

Corporate Governance Report

Efficient corporate governance is a prerequisite for generating added value for our shareholders and maintaining confidence amongst our stakeholders at large.

A group, essentially comprising Swedish institutional investors, have held their shareholding and been long-term owners in Boliden since we were relisted in Sweden almost 15 years ago and the last few years have seen their ranks joined by several large, foreign, institutional owners. There is no clear principal owner, however, and this places special demands on the Board as the owners' ambitions must be "interpreted".

We work in an industry that is characterised by high volatility, i.e. rapid and vigorous fluctuations – both up and down – in profits, and this is something that our shareholders must understand. The volatility also makes significant demands on the company's management and Board in terms of their ability to provide high quality, transparent information and to handle these rapid changes without suffering either from hubris when the trend is upwards or dejection when the trend is downwards.

The Board of Directors and the management must, at the same time, successfully handle large and long-term investment projects, such as the upscaling of our Garpenberg operations. The decision to invest almost SEK 4 b in this project was taken by the Board in January 2011 and the new facilities came on line in 2014, running at full capacity by the end of 2015. This type of project naturally also entails a large number of risks, which are discussed over a relatively long period of time by the Board before

any decision is taken, and is vital in terms of value generation within the company.

One of the prerequisites for value-generating work by the Board is that the Board has a firm grasp on the operations and on events in the outside world. We achieve this by, amongst other things, monthly reports and a well-structured body of material for the Board. We also usually visit two of Boliden's operating facilities each year in order to learn about those operations in real depth and to meet with the local management and employees.

In addition, in order to ensure that we spend sufficient time on the more long-term and strategic issues, we agree every year on a number of themes that we incorporate into our Board agenda. The Corporate Governance Report details the themes we have addressed during the past year. Some of them are recurring themes, e.g. CSR issues, which we address specifically at our October meeting, and leadership development, which is the focus of our December meeting.

The evaluation of the Board's work that we carried out in 2015 shows that the Board is functioning efficiently. This evaluation forms the basis for the work of the Nomination Committee and it is an important tool for the Board's efforts to ensure continuous improvement in our work.

February 2016

Anders Ullberg
Chairman of the Board

Governance of the Boliden Group

Boliden is a Swedish limited company listed on the NASDAQ Stockholm Stock Exchange (NASDAQ Stockholm). The Boliden Group has approximately 4,900 employees and runs mines and smelters in Sweden, Finland, Norway and Ireland. Boliden's corporate governance is based on the Swedish Annual Accounts Act, the Swedish Companies Act, NASDAQ Stockholm's regulations for issuers, the Swedish Code of Corporate Governance, and other applicable legislation and regulations.

In addition to compliance with rules and regulations, Boliden applies inter-

nal governance instruments, such as the Group's organisational and operational philosophy, the New Boliden Way, and Boliden's internal control tool, the Boliden Internal Control System (BICS), together with policies in a number of areas such as Boliden's Code of Conduct with which all employees must be familiar and in accordance with which they must conduct themselves. The Group's units also work in accordance with health & safety, environmental, energy, and quality management systems.

Highlights and events during 2015

The ramping up of the Garpenberg

expansion to the planned capacity of 2.5 Mtonnes of ore per year continued in 2015. Work on the integration of the Kylylahti mine in Finland that was acquired in 2014 continued, and exploration activities in the surrounding areas were intensified. The new business model for the in-house nickel smelting operations at Harjavalta was also implemented successfully during the year. The two-phase investment of a total of EUR 90 m in a new and more efficient sulphuric acid plant at Harjavalta was approved and is expected to result in important improvements in efficiency and environmental performance in several areas.

Shareholders and Annual General Meeting

Boliden's biggest shareholders are Swedish and foreign investment funds and institutions. There were a total of 71,337 (77,965) shareholders at the end of 2014 and the single largest shareholders were Norges Bank Investment Management, Blackrock Inc, Swedbank Robur fonder and Handelsbanken Fonder. The percentage of foreign ownership continued to increase during the year, reaching approximately 70% (59) by the end of the year. For further information on the shareholder structure within Boliden, see pages 54–55 of the Annual Report and Boliden's website.

Boliden's shareholders exercise their right of decision by submitting proposals to and participating in and voting on the proposals submitted to the Annual General Meeting and any Extraordinary General Meetings. Shareholders may request that a matter be discussed at the Annual General Meeting by submitting a written request to the Board of Directors at the designated time that is sufficiently in advance of the meeting that the matter can be included in the notice convening the meeting. Shareholders are also welcome to submit enquiries to the Board and the President, the Auditor or Committee Chairmen during the General Meeting.

The Annual General Meeting is the company's supreme decision-making body. The duties of the Annual General Meeting include the election of Members

of the Board, the Chairman of the Board, the Nomination Committee, the adoption of the Income Statement and Balance Sheet, resolutions on the appropriation of profits and discharge from liability for the Members of the Board and the President of the company, the determination of fees payable to the Members of the Board and to the auditors and the principles governing conditions of employment and remuneration for the President and senior executives, and, where relevant, the amending of Articles of Association and the election of auditors.

The 2015 Annual General Meeting

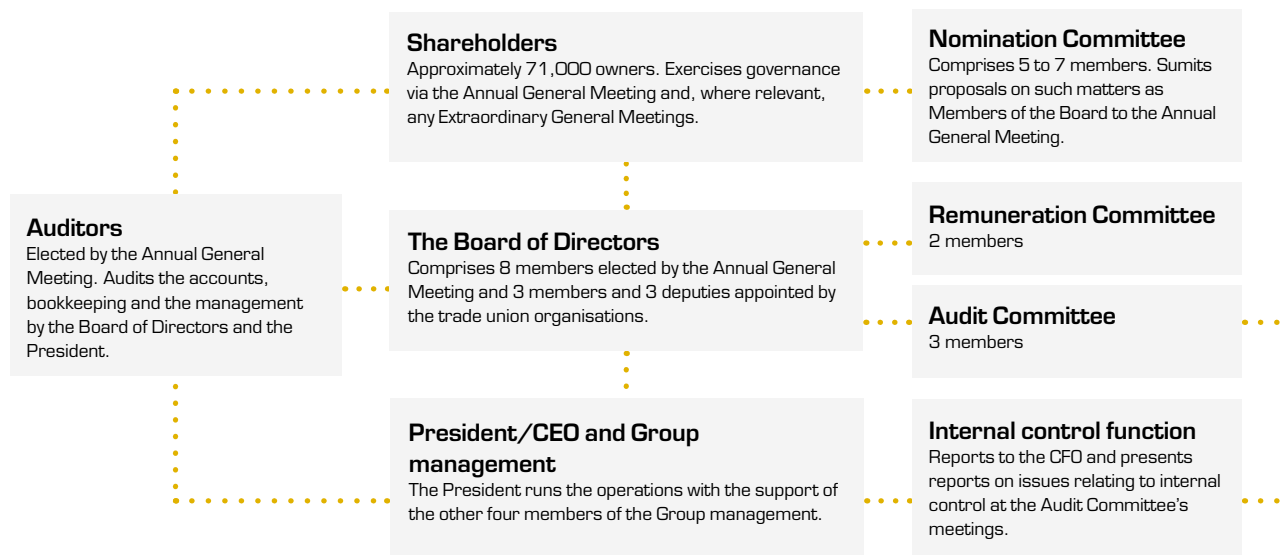
The Annual General Meetings are regularly held at one of Boliden's facilities in Sweden in order to give the shareholders an insight into the operations. Shareholders are offered the chance of a guided tour of Boliden's mines, concentrators or smelters in conjunction with these meetings in order to deepen their knowledge of the operations and to give them an opportunity to meet with Boliden's employees. The 2015 Annual General Meeting was held on 5th May at Garpenberg. 109,400,442 shares were represented at the Meeting by 933 shareholders, either in person or through their proxies. The shares represented comprised 40% of the total number of shares. The Meeting was attended by all Members of the Board and members of the Group management, and the auditor.

The Meeting resolved, amongst other things, to re-elect all of the Members

of the Board with the exception of Leif Rönnbäck, who had declined re-election. Elisabeth Nilsson, the County Governor of the County of Östergötland, was elected as a new Member of the Board. Anders Ullberg was re-elected as the Chairman of the Board. The Meeting further resolved:

- To pay a dividend of SEK 2.25 per share, totalling SEK 615 m, in accordance with the proposal by the Board of Directors.
- That the following persons shall be appointed as members of the Nomination Committee: Jan Andersson (Swedbank Robur fonder), Ulrika Danielsson (Andra AP-fonden), Lars Erik Forsgårdh, Elisabet Jamal Bergström (Handelsbanken Fonder) and Anders Ullberg (Chairman of the Board).
- That Directors' fees payable and fees payable to the Committees shall, in accordance with the proposal by the Nomination Committee, comprise a Director's fee of SEK 1,300,000 to the Chairman of the Board and SEK 480,000 to Members who are not Boliden employees, that the fees payable to the Chairman of the Audit Committee and to each of the two members of the Audit Committee shall be SEK 150,000 and SEK 75,000, respectively, and that the fees payable to each of the Remuneration Committee's two members shall be SEK 50,000.
- To elect Deloitte AB as the company's new auditors for the period up to and including the next Annual General Meeting, in accordance with the proposal by the Nomination Committee,

Boliden's governance structure



and that auditors' fees shall be payable in accordance with the approved invoices received.

The Annual General Meeting also resolved to approve the proposed principles for remuneration to the Group management whereby the remuneration shall comprise a fixed salary, any variable remuneration, other benefits and pensions. The variable remuneration shall be maximised at 60% of the fixed salary for the President and maximised at 40–50% of the fixed salary for other senior executives and shall be based on results in relation to targets set. The variable remuneration shall not entitle to pensionable income.

The resolutions passed by the 2015 Annual General Meeting are included in the Minutes of the Meeting published on Boliden's website, where the minutes of previous Annual General Meetings are also published.

The 2016 Annual General Meeting will be held on 3rd May at Rönnskär, Skellefteå.

Nomination Committee

The Nomination Committee represents Boliden's shareholders and is tasked with preparing and presenting proposals for resolutions that Boliden's shareholders vote on at the Annual General Meeting. The proposals relate to the number of Board Members and their election, the Chairman of the Board, fees payable to the Board and its committees, election of and fees payable to the company's auditors, and to the process and the criteria that shall govern the appointment of the members of the Nomination Committee ahead of the next Annual General Meeting.

The focus of the Nomination Committee's work is on ensuring that the company's Board of Directors comprises Members who, collectively, possess the knowledge and experience that corresponds to the standards that Boliden's shareholders require of the company's most senior governing body. The Chairman of the Board accordingly presents the Nomination Committee with the evaluation conducted of the work of the Board and the individual Members during the past year as part of the process of drafting proposals for Board Members. The Company President also presents Boliden's

operations and future orientation. The Nomination Committee is also afforded the opportunity to meet the Members of the Board. The Nomination Committee also drafts proposals for the election of auditors. Shareholders can submit proposals to the Nomination Committee in accordance with the instructions presented on Boliden's website.

The Annual General Meeting passes resolutions on the principles governing the appointment and duties of the Nomination Committee. The Nomination Committee shall, in accordance with the Instructions for the Nomination Committee, comprise a minimum of five and a maximum of seven members. Five members shall be elected at the Annual General Meeting, of whom three shall represent the biggest shareholders and one the smaller shareholders, and one of whom shall be the Chairman of the Board. The Nomination Committee may, in order better to reflect the shareholder structure in the event of changes in ownership, offer places on the Committee to other larger shareholders. The Nomination Committee appoints its own Chairman and works in the best interests of all shareholders. The members of the Nomination Committee receive no remuneration for their work.

The work of the Nomination Committee in 2015

Jan Andersson (Swedbank Robur fonder), Ulrika Danielsson (Andra AP-fonden), Lars Erik Forsgårdh, Elisabet Jamal Bergström (Handelsbanken Fonder) and Anders Ullberg (Chairman of the Board) were elected to the Nomination Committee at the 2015 Annual General Meeting. In November, the Chairman of the Board convened the members of the Committee, at which time, Jan Andersson was appointed Chairman of the Nomination Committee. The current composition of the Nomination Committee is also shown on Boliden's website. The Nomination Committee has met a total of three times impending the 2016 Annual General Meeting and has also had telephone contacts with and held meetings with both Members of the Board and the President. These contacts afford the Nomination Committee an excellent opportunity to form an opinion of the way in which the Chairman of the Board and the individual

Members of the Board view the work of the Board, of the executive management, and of the way in which they view Boliden's operations and the challenges faced by the company in the next few years.

The Nomination Committee endeavours to ensure an even gender distribution amongst the Board Members and the Nomination Committee also prioritises, in parallel with its efforts to achieve this goal, to ensure a multifaceted and broad composition that covers relevant areas with regard to expertise, experience and background. Boliden's operations, developmental phase and future orientation are important criteria in evaluating skill requirements and analyses aimed at determining the optimum composition of the Board.

The Nomination Committee's proposals for submission to the 2016 Annual General Meeting will be published in the impending notice convening the Annual General Meeting and on Boliden's website.

The Board of Directors

The Board of Directors is appointed by Boliden's owners to bear ultimate responsibility for the company's organisation and the management of the company's affairs in the best interests of both Boliden and the shareholders. This shall be done in a sustainable way that entails carefully balanced risk-taking, in order to ensure that the company's long-term developmental trend is a positive one. Boliden's Board of Directors shall, under the provisions of the Articles of Association, comprise a minimum of three and a maximum of ten Members, without Deputy Members, elected by the Annual General Meeting. The company's employees have a statutory entitlement to appoint three Members and three Deputy Members to the Board. The Board of Directors, which is elected for one year at a time, has comprised eight Members elected by the Annual General Meeting and three Members appointed by the trade union organisations. The Board Meetings are attended both by the ordinary Members and by the union's three Deputy Members. The General Counsel Group Legal Affairs is the Board's Secretary. Boliden's Chief Financial Officer (CFO) also usually attends the Meetings as part of the Group management. Other

THE BOARD OF DIRECTORS' WORK IN 2015

Recurring business: Sustainability and health & safety issues, operational review, investments, costing, and theme items. The main matters on the agenda at Board Meetings in 2015 are shown below:

February: Review of the Year-End Report, the Annual Report, the Audit Report, and matters for submission to the Annual General Meeting. Deposit and reserves development, comparisons with competitors and energy supply.

May: Q1 Interim Report. Review of procurement issues, cost trends, and the Laver exploitation concession, and a

meeting between the Board of Directors and the auditors in the absence of the management. Annual General Meeting and the Statutory Board Meeting.

July: Q2 Interim Report. Review of the Audit Report, strategic orientation and comparisons with Smelters' competitors, synergy effects between Smelters and Mines, the Rönnskär remedial action programme, e-materials and the market for nickel.

October: Q3 Interim Report. Review of China's development and of other emerging markets. Review of acquisition opportuni-

ties, the Boliden Area and slag management at Rönnskär, the strategic orientation of Mines, cost-cutting in purchasing, operational risks, the status of disputes, and a follow up on the New Boliden Way and Corporate Responsibility (CR).

December: Review of strategy, budget and the business plan. Management development, managerial and Board Member evaluation, the market for gold, and investment in the Harjavalta sulphuric acid plant.

members of the Group management and other executives also attend and present reports on individual issues as required.

The Board Members elected by the Annual General Meeting are all to be regarded as independent in relation to major shareholders and all, with the exception of the President, are to be regarded as independent in relation to the company and the Group management. The Board consequently complies with the requirements of the Code with regard to independent Members. The Members of the Board are presented on pages 68-69 and on Boliden's website.

The Board sets the company's financial goals and strategy, appoints and evaluates the President and CEO, and ensures that efficient systems are put in place for following up on and monitoring operations, that the company complies with statutory and regulatory requirements, and that information is published in a correct and transparent manner. The Board adopts a Formal Work Plan every year at the Statutory Board Meeting, held after the Annual General Meeting. The Formal Work Plan regulates the work and responsibilities of the Board in greater detail, together with the special duties with which the Chairman of the Board is tasked.

The Chairman of the Board guides the work of the Board and the Board Meetings and establishes an open and constructive dialogue. The Chairman's duties also include monitoring and evaluating the expertise and

work of the Board Members and the contribution they make to the Board as a whole. Another important component of the Chairman's work is monitoring the operations through an ongoing dialogue with the President. The Chairman of the Board acts as a discussion party and source of support for the President and ensures implementation of and compliance with the Board's decisions, instructions and directives. Prior to every Board Meeting, the Chairman and the President review the issues to be discussed at the meeting. The supporting documents for the Board's discussion of the issues are sent to the Members approximately one week before each Board Meeting. The division of labour between the Board of Directors and the President is clarified in the written "Instructions to the President" adopted by the Board at the Statutory Board Meeting.

The Board of Directors' work in 2015

The Board of Directors held six meetings in 2015, including the Statutory Board Meeting. A number of the Board Meetings are regularly held at the company's operating units in order to give the Members an increased insight into the operations. In 2015, the Board visited Garpenberg in May and Aitik in December.

The Board receives ongoing information on Boliden's commercial and financial performance and updates on Boliden's fulfilment of its sustainability goals in the

form of monthly reports and at Board Meetings. Every Board Meeting consequently begins with a review of the operations, of the current health & safety position, and of sustainability issues.

The Board also, at the beginning of the year and in addition to these and other customary operations-related issues, sets a number of themes that it particularly wishes to address during the year in order to create an increased understanding of Boliden's opportunities and challenges from a broader perspective. The Board has accordingly discussed such issues during the year as Boliden's competitive position, the global trends in the metals market, readiness to handle harsher market conditions, measures to counter cost increases, exploration, acquisitions and CSR issues in the mining industry. The focus has been on the change in the business model for nickel smelting at Boliden Harjavalta in Finland, coupled with the future expansion of Aitik from an annual ore production rate of 36 Mtonnes to one of 45 Mtonnes. Previously approved expansion projects implemented in 2015, such as Garpenberg, silver extraction at Kokkola, and the construction of deep storage facilities at Rönnskär, have been the subject of ongoing monitoring and follow up work, as has the ongoing action plan designed to ensure process stability and cost-effectiveness at the Rönnskär smelter.

Work on improving and coordinating health & safety issues have been subject to continuous monitoring and follow-up work by the Board in response to the negative shift in the accident frequency rate in 2013.

Efficient and appropriate environmental permit processes and reasonable operating conditions are, in light of the nature of Boliden's business, important issues for the company and its Board, and are the subject of recurring discussions. The Board has also addressed a related area, namely CSR, business ethics and moral considerations.

The Chairman ensures that the Board and its work are evaluated annually and that the results of the evaluation are conveyed to the Nomination Committee. The evaluation is carried out by the Board itself under the guidance of the Chairman or with the help of an independent consultant. The 2015 evaluation was a self-assessment during which the Members answered a number of questions in writing on a range of different subjects and held one-on-one discussions with the Chairman of the Board, followed by a joint discussion, during which the Board discussed the conclusions drawn from the evaluation.

The Board's Committees

The overall responsibility of the Board of Directors cannot be delegated but the Board may, within itself, set up committees which prepare issues within their respective spheres. The Board has, accordingly and as in previous years, set up an Audit Committee and a Remuneration Committee in 2015. The Committees' members are appointed at the Board Meeting following election held after the Annual General Meeting and their work is governed by the Committees' formal work plans and instructions.

Audit Committee

The Audit Committee prepares a number of issues for consideration by the Board and thereby supports the Board in its endeavours to fulfil its responsibilities within the areas of auditing and internal control and with assuring the quality of Boliden's financial reporting. Boliden has an internal control function whose work involves mapping risk areas and following up on work in identified areas, amongst

other things. The Committee also works with the procurement of services from the company's auditors in addition to the actual auditing services and, when so tasked by the Nomination Committee, with the procurement of auditing services. The Audit Committee meets before the publication of every financial report, and as necessary. The Audit Committee comprises Ulla Litzén (Chairwoman), Tom Erixon and Anders Ullberg. The Committee members have specialist competence, experience of and interest in financial and accounting issues – see Directorships and previous positions, pages 68-69. The Committee's meetings are also attended by Boliden's CFO and the Director of Internal Control. The Committee met five times in 2015. Special attention was paid in 2015 to internal controls and IT security, and to the proposed election of new auditors. The Audit Committee works on the basis of a set of "Instructions for the Audit Committee" adopted every year by the Board of Directors and reports back to the Board on the results of its work.

Remuneration Committee

The Remuneration Committee submits proposals for resolution by the Board regarding salary and other terms of employment for the President, and follows up on and evaluates programmes for variable remuneration for the management. The Committee also approves proposals regarding salaries and other terms of employment for the Group management, as proposed by the President. The Remuneration Committee is, furthermore, tasked with submitting proposals regarding remuneration principles for the President and Group management – proposals which are then submitted by the Board to the Annual General Meeting for resolution. The application of the guidelines and relevant remuneration structures and levels within the company is also followed up by the Committee and the results of this evaluation are published on the company's website. See Note 3 on pages 85-86 for an account of the remuneration paid to the Group management.

The Remuneration Committee works on the basis of a set of "Instructions for the Remuneration Committee" adopted every year by the Board of Directors and reports back to the Board on the results of its work. The Remuneration Committee

comprises Anders Ullberg (Committee Chairman), and Staffan Bohman. The Committee has held two meetings during the year and had telephone contact on a number of occasions.

The President and Group management

The President has ultimate responsibility for Boliden's strategic orientation and for ensuring the compliance with and implementation of the Board of Directors' decisions, and for ensuring that risk management, steering, systems, organisation and processes are all of a satisfactory standard. The President is supported in his work by the Group's management team which, in addition to the President, comprises the SVPs for Boliden's two Business Areas, Mines and Smelters, the CFO, and the SVP Corporate Responsibility (CR). The Group management meets regularly once a month to follow up on operations and to discuss Group-wide issues, and to draw up proposals for strategic plans, business plans, and budgets that the President submits to the Board of Directors for their consideration. The areas addressed by the Board have largely reflected the work of the Group management during the year. The Group management also holds two meetings every year, lasting at least two full days, in order to focus on strategy. The Group management, together with the management of the respective Business Areas, also meet six times a year to review Business Area-specific issues including a review of budgets and operations. For large scale projects, relevant parts of the Group management form special steering groups, together with project managers and other stakeholders, and meet regularly. The Group management also meets with the company's employee representative Board Members and their deputies ahead of every Board Meeting, at which time the Board Meeting agenda and other topical issues are discussed. The company's senior managers and specialists meet at a management conference every year for discussions intended to build consensus and achieve widespread support on important issues. See page 70 for a presentation of the Group management team.

Business management

Management by the Board goes through a chain of command from the President and

the Group management to the operating units. Boliden has an organisation in which responsibilities and authority are delegated within clear frameworks. These frameworks are defined by Boliden's steering documents, budget and strategic plan. The steering documents, which are available on Boliden's internal web site and which comprise the internal framework required for effective management, include the Financial Policy, the Code of Conduct, the Anti-Corruption Policy, the Communications Policy, the Environmental Policy, the Health & Safety Policy, and documentation on delegation and decision-making.

Sustainability governance in Boliden

Sustainability issues are an integral part of Boliden's operations and the work is conducted from the starting point of the most operationally critical issues. Sustainability issues are discussed at every management group and Board meeting, as is the case at the local management group meetings. One member of the Group management works exclusively, furthermore, with CR issues. The day-to-day responsibility is decentralised to the respective units. Central sustainability, environmental, energy and HR functions follow up on the units' work and are responsible for creating a structure and orientation for the work. Networks have been established within the respective functions in order to promote knowledge exchange and development.

The sustainability issues identified by Boliden as being of the greatest significance and most highly prioritised are linked to Boliden's budget and strategy. Factors that form the basis for the prioritisation include Boliden's own operations and their impact on people and the environment, the way in which work on these issues can support the operations, expectations of Boliden from internal and external stakeholders, risks and opportunities, external factors, and applicable regulations. The challenges that will be prioritised change over time and are, therefore, regularly reviewed – usually once every year. It is the responsibility of the various controlling parties within the Group to set local goals with regard to the overall issues. In 2013, Boliden set new goals in the sustainability sphere that will apply until 2018, inclusive – see pages 8-9 of the Annual Report.

Boliden's long-term health & safety work has yielded noteworthy results for

a number of years, showing a steadily declining accident frequency. The trend has, however, been negative in recent years and a high priority has, therefore, been placed on measures that will, in the long-term, enable Boliden's vision of accident-free operations to be realised. Having analysed the situation and the root causes of the break in the trend, along with appropriate remedial measures, work continued in 2015 on a number of new initiatives. A Health & Safety Officer with special coordination responsibility has been appointed at Group level and has drawn up concrete, well-defined and timetabled health & safety goals, along with the measures needed to achieve these goals. One of the tools is the "B-Safe" project, which includes one-on-one discussions and follow-up discussions with all employees in order to raise awareness of the importance of health & safety and to strengthen the company's safety culture. Work on rolling out B-Safe throughout the Group continued in 2015. The aim of the project is to bring about an attitude change when it comes to safety-mindedness in the course of day-to-day work. Deviations from health & safety regulations in order to achieve a short-term gain in terms of time, production or other assumed benefits or advantages are never acceptable. Accidents are analysed and followed up in order to avoid any repetition. Investments in further strengthening the focus on health & safety are also targeting Boliden's suppliers, contractors and others who carry out work within the framework of Boliden's operations. Stringent demands are made on these business partners when it comes to respect for and compliance with applicable health & safety regulations and instructions. Business partners are reviewed, selected and evaluated in line with these factors, amongst other things.

Efficient and suitable licensing processes and reasonable operating conditions are, in the light of the nature of Boliden's operations, important issues for the company. Boliden works actively with industry organisations to monitor and promote the interests of the mining industry.

Boliden's GRI-index, and the associated information in the Annual Report and separate GRI Report have, since 2013, been subject to an external review by auditors, with the aim of, amongst other things, underlining the importance of the sus-

tainability work to Boliden and to further reinforce the confidence of the market and other stakeholders in the work conducted by the company in this respect.

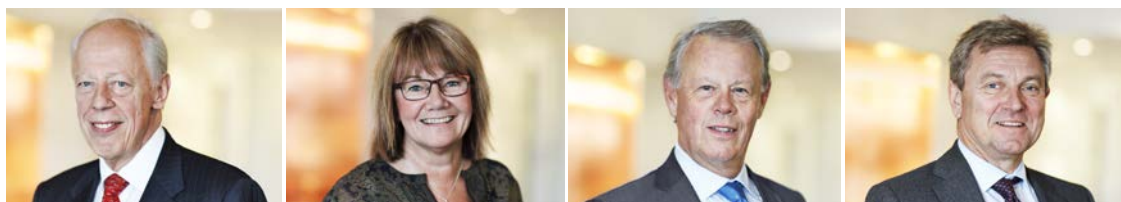
Matters of business ethics and anti-corruption are constantly topical and an area with which the company actively works. Boliden focused specifically on anti-corruption issues during the year and has implemented new policies and guidelines in this area. Training courses have been provided, partly in an online format, in January 2016 and will be followed up by a seminar for employees affected. Boliden has a whistle blower function that can be used to report suspected cases of impropriety.

Auditors

The external auditor conducts independent audits of Boliden's accounts in order to ensure that they provide a correct, fair and comprehensive picture of the company's position and results. The auditor also reviews the management by the Board of Directors and the President and presents his/her observations to the Board in the absence of the management. The auditor has been in contact with the Group management in 2015 in conjunction with audits or issues arising. The auditor is a regular attendee at the Audit Committee's meetings and has met with the Board on two occasions in 2015. The auditor also reports to the shareholders at the Annual General Meeting.

The accounting firm of Deloitte AB was elected at the 2015 Annual General Meeting to serve as the company's auditors until the conclusion of the 2016 Annual General Meeting. Authorised Public Accountant, Jan Berntsson, is the auditor in charge. He is a partner in and CEO of Deloitte Sweden and his other audit engagements include Atlas Copco and Kinnevik. Remuneration to the company's auditors is payable in accordance with the approved invoices received for the period up to the end of the 2016 Annual General Meeting. See Note 4 on page 87 for information on remuneration disbursed in 2015.

THE BOARD OF DIRECTORS



Name	Anders Ullberg Chairman of the Board		Marie Berglund Member of the Board	Staffan Bohman Member of the Board	Tom Erixon Member of the Board
Position	–		Vice President, Raw Materials and Environment, NCC Industry	–	President and CEO of Alfa Laval
Education	M.Sc. Economics		M.Sc. Biology	M.Sc. Economics	LL.B., MBA
Elected	2005		2003	2007	2013
Born	1946		1958	1949	1960
Directorships	Chairman of the Boards of Eneqvist Consulting, Natur&Kultur and Studsvik. Member of the Boards of Atlas Copco, Beijer Alma and Valedo Partners. Chairman of the Swedish Financial Reporting Board and Member of the Board of the European Financial Reporting Advisory Group.		Chairwoman of the Board of Eurocon Consulting. Member of the Boards of Baltic Sea 2020, the Water Delegation of the Gulf of Bothnia's Water District and the Advisory Council of the County Administrative Board of Västernorrland.	Chairman of the Boards of Höganäs, and Cibes LiftGroup. Deputy Chairman of the Boards of Rezidor Hotel Group and of the SNS – Centre for Business and Policy Studies Board of Trustees. Member of the Boards of Atlas Copco, Ratos, Upplands Motor Holding and the Swedish Corporate Governance Board.	Member of the Boards of Jernkontoret, Stål & Metall and Chinsay.
Previous positions	CFO of Svenska Varv. CFO, Vice President and President and CEO of SSAB.		Group Ecologist in the former MoDo Group, Environmental Manager of Botniabanan AB, President of BioEndev (consultant).	CFO at Alfa Laval, CEO of DeLaval, Gränges and Sapa.	Managing partner Boston Consulting Group, a variety of senior positions within Sandvik and President and CEO of Ovako.
Number of shares ¹⁾	45,000		1,000	40,000	6,900
Meetings attended	6 of 6		6 of 6	6 of 6	6 of 6
Committee work (present)	Audit Committee 5 of 5	Remuneration Committee 2 of 2	–	Remuneration Committee 2 of 2	Audit Committee 2 of 5
Director's fees, SEK	1,300,000		480,000	480,000	480,000
Committee fees, SEK	75,000	50,000	–	50,000	75,000
Combined fees, SEK	1,425,000		480,000	530,000	555,000
Independence from the company and the company management	Yes		Yes	Yes	Yes
Independence from major shareholders	Yes		Yes	Yes	Yes



Name	Roland Antonsson Employee Representative	Marie Holmberg Employee Representative	Kenneth Ståhl Employee Representative
Position	Member of the Board since 2012. Deputy Member of the Board: 2009–2012. Representative of IF Metall (the Swedish Metalworkers' Union). Chairman of the IF Metall Rönnskär branch.	Member of the Board since 2008. Deputy Member of the Board: 2005–2008. Representative of the Swedish Association of Graduate Engineers.	Member of the Board since 2014. Process operator. Representative of IF Metall (the Swedish Metalworkers' Union). Chairman of the IF Metall Bergsöe branch.
Elected	2009	2008	2014
Born	1957	1963	1973
Number of shares ¹⁾	0	50	0
Meetings attended	6 of 6	6 of 6	6 of 6



Name	Lennart Evrell Member of the Board	Michael G:son Löw Member of the Board	Ulla Litzén Member of the Board	Elisabeth Nilsson Member of the Board
Position	President and CEO of Boliden	–	–	The County Governor of the County of Östergötland
Education	M.Sc. Engineering, Economics	M.Sc. Economics	B.Sc. Economics and Business administration, MBA	M.Sc. Engineering
Elected	2008	2010	2005	2015
Born	1954	1951	1956	1953
Directorships	Chairman of the Boards of SveMin and Umeå University. Member of the Board of the Confederation of Swedish Enterprise.	Chairman of the Board of Recondoil. Member of the Boards of Concordia Maritime, Preem, Norstel, the Confederation of Swedish Enterprise and Stena Bulk. Deputy Chairman of the Boards of IKEM, the Swedish Chamber of Commerce for Russia & CIS and the Swedish Association for Energy Economics. Member of the Chalmers Advisory Committee and the Royal Swedish Academy of Engineering Sciences.	Member of the Boards of Alfa Laval, Atlas Copco, Husqvarna and NCC.	Member of the Board of Outokumpu and Member of Skandia's Council.
Previous positions	President and CEO of Sapa and Munters, and a variety of senior positions within ASEA, Atlas Copco and Sphinx Gustavsberg.	A variety of senior positions within Conoco Inc (1976–2002) in Stockholm, Houston, Copenhagen, Bangkok, Prague and London. President and CEO of Preem (2003–2012).	President of W Capital Management, wholly owned by the Wallenberg Foundations. Managing Director and member of the Management Group of Investor AB. Responsible for Core Holdings and CEO of Investor Scandinavia.	CEO of Jernkontoret and has worked for the SSAB corporate group in such roles as Head of Metallurgy in Oxelösund and as CEO of SSAB Merox.
Number of shares ¹⁾	40,235	100	8,400	0
Meetings attended	6 of 6	6 of 6	6 of 6	4 of 4
Committee work (present)	–	–	Audit Committee 5 of 5	–
Director's fees, SEK	–	480,000	480,000	480,000
Committee fees, SEK	–	–	150,000	–
Combined fees, SEK	–	480,000	630,000	480,000
Independence from the company and the company management	No	Yes	Yes	Yes
Independence from major shareholders	Yes	Yes	Yes	Yes



Name	Peter Baltzari Employee Representative	Lars Engström Employee Representative	Ola Holmström Employee Representative
Position	Deputy Member of the Board since 2014. Representative of Boliden's Group Council and the Profit Sharing Foundation.	Deputy Member of the Board since 2015. Representative of the Unionen trade union. Deputy Chairman of the Unionen Boliden Office branch. Member of Boliden's Council for Negotiation and Co-operation as well as Boliden's Group Council.	Deputy Member of the Board since 2012. Representative of IF Metall (the Swedish Metalworkers' Union). Chairman of the IF Metall Kristineberg branch. Deputy Chairman of Boliden's Group Council and the Boliden Works Council.
Elected	2014	2015	2012
Born	1953	1966	1965
Number of shares ¹⁾	1,424	174	170
Meetings attended	6 of 6	3 of 3	6 of 6

¹⁾ Own holdings and those of related legal or natural persons, on 31st December 2015.

GROUP MANAGEMENT



Name	Lennart Evrell	Kerstin Konradsson	Mikael Staffas
Position	President and CEO of Boliden	President Boliden Smelters	CFO up to and including March 2016, President Boliden Mines as of November 2015
Education	M.Sc. Engineering, Economics	M.Sc. Engineering	M.Sc. Engineering, MBA
Employed	2007	2012	2011
Born	1954	1967	1965
Directorships	Chairman of the Boards of SveMin and Umeå University. Member of the Boards of the Confederation of Swedish Enterprise and The Swedish Association of Industrial Employers.	Member of the Board of Swerea Mefos.	Member of the Board of SJ.
Previous positions	President and CEO of Sapa and Munters, and a variety of senior positions within ASEA, Atlas Copco and Sphinx Gustavsberg.	Business Area President and CEO within the Åkers Group and a variety of senior positions within SSAB.	CFO of Södra Skogsägarna, Partner at McKinsey & Co.
Number of shares ¹⁾	40,235	2,000	4,700



Name	Thomas Söderqvist	Håkan Gabrielsson
Position	Senior Vice President Corporate Responsibility	CFO as of April 2016
Education	Bergsskolan – The Swedish School of Mining and Metallurgy	M.Sc. Economics
Employed	2012	2009–2011, April 2016
Born	1957	1967
Directorships	–	–
Previous positions	Area Manager for the Boliden Area and a variety of senior positions within Sandvik.	CFO of Fagerhult, Director Group Controlling at Boliden and a variety of positions within Sapa, Ericsson and Electrolux.
Number of shares ¹⁾	0	0

¹⁾ Own holdings and those of related legal or natural persons, on 31st December 2015.

Internal control report by the Board of Directors

The purpose of internal control over financial reporting is to provide reasonable assurance with regard to the reliability of the external financial reporting and to ensure that the reports are produced in accordance with generally accepted accounting principles, applicable legislation and statutes, and with other requirements imposed on listed companies.

The Board of Directors has overall responsibility for ensuring that an efficient internal control system exists within the Boliden Group. The President is responsible for the existence of a process and organisation that ensure internal control and the quality of the internal and external financial reporting.

Internal control function

Boliden has an internal control function responsible for implementing processes and frameworks that secure internal control and ensure the quality of the financial reporting. The internal control function reports to the CFO and presents reports on issues relating to internal control at the Audit Committee's meetings.

Control environment

The control environment within Boliden is characterised by the fact that the Group has relatively few but large operating units that have carried out their operations for many years, using well-established processes and control activities. A structure of steering documents in the form of binding policies and guidelines for the organisation's delegated responsibilities has been established to ensure a collective attitude and methodology within the Group.

The starting point is the New Boliden Way, which includes the Code of Conduct, decision-making and authorisation instructions, and a financial manual covering financial policy, accounting and reporting instructions. Local management systems with more detailed instructions and descriptions of important processes have also been set up.

Boliden has a uniform and standardised internal control framework known as the Boliden Internal Control System (BICS).

Risk analysis

The operating units conduct ongoing risk analyses with regard to financial reporting. The risks inherent in the various accounting and reporting processes shall be identified, analysed and documented in BICS.

Control activities

Various types of control activities are carried out within the Group and within every different aspect of the accounting and reporting process on an ongoing basis. The control activities are carried out in order to manage known risks and to detect and rectify any errors and discrepancies in the financial reporting.

Documentation of significant control activities within the accounting and reporting process continued in BICS in 2015. For every risk identified, the controls that manage the risk are documented.

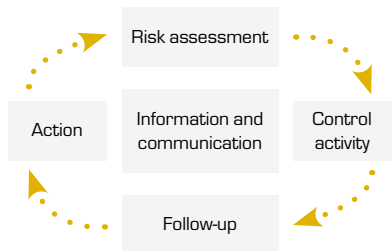
Information and communication

Information on policies, guidelines and manuals is available on Boliden's intranet. Information on updates and changes to reporting and accounting principles is issued via email and at the regular treasury and controller meetings. External information is provided and communication conducted in accordance with the Group's Communications Policy. All information must be communicated in a discerning, open and transparent manner.

Follow-ups

Work on follow-ups of, improvements to and development of systems, processes and controls within the Group is ongoing. Annual testing of documented controls within the framework of BICS has been conducted since 2009, both by internal resources and external auditors. Areas where scope for improvement is identified in conjunction with audits are documented, analysed and actioned.

Boliden's internal control matrix



Auditor's Report on the Corporate Governance Statement

To the Annual General Meeting of the shareholders of Boliden AB (publ), corporate identity no: 556051-4142

The Board of Directors is responsible for the Corporate Governance Report for 2015 on pages 62–71 and for ensuring that it has been prepared in accordance with the provisions of the Swedish Annual Accounts Act.

We have read the Corporate Governance Report and, based on that reading and our knowledge of the company and the Group, believe that we have sufficient basis for our conclusions. This means that our statutory examination of the Corporate Governance Report has a different focus and is substantially less in scope than that of an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden.

In our opinion, the Corporate Governance Report has been prepared and its statutory content is consistent with the annual accounts and the consolidated accounts.

Stockholm, 11th February 2016

Deloitte AB

Jan Berntsson
Authorised Public Accountant

Control activity	Responsible	Follow-up
Compliance with Boliden's accounting manual	Group accounting/Controller department	Group management
Control of consolidated results	Group accounting/Controller department	Group management
Analysis and follow-up work	Business Areas/Controller department	Group management
Budget and forecasts	Business Areas/Controller department	Group management
Correct financial reporting controls	Operating units	Group accounting/internal control
Tax control	Operating units	Group Tax Director