



KATOWICKI HOLDING WĘGLOWY S.A.

www.khw.pl

The purpose of the Katowicki Holding Węglowy Spółka Akcyjna activity is production and sale of high quality steam coal. An additional scope of activity is production of merchandise and rendering services of non-mining character by units which have been brought into being following the restructurization of the Holding's assets. The strategic objective is securing the efficient functioning of our company.

The Katowicki Holding Węglowy Spółka Akcyjna (KHW S.A.) in Katowice is the first and only organization of such nature acting within the Polish hard coal mining industry. It has been established on June 29th, 1993 following the merger of 11 mines which were the

State Treasury's one-man companies.

Presently to KHW S.A. belong the following Hard Coal Mines (KWK) which are located in the region of the Katowice, Mysłowice, Sosnowiec, Ruda Śląska and Tychy townships: **„Mysłowice – Wesola”, „Wieczorek”, „Wujek”, „Murcki - Staszic” and the belonging to the Katowicka Grupa Kapitałowa (Katowice Group of Capital) KWK „Kazimierz-Juliusz” Sp. z o.o. mine.**

KHW S.A. is one of the biggest Polish and European producers of typical steam coals. The production of high quality commercial coals is in terms of 17,5 million t/a which makes ca 17,5% of the total hard coal production and ca 21 % of steam coal production. In view of the available resources, **this ensures stable supplies of this raw material for many years.**

Our principle is meeting with the coal quality parameters the demands of our customers and in this respect we are assisted by the implemented by us systems of quality and environmental protection management ISO 9001 and ISO 14001 as well as of work safety management, PN-N-18001.

Coal mining, which is carried out on the depth of 350 up to 1050 m. is fully mechanized and the applied techniques and equipment are most up-to-date. The mine run is subject to processing in processing plants which are present at each coal mine, which makes it possible to obtain commercial products of low sulphur and ash content, meeting the requirements of the present standards of emission of toxic substances into the air.

The Holding is one of the biggest hard coal suppliers to the Polish professional power engineering and to markets of the European Union.

The main principle of co-operation with the professional power and heat engineering are coal supplies guaranteed by long term contracts, which are concluded directly between the producer and the customer.

KHW S.A. is also owner or co-owner of several Polish and foreign companies of commercial law, which represent different scopes of activity, many of which have been established following the process of restructurization of the Holding's assets. These companies, together with the Holding, form the Katowicka Grupa Kapitałowa (***Katowice Group of Capital***).

Here one may distinguish i.a. such companies, like:

- The already mentioned Hard Coal Mine, KWK "Kazimierz-Juliusz" Sp. z o.o. (Ltd.),
- Zakłady Energetyki Ciepłej w Katowicach (Heat Engineering Plants in Katowice) S.A. which generate and distribute heat and electric energy for several Silesian townships (generation capacity: ca 500 MWt and 8,5 MWe),
- Housing companies.

The production of certain coal based fuels – EKORET® and EKO-FINS® inclusive – as well as the sale and distribution of coal to buyers from outside the professional power engineering is the scope of activity of "KATOWICKI WĘGIEL" Sp. z o.o. in co-operation with over 200 Authorized Sales Agents of KHW S.A. who run over 500 coal yards all over the Poland.

Thanks to the efficiently operating net of Authorized Sales Agents, we have created an easy access to our coal. By offering good quality coal we are also guided by the intention of burning it with no harm to the environment. This is the reason why we promote widely up-to-date techniques of heat generation based on qualified coal based fuels and supply complex solutions, which offer the lowest possible cost of heat generation and the reduction of the s.c. "low emission".

The wide range of the Holding's activity makes us the biggest employer in the region of Katowice and an important buyer of merchandise and services from several hundreds Polish companies.

