in our purchases may increase slightly, which will cause a certain leveling out of the energy price increases expected by energy producers in the coming year. So since I cannot state exactly the price at which we have bought that 30% for the next year, I can say that what we are seeing is the real prices, the energy prices that we will pay next year, that are lower than the prices currently available in forward transactions. The situation is similar with gas – we had a much smaller position hedged the last time that we talked three months ago. Since that time, those who follow the market are aware that the market decreased to some extent. We have benefited from these decreases and concluded forward transactions for the next year. Right now we have hedged about 40% of gas. As my colleagues mentioned before, we are continuing our efforts to reduce consumption; a physical, real reduction of consumption of natural gas next year and as a result, the current estimate of 40% may become 45 or more percent if the gas consumption drops. So we have a feeling that we are more on a safer side in terms of costs of natural gas. Regarding energy costs, we perceive both legislative changes as beneficial for the market and also for us as a large electricity buyer, but I believe they are also favorable generally for all players on the energy market.

- 3. Good afternoon. Tomasz Brzeziński, Cleaner Energy. Since we are talking about energy, the energy from own production covers about 11% of consumption. This is still a far cry from the 50% declared in the 2020-2030 strategy. Does the Management Board plan on accelerating the path towards the level indicated in that document and if so then how. In addition to the construction of your own photovoltaic farms, are you interested in acquiring such installations? The report notes that you are negotiating an acquisition of wind farms.**

Answer: Ladies and gentlemen, so first of all, it was not an accident that this goal was set in the strategy. Of course, I have not been long at KGHM and the strategy was adopted in January, but I do know that the 2030 date was not accidental. By 2030, KGHM assumes that it will obtain at least 50% of its energy from its own sources, but this growth does not have to be linear. This means that we want to have at least 50% in 2030 and this is our approach; this is how we will approach the various types of own sources. This obviously includes both the nuclear project as well as renewables projects. But when it comes to renewables, we obviously want to be active in all the areas. Offshore is important for us and that is where we were active by submitting the appropriate applications. Photovoltaics is also important and you are obviously right: it is not only our own construction projects but also potentially acquisitions. We are conducting analyses in all those areas.

A small caveat to the President's statement: that 11% was due to the fact that this year we just turned off the Combined Cycle Units when natural gas prices reached PLN 1 thousand and above – simply because it was cheaper to buy electricity on the market, to put it bluntly. But now, when the price fell to the level of 500-600, we turned them on again and we are producing electricity again. Our electric power capacity is equivalent to more or less 22-23% of our consumption and that's how it was in previous years, historically. So this is only due to the very high energy prices at the end of last year and in the first 3 quarters of this year. But now self-production is back and at much higher levels.

- 4. In November, you signed the first PPA to purchase energy from a third party photovoltaic power station. Do you intend to continue this practice in the coming months and periods? Or is it just an experiment that you want to take a closer look at?**

Answer: It is an experiment that we intend to continue. Everything depends, because you know how that PPA market works, right? The bidders come and say: you have to buy it anyway because you need to fulfill your green targets, so we will offer you a price above the market. So, to say it delicately, we don't use these offers.

- 5. So my understanding is that this partner did not make a "take it or leave it" offer, but offered reasonable pricing conditions?**

Answer: We are looking for partners who really want to work together in the long run and have, I would say, a long-term horizon. And they also appreciate the certain stability of relations that we offer, safety of a contract with KGHM, the elements that not all electricity offtakers can offer. So those are the suppliers that we want to work with. As you can imagine, such suppliers are not in the majority. But we are searching and the market knows it already, so these offers that are just unacceptable are slowly phased out and we are starting to talk to suppliers who think similarly as we do.

- 6. We are talking here about the contract that you concluded with the Solartechnik project of the FAMUR Group. Do you intend to continue cooperation with that company? They have a 2 gigawatt portfolio.**

Answer: I'm afraid that this question goes into excessive detail.

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7. **But as I understand, this company meets the criteria that you specified? A responsible supplier, expecting reasonable price for the energy it supplied.**

Answer: I believe we should not assess these elements here, whether our business partner does or does not satisfy them.

8. **Can you say a bit more about the wind projects that you are looking into? What is the capacity? Are the projects ready for construction? Or just on paper, for example with a won auction.**

Answer: We are at such a stage that at this moment I believe we should not, even due to our negotiation capacity, disclose any such details. The time has not come yet.

9. **But I believe we would like to know whether it is operational or on paper only, and at what capacity?**

Answer: So let me go back. Our goal is not specific transactions. Our strategic goal and therefore a goal for the coming years, is to increase energy production from our own sources. Therefore, from our point of view and from the point of view of the strategy, it makes no big difference whether it will be acquired or whether we will build it in due time. What counts is profitability and the efficiency of such a process.

10. **Mr. Paweł Puchalski, Santander is asking: is it the belief of the Management Board that the Parent Company's projected cost increase in 2023 in the low teens of % year over year is realistic? What will the Company's greatest cost challenges be in 2023?**

Answer: Perhaps I will start. It is difficult for us – because we are not forecasting – to quantify the cost increase, especially that we are currently in the budgeting process and in just a moment we will know more. But I will ask Mr. President to discuss the challenges and give his comments on cost increases and generally on cost pressures.

In response to the question, your analysts obviously know us very well. You are also perfectly aware of the inflation situation in Poland. And I also believe that everyone is familiar with the so-called second round inflation. Certain expectations of increases which have not yet been realized but which drive the inflation. It applies to costs, transaction prices as well as salaries and labor. And that is the area which we are tackling, I think successfully. I believe that our understanding of the real inflationary drivers and those inflationary expectations is good. Also, I am making an assumption that our negotiating and contracting capability will allow us to keep cost increases below inflation, below the official level. And which areas are those? We must honestly say: all of them. Energy has already grown a lot this year and we assume that it will not grow that much until next year. Of course, it will certainly grow a little more in our cost share. As for the salary budget, that is regulated by our collective bargaining agreement, and here I would say there is no room for great flexibility. Of course, we are looking very carefully at the personnel, at the FTEs, together with President Marek Świder – we are looking at it in great detail. But we do not intend to challenge or amend the collective bargaining agreement in any way whatsoever. And others: steel, chemicals, third-party services – we more or less know what the prices are in the market. Some of them are growing faster, others slower, but we notice these changes. So, we are subject to inflation just as any other business in Poland. And we counter it with equal firmness, or perhaps with greater firmness, than other businesses.

11. Mr. Paweł also asked about the dividend?

Answer: But we have already discussed our approach to the potential dividend recommendation from the Management Board. So we will wait for just a bit more.

12. Mr. Tomasz Józwiak. Zmiedzi portal: what is the progress status of the GG1 shaft and are there any new projects within the framework of the deposit access program.

Answer: As far as the GG1 shaft is concerned, the work has reached the bottom of the shaft, which is 1351 meters; the shaft was accepted yesterday; the shaft pipe, the shaft pit was accepted.

13. Thomson Reuters: what is included in the Company's investment tasks planned for 2023? Acquisitions? Development of current entities?

Answer: We are currently at the stage of developing the 2023 budget. As I have said, even twice, investments will be an important element of the budget. So you are very well informed about the investments, because this is what today's conference showed, but also the conferences and the numbers for previous years and quarters. The investments include three main groups and this is something that cannot be changed: maintenance, replacement and development. We can and we obviously will discuss the proportions and this is the discussion that we are engaged in today – how these investment projects will be handled. Right now, development investments account for more or less one third, and the rest is replacement and maintenance. These expenditures have been and will be high. KGHM is a company that invests a lot and I would personally want this to be our focal point. This is my view, but the work on the budget is currently ongoing. The budget must of course be consistent with KGHM's strategy. The key projects in KGHM's strategy to be implemented in the nearest term, such as the deposit access program that has just been mentioned in a question, which is very important to us. It is a program of key importance for our core business. And that is, as I said in the beginning, something that we need to focus on. So that will certainly be one of the investment axes of our budget.

14. A question from Thomson Reuters: What can be expected from the strategic review in terms of macro and security. What will the conclusions, decisions or changes be in these areas?

Answer: And obviously, before I give the floor to the President, I will say that it is too early for any conclusions, decisions and changes. Even in a situation when the Management Board is not announcing today any changes or updates, a review. Not to take away from what you have to say, the floor is yours, Mr. President. Well, you have actually answered this question. Let me add my two cents. Ladies and gentlemen, if we wanted to change the strategy, we would have simply announced it today. What we are saying is that the Management Board is changing. You are fully aware of it and we have already said today that the Management Board is not fully manned today. But it will be and it is very important that it happens as soon as possible. There will be new Management Board members responsible for very important areas. There will be a new Vice-President in charge of development, there will be a new Vice-President in charge of international assets. It seems quite obvious to me that when we reconstruct half of the Management Board, we must review our strategy and we will review our strategy and the review will tell us whether it

needs to be changed. And if it does then to what extent. But first: “if”. We have no answer to this question today. I cannot give you any such answer today, to any extent. But when the Management Board is fully established, we will commence that process and as soon as we complete it, we will obviously announce what came out of it.

15. Thomson Reuters: When, more or less, do you expect the Management Board to be established?

Answer: This is obviously up to the Supervisory Board and it is difficult for us to comment such decisions – the decisions of the supervisory body made in due course after announcing competitions etc.

16. Mr. Łukasz Rudnik: is the poor production in Robinson a one-off or will it continue for the coming quarters?

Answer: As I have mentioned, we are working in a different phase of the deposit block model and we are currently preparing plans for the next year. Then I will be able to answer this question because the deposit model will show us everything about production plans for the next year.

17. Good afternoon. Monika Borkowska, Interia. I would like to ask you about the economic conditions – it seems that the next year will be quite a challenge. You have hinted that November is looking quite good, even though the situation in China is far from the best. How do you see the prospects for the coming quarters, for the coming periods. Is there really a difficult year ahead of us?

Answer: This is a question that I believe many people are asking right now. The way we see it however is that there is some expectation of an economic recovery in China, and this expectation seems to be reasonable. This is not the recovery that everyone would expect, the immediate recovery after the new chairman is elected, but still it is noticeable. However there are signals that lending activity would be increased towards the real estate market, that infrastructural investments would be accelerated, mainly those associated with the green transformation in China. This also includes the construction of power routes, power lines. This would provide solid support to demand for copper from, I would say, investment funds. On the other hand, we can see that the situation in the USA and in Europe is shaky, but in no way catastrophic. Also, the talk of interest rate increases is getting quieter. But we do see a return to asset purchases in international markets. So that would be, I would say, a mixed message. Obviously, when we talk to large funds, their view is not changing and ours is similar as well. That is, next year will certainly be difficult, it will be a year that requires hard work and a very strong focus on costs and on ensuring secure revenues. However the following years are expected to be good, that is years of return to good economic conditions. The psychological and financial aspect of demand for raw materials is there. There is a hunger, a need for economic development in many countries, and this will certainly support demand in the coming years. As we move on to the copper market, we can see that certain mining projects that were launched a few years ago, when the price of copper began to rise, they will start opening next year. However in the following years mining projects are more likely to close and there is no pipeline for new projects, new mines or new mining areas. So our opinion coincides also with the analysts’ assessment that the

following years, especially 2024 and maybe 2025, will be again the years of excessive demand and undersupply of copper globally, which should cause a reversal of the price trend. This answer may be quite long, but this is, more or less, how we see the situation. That is, difficult in the short term and optimistic in the long term. I would like to add something briefly. Very briefly. Ladies and gentlemen, we are repeating the word stability here, because it is indeed the main determinant of our functioning. Stability of production and a stable foundation for the operation of our company. We should remember that in recent years we have already had copper significantly below USD 5 thousand per ton and significantly above USD 10 thousand per ton. KGHM is a stable company, and it has stable operations with active use of hedging instruments. We are obviously noticing the cost pressures. However, as we've already mentioned, in my opinion the 13% increase in the C1 cost is lower than what could potentially have resulted from the macroeconomic conditions. So we are betting very heavily on stability. Even though this cost pressure is strong, and that is why, when I listed the challenges or tasks for the near future at the beginning, I very strongly emphasized that at present our attention is focused on preparing the 2023 budget.

- 18. Marszałkowski Mariusz, BiznesAlert. Also regarding the near future, the next year. Next year, the contract for the supply of copper cathodes to China ends. Are you holding talks with the Chinese partners about extending this contract and if you are, can you disclose any details?**

Answer: I'm not sure if we want to talk about the status of negotiations with our business partners. We are assessing contracts also in terms of the size of the contract, significance and we would much prefer to inform you in due course after a contract is signed with a partner in the context of the size of delivery.