

ADMISSION

Letter from the President

LADIES AND GENTLEMEN

The raw materials that are produced by KGHM Polska Miedź S.A. are the basis for modern and safe technologies which are of key importance for today and mark the future of our development. Due to its exceptional qualities, copper is used virtually everywhere. It is used in the electric and technical industry and in the electric power generation industry. In fact, it is difficult to imagine IT and telecommunication equipment without it. At the same time, we are aware of the fact that the production of copper and silver is not without impact on the social and natural environment.

For 50 years, KGHM Polska Miedź S.A. has created jobs and positively impacted local development. At the same time, inhabitants in the copper mining region are exposed to onerous aspects of industrial activities. Therefore, from the outset of the copper industry, the Company has embarked upon several ambitious social projects which are credible proof of our social responsibility. For three years, our CSR efforts have been appreciated by the market, which was expressed, inter alia, by the presence of KGHM S.A. in the prestigious Respect Index on the Warsaw Stock Exchange.

The main reason for this Report is the wish to gather information on the Company's social responsibility and to share it with our stakeholders. We are proud that KGHM, as the first firm in the mining industry in Poland, has prepared a CSR Report.

As a global player on the copper and silver production market, we want to build our future in a predictable and responsible manner. We wish to maintain a balance between the needs of enterprise development and the expectations of our stakeholders, as well as the need to protect the natural environment. Therefore, in 2011, we embarked on the task to create a social responsibility strategy. This strategy supports the performance of the Company's business goals, is based on the ISO 26000 guidelines and is in line with the goals of "Europe 2020 – strategy for intelligent and sustainable development supporting social inclusion".

Our first CSR Report developed in line with the GRI (Global Reporting Initiative) methodology is addressed to our stakeholders. In it we present our achievements in the field of corporate social responsibility in the period 2010–2011 and invite dialogue and cooperation. As a responsible company, we want to meet the expectations of our stakeholders – employees, clients, suppliers, local community, as well as environmental protection requirements. We are committed to building trust in our company and minimising all risks, as well as the social and environmental risks.

I would like to express my gratitude to the team of people who engage, with a view to the good interests of the Company and our common good, in various activities in the area of corporate social responsibility and sustainable development in KGHM Polska Miedź S.A.

I invite you to become acquainted with this Report.



Herbert Wirth

A handwritten signature in black ink, appearing to read 'H. Wirth', written in a cursive style.

President of the Management
Board