

Proposal on the implementation of a long-term share savings programme 2025/2028 (item 21a) and hedging arrangements related thereto (item 21b)

Background

The Board of Directors proposes that the Annual General Meeting resolves on a long-term share savings programme (the “**Programme**” or “**LTIP 2025/2028**”). The Programme is aimed at the CEO, members of the Group Management, General Managers and certain other key employees in the Boliden Group and shall be implemented after Boliden’s Annual General Meeting in 2025. The overall purpose of the Programme is to drive performance and engagement among the Participants, retain strategically important employees by providing an attractive total compensation package, and align the interests of Participants with those of shareholders.

a) Implementation of the Programme

The Board of Directors proposes to implement the Programme on the main terms set out below.

- a. The Programme is proposed to be directed to a maximum of approximately 50 permanent employees within the Boliden Group, which are divided into the following four categories: the CEO of Boliden (“**Group 1**”), members of the Group Management (five persons) (“**Group 2**”), General Managers (maximum of 15 persons) (“**Group 3**”) and certain other pre-identified key persons in the Boliden Group (maximum of 30 persons) (“**Group 4**”). The number of Participants in Group 3 and Group 4 may together not exceed 45 persons. The participants in Groups 1–4 are together referred to as the “**Participants**”.
- b. In order to participate in the Programme, the Participants are required to personally invest in shares in Boliden, and allocate these, or previously held Boliden shares to the Programme¹, no later than 30 September 2025, unless the Board of Directors decides to postpone this date (“**Investment Shares**”). The Investment Shares shall be retained throughout the Vesting Period (as defined below). For each Investment Share, the Participants can be allotted, free of charge, a maximum of three (3) shares in Boliden conditional upon continued employment and uninterrupted holding of Investment Shares and fulfilment of certain performance conditions (as further described in section (d) below) (“**Performance Shares**”).
- c. The Performance Shares will be granted after the expiry of a vesting period, which runs from and including 1 June 2025 up to and including 31 May 2028 (the “**Vesting Period**”).
- d. The allotment of Performance Shares shall be dependent on the extent to which the performance conditions for the Programme have been fulfilled. The performance conditions shall consist of a financial target specific to the Programme related to the total shareholder return (“**TSR**”) for Boliden’s share in relation to the weighted average TSR of a peer group of other companies (the “**TSR Condition**”) and a sustainability target related to the reduction of Boliden’s carbon dioxide emissions in absolute terms (the “**Sustainability Condition**”), as further described below. The TSR Condition will be weighted with 80 per cent and the Sustainability Condition with 20 per cent when determining the allotment of Performance Shares. The performance conditions are independently evaluated, meaning that if one of the performance conditions is fulfilled and the other is not, the performance condition that has

¹ Shares that the Participants have acquired within the framework of Boliden’s remuneration programme for short-term cash variable remuneration and that have been held for less than three years cannot be allocated as Investment Shares in the Programme. Neither may shares allocated under previous incentive plans be allocated as Investment Shares in the Programme.

been fulfilled will still entitle to allotment of Performance Shares. After the end of the Vesting Period, the Board of Directors will publish the extent to which the TSR Condition and the Sustainability Condition have been fulfilled.

The TSR Condition shall be related to the TSR of Boliden's share during a period of 20 trading days after Boliden's publication of the year-end report for the financial year 2024 compared to 20 trading days after Boliden's publication of the year-end report for the financial year 2027 (the "**Measurement Period**") in relation to the TSR of a peer group² of other companies.³

A condition for allotment of Performance Shares under the TSR Condition is that the TSR for Boliden's share exceeds the weighted TSR outcome for the peer group during the Measurement Period (the "**TSR Minimum Level**"). If the TSR Minimum Level is not achieved, no allotment of Performance Shares related to the TSR Condition will be made. For maximum allotment (100 per cent), the TSR for Boliden's share must exceed the weighted TSR outcome for the peer group by at least 12.5 percentage points during the Measurement Period (the "**TSR Maximum Level**"). If the TSR for Boliden's share amounts to between the TSR Minimum Level and the TSR Maximum Level during the Measurement Period, a linear allocation is made.

For the allotment of Performance Shares under the Sustainability Condition, Boliden's carbon dioxide emissions in absolute terms (Scope 1 and Scope 2 according to the Green-house Gas Protocol) during the financial year 2027 shall have been reduced by 15–18 per cent⁴ compared to Boliden's carbon dioxide emissions in absolute terms during the financial year 2021.⁵ For a reduction below 15 per cent no allotment of Performance Shares related to the Sustainability Condition will be made. For maximum allotment (100 per cent), the reduction must equal or exceed 18 per cent. Fulfilment between the threshold level and the maximum level means that Performance Shares are allotted on a linear basis.

- e. Participants in Group 1–2 may acquire or allocate Investment Shares at a value corresponding to a maximum of 15 per cent of the Participant's annual gross fixed base salary for 2024, adjusted for the increase in the income base amount in Sweden for 2025 compared to 2024. Participants in Group 3–4 may acquire or allocate Investment Shares corresponding to a maximum of 10 per cent of the Participant's annual gross fixed base salary for 2024, adjusted for the increase in the income base amount in Sweden for 2025 compared to 2024. Boliden may, if the Participant's fixed salary for 2025 is established due to promotion, use the fixed

² Upon implementation of the Programme, the peer group consists of the following companies: Antofagasta, Aurubis, Lundin Mining, First Quantum, Fresnillo, KGHM, Korea Zinc and TECK. The peer group may be adjusted as decided by the Board of Directors if the Board of Directors finds it appropriate.

³ The calculation of the TSR is made as follows. Volume-weighted average share prices during a period of 20 trading days after Boliden's publication of the year-end report for the financial year 2024 are compared with volume-weighted average share prices during a period of 20 trading days after Boliden's publication of the year-end report for the financial year 2027, including dividends and other returns. When calculating TSR start value for Boliden and peer companies, market capitalisation is converted to one common currency (USD) based on average exchange rates during a period of 20 trading days after Boliden's publication of the year-end report for the financial year 2024. When calculating TSR end value for Boliden and peer companies, market capitalisation is converted to one common currency (USD) based on average exchange rates during a period of 20 trading days after Boliden's publication of the year-end report for the financial year 2027.

⁴ On 9 December 2024, Boliden announced that it had entered into a definitive agreement with Lundin Mining to acquire the Neves-Corvo mine in Portugal and the Zinkgruvan mine in Sweden. Emissions from the acquired mines are not included in the measurement of the Sustainability Condition due to uncertainties in calculation methodology and since it is uncertain that the acquisition will have closed at the time of the Annual General Meeting 2025.

⁵ Boliden aims to have 42 per cent lower absolute carbon dioxide emissions (Scope 1 and Scope 2 according to the Green-house Gas Protocol) in 2030 compared to the base year 2021.

base salary for 2025 as foundation for calculation of the maximal number of Investment Shares. The number of Investment Shares that Participants may acquire or allocate is determined on the basis of the volume-weighted average share price of the Boliden share during a period of 20 trading days after Boliden's publication of the year-end report for the financial year 2024.

- f. Performance Shares may normally only be allotted after the end of the Vesting Period. The total value of Performance Shares allotted to Participants may not exceed 150 per cent of the Participant's annual individual gross fixed base salary for 2028 (the "**Cap**"). The value of the Performance Shares for calculation of the Cap is determined based on the volume weighted average share price of the Boliden share during a period of 20 trading days prior to the end of the Vesting Period.
- g. For a Participant to be allotted Performance Shares, the Participant shall normally have been a permanent employee within the Boliden Group during the entire Vesting Period and have retained the Investment Shares until the end of the Vesting Period. Investment Shares disposed of before the end of the Vesting Period shall not be included in the calculation for determining the allotment of Performance Shares.
- h. If there are significant changes in the Boliden Group or in the market, which, in the opinion of the Board of Directors, would mean that the conditions for allotment of Performance Shares under the Programme are no longer reasonable, the Board of Directors shall be entitled to make adjustments to the Programme, including, inter alia, a right to resolve on a reduced allotment of Performance Shares, or that no allotment of Performance Shares shall take place at all.
- i. The Board of Directors shall be entitled to decide on the detailed terms and conditions of the Programme. In this respect, the Board of Directors shall be entitled to make necessary adjustments to these terms and conditions in order to fulfil specific rules or market conditions outside Sweden.
- j. Participation in the Programme is contingent upon such participation being legal in the relevant jurisdictions. Where, in the Board's opinion, Participants outside Sweden cannot be allotted Performance Shares at a reasonable cost or with reasonable administrative efforts, it shall be entitled to decide on a cash settlement for such Participants.
- k. The Programme shall comprise a maximum of 130,000 Performance Shares in Boliden.
- r. The number of Performance Shares may be subject to recalculation to take into account any intervening bonus issues, splits, rights issues, dividend exceeding 15 per cent of the Group's equity for a given financial year and/or other similar corporate events.

Costs of the Programme, etc.

The costs for the Programme, which are recognised in the income statement, are calculated in accordance with the accounting standard IFRS 2 and are accrued over the Vesting Period. The calculation has been carried out based on the quoted closing price for shares in Boliden as of 30 December 2024, i.e. SEK 310.5 per share, and with the following assumptions: (i) an annual dividend yield of zero per cent, (ii) an annual employee turnover of 7 per cent, (iii) fulfilment of the TSR Condition of 100 per cent and fulfilment of the Sustainability Condition, (iv) 50 Participants invest the maximum amount in the Programme, (v) all remaining Participants are entitled to allotment of the maximum number of Performance Shares in the Programme, (vi) a tax rate for social security contributions of 30 per cent, and (vii) a total maximum of 130,000 Performance Shares available for allotment.

Based on the above assumptions, the total costs for the Programme under IFRS 2 are estimated to amount to approximately SEK 23.5 million, excluding social security contributions. Assuming an annual share price increase of 15 per cent during the term of the Programme, the costs for social security contributions are estimated to amount to approximately SEK 15.5 million. Assuming instead an annual share price increase of 30 per cent during the duration of the Programme, the costs for social security contributions are estimated to amount to approximately SEK 22.4 million.

Based on the above assumptions (and an annual share price increase of 15 per cent for calculation of the social security contributions), the yearly costs are estimated to amount to approximately SEK 13 million, including social security contributions. This corresponds to approximately 0.3 per cent of the Boliden Group's total personnel costs for the financial year 2024.

Dilution

The allotment of repurchased shares to fulfil the obligations under the Programme would result in the following dilution effects (under the assumptions stated below). At the maximum allotment of Performance Shares, the number of shares to be allotted free of charge in the Programme amounts to 130,000 shares in Boliden, which corresponds to approximately 0.05 per cent of the shares and votes (calculated based on the number of outstanding shares in Boliden as of 30 December 2024). The effects on key ratios and earnings per share are thus marginal.

Hedging arrangements

In order to be able to implement the Programme in a cost-efficient and flexible manner, the Board of Directors has considered different methods for delivery of Performance Shares. The Board of Directors has thereby found the most cost-efficient alternative to be, and therefore proposes that the Annual General Meeting as a main alternative resolves on, repurchase and transfer of treasury shares. The Company currently holds 140,000 treasury shares. The detailed terms and conditions for the Board of Directors' main alternative are set out in section 21.b.i below.

Should the required majority for item 21.b.i below not be reached, the Board of Directors proposes that Boliden shall be able to enter into equity swap agreements with third parties in accordance with item 21.b.ii below.

Preparation of the proposal

The proposed Programme has, according to guidelines issued by Boliden's Board of Directors, been prepared by Boliden's Remuneration Committee, with the assistance of external advisors. The Remuneration Committee has presented the work to the Board of Directors, after which the Board of Directors has decided to propose that the Programme is adopted at the Annual General Meeting 2025.

b) Hedging arrangements in respect of the Programme

i. Decisions on acquisitions and transfers of treasury shares

The Board of Directors proposes that the Annual General Meeting (a) authorise the Board of Directors to resolve on acquisitions of treasury shares on Nasdaq Stockholm and (b) resolve that treasury shares may be transferred to the Participants in the Programme.

a) The acquisition of treasury shares is subject to the following terms:

- i. Purchases of treasury shares may only be made on Nasdaq Stockholm.
- ii. A maximum of 130,000 shares may be acquired to ensure delivery of shares to Participants.
- iii. Acquisitions of shares in Boliden on Nasdaq Stockholm may only be made at a price within the price interval applicable from time to time on Nasdaq Stockholm, i.e. the interval between the highest buying price and the lowest selling price on Nasdaq Stockholm from time to time.

- iv. The authorisation may be exercised on one or more occasions until the Annual General Meeting in 2026.
- b) The transfer of Boliden's treasury shares to the Participants may take place under the following terms:
- i. A maximum of 130,000 shares in Boliden may be transferred free of charge to the Participants.
 - ii. The right to acquire shares in Boliden free of charge shall, with deviation from the shareholders' preferential rights, be granted to the Participants, with a right for each Participant to acquire a maximum number of shares in accordance with the terms of the Programme. Furthermore, with deviation from the shareholders' preferential rights, subsidiaries of Boliden shall be entitled to acquire shares in Boliden free of charge, whereby such company shall be obliged to, according to the terms of the Programme, immediately transfer the shares to the Participants.
 - iii. Transfers of shares in Boliden shall be made free of charge at the time and on the other terms and conditions that the Participants are entitled to be allocated shares.
 - iv. The number of shares in Boliden that may be transferred under the Programme shall be subject to recalculation to take into account any intervening bonus issues, splits, rights issues, dividend exceeding 15 per cent of the Group's equity for a given financial year and/or other similar corporate events.

The transfer of own shares is part of the proposed Programme and the Board of Directors considers it to be beneficial to Boliden and the shareholders that Participants in the Programme are offered the opportunity to become shareholders under the terms of the Programme.

ii. Equity swap agreement with a third party

The Board of Directors proposes that the Annual General Meeting, in the event that the required majority for item 21.b.i above cannot be reached, resolve to hedge the financial exposure that the Programme is expected to entail by enabling Boliden to enter into an equity swap agreement with a third party on terms in accordance with market practice, whereby the third party undertakes, in its own name and in exchange for a fee, to acquire and transfer shares in Boliden to the Participants in accordance with the terms of the Programme.

Majority requirements, etc.

The Annual General Meeting's resolution to implement the Programme in accordance with item 21.a. above is conditional upon the Annual General Meeting resolving either in accordance with the proposal under item 21.b.i or the proposal under item 21.b.ii.

The Annual General Meeting's resolution under item 21.a above requires a simple majority of the votes cast. A valid resolution under item 21.b.i above requires that shareholders representing not less than nine-tenths of the votes cast as well as of the shares represented at the Annual General Meeting approve the resolution. A valid resolution under item 21.b.ii above requires a simple majority of the votes cast.

Previous incentive programmes

Boliden has two long-term share saving programme (LTIP 2023/2026 and LTIP 2024/2027) adopted at the Annual General Meeting 2023 and 2024, respectively, which are mainly based on the same conditions as the above proposed LTIP 2025/2028. The outstanding long-term share saving programmes are described in more detail in note 5 in Boliden's annual report for the financial year 2024.

Stockholm, March 2025

Boliden AB (publ)

The Board of Directors