

Company profile

Statement on the application of corporate governance principles

This statement on the application of corporate governance rules in KGHM Polska Miedź S.A. meets the requirements set forth in § 91 section 5 item 4 of Regulation of the Minister of Finance dated 19 February 2009 concerning the publication of current and periodic information by issuers of securities and the conditions of acceptance as equal of information required by the law of other non-member states (Journal of Laws of 2009, No. 33, item 259, as amended thereafter). Publication of this statement is equivalent to submission to the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.) of a report on the application of corporate governance in the Company, as referred to § 29 section 5 of the WSE Regulations.

In 2012, the corporate governance principles in force were the principles set forth in the "Code of Best Practice for WSE Listed Companies" appended to Resolution 20/1287/2011 dated 19 October 2011. The contents of the document "Code of Best Practice for WSE Listed Companies" are available on the official website of the Warsaw Stock Exchange, in the corporate governance section (www.corp-gov.gpw.pl), as well as on the website of KGHM Polska Miedź S.A. (www.kghm.pl) under the section on corporate governance.

KGHM Polska Miedź S.A., whose shares are listed on the Warsaw Stock Exchange, complies with the corporate governance principles described in document "Code of Best Practice for WSE Listed Companies" (Chapters II, III and IV). The Company has endeavoured at every stage of its operations to carry out all of the recommendations in respect of best practices for listed companies (Chapter I). A comment on the recommendations is made below.

In order to implement a transparent and effective information policy ensuring rapid and secure access to information for shareholders, analysts and investors, KGHM Polska Miedź S.A. made the broadest possible use of both traditional as well as new generation technologies for the distribution of information about the Company (recommendation set forth in Chapter I section 1 of the "Code of Best Practice for WSE Listed Companies").

In 2012 the Company decided not to implement the recommendation promoting online broadcasting of General Meetings, but instead, recorded the meetings and made the videos immediately available on the Company's website in both Polish and English language versions, accessible under the section Investors /Webcasts. The Company is currently in the course of preparations to launch online broadcasts of its General Meetings.

In view of changes to the "Code of Best Practice for WSE Listed Companies" effective as of 1 January 2013, published in the Appendix to Resolution no. 19/1307/2012 of the WSE Council of 21 November 2012, the company submitted a report in which it informed about the anticipated deviation from a principle set forth in Chapter IV item 10 of the Code of Best Practice concerning the recommendation to offer the shareholders an opportunity to actively participate in General Meetings in real time while not being physically present at the meeting.

The Company does not exclude the option that in the future it will ensure a possibility of two-way, real-time remote communication during General Meetings.