

Company profile

KGHM Polska Miedź S.A.

KGHM Polska Miedź S.A. focuses on the production of copper and silver and is the biggest manufacturer of silver in the world and the leading European mining producer of copper (number eight worldwide). In 2012 KGHM produced approximately 566 thousand tonnes of electrolytic copper, including 427 thousand tonnes of mining copper. For a number of years, the Company has been the world leader in silver production. With a high output of this precious metal in 2012 (1 274 tonnes), KGHM once again topped the World Silver Survey published by Thomson Reuters GFMS.

The cathode copper manufactured by KGHM is listed on the London Metal Exchange and Shanghai Metal Exchange, while refined silver has the certificates of the exchanges in London, Dubai and New York.

In 2012, as a result of a friendly takeover of a Canadian company QUADRA FNX Mining Ltd. (currently renamed to KGHM INTERNATIONAL LTD.), KGHM Polska Miedź S.A. became a global organisation with assets spread across three continents. The key asset is the Sierra Gorda project in Chile, one of the largest copper ore deposits in the world. The launch of production is scheduled for the first half of 2014.

The value of the international transaction amounted to CAD 2.9 billion and the deal was the largest foreign investment of the Polish industry. The acquisition of the Canadian company Quadra resulted in the development of the portfolio of resource projects and reduction of the average operating costs.

The experience gained in the course of the transaction gave rise to a joint initiative of KGHM and ICAN Institute, a Think Tank "Poland Go Global!" intended to promote the knowledge and experience in internalisation of Polish companies and to form a platform of cooperation and sharing best practices in the area of globalisation between Polish companies.

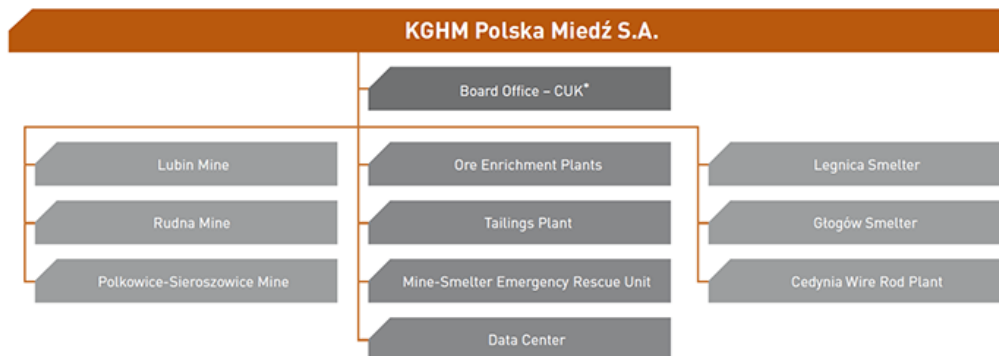
KGHM operates ten divisions and the head office in Poland which jointly employ over 18,000 people. The Company has been implementing a development strategy with the following key assumptions:

- Intelligent mining;
- Research and development activities focusing on new projects;
- Mechanical extraction of ore – one of the crucial strategic initiatives of KGHM;
- Improved effectiveness;
- Reduced production costs;
- Access to new deposits;
- Geographic diversification;
- Higher competitiveness;
- Market risk management.

KGHM Polska Miedź S.A. is a significant WIG 20 company and a winner of numerous prestigious awards and distinctions.

The Company is engaged in social activities in the region, takes care of the natural environment, protects the health of its employees and local community members and supports the development of sports, culture and science in the region.

Structure/Divisions



* As of 1 July 2013 renamed to KGHM Polska Miedź S.A. Head Office