

CORPORATE GOVERNANCE

Governance of the Group

Boliden is a Swedish limited company listed on Nasdaq Stockholm. The Boliden Group has approximately 6,000 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 Rule Book for Issuers, the Swedish Code of Corporate Governance, and other applicable legislation and regulations.

In addition to the regulations, the Group applies its organizational and operational philosophy (Boliden Production System) and the internal control tool (BICS). There are also policies in a number of areas; one such is Boliden's Code of Conduct, with which all employees must be familiar and follow. Also, the Group's units work in compliance with

management systems for occupational health & safety, the environment, energy and quality.

Typical issues from 2021

Several decisive steps were taken in 2021 on the way to Boliden's vision of becoming the most climate-friendly and respected metal supplier in the world. The single most important decision and one of the biggest investments in Boliden's history was the Green Zinc Odda project. The investment was for a total of EUR 700 m and will be completed at the end of 2024. The expansion means the production of zinc at Odda with its world-leading climate performance will almost double to 350 ktonnes per year, and that Boliden will set a new standard for zinc smelting in terms of sustainability performance and cost-effectiveness.

This will take place through expanded production capacity, the extraction of the by-products lead, gold and silver; energy efficiency improvements, the supply of fossil-free electricity and eco-friendly waste disposal in rock caverns. Because of the investment's size, complexity and significance, the project attracted a great deal of attention during the year and the Board looked more closely at issues concerning the balance between mines and smelters in the Group, investment priorities, energy supply, market impact, the future prospects for zinc, environmental aspects and other strategic questions relevant to the project. The project will be followed up through ongoing reports to the Board in the same way as all other important investments.

Another important investment is the new leaching plant and underground repository in Rönnskär, which was

COMMENT FROM THE CHAIRMAN OF THE BOARD

Efficient corporate governance is a prerequisite for generating added value for our shareholders and maintaining confidence among our stakeholders in a broader sense.

A group, comprised mainly of Swedish institutional investors, has been a long-term Boliden owner since we were re-listed in Sweden nearly 20 years ago. Since then, a number of major foreign institutional owners have been added to the list. However, there is no clear principal owner, and this places special demands on the Board as the owners' ambitions must be "inferred".

We work in an industry that is characterized by high volatility, that is, rapid and vigorous fluctuations in profits. This also places great demands on the company's management and Board and their ability to provide high quality, transparent information and to handle rapid changes without suffering from hubris during upturns or despondency during downturns.

At the same time, the Board and management must be able to manage major, long-term investment projects. Naturally, while such projects are crucial for value creation within the company, they also entail many risks, and these are discussed by the Board over a relatively long period before any decision is taken. Thus the Board devoted much time during the first half of 2021 to the major expansion project in the zinc smelter at Odda on Norway's west coast, before we finally took a decision in July to invest around SEK 7 billion in this project.

One of the prerequisites for value-generating work by the Board is that the Board has a firm grip on operations and a good grasp of events in the outside world. We achieve this through of e.g. monthly reports and a well-structured body of material for the Board.

Naturally, limiting the effects of the Covid-19 pandemic on Boliden's operations was also a high priority item on the Board's agenda. We usually also visit two of Boliden's operating facilities every year to make a thorough study of the operations and to meet local management and employees. Because of the restrictions due to the pandemic, the visits in 2021 were limited to one in Aitik. For the same reason, four of the year's board meetings were virtual.

To make sure we devote sufficient time to the more long-term, strategic issues, we agree each year on a number of themes for incorporation into our agenda. The Corporate Governance Report details the themes we addressed during the past year. Some of them are recurring themes, such as 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 as performed in 2021 shows that it continues to function well. The evaluation forms the basis for the work of the nomination committee, and is an important tool for the Board's efforts to ensure continuous improvement in its work.

February 2022



Anders Ullberg, Chairman of the Board



inaugurated during the year. The installations enable the extraction of additional metals from residual material and allow the remaining waste to be disposed of safely. Rönnskär thus becomes the only copper smelter in the world with a long-term, sustainable on-site storage solution. Investments in the two facilities have amounted to SEK 1.4 billion. The investments were resolved by the Board a number of years ago, but it can take several years from a decision until a permit is issued and project completion.

Permit application processes in recent years have become more complex, long-drawn-out and difficult to predict with appeals at several levels and issues concerning important permits are the object of ongoing information to the Board. Other major investments resolved by the Board include the continued expansion of Garpenberg where expansions of transport infrastructure capacity were begun aimed at reaching a new production volume of 3.3 Mtonnes zinc with world-leading sustainability performance by 2023.

The Board also took a favorable position on another major investment of SEK 1,250 m for the expansion of the Kristineberg mine towards the Rävlieden mineralization – an important step toward future proofing the entire Boliden Area. Substantial technological development aimed at improving productivity and environmental performance is taking place in the mining operations. The investments approved by the Board include new trucks and the automation and conversion of existing trucks in Aitik and Kevitsa to electric drive. These investments will mean that e.g. carbon dioxide emissions in Kevitsa will be reduced by 9% over the mine's lifespan.

The Group actively follows developments in the field of sustainability, and ensures the best conditions for the mining and smelting industry by disseminating knowledge about the need for base metals. For example, we have been successful in promoting an awareness that copper and nickel are necessary for the green transition and that we must be allowed to pursue mining in Natura 2000 areas. Advocacy programs are pursued mainly through the European stakeholder organizations Eurometaux and Euromines, and with the help of Svemin. The Board is kept informed on an ongoing basis about relevant national and international initiatives that may affect us in the field of sustainability.

ANNUAL GENERAL MEETING 2021

The Annual General Meeting (AGM) was held on April 27 and was conducted by means of advance voting (postal voting) due to the Covid-19 pandemic. A total of 1,060 shareholders mailed postal votes and just over 108 million shares were represented at the meeting comprising around 40% of the total number of shares. Shareholders were given the opportunity via a link on the website to watch recorded addresses by the Chairman, President and CEO, the auditor and the audit committee chairman.

Among other things, the AGM resolved to reelect Helene Biström, Michael G:son Löw, Perttu Louhiluoto, Elisabeth Nilsson, Pia Rudengren, and Anders Ullberg as members of the Board and also to elect Karl-Henrik Sundström and Per Lindberg as members. Anders Ullberg was re-elected as Chairman of the Board. The AGM also resolved to pay a dividend of SEK 8.25 per share to a total of SEK 2,256 m (1,915) in accordance with the proposal of the Board, and to disburse SEK 6 per share to a total of SEK 1,641 m by means of an automatic share redemption procedure.

It was also resolved, in accordance with the nomination committee's proposal, that a Board fee in the amount of SEK 1,830,000 be paid to the Chairman of the Board, SEK 610,000 to the other members of the Board who are not employed in the company, and that a fee to the Vice Chairman be paid in the amount of SEK 915,000. A fee in the amount of SEK 250,000 will be paid to the Chairman of the audit committee and SEK 150,000 to each of the audit committee's other two members. The fees for the remuneration committee remained unchanged at SEK 50,000 to each of the committee's two members.

In accordance with the nomination committee's proposal, Deloitte AB was elected as auditor up until the end of the next AGM, and it was resolved that the auditors' fees be payable against approved invoice.

It was also resolved to appoint Jan Andersson (Swedbank Robur fonder), Lars-Erik Forsgårdh, Ola Peter Gjessing (Norges Bank Investment Management), Lilian Fossum Biner (Handelsbanken fonder) and Anders Ullberg (Chairman of the Board of Directors) as members of the Nomination Committee.

The AGM also resolved to approve the remuneration report (new for 2021) presented by the Board, and to change the Articles of Association to also allow postal voting to continue as necessary, and to hold the AGM in Landskrona municipality where Boliden's Bergsöe smelter is located.

The AGM also resolved to approve the proposed principles for remuneration to Group management whereby the remuneration must comprise a fixed salary, any variable remuneration, other benefits and pensions. The variable cash compensation may not exceed 60% of the fixed salary and must be linked to predefined, measurable criteria. Some of the criteria may consist of quantitative or qualitative goals that are specific to the individual. The criteria must be designed in such a way as to promote the company's strategy and long-term interests. In order to strengthen the link between remuneration and value creation for the company, an element of the variable cash compensation is linked to the individual investing in additional shares in the company. The variable cash remuneration is not pensionable.

The resolutions passed by the 2021 AGM are noted in the minutes of the meeting published on Boliden's website, where the minutes of previous AGMs are also published.

Welcome to the 2022 Annual General Meeting!
The 2022 AGM will take place on April 28.

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Boliden was granted membership in the International Council on Mining and Metals (ICMM) during the year. ICMM is an international organization dedicated to a safe, fair and sustainable mining and metal industry. ICMM brings together 28 mining and metals companies and 37 national, regional and raw materials associations. Membership of ICMM is an important step toward our vision of becoming the most climate friendly and respected metal supplier in the world. Through our membership, we commit to follow ICMM's principles in areas such as dam safety. As a result of this, the mine safety organization has been strengthened with new resources. Also, a new function known as the Accountable Executive department has been set up to serve as a focal point for the Group's dam safety issues and submit regular reports about them to the Board.

Safety has always been one of our most important guiding principles. Developments concerning accidents and sick leave are therefore presented in monthly reports and at every Board meeting and in focused investigations. Information on important environmental and other incidents is provided on an ongoing basis and followed up in the boardroom.

Shareholders and the AGM

The biggest shareholders are Swedish and foreign funds and institutions. At

year-end, the number of shareholders was 102 597 (89 711). The biggest individual owners were T Rowe Price, BlackRock, Swedbank Robur funds, Handelsbanken funds and Vanguard. The share of foreign ownership was 60% (60). Further information about ownership structure is available on pages 54 and 55 in the annual report and on the Group's website.

Boliden's shareholders exercise their right of decision by submitting proposals to, and participating in and voting on the resolutions submitted to the Annual General Meeting (AGM) and any extraordinary general meetings. Shareholders may request that a matter be discussed at the AGM by submitting a written request to the Board at the appointed time. Shareholders are also welcome to submit inquiries on company issues to the Board and the President and CEO, the auditor and the remuneration committee and audit committee chairmen.

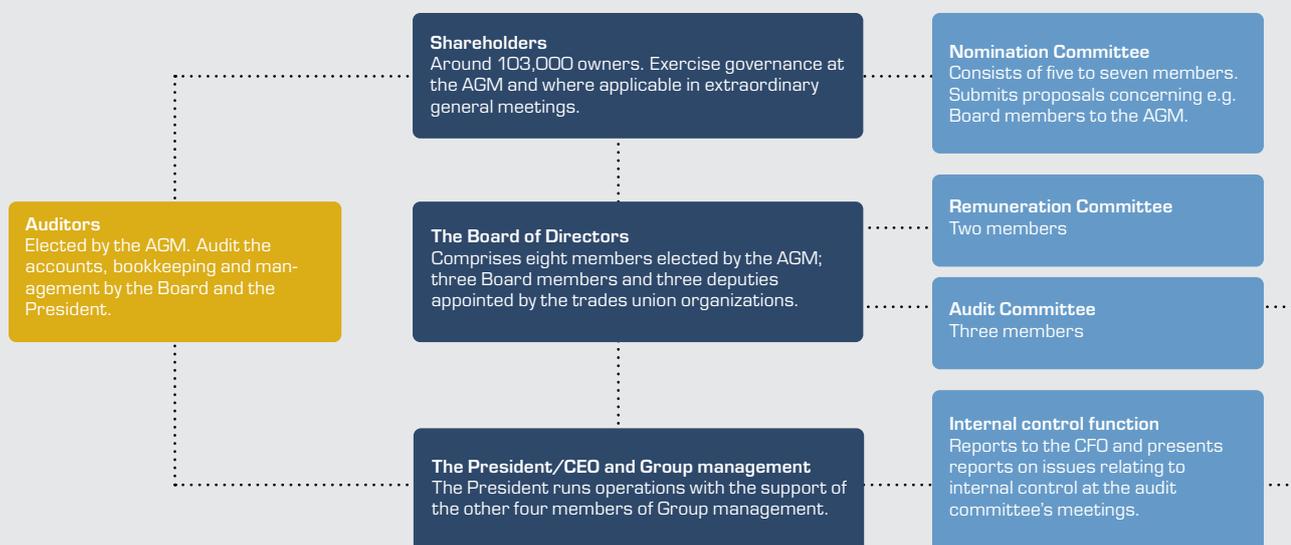
The AGM is the highest decision-making body. The duties of the AGM include the election of members of the Board, the Chairman of the Board, and the nomination committee; adoption of the income statement and balance sheet, resolutions on the appropriation of earnings and release from liability for members of the Board and the company's President and CEO; the approval of fees to members of the Board and auditors

and the principal terms and conditions of employment for the President and CEO and other senior executives. Where applicable, the AGM also passes resolutions on changes to the articles of association and the election of auditors. AGMs are usually held at one of the installations in Sweden to provide shareholders with an insight into the business. In conjunction with the meetings, the shareholders have the opportunity to enjoy guided tours in mines, concentrators or smelters to gain a deeper understanding of the various operations and an opportunity to meet Boliden's employees. Because it was not possible to hold the AGM in a real-world meeting in 2021 due to prevailing Covid-19 restrictions, voting was conducted by mail.

Nomination Committee

The nomination committee represents the shareholders. The nomination committee is tasked with preparing and submitting proposals to the AGM concerning the number and election of members of the Board, the Chairman of the Board, fees payable to the Board and its committees, the election of auditors and fees payable to them and where necessary, the process and the criteria that govern the appointment of members to the nomination committee. The focus of the nomination committee's work is to ensure that the Board consists of members who jointly possess the

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knowledge and experience that meet the standards shareholders demand of the company's highest governing body.

Accordingly, the Chairman of the Board presents the nomination committee with his evaluation 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. Also, the President and CEO presents the company's operations and future focus, and an opportunity is given for the nomination committee to meet some of the Board's members. Supported by the audit committee, the nomination committee also drafts proposals for the election of auditors. Shareholders may submit proposals to the nomination committee in accordance with the instructions available on the company's website. The AGM passes resolutions on the principles governing the appointment and duties of the nomination committee.

The work of the nomination committee in 2021

The 2021 AGM elected Jan Andersson (Swedbank Robur fonder), Lilian Fossum Biner (Handelsbanken Fonder), Lars-Erik Forsgårdh, Ola Peter Gjessing (Norges Bank Investment Management) and Anders Ullberg (Chairman of the Board) as members of the Nomination Committee. The Nomination Committee exercised its mandate to invite another member, Anders Oscarsson (AMF), the better to reflect the shareholder structure. The Nomination Committee appointed Jan Andersson as chairman. The current composition of the nomination committee is also shown on the Group's website.

In accordance with the provisions of the Code, the nomination committee endeavors to ensure diversity and an even gender distribution, and has chosen to apply section 4.1 of the Code as its diversity policy. This means the Board must, with regard to the company's operations, developmental phase, future orientation and overall conditions, have a composition that is fit for purpose and whose members possess multifaceted, broad competencies, experiences and backgrounds.

In 2021, 37% of the Board members elected by the AGM were women. The proportion was a little lower compared to previous years as the Board increased from 7 to 8 elected members. The ambition continues to have an even gender distribution in the Board as well as a good composition that is fit

for purpose. The Nomination Committee had not yet finished its work regarding the AGM 2022 when this Annual and Sustainability Report was published. The Nomination Committee's proposals will be made clear in its motivated statement, which will be published in the notice of attendance to the AGM and on the company's website.

The Board of Directors

The Board of Directors is appointed by the owners to bear ultimate responsibility for the company's organization and the management of the company's affairs in the best interests of both Boliden and the shareholders. This must 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. Under the provisions of the articles of association, the Board of directors must comprise a minimum of three and a maximum of ten members, without deputies, elected by the AGM. Employees have a statutory right to appoint three members and three deputies to the Board.

Since the AGM of 2021, the Board, which is elected for one year at a time, has comprised eight members elected by the AGM and three members appointed by the trades union organizations. Board meetings are attended both by the ordinary members and by the unions' three deputies. General Counsel, Group Legal Affairs is Board Secretary. The CEO and CFO usually attend Board meetings as representatives of company management. Other members of Group management and other executives also attend and present reports on specialist issues as required.

The Board members elected by the AGM are all independent in relation to major shareholders, the company and Group management. Thus the Board complies with the requirements of the Code with regard to independent members. The members of the Board are presented on pages 67–68 and on the company website. The Board sets the company's financial targets and strategy, appoints and evaluates the President and CEO; it ensures that efficient systems are in place for monitoring and controlling operations, that statutory and regulatory requirements are complied with, and that information is published in a correct and transparent manner. At the statutory board meeting held every year immediately after the AGM, the Board

adopts rules of procedure that govern its work and responsibilities in more detail, together with the special tasks assigned to the Chairman of the Board.

The Chairman supervises the Board's work and ensures an open, constructive dialog. The Chairman's duties also include monitoring and evaluating the expertise and work of individual Board members and their contribution to the Board. An important part of the Chairman's work is to act as an interlocutor in support of the President and CEO and makes sure that the Board's decisions, instructions and directives are obeyed and carried out. Prior to every Board meeting, the Chairman and the President and CEO review the issues for discussion at the meeting. Supporting documentation for Board discussions on such issues are sent to Board members one week before each Board meeting. The allocation of duties between the Board and the President and CEO is set out in the Instructions to the President and CEO adopted by the Board at the statutory board meeting.

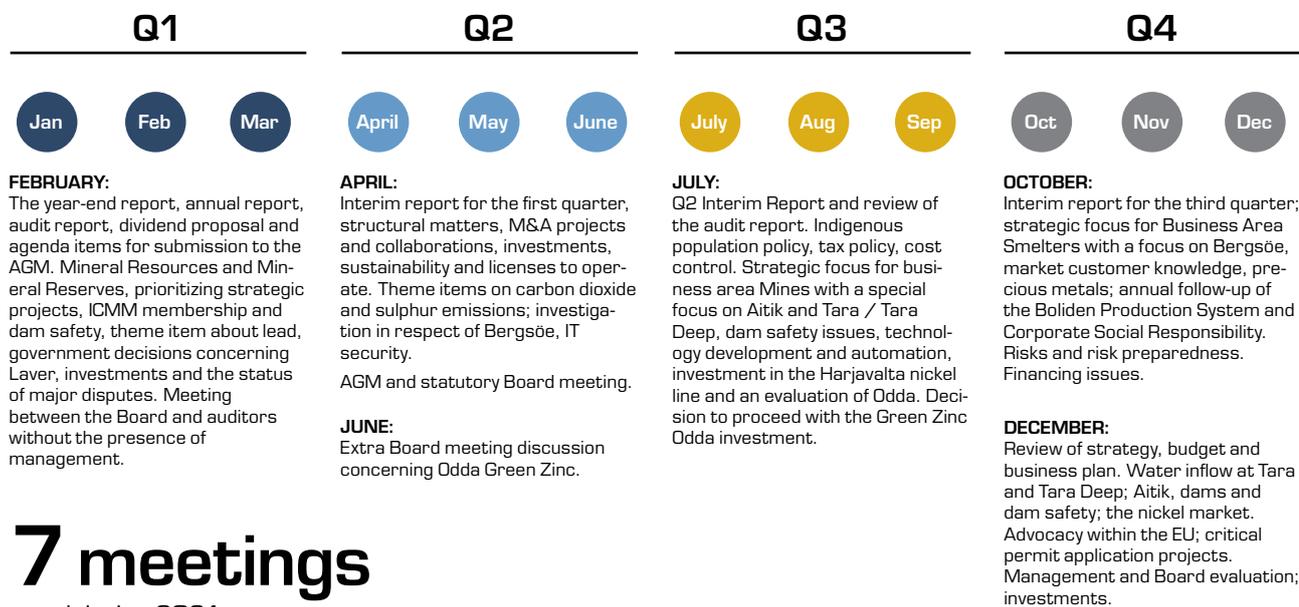
The work of the Board in 2021

The Board held seven meetings in 2021, including the statutory board meeting. The Board receives information at Board meetings and in monthly reports regarding commercial and financial performance, and the fulfillment of the company's sustainability targets. Every Board meeting begins with a review of operations. In addition to these issues and others related to the operation, the Board adopts, at the beginning of each year, a number of themes for special attention with the aim of providing a better understanding of the Group's capabilities and challenges in a broader perspective.

With regard to the nature of the operation, appropriate and efficient permit application processes and reasonable operational conditions (Licence to Operate) are important issues for the company and its Board, and they are addressed on a recurring basis. In line with this, health and safety work and the follow-up of accidents and the sick leave rate are standing discussion items at every Board meeting. 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 under the supervision of the Chairman or with the help of an independent consultant. The

THE WORK OF THE BOARD IN 2021

Recurring business: Sustainability and safety issues; review of operations, investments, costing and theme items. Listed below are the principal agenda items for the year's Board meetings:



7 meetings

total during 2021

2021 evaluation was a self-assessment in which the members answered a number of questions in writing on a range of different subjects.

Board committees

The overall responsibility of the Board cannot be delegated. However, the Board may set up internal committees to address issues in defined areas. Thus, as in previous years, the Board set up an audit committee and a remuneration committee.

Committee members are appointed at the statutory Board meeting held after the AGM. Their work is governed by the committees' rules of procedure and instructions.

Audit Committee

The audit committee prepares a number of issues for consideration by the Board and thereby supports the Board in the fulfillment of its responsibilities within the areas of internal control, auditing and assuring the quality of financial reporting. The company has an internal controller department whose work includes identifying risk areas and following up work in identified areas. The committee also monitors the procurement of services from the com-

pany's auditors in addition to the audit; and where necessary it submits proposals to the nomination committee regarding the election of auditors. The committee meets prior to each reporting date and also as necessary, and following the statutory meeting comprises Pia Rudengren (Chair), Michael G:son Löw and Anders Ullberg.

The committee members have specialist competence, experience of and interest in financial and accounting issues; see Board assignments and previous positions, pages 67 and 68. The committee's meetings are also attended by the Group's CFO and the Head of Internal Control. The Committee met five times in 2021. During the year, special attention was paid to internal controls, reclamation and IT security. The Audit Committee also receives annual reports on ethics and compliance issues. The audit committee works according to the Instructions for the Audit Committee adopted annually by the Board, and it reports the outcomes of its work to the Board on an ongoing basis.

Remuneration Committee

The remuneration committee submits proposals for resolution by the Board regarding salary and other terms of employment for

the President and CEO, and follows up on and evaluates programs for variable remuneration for the management. The committee also approves proposals regarding salaries and other terms of employment for Group management, as proposed by the President and CEO. Also, the remuneration committee draws up proposals regarding remuneration principles for the President and CEO and Group management for subsequent submission by the Board to the AGM for resolution. The application of the guidelines and relevant remuneration structures and levels in the company is also followed up by the committee, and the results of this evaluation are published on the company website. See Note 5 for an account of the remuneration paid to Group management.

The remuneration committee works according to the Instructions for the Remuneration Committee adopted annually by the Board, and it reports the results of its work to the Board. Following the statutory meeting in April, the remuneration committee comprises Anders Ullberg (Chair) and Karl Henrik Sundström. During the year, the committee held two meetings and were also in contact by telephone a number of times.

The President and CEO and Group management

The President and CEO has ultimate responsibility for Boliden's strategic orientation and for ensuring compliance with and implementation of the Board's decisions, and for ensuring that risk management, control, systems, organization and processes are all of a satisfactory standard. The President and CEO is supported in his work by the Group's management team which, in addition to the President and CEO, comprises the presidents of Boliden's two business areas, Mines and Smelters; the CFO, and the Director, Corporate Responsibility. Group management meets once a month to follow up operations and discuss groupwide issues, draw up proposals for strategic plans, business plans and budgets, which the President and CEO then presents to the Board for consideration.

The areas addressed by the Board have largely reflected the work of Group management during the year. Group management also holds two meetings every year on strategy planning. 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, special steering groups are formed, which regularly meet with project managers and other stakeholders. The President and CEO and CR also meet with the company's employee representative Board members and deputies before every Board meeting, to discuss the agenda and other issues of current interest. See page 69 for a presentation of the Group management team.

Business management

Management by the Board takes place through the President and CEO and Group management to the operating units. Responsibilities and powers are delegated in the organization within clear frameworks. These frameworks are defined by Boliden's policy documents, budget and strategic plan. The policy documents are available on the internal management system; the documents constitute the internal framework required for effective management. They include the Code of Conduct, the Financial Policy, the Tax Policy, the Insider Policy, the Whistleblower Policy, and documentation on sanctions control, delegation and decision-making,

anti-corruption and conflicts of interest, competition law issues, supplier evaluation and code of conduct, communications, privacy and personnel information processing (GDPR), and a large number of policy documents relating to the environment and health and safety issues.

Sustainability governance

Sustainability governance is an important part of Boliden's operations and is conducted on the basis of the issues that are most essential for the business. These issues are managed by the Board through the President and CEO and Group management to the operational units. One member of Group management is dedicated to corporate responsibility (CR) issues. The day-to-day responsibility for sustainability issues is decentralized to the respective units. Group CR functions are responsible for creating structure and focus for the work, the exchange of experience, gathering business intelligence and following up the work of the units.

Sustainability issues are followed up and discussed at all management group meetings, Board meetings and local management meetings. The most important sustainability issues are integrated into the company's strategy, as described on page 30. Every sustainability issue has a long-term focus that must help to guide and structure the work at every level in the company. Factors that form the basis for prioritization include the impact of operations on people and the environment; expectations from internal and external stakeholders, risks and opportunities, external factors, and applicable regulations. Boliden has committed to the UN's Global Compact, the UN's global goals for sustainable development and the principles of the International Council on Metals and Mining (ICMM).

The company also supports the Task Force on Climate-related Financial Disclosures (TCFD) and has a management system that complies with the ISO standards for the environment, quality, energy and occupational health and safety. Sustainability issues are also monitored through participation in European and national industry organizations. The priorities of challenges and opportunities change over time. Therefore regular reviews take place, usually once per year and in which representatives from the business units and functions are involved.

Priority sustainability issues are integrated into strategy work, and each business area is responsible for setting local goals based on the Group's guidelines on sustainability issues. Sustainability work is value based, which means measures are not only determined on the basis of legislation and regulatory requirements, but also on needs and identified measures that can improve the situation for people and the environment where our operations take place. This means that investments with e.g. major environmental and safety benefits in relation to the amount invested are carried out independently of any external requirements or charges.

In 2021, work continued on implementing the new vision and new values in the organization. Also, a number of new leadership and employee principles were identified. They will be used to guide the Group's managers and employees and stimulate development toward a value-based Group.

In addition to areas linked to the well-being of people and the environment, business ethics are always matters for discussion. There is an ethics and compliance function with the overall responsibility of ensuring compliance with regulations concerning anti-corruption, competition, trade sanctions, money laundering, information security, human rights, whistleblowing, business partner due diligence and the company's Code of Conduct. The function reports to the Director, CR.

The sustainability report has been included in the annual report since 2017. The Group also draws up a Sustainability Index with further sustainability information that reports according to following standards: Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), UN Global Compact, TCFD and ICMM. The report is the subject of an external review by the auditors. The review is also aimed at underlining the importance of sustainability work and further boosting the confidence of the market and other stakeholders regarding this work.

Auditors

The external auditor conducts independent audits of accounts to ensure that in all material respects they provide an accurate, fair and comprehensive picture of the company's position and economic performance. The auditor also reviews

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the Board's and the President and CEO's administration and reports his findings to the Board without the presence of management. The auditor is in contact with Group management in conjunction with the auditors or emerging issues. The auditor regularly attends Audit Committee meetings and also met with the Board once during the year without the management team's presence.

The auditor also reports to the shareholders at the AGM. The auditing firm of Deloitte AB was elected at the 2021 AGM to serve as the company's auditors until the conclusion of the 2022 AGM. Authorized public accountant Jan Berntsson is auditor-in-charge. He is a partner and CEO of Deloitte Sweden and has auditing assignments for Electrolux, among others. Remuneration to the auditors is payable against approved invoices. See note 6 for information concerning remuneration.

Board of Directors' report on internal control

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 has overall responsibility for ensuring that an effective internal control system exists within the Group. The President and CEO is responsible for ensuring that a process and organization are in place to safeguard internal control and it the quality of the internal and external financial reporting.

Internal control function

The Group has an internal control function responsible for implementing processes and frameworks that safeguard 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 is characterized by relatively few but large operating units that have long operated according to well-established processes and control activities. To ensure a uniform approach and working methods, there are binding policy documents and indicative guidelines for delegated responsibility within the organization. The starting point is Boliden Production System, which includes the Code of Conduct, decision-making and authorization instructions, and a financial manual covering financial policy, accounting and reporting instructions. In addition, there are local management systems with more detailed instructions and descriptions of important processes. The Group has a uniform, standardized internal control framework known as the Boliden Internal Control System (BICS), which includes both financial processes and general IT processes.

Risk analysis

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

Control activities

Various types of control activities are carried out in all parts 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 in the accounting and reporting process continued in BICS in 2021. For every risk identified, the controls used to manage the risk are documented.

Information and communication

Information on policies, guidelines and manuals is available on the intranet and the management system. Backup Information on updates and changes to reporting and accounting principles is issued via email and at the regular finance and controller meetings. External communication is conducted in accordance with the Group communications policy. All information must be communicated openly, judiciously and clearly.

Follow-up

Follow-ups, improvements and the development of systems, processes and controls take place on an ongoing basis. Annual tests are conducted on documented controls within the framework of BICS, both by internal personnel and external auditors. Areas where room for improvement is identified in conjunction with the audits are documented, analyzed and actioned.

Control activities

Compliance with Boliden's accounting manual
Control of consolidated earnings
Analysis and follow-up
Budget and forecasts
Correct financial reporting controls

Tax control

Responsible

Group accounting/Controller department
Group accounting/Controller department
Business Areas/Controller department
Business Areas/Controller department
Operational units/Business areas
Operational units/Business areas

Follow-up

Group management
Group management
Group management
Group management
Consolidated accounts, Internal control, Controller department
Head of Group tax