



ZWIĄZEK
PRACODAWCÓW
POLSKA MIEDŹ
THE POLISH COPPER EMPLOYERS' ASSOCIATION

Beata Staszków

**CEO and President of the Board
Polish Copper Employers' Association**

**The role of an industry association in
enhancing the sustainable development of a
copper mining region. Case study: Polish
Copper Employers' Association and KGHM**



WHO WE ARE

- **The Polish Copper Employers' Association** (Związek Pracodawców Polska Miedź) was established in 1996 by KGHM Polska Miedź S.A capital group, a world leader in the production of copper and silver.
- We are the biggest, independent and not-for-profit regional employers' organization whose goal is to represent and protect employers' interests in **Lower Silesia, Poland**.
- We take responsibility for disseminating good management practices and entrepreneurship through organizing training sessions, seminars and conferences for both members and non-members. Additionally, we provide services for our members concerning EU policy and a network for information exchange and co-operation throughout industry sectors worldwide.
- It was a response to the ongoing revolutionary change in the Polish economy, of ownership in particular, but also as an answer to the strong position of trade unions, which were then the only social partner in negotiations over directions for economic system transition.



ZPPM- WHO WE REPRESENT

117 entities which consist of major local industries

- **Copper mining and smelting**
- KGHM and their divisions – 11
- KGHM daughter companies – 23
- **Local municipal companies & offices – 22**

Other industries

- Small and medium-sized enterprises – 61

The major player: KGHM capital group invests in the development of their business environment through providing free of charge training and expertise to local businesses, which otherwise would not be able to afford to upgrade their potential (CSR policy).



KGHM IN BRIEF

KGHM Polska Miedź S.A. is the Parent Entity of a Group which is a world-class producer of copper and silver with nearly 60 years of experience in the copper ore mining and processing sector. In Poland, KGHM Polska Miedź S.A. operates one of the world's largest copper deposits which guarantees continuous production in Poland for the next several decades. KGHM Polska Miedź S.A. also produces silver, gold, molybdenum, lead and rock salt, as well as being one of the leading exporters in the country and one of the largest companies in Poland.

- **3 CONTINENTS**
- **IN LOWER SILESIA, POLAND**
- **3 MINES: POLKOWICE SIEROSZOWICE, LUBIN AND RUDNA**
- **LEGNICA COPPER SMELTER AND REFINERY, GŁOGOW COPPER SMELTER AND REFINERY AND CEDYNIA WIRE ROD PLANT**
- **34,000 PEOPLE EMPLOYED**

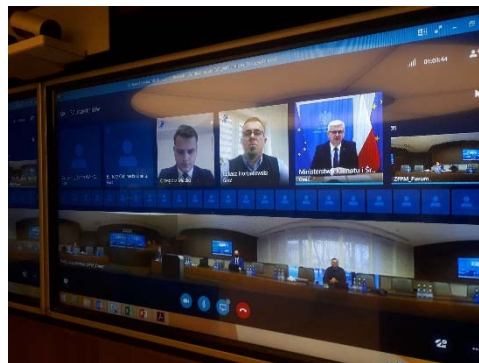


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COOPERATION WITH THE LOCAL GOVERNMENTS

In 2019 – 2020 ZPPM organized 11 meetings with the local governments of the Copper Belt, attended by approximately 450 people.

Planned soon: regional development scenarios, **waste management**, **renewable energy resources (hydrogen)**, **social license to operate**





COOPERATION WITH THE LOCAL GOVERNMENTS WHAT WE HOPE FOR

- Better understanding among the key stakeholders: business, local governments and communities,
- Joint responsibility for the development of the region; building business and family friendly environment,
- Social development projects which can reverse negative statistics for the region,
- Infrastructure projects which will result in better living standards in the region,

Source: KGHM, Statistics Poland



KGHM – TAXES FOR THE COMMUNES

KGHM pays very high taxes. In the years 2015-2017, the communes of the Copper Belt received over **962 million PLN/ 224 million Euro** in:

- PIT (personal income tax)
- CIT (corporate income tax)
- Real estate taxes

The communes where the KGHM operates are among the richest in Poland

- According to national statistics from 2018, “the copper communes” took the highest positions in category of “Local communes incomes per capita”:
- **Jerzmanowa (8th place - 9220 PLN/ 2149 Euro per capita)**
- **Polkowice (9th place - 9095 PLN / 2120 Euro per capita)**
- **Grębocice (13th place – 8671 PLN/ 2021 Euro per capita)**

Source: KGHM, Statistics Poland

PROVIDING RESOURCES – SOCIAL DEVELOPMENT

Expenditure of the KGHM Group on social activities in the Copper Belt in 2018.

- Sponsorship – total **20.1 million PLN/ 4,8 million Euro**, of which:
 - **Sport: 19.6 million PLN/ 4,5 million Euro**
 - **Culture and Science: 0.5 milion PLN/**
- **KGHM Polska Miedź Foundation** total **7.75 mm PLN/ 1,7 million Euro**, of which:
 - **Sport and recreation: 117 projects** for a total amount of **2.71 mm PLN/ 631.000 Euro**;
 - **Culture and heritage: 64 projects** for a total amount of **2.14 million PLN/ 498.000 Euro**;
 - **Science and Education: 20 projects** for a total amount of **0.97 million PLN;/ 400.000 Euro**
 - **Health and Safety: 38 projects** for a total amount of **1.93 PLN zł./ 450.000 Euro**



Source: KGHM



Regional Development – Cooperation between KGHM and the local governments

- The Management Board of KGHM Polska Miedź S.A. has for many years been committed to a policy of sustainable development, cooperating with local governments and supporting their strategic development. KGHM employs people from the local communities, supports cultural events and local athletes through sponsoring and assists local governments, amongst others through the taxes paid by the company.
- KGHM project, #naMiedzi. The citizens of the Copper Basin along with tourists are able to utilise a free cell phone application. #naMiedzi allows the user to uncover previously unknown facts and places in the region. Creating an application for family and individual tourism in the Polish Copper Belt, 24 routes and over 270 places to visit (2000 downloads and installations)
- „Navigation during the crisis”. Protect yourself, support others”. Guidelines on how to behave during the crisis sent to 21 schools in the local municipalities





KGHM's pro-family projects in the region

- Diagnosis and preventive programs in schools - 783 students from 20 schools and also their 474 parents and 430 teachers (online lectures)
- Intensive workshops for parents to raise educational competences (recommended prophylactic programs) - despite the epidemic over 100 parents took part
- Guidebooks for parents „Children in the virtual network” - sent to 380 schools and available online
- „Leader 100” materials for developing responsibility among children – more than 6,700 downloads within three months
- Help for senior citizens: personal protective equipment and brochures for 27,000 people; food packages for the 1500 most needy in Lower Silesia
- Training for school principals: Akademia Przywództwa Liderów Oświaty (Academy of Leadership in Education)
- Mediation and couple therapy – more than 1,200 people (greater demand due to the epidemic)
- Support of foster care: KGHM found 14 new foster parents from January 2020, donations for foster care parents.



KGHM's pro-family projects in the region

Select projects :

- Workshops for fathers & discussion forum – „Tato.Net”;
- Parents' libraries at all 11 KGHM's divisions with several dozen books;
- KGHM + 18 Capital Group companies participated in the social campaign „2 Hours For Family” ; #2h4family
- 342 gifts were given to celebrate the birth of KGHM employees' children;
- Employee opinion survey: 43% of employees (over 8,000 people) took part in it. A wide diagnosis of the situation in the company (motivation, relations with superiors & inside the team, work-life balance).



CULTURE



SPORTS



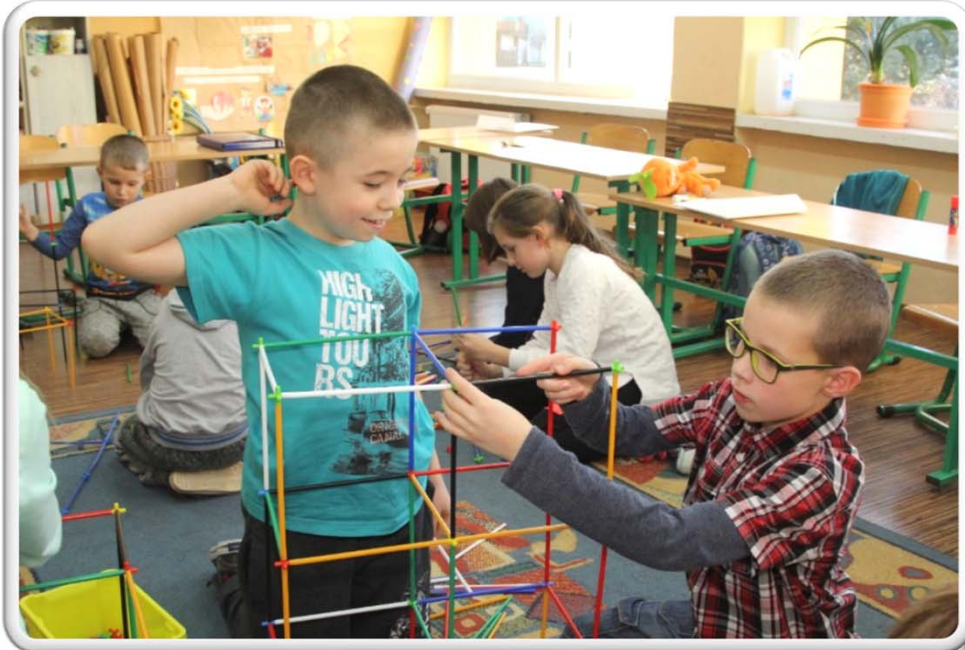
Source: KGHM

HEALTHCARE



Source: KGHM

EDUCATION





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Thank you for your attention!

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