



## The Copper Mark Summary Report

### Participant Information

Name of the Site	KGHM Polska Miedź S.A. Oddział Huta Miedzi, Legnica
Unique identifier provided by the Copper Mark	P0011
Address	ul. Żłotoryjska 59, 59-220 Legnica
Country of Operation	Poland
Products produced on site (e.g., concentrate, anodes, cathodes, sulphuric acid, slag, etc.)	Copper products: copper cathodes
Metals produced on site (e.g., copper, gold, nickel, silver, molybdenum)	Copper, lead, rhenium
Metals included in scope of Criterion 31 (this must be all, or a sub-set of the metals produced on site)	Copper, lead
Types of operations included in scope	
Mining	<input type="checkbox"/>
Concentrate blending	<input type="checkbox"/>
Solvent extraction and electrowinning	<input type="checkbox"/>
Smelting	<input checked="" type="checkbox"/>
Refining	<input checked="" type="checkbox"/>
Other ( <i>please explain</i> )	
Infrastructure owned or controlled by the site and included in scope	
Roads	<input type="checkbox"/>
Rails	<input type="checkbox"/>
Ports	<input type="checkbox"/>
Other ( <i>please explain</i> )	

## Independent Review

<p>During this step, the Independent Reviewer examined the Copper Producer’s self-assessment, supporting documentation, independent third-party assurance reports, and publicly available information.</p> <p>The activities included review for completeness, verifying equivalence, and conducting desk-based due diligence.</p> <p>As a result, the Independent Reviewer recommended the scope of the site assessment to the Copper Mark.</p> <p>The Independent Review took place on these dates:</p>	<p>20 October 2020 – 10 December 2020</p>	
<p>The Independent Reviewer confirmed completeness, indicating available evidence for the assessor to review for all applicable criteria:</p>	<p>All applicable criteria</p>	
<p>The Independent Reviewer recommended the following criteria be included in the scope of the independent site assessment:</p>	<p>All except:</p> <ul style="list-style-type: none"> <li>• 12. Occupational Health and Safety</li> <li>• 14. Environmental Management Systems</li> <li>• 16. Energy Consumption</li> <li>• 18. Waste Management</li> <li>• 19. Tailings Management</li> <li>• 20. Pollution</li> <li>• 21. Biodiversity and Protected Areas</li> <li>• 22. Mine Closure and Reclamation</li> <li>• 25. Artisanal and Small-Scale Mining</li> <li>• 27. Security and Human Rights</li> <li>• 28. Indigenous Peoples’ Rights</li> </ul>	
<p>The following equivalent systems were applied:</p> <p><i>Equivalent systems are determined by the Copper Mark to have standards and assurance requirements that are materially comparable in scope and intent to those of the Copper Mark, in accordance with the <u>Copper Mark Recognition Process</u>.</i></p>		
<p><b>Equivalent System</b></p>	<p><b>Review Process</b></p>	<p><b>Criteria Covered by Equivalency</b></p>

<i>(Name, date of assurance / certification)</i>		
ISO 45001:2018 14 July 2020	<p>The Independent Reviewer confirmed the assurance / certification was:</p> <ul style="list-style-type: none"> <li>• Valid at the time of the review</li> <li>• No more than 24 months old and / or plans for reassessment are underway</li> <li>• In effect for an additional 12 months and / or plans for reassessment are underway</li> <li>• Covering the same scope as the Copper Mark Responsible Production Criteria, including operations, locations, and materials</li> <li>• Accompanied by improvement plans where applicable</li> </ul>	12. Occupational Health and Safety
ISO 14001:2015 14 July 2020	<p>The Independent Reviewer confirmed the assurance / certification was:</p> <ul style="list-style-type: none"> <li>• Valid at the time of the review</li> <li>• No more than 24 months old and / or plans for reassessment are underway</li> <li>• In effect for an additional 12 months and / or plans for reassessment are underway</li> </ul>	14. Environmental Risk Management 16. Energy Consumption 18. Waste Management 20. Pollution 21. Biodiversity and Protected Areas

	<ul style="list-style-type: none"> <li>Covering the same scope as the Copper Mark Responsible Production Criteria, including operations, locations, and materials</li> <li>Accompanied by improvement plans where applicable</li> </ul>	
The Independent Reviewer recommended the following criteria be considered focus areas for the independent site assessment:		2. Business Integrity 9. Gender Equality 17. Freshwater Management and Conservation 31. Due Diligence in Mineral Supply Chains
The Independent Reviewer recommended the following criteria be considered not applicable to the Site:		19. Tailings Management 22. Mine Closure and Reclamation 25. Artisanal and Small-Scale Mining 27. Security and Human Rights 28. Indigenous Peoples' Rights

### Independent Site Assessment Information

Name of the Lead Assessor	Josue Ruiz
Name of the Assessment Firm (if applicable)	RCS Global Ltd.
Date(s) of Assessment Activities (dd/mm/yyyy – dd/mm/yyyy)	Onsite: 7-9 June 2021
Assessment Period	1 June 2020 – 31 May 2021
Summary of the Assessment Methodology	Triangulation of multiple data points derived from documents, records, interviews, and site observations. Number of total workers (direct and indirect): 3,740
Summary of the Assessment Activities	<b>Day 1 – 7 June 2021 (Headquarter assessment)</b> <ol style="list-style-type: none"> <li>Opening Meeting and introduction of KGHM processes</li> <li>Overview of the KGHM management system</li> <li>Corporate policies and procedures.</li> <li>Due Diligence Management System (Criterion 31)</li> </ol>

	<p><b>Day 2 – 8 June 2021 (Legnica Smelter)</b></p> <ol style="list-style-type: none"> <li>1) Site tour of Legnica refiner (Copper production) and worker interviews</li> <li>2) Stakeholder interviews (union representative)</li> <li>3) Document review and management interview to cover applicable risk areas from 1 – 10</li> </ol> <p><b>Day 3 – 9 June 2021 (Legnica Smelter)</b></p> <ol style="list-style-type: none"> <li>1) Site tour of Legnica refiner (Lead production) and worker interviews</li> <li>2) Stakeholder interviews (community representative)</li> <li>3) Document review and management interview to cover applicable risk areas: 11, 13, 15, 17, 23, 24, 29, 30, 31, 32</li> </ol>
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### Summary of Findings

Criterion	Rating <i>Fully meets, partially meets, does not meet, not applicable</i>	Comments <i>Includes link to publicly available documents or supporting evidence where possible and at a minimum for those criteria with an *</i>
1. Legal Compliance	Fully meets	Legnica has an adequate and effective legal compliance process to monitor, identify and ensure compliance with applicable laws and regulations, including national obligations under international law, and customer requirements pertaining to human rights, health and safety, environment, ethics and working conditions.  This is governed by the site's Procedure for Compliance Management and Methodology for Compliance Management.
2. Business Integrity	Fully meets	Legnica has an adequate and effective policy and procedures to uphold the highest standards of integrity in all business interactions with a zero tolerance to any and all forms of bribery (including facilitation

		<p>payments), corruption, extortion, and embezzlement.</p> <p>This is supported by the Code of Ethics, whistleblower policy, ethics risk-assessment and employee training and confirmed in interviews with employees.</p>
3. Stakeholder Engagement*	Fully meets	<p>Legnica has an adequate and effective stakeholder engagement plan that includes stakeholder mapping and grievance mechanism. There are established communication, consultation, and engagement activities with relevant stakeholders, confirmed by records and interviews with management and external stakeholders.</p> <p>Read more <a href="#">here</a>.</p>
4. Business Relationships	Partially meets	<p>Legnica has communicated responsible business practices with suppliers.</p> <p>However, significant business partners have not been identified and assessments to significant business partners have not been conducted.</p> <p>This is confirmed through the Rules for Selecting Work and Service Contractors, Suppliers of Goods in the KGHM, Labour Contracts, signed Contractor Charters, and interviews with management and contracted workers.</p>
5. Child Labor	Fully meets	<p>Legnica has an adequate and effective system to ensure that workers below the legal minimum working age are not hired either directly or indirectly. The youngest worker in the facility is 21 years old, consequently, there are no juvenile workers performing hazardous works.</p> <p>This is confirmed through site observations, review of Human Rights policies and recruitment procedures, and interviews with workers.</p>
6. Forced Labor	Fully meets	<p>Legnica has established an adequate and effective policy and</p>

		<p>procedures in line with the ILO conventions to ensure that any form of forced, bonded, involuntary, or exploitative prison, trafficked or slave labour is not used.</p> <p>This is confirmed through recruitment, onboarding, and employee training records and procedures as well as through interviews with employees.</p>
7. Freedom of Association and Collective Bargaining	Fully meets	<p>Legnica respects the legal right of all workers to peacefully assemble as well as the legal rights to bargain collectively.</p> <p>This is codified in policy, collective bargaining agreements, union meeting minutes, and confirmed through interviews with workers.</p>
8. Discrimination	Partially meets	<p>Legnica has adequate and effective policies and procedures that ban discrimination and harassment. There is no evidence of discrimination on site.</p> <p>This is confirmed through the review of documents such as human rights policies, recruitment procedures, job listings, new hire checklists, and interviews with employees.</p> <p>However, there are no documented promotion criteria.</p>
9. Gender Equality	Partially meets	<p>Legnica has a public commitment on the respect of diversity and equality that includes gender.</p> <p>However, there is no evidence of gender equality implementation.</p>
10. Working Hours	Fully meets	<p>Legnica has a system in place to manage working hours. The site keeps employee's total regular and overtime working hours to 60 hours per week. The maximum hours worked in one week are 39.3. Overtime is voluntary as confirmed by records and employees. Workers confirm at least one day off every six days and records show the maximum consecutive days of work are 5. Records and worker interviews</p>

		confirm workers are granted annual leave.
11. Remuneration	Fully meets	<p>Legnica correctly calculates and pays wages that exceed national minimum wage and takes into consideration living wage.</p> <p>This is confirmed through record review and interviews with employees.</p>
12. Occupational Health and Safety	Fully meets	The independent review confirmed the site has a valid ISO 45001 certificate.
13. Grievance Mechanism	Fully meets	<p>Legnica has an adequate and effective grievance/complaint process where work-related grievances or complaints without fear of reprisal or intimidation can be confidentially communicated.</p> <p>Workers are aware of and trained on the grievance mechanism.</p> <p>This is confirmed through review of the whistleblower policy, grievances lodged, examples of how grievances were handled through the process, training records, and interviews with workers.</p>
14. Environmental Risk Management	Fully meets	The independent review confirmed the site has a valid ISO 14001 certificate.
15. Greenhouse Gas (GHG) Emissions*	Partially meets	<p>Legnica tracks and documents all relevant Scopes 1 and 2 Greenhouse gas (GHG) emissions.</p> <p>However, there is not an established GHG emissions reduction program with annual reduction objectives/targets, regular objectives/targets tracking, progress monitoring and adjustments made if off track.</p> <p>For several months the site has been in the process of preparation its climate policy. In July 2021 a key stage was inaugurated. The main results of the work (addressing requirements of the GHG emission criterion) are expected to be known before end of 2021.</p>



		Read more <a href="#">here</a> .
16. Energy Consumption	Fully meets	The independent review confirmed the site has a valid ISO 14001 certificate and this criterion is covered in its scope.
17. Freshwater Management and Conservation	Fully meets	<p>Legnica has adequate and effective procedures in place to document, characterise, and monitor water sources, water discharge and control channels of contamination in consultation with local stakeholders.</p> <p>This is confirmed through contracts, permits, and the Environmental and Social Impact Assessment report. The site has a water-use reduction plan in place.</p> <p>Site observation confirms that water withdrawal and discharge points do not appear to impact local waterbodies.</p>
18. Waste Management	Fully meets	The independent review confirmed the site has a valid ISO 14001 certificate and this criterion is covered in its scope.
19. Tailings Management	Not applicable	The site is a smelter / refiner and does not produce tailings.
20. Pollution	Fully meets	The independent review confirmed the site has a valid ISO 14001 certificate and this criterion is covered in its scope.
21. Biodiversity and Protected Areas	Fully meets	The independent review confirmed the site has a valid ISO 14001 certificate and this criterion is covered in its scope.
22. Mine Closure and Reclamation	Not applicable	The site is a smelter / refiner.
23. Community Health and Safety	Fully meets	<p>Legnica has an established system in place to monitor, avoid, minimize, reduce, and compensate for adverse impacts on community health and safety.</p> <p>There is a process to monitor potential risks and to engage directly on community projects regarding health and safety, as confirmed through</p>

		interview with municipal representatives.
24. Community Development	Fully meets	<p>Legnica has completed a community needs assessment in consultation with the community and developed and implemented a plan to make contributions to or support community development in the areas of health and safety, development, and education.</p> <p>This is confirmed through records reviewed, including records of communication, consultation, and engagement activities with relevant stakeholders as well as an interview with municipal authorities.</p>
25. Artisanal and Small-Scale Mining	Not applicable	The independent review confirmed there is no artisanal or small-scale mining in the area of influence of the site.
26. Human Rights	Partially meets	<p>Legnica has an established Human Rights Declaration (not coded) committed with the Declaration of Human Rights (UN), the European Convention for the Protection of Human Rights and Fundamental Freedoms (ECHR), as well as the conventions and recommendations of the International Labour Organisation (ILO). The site also has a grievance mechanism for internal and external stakeholders.</p> <p>However, there is not a human rights risk assessment or human rights due diligence implementation.</p>
27. Security and Human Rights	Not applicable	The site does not employ armed security guards.
28. Indigenous Peoples' Rights	Not applicable	The independent review confirmed there are no indigenous peoples in the area of influence.
29. Land Acquisition and Resettlement	Fully meets	<p>No resettled stakeholders are identified.</p> <p>This is confirmed by the Environmental and Social Impact Assessment and independent media</p>

		research conducted by the assessor in the planning of the site assessment.
30. Cultural Heritage	Fully meets	Legnica has a process to identify cultural and natural heritage areas, but no such areas have been confirmed within the area of influence of the auditee operations.  This is confirmed by the Environmental Impact Assessment.
31. Due Diligence in Mineral Supply Chains (copper and lead)	Partially meets	Legnica has an established due diligence management system for gold and silver certified by the LBMA.  However, the due diligence management system for lead and copper has not been fully implemented.
	31.a. Management System	Partially meets  Legnica has established a due diligence process aligned with the LBMA requirements for gold and silver. However, the responsible sourcing management system for copper and silver has not been formalised.
	31.b. Red Flag Identification Process	Partially meets  Legnica has established an adequate and effective system to identify suppliers and type of materials, including country of origin and transportation routes.  However, there is not an established process to identify, evaluate and assess risks in the copper and lead supply chains.
	31.c. Risk Assessment Process	Partially meets  Legnica has a risk assessment process aligned with the LBMA; however, it does not yet extend to copper or lead.
	31.d. Risk Management Process	Partially meets  Legnica has a risk management process aligned with the LBMA; however, it does not yet extend to copper or lead.
	31.e. Public Reporting*	Partially meets  There is a public report, but it does not currently include copper and lead.  Read the report <a href="#">here</a> .

32. Transparency and Disclosure*	Fully meets	Legnica publicly reports on an annual basis on environmental, social and governance performance in line with the Global Reporting Initiative (GRI). The site also posts additional information on their website. Read the full report <a href="#">here</a> .
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### Conclusions

Statement of conformance	
The site is found to fully meet all applicable criteria of the Risk Readiness Assessment and, for Criterion 31, all applicable conformance criteria of the Joint Due Diligence Standard.	<input type="checkbox"/>
The site is found to fully meet or partially meet all applicable criteria of the Risk Readiness Assessment and, for Criterion 31, all applicable conformance criteria of the Joint Due Diligence Standard. The site has committed to continuous improvement to fully meet all applicable Copper Mark Criteria by 20 July 2022.	<input checked="" type="checkbox"/>
The site is found to miss some or all of the applicable criteria of the Risk Readiness Assessment and / or for Criterion 31, some, or all of the applicable conformance criteria of the Joint Due Diligence Standard. The site has committed to continuous improvement to fully meet all applicable Copper Mark Criteria by 20 July 2022.	<input type="checkbox"/>
The site misses some or all of the applicable requirements of the Risk Readiness Assessment and / or for Criterion 31, the applicable criteria of the Joint Due Diligence Standard. The Site has not committed to continuous improvement.	<input type="checkbox"/>
Limitations:	None
Additional comments:	

### Copper Mark Award

*This Summary Report is prepared using data from the independent review report and the independent assessment report. The Copper Mark confirms the assessor's conclusion and awards the Copper Mark as follows:*

Date the Copper Mark is awarded (dd/mm/yyyy)	27 July 2021
Expiry Date of the Copper Mark (dd/mm/yyyy)	26 July 2024