

## **The Board of Directors' motivated statement pursuant to Chapter 18, Section 4 and Chapter 20, Section 8 of the Swedish Companies Act**

*In accordance with Chapter 18, Section 4 and Chapter 20, Section 8 of the Swedish Companies Act, the Board of Directors of Boliden AB hereby issues the following motivated statement in relation to the proposed dividend respectively the proposed reduction of the company's share capital for repayment to the shareholders.*

According to the dividend policy of Boliden, approximately one third of the profit after tax is to be distributed to the shareholders. The Board of Directors proposes that the Annual General Meeting approves payment of dividends of SEK 10.50 (8.25) per share, in total SEK 2,872 (2,256) m, corresponding to 33 percent of the profit after tax for 2021. Furthermore, the Board proposes a reduction of the Company's share capital with SEK 289.5 m by way of redemption of 273,511,169 shares, for repayment to the shareholders. The proposed repayment amounts to SEK 15.50 per share (of which approximately SEK 1.06 consists of a reduction of share capital and approximately SEK 14.44 of non-restricted equity), which corresponds to a total distribution of approximately SEK 7,111 m. Together with the Board's proposed cash dividend, the payments correspond to approximately 81.7 percent of the profit after tax for 2021. The Parent Company's non-restricted equity amounts to SEK 10,206 m and the Group's total equity amounts to SEK 50,866 m. After the proposed dividend to the shareholders and the redemption procedure, the parent Company's total non-restricted equity will amount to SEK 3,095 m and the Group's total equity to SEK 43,755 m (SEK 2,806 m and SEK 43,755 m respectively after the proposed bonus issue).

The Board has taken into account the cyclical nature of the industry and the risks associated with the operations in making these proposals. The annual accounts have been prepared in accordance with generally accepted accounting principles in Sweden and the consolidated accounts have been prepared in accordance with EU-approved International Financial Reporting Standards, IFRS. The annual accounts and the consolidated accounts respectively give a true and fair view of the Parent Company's and the Group's position and results of operations. The Director's Report for the Group and the Parent Company give a true and fair view of the development of the Group's and the Parent Company's operations, position and results and describes the material risks and uncertainties faced by the Parent Company and the companies that make up the Group.

The Board has assessed that the Company's restricted equity and the Group's total equity after the proposed dividend distribution and repayment will be sufficient in relation to the Company's and the Group's operations. The proposed dividend and repayment to the shareholders do not jeopardise the ability to handle deterioration in market terms, nor the ability to finance additional growth. Nor do the dividend and repayment jeopardise the Company's or the Group's ability to carry out the investments considered necessary to reach the Group's targets. The proposal also takes into account the Group's solvency and the short- and medium-term liquidity available.

In light of the above, it is the Board of Directors' view that the dividend as well as the reduction of share capital and repayment, as well as these actions combined, are justified in view of the equity requirements arising from the type, scope and risks of the operations as well as in respect

of the Company's and the Group's financial position. The Board of Directors therefore considers the dividend, the reduction and the repayment justified in view of the Company's and the Group's consolidation requirements, liquidity and position in general.

Stockholm in March 2022

**Boliden AB (publ)**

The Board of Directors