

The Board of Directors' proposal regarding guidelines for compensation etc. to Group Management

The Group Management consists of the President and four senior executives. The Board of Directors presents the following proposal regarding guidelines for compensation etc. The guidelines are the same as for the previous year.

The compensation to the Group Management shall comprise fixed salary, variable salary (if any), other benefits and pension. The total compensation shall be on market terms and shall be competitive. The fixed salary shall be related to the responsibilities and powers of the executive in question. The variable salary shall not exceed 60 % of the fixed salary and shall be based on results achieved compared to established goals.

A period of notice of termination of 6 to 12 months is normally applied in the event of notice of termination of employment by the company and of 3 to 6 months in the event of termination by the individual. Severance compensation should, if applicable, not exceed 18 monthly salaries and should be payable only in the event termination is initiated by the company. In no event can an individual receive total compensation (notice period and severance payment) exceeding 24 monthly salaries. Pension benefits shall be benefit- or contribution based, or a combination thereof, and shall entitle the senior executive to pension not earlier than at the age of 60. The variable salary shall not be included in the basis for calculation of pension.

The Remuneration Committee submits proposals to the Board of Directors regarding compensation etc. to the President. Furthermore, the Remuneration Committee prepares the principles for compensation to the Group Management and approves, on proposal from the President, compensation etc. to the Group Management.

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The Board of Directors