



## **Boliden AB (publ)**

Base Prospectus for Swedish medium term note programme

**guaranteed by Boliden Mineral AB (publ)**

### **Arranger**

Swedbank AB (publ)

### **Dealers**

Swedbank AB (publ)

DNB Bank ASA, filial Sverige

Skandinaviska Enskilda Banken AB (publ)

Danske Bank A/S, Danmark, Sverige Filial

Nordea Bank Abp

Aktiebolaget Svensk Exportkredit (publ)

## Important information

Words and expressions defined in the general terms and conditions for medium term notes (the “**Terms and Conditions**”) beginning on page 13, and, as the case may be, in the final terms, the form of which beginning on page 35 (the “**Final Terms**”) have the same meanings when used in this Base Prospectus, unless expressly stated or the context requires otherwise.

In this Base Prospectus, the “**Issuer**” or “**Boliden**” means Boliden AB (publ) or, depending on the context, the group in which Boliden AB (publ) presently is a parent company. The “**Guarantor**” or “**Boliden Mineral**” means Boliden Mineral AB (publ). The “**Group**” means the Issuer with all its Subsidiaries (including Boliden Mineral) from time to time (each a “**Group Company**”). The “**Arranger**” means Swedbank AB (publ). The “**CSD**” or “**Euroclear**” means Euroclear Sweden AB. “**SEK**” refers to Swedish kronor and “**EUR**” means the single currency of the participating member states in accordance with the legislation of the European Community relating to Economic and Monetary Union.

### Notice to investors

This Base Prospectus has been prepared by the Issuer and contains information about its programme for senior unsecured notes (the “**Programme**”). The Programme has been established by Boliden to constitute a framework under which the Issuer from time to time may issue senior unsecured notes (“**Notes**”) in SEK or EUR in a minimum Nominal Amount corresponding to an amount of EUR 100,000, and with a minimum term of one year. The payment obligations under the Notes are guaranteed by Boliden Mineral. The Issuer has undertaken towards the Arranger that the total outstanding Nominal Amount of Notes under the Programme shall not exceed an amount corresponding to an amount of SEK 3,000,000,000 (three billions) at any time. Boliden and the Arranger may agree to increase or decrease such amount. This Base Prospectus does not contain and does not constitute an offer or a solicitation to buy or sell Notes.

The Base Prospectus has been approved and registered by the Swedish Financial Supervisory Authority (*Finansinspektionen*) (the “**SFSA**”) pursuant to the provisions of Chapter 2, Sections 25 and 26 of the Swedish Financial Instruments Trading Act (*lagen (1991:980) om handel med finansiella instrument*) (the “**Trading Act**”) and is valid for a period of twelve months from the day of approval. Approval and registration by the SFSA do not imply that the SFSA guarantees that the information provided in the Base Prospectus is correct and complete.

This Base Prospectus is governed by Swedish law. The courts of Sweden have exclusive jurisdiction to settle any dispute arising out of or in connection with this Base Prospectus.

This Base Prospectus may not be distributed in any jurisdiction where such distribution would require any additional prospectus, registration or measures other than those required under Swedish law, or otherwise would conflict with regulations in such jurisdiction. Persons into whose possession this Base Prospectus may come are required to inform themselves about, and comply with such restrictions. Any failure to comply with such restrictions may result in a violation of applicable securities regulations. The Notes have not been, and will not be, registered under the United States Securities Act of 1933 (the “**Securities Act**”) or the securities laws of any state or other jurisdiction outside Sweden. The Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons.

No person has been authorised to provide any information or make any statements other than those contained in this Base Prospectus. Should such information or statements nevertheless be furnished, it/they must not be relied upon as having been authorised or approved by the Issuer and the Issuer assumes no responsibility for such information or statements. Neither the publication of this Base Prospectus nor the offering, sale or delivery of any Note implies that the information in this Base Prospectus is correct and current as at any date other than the date of this Base Prospectus or that there have not been any changes in the Issuer’s or the Group’s business since the date of this Base Prospectus. If the information in this Base Prospectus becomes subject to any material change, such material change will be made public in accordance with the provisions governing the publication of supplements to prospectuses in the Trading Act.

Each potential investor in the Notes must in light of its own circumstances determine the suitability of the investment.

The Final Terms in respect of any Notes will include the target market assessment in respect of the Notes and appropriate channels for distribution of the Notes. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the target market assessment. However, a distributor subject to Directive 2014/65/EU (as amended, “**MiFID II**”) / MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

For the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the “**MiFID Product Governance Rules**”), a determination will be made in relation to each issue about whether the Arranger or any Dealer participating in the issue of the Notes is a manufacturer in respect of such Notes. Neither the Arranger nor the Dealers nor any of their respective affiliates that do not participate in an issue will be a manufacturer for the purpose of the MiFID Product Governance Rules.

The Base Prospectus may contain market data, including information related to the sizes of the markets in which the Group participates. The information has been extracted from a number of sources. Although the Issuer regards these sources as reliable, the information contained in them has not been independently verified and therefore it cannot be guaranteed that this information is accurate and complete. However, as far as the Issuer is aware and can assure by comparison with other information made public by these sources, no information has been omitted in such a way as to render the information reproduced incorrect or misleading.

The Base Prospectus contains certain forward-looking statements that reflect the Issuer’s current views or expectations with respect to future events and financial and operational performance. Although the Issuer believes that these statements are based on reasonable assumptions and expectations, the Issuer cannot give any assurances that such statements will materialise. Because these forward-looking statements involve known and unknown risks and uncertainties, the outcome could differ materially from those set out in the forward-looking statement.

**Table of contents**

Risk Factors ..... 4

Description of the Programme ..... 10

Terms and Conditions ..... 13

Form of Final Terms ..... 32

Guarantee ..... 37

Business description and structure ..... 39

The Issuer ..... 42

The Guarantor ..... 46

Legal considerations and supplementary information ..... 48

Addresses ..... 50

## RISK FACTORS

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*Investments in corporate bonds always entail a certain degree of risk, including the risk of losing the value of the entire investment. A number of factors affect and may come to affect Boliden's operations, result, financial position and the Notes. In this section a number of risk factors are described, both general risks attributable to Boliden's operations and main risks linked to the Notes in their capacity as financial instruments. The intention is to describe risks that are linked to Boliden's operations and thus also Boliden's ability to fulfil its obligations in accordance with the Terms and Conditions.*

*Before deciding to acquire the Notes, any potential investors should carefully consider the risk factors outlined below, as well as any other information provided in this Base Prospectus. In addition, an investor must, alone or together with its financial and other types of advisers, engage in a general evaluation of external facts, other information provided in this Base Prospectus and general information about the mining and smelting industries and commodities markets from its own perspective. An investor should have adequate knowledge to evaluate the risk factors as well as sufficient financial strength to bear these risks. The below summary of risk factors does not claim to be complete, nor are the risks ranked in order of importance.*

*Additional risk factors which are currently unknown or which are currently not deemed to be material may also affect Boliden's future operations, result and financial position and thus also Boliden's ability to fulfil its obligations in accordance with the Terms and Conditions.*

### Risks relating to Boliden and the Group

#### Market and commercial risks

##### **Commodity prices**

A significant portion of the Group's income comes from the sale of metals and its profits are thus directly linked to the price of these metals. The prices of metals are volatile and cyclical and may fluctuate widely. Metal price volatility is caused by numerous factors beyond the Group's control, such as the business cycle, changes to global metals demand and supply and thus cannot be predicted by the Group. The Group is therefore exposed to commodity risk. The Group is not, nor is it currently contemplating, hedging all commodity risk that might arise from its operations (including, but not limited to, maintenance of inventories required for optimal smelting processes). Therefore, in respect of its exposure to any commodity risk which is (i) hedged but such hedging transpires to be imperfect or insufficient and (ii) not hedged, if the market prices of metal produced by the Group fall below the Group's total production costs (including, but not limited to, the cost of externally purchasing raw materials), and remain at this level for any sustained period, the Group may incur losses and this may adversely impact the Group's operations, financial position and results.

##### **Macro-economics**

The Group is affected by international, national and regional economic conditions. Economic downturns and uncertainty in the international financial markets have an adverse effect on the global economy. Market turbulence and further downturns in the global economy could affect the financial position of customers and suppliers and potentially impact their ability to conduct business with the Group. Technical developments or new inventions may impact the demand for some of the Group's products and certain products may be subject to substitution. Smelting industries are sensitive to impacts on supply and demand in the metal concentrates market as it is a key determining factor in treatment and refining charges which make up a significant part of smelters' gross profit. Deterioration in the global economy or decreases in demand for the Group's products may adversely impact the Group's operations, financial position and results.

There are uncertainties as to the current political climate globally, including (but not limited to) (i) the change of administration in the United States and its introduction of duties and other measures that could impact the global economy and thus the markets where the Group is active (ii) the introduction of duties and other trade barriers in countries and regions across the world and (iii) the United Kingdom voting in favour of leaving the EU on 29 March 2019 ("Brexit"). The long term effects of Brexit will depend on any agreements the United Kingdom makes to retain access to the European markets either during the transitional period or permanently as well as agreements with other trading partners. Any of the potential effects of Brexit could have unpredictable consequences and adversely affect the business of the Issuer.

### **Customers**

The Group generates a significant portion of its revenue from sales to industrial customers. In particular, significant reliance is placed on a small number of large copper customers. There is a risk that on, expiration, existing contracts will not be renewed resulting in either (i) increased sales via traders at the daily spot or forward rates which could be less than rates agreed with industrial customers or (ii) the need to enter into replacement contracts with new customers who may be located further away, thus giving rise to increased transportation costs. Accordingly, decrease in sales to industrial customers, particularly existing industrial customers, may adversely impact the Group's operations, financial position and results. In sales of sulphuric acid, a risk is that demand locally and regionally does not match the Group production and volumes have to be shipped on the international market at a certain cost to the Group. If the international market demand is low there is also a risk that smelters have to store sulphuric acid for a time at a certain cost. A situation with persistent low sulphuric acid demand could lead to a need to reduce the smelter production which would have a negative impact on the Group earnings.

### **Raw material supplies**

The Group sources mined concentrate globally and uses external suppliers to supplement its own production out-take so as to enable smelters to produce at high levels of capacity utilisation and ensure consistent quality. The Group is exposed to both price and supply risk with respect to raw materials sourced from the global concentrates market. The Group may not have access to concentrate in the market at competitive terms and this could lead to low smelter production capacity utilization, thus having a negative impact on Group earnings. Loss of supply can also occur if suppliers' actions for instance in regards to compliance matters causes the Group to exit agreements with such counterparties. Failure by external and internal suppliers to supply the mined concentrate in the amounts required or with the concentrate qualities that make up the most efficient mix for the Group's smelters or on reasonable terms may require the Group to source alternative supplies or amend production resulting in lower output volumes and which may each in turn adversely impact the Group's operations, financial position and results.

### **Inflation and operating costs**

As the Group cannot control the price at which the commodities it produces are sold the Group may be unable to pass through increases in operating and production costs to its customers. There is a risk that higher future inflation or a depreciation of local currency in the countries in which the Group operates may increase future operating and production costs without a corresponding increase in the price of the commodities that it produces. Moreover, as energy costs constitute a significant part of the Group's total production costs the Group is exposed to the risk of reduced profitability if the cost of energy increases significantly. Accordingly, increases in operating and production costs (including, but not limited to, energy costs) may adversely impact the Group's operations, financial position and results.

### **Competition**

The commodities industry is characterised by strong competition. The Group competes with other mining and smelting companies and traders, many of whom have greater financial resources, and such companies may also expand and diversify their commodity sourcing, processing or marketing operations or engage in pricing or other financial or operational practices that could increase competitive pressure on the Group across each of its business segments (including, but not limited to, the search for and acquisition of mineral rich property). Increased competition may thus adversely impact the Group's operations, financial position and results.

### **Operational risks**

#### **Operating risks, hazards and accidents**

The Group's business is subject to numerous operating risks and hazards normally associated with the mining and smelting industries, some of which are beyond the Group's control. The Group's production essentially comprises continuous processes and unplanned stoppages can affect production, emissions and discharges and consequently financial results. Unplanned stoppages can, for instance, occur due to technical problems, accidents or strikes.

The Group handle large material flows, both below and above ground. Employees and contractors are periodically exposed to heavy machinery and lifting, to high temperatures, and to substances that are hazardous to health. Deviations from established health and safety routines or inadequate maintenance can create dangerous situations and increase the risk of personal injury.

Property or environmental damage at any of the Group's mines, smelters, concentrators, waste facilities or related facilities or surrounding areas may also occur.

Acquisition and divestment can impact local communities and/or environment, directly or indirectly. The integration of acquired business is a cumbersome process and it is not certain that it will be successful. Synergies can take longer than foreseen to materialize.

The realisation of operating risks and hazards and the costs associated with them (including capital and operating expenditures to abate the risk or hazard, restore own or third party property, compensate third parties for loss and/or pay fines or damages) or the occurrence of accidents could adversely impact the Group's operations, financial position and results.

### ***Environmental impact***

The Group's operations have an environmental impact through the emission of green-house gases, nitrogen and the discharge of metals and other contaminants into air, water and land/soil.

The Group's operations affect the air, water, land and biological diversity in the vicinity of those operations. The extraction of metals also creates waste products that must be processed safely. The risk is posed by both the ongoing and decommissioned operations.

Tailings ponds account for one of the risk scenarios for the mining industry. The risks comprise both the environmental impact of dam construction and the risk of a dam failure. Extreme weather conditions and changes in average rainfall levels affect this risk.

The Group's operations are energy-intensive and result in carbon dioxide emissions that can impact the climate. External environmental risks, such as climate change and changes to regulations and taxes, may affect the Group, e.g. regulations and requirements relating to carbon dioxide emissions from processes. The EU's ETS emissions trading scheme may result in cost increases that affect The Group's competitive situation in the international market.

Non-compliance with environmental related limits and quotas, the implementation of operational changes aimed at reducing the Group's environmental impact and participation in emissions trading systems may adversely impact the Group's operations, financial position and results.

### ***Infrastructure***

The mining, processing and exploration activities of the Group depend on adequate infrastructure. Water and electricity supply, as well as reliable transport infrastructure and services are essential for the conduct of the Group's operations (including the transportation of raw materials, assets and commodities between the mine, the smelter, own and external, and the end-user) and the availability and cost of this infrastructure affects capital and operating costs. Interference with this infrastructure may adversely impact the Group's operations, financial position and results.

### ***Technical failures***

Production at the Group's mines, concentrators, smelters, waste facilities or related facilities comprises continuous processes which can be vulnerable to technical problems and failures (including, but not limited to, failures in production related information technology systems) resulting in costly unplanned interruptions and stoppages. Such unplanned stoppages may adversely impact the Group's operations, financial position and results.

### ***Employees***

The conditions for the Group to recruit, develop, retain and replace appropriately skilled employees are affected by global competition for relevant and skilled labour as well as the current employee age distribution across the Group. Failure to beat such competition or to meet the challenges related to a predominantly senior workforce could impact the Group's ability to run the operations effectively which may adversely impact the Group's operations, financial position and results.

Many of the Group's employees are represented by trade union organisations under various collective labour agreements. The Group may not be able to satisfactorily renegotiate its collective labour agreements when they expire and may face tougher negotiation or higher wage demands. In addition, existing labour agreements may not prevent a strike or work stoppage at its facilities in the future. A failure to renegotiate labour agreements on reasonable terms and a failure to maintain positive employee relations could adversely impact the Group's operations, financial position and results.

### ***Local relationships***

In order to continue or expand its operations, the Group may need from time to time access to new land for production facilities, waste facilities or for infrastructure or other activities. Such required access to land could sometimes conflict with competing interests (such as environmental conservation interests, the interests of indigenous people and competing exploitation interests) and may sometimes not be obtainable on reasonable terms. Failure to procure necessary access to land or access at costs higher than anticipated could adversely impact the Group's operations, financial position and results.

The Group's operations can also have an impact on local communities, including the need, from time to time, to relocate communities or infrastructure such as railways and utility services. Failure to manage relationships with local communities, government and non-governmental organisations may adversely impact the Group's operations, financial position and results.

### ***Permits***

The Group is dependent on permits from various government institutions, courts or authorities to run operations. Permits are renewed with a certain frequency and when changes are made to the capacity and production level, for example when investments are made that change the production site. The Group has to have permits in time and the permits must cover all aspects of the operations. Permits not obtained, delayed or not allowing production at the expected level could adversely impact the Group's operations, financial position and results.

### ***Mineral resources and reserves***

The Group's mineral resources and ore reserves have been estimated and compiled in accordance with applicable rules and regulations. The estimates are subject to a number of assumptions such as the price of commodities, production costs, recovery rates, extraction levels, other geological aspects and numerous additional factors. Fluctuations in the variables underlying the Group's estimates may result in changes to the Group's mineral resources and ore reserves. Accordingly, if the Group's mineral resources and ore reserve are less than currently estimated then this may adversely impact the Group's operations, financial position and results.

### ***Exploration risk***

Exploration and development programs are by their nature costly, speculative, and often unproductive but are necessary for the Group's business and ability to add mineral resources and ore reserve. The permission to perform exploration work may be negatively impacted by decisions taken by governments, courts, authorities and other parties. Failure to discover (or acquire) new reserves, to maintain the Group's existing mineral rights, to enhance existing reserves or to extract resources from such reserves may adversely impact the Group's operations, financial position and results.

### ***Financial risks***

#### ***Capital Expenditure***

The mining and smelting business is capital intensive. Specifically, the exploration and exploitation of reserves, operational costs, maintenance of machinery and equipment and compliance with laws and regulations requires substantial capital expenditure. Failure to maintain production levels, generate sufficient cash flow or maintain access to financing alternatives may impact on the amounts of capital available for necessary expenditure and this, in turn, may adversely impact the Group's operations, financial position and results.

#### ***Refinancing and liquidity risk***

The Group is exposed to liquidity risk arising from the need to finance its on-going operations, growth and working capital requirements when payment obligations cannot be met as a result of insufficient liquidity. Refinancing risks arise when the requisite financing cannot be obtained to refinance the Group's financial liabilities. The Group's ability to meet its future capital needs is highly dependent on the successful operations of the Group and the availability of capital which in turn depends on factors such as market conditions, general credit availability within the financial markets, and the Group's credit capacity. If access to capital which is required to operate its business or to refinance the Group's financial liabilities were to become limited it may adversely impact the Group's operations, financial position and results.

#### ***Credit and Counterparty risk***

The Group is exposed to credit risk on its customers and counterparties to commercial and financial contracts and failure by such counterparties to meet their obligations owed to the Group may result in the Group suffering a financial loss which could adversely impact the Group's operations, financial position and results.

***Currency risk***

The Group's accounts are consolidated in SEK but certain operating costs and income are denominated in other currencies. Also, the Group may have all or parts of its financing in currencies other than SEK. For these reasons, the Group is exposed to currency risk if unfavourable fluctuations in currency exchange rates between relevant currencies were to occur resulting in a negative impact on cash flows, income statements and/or balance sheet of the Group. The Group is not, nor is it currently contemplating, hedging all currency risk that might arise from its operational cash flows in foreign currencies. Therefore, in respect of its exposure to any currency risk which is (i) hedged but such hedging transpires to be imperfect or insufficient and (ii) not hedged, unfavourable fluctuations in relevant foreign currencies may adversely impact the Group's operations, financial position and results.

***Interest rate risk***

Interest charged on the Group's borrowings may be subject to changes in the market rates of interest and any increase in such interest rates will increase the Group's interest payments and may adversely impact on the Group's operations, financial position and results.

***Financial reporting***

In preparing financial statements of the Group, the Group's management may be obliged to make certain judgements and estimates that can have an impact on the Group's financial statements. Failure to use accurate assumptions in calculations for such estimates could adversely impact the Group's financial position and results.

Annual impairment tests are made. If estimates are not deemed justified in such tests it can result in impairment, affecting the Group's result.

***Changes in accounting standards***

From time to time, the International Accounting Standards Board (the "IASB"), EU and other regulatory bodies change the financial accounting and reporting standards that govern the preparation of the Group's financial statements. These changes can be difficult to predict and can materially impact how the Group's records and reports its results of operations and financial condition.

***Reclamations***

The Group's operations, such as mining and smelting, often result in a need to reclaim areas which have been disturbed, polluted or otherwise affected. Provisions for reclamation costs are made in the Group's financial reporting on the basis of an assessment of future costs. New or altered requirements in relation to reclamation, such as stricter environmental requirements, may result in significantly increased reclamation costs. The Group may also be exposed to the risk of unknown reclamation liabilities in relation to past or current operations. Increased reclamation costs or liabilities may adversely impact the Group's operations, financial position and results.

***Legal risks******Disputes and legal proceedings***

The Group is engaged in extensive national and international operations and is, from time to time, involved in disputes and legal proceedings that arise in the course of its business and operations. Claims against the Group or the Group's active involvement in any legal proceedings against a third party could result in the Group being forced to spend considerable sums and resources and this may adversely impact the Group's operations, financial position and results.

***Legislation, regulation and authorisations***

The Group's activities are subject to extensive laws and regulations, both general and industry-specific, including, most notably environmental, property, labour and occupational health and safety standards and tax laws, in each of the geographical markets in which it operates. Compliance with such laws and regulations or the enactment of new laws and regulations and changes to existing laws and regulations which impact on the Group and its business activities and operations may result in a risk of reduced revenues and/or increased costs which in turn may adversely impact the Group's operations, financial position and results.

Under existing applicable laws and regulations, the Group is generally required to seek licences, permits, authorisations, concessions and other approvals in connection with its activities. There is a trend towards stricter regulation, in particular in the field of environmental law. There is a risk that necessary permits will not be

awarded to the Group or renewed at the relevant time or on reasonable terms. Regular permit assessments are required and, if the Group seeks to increase or change its operations, it must in some cases apply for new or amended permits covering the affected operations. Failure to obtain or renew such necessary authorisations could result in the Group being unable to continue or carry out certain desirable operations which, in turn, may adversely impact the Group's operations, financial position and results.

### ***Political risk***

The Group operates and owns assets in several countries and, as a result, is exposed to various political, regulatory and tax environments. These environments are subject to change including changes to government policies and regulations governing industrial production, foreign investors, the environment, health and safety, sanction and tax. Such changes in the political landscape or policies may adversely impact the Group's operations, financial position and results.

### ***Insurance***

The Group has a broad insurance programme in place which provides coverage for operations at a level believed to be consistent with industry practice and appropriate for the risks associated therewith. Insurance protection that is available is maintained with leading international insurance providers. Although the Group's insurance is intended to cover the majority of the risks to which the Group is exposed, there is a risk that it will not account for every potential risk associated with the Group's insurable operations. Some of the Group's coverage also includes high deductibles and limitations in maximum amounts payable thereunder. Accordingly, if the Group is unable to maintain the insurance cover on terms acceptable to it or if future requirements exceed or fall outside the Group's insurance cover or if the Group's provisions for uninsured costs are insufficient to cover the final costs or an event occurs which is not fully or partially covered by insurance then it may adversely impact the Group's operations, financial position and results.

### ***Reputational Risk***

It is important for the Group to limit the risks associated with adverse effects on the environment, health and safety, human rights and business ethics in its business operations. The Group regularly contracts with a range of industrial customers and suppliers; some of whom may not conduct their business operations to the same ethical, environmental and quality based and sustainability standards as the Group.

The Group and its business partners such as suppliers, sub-contractors and joint venture partners, strive to share certain core values as expressed in the Group's Business Code of Practice, otherwise there is a risk of compromising the Group's reputation and brand.

Failure by the Group or its commercial counterparties to operate at a sufficiently high standard in these regards may adversely affect the Group's reputation and prejudice the forging of future business relationships which, in turn, may adversely impact the Group's operations, financial position and results.

## Risks relating to the Notes

### Credit risk

If the Issuer's or the Guarantor's financial position deteriorates it is likely that the credit risk associated with the Notes will increase, given that there would be an increased risk that the Issuer cannot fulfil its obligations under the Terms and Conditions or the Guarantor cannot fulfil its obligations under the Guarantee respectively. The Issuer's and the Guarantor's financial position are each affected by numerous risk factors, some of which have been outlined above. Any increase in credit risk of either the Issuer or the Guarantor could result in the market pricing the Notes with a higher risk premium, which could adversely affect the value of the Notes.

### Certain material interests

The Arranger has engaged in, and may in the future engage in, investment banking and/or commercial banking or other services for the Group in the ordinary course of business. In particular, it should be noted that the Arranger may be the lender under certain credit facilities with a member of the Group as borrower. Therefore, conflicts of interest may exist or may arise as a result of the Arranger having previously engaged, or will in the future engage, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

### Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes, and the Guarantor will make any payments under the Guarantee, in SEK or in EUR (depending on the applicable Final Terms). This presents certain risks relating to currency conversions if a Noteholder's financial activities are denominated principally in a currency or currency unit other than SEK or EUR (depending on the applicable Final Terms) (the "Noteholder's Currency"). Accordingly, a Noteholder is exposed to exchange rate risk if relevant exchange rates fluctuate significantly (including, but not limited to, fluctuations due to a devaluation of SEK or EUR or a revaluation of the Noteholder's Currency) or authorities with jurisdiction over the Noteholder's Currency impose or modify relevant exchange controls (if any). An appreciation in the value of the Noteholder's Currency relative to the SEK or EUR (as applicable) would decrease:

- the Noteholder's Currency-equivalent yield on the Notes;
- the Noteholder's Currency-equivalent value of the principal payable on the Notes; and
- the Noteholder's Currency-equivalent market value of the Notes.

### MiFID II and MiFIR

The main parts of MiFID II and the Regulation (EU) No 600/2014 on markets in financial instruments entered into force on 3 January 2018. These entail both a review of existing rules on the securities market and the introduction of completely new rules. Among other things, the reporting requirements and transparency obligations on the interest rate market have increased. This may cause the financial institutions acting as intermediaries in trading financial instruments to become less likely to buy securities into their own stocks. If that is to happen to the Group's issued Notes, it can lead to a deteriorating liquidity of these, which could have an adverse effect on the Noteholders.

### European Benchmarks Regulation

The process of the calculation of EURIBOR, STIBOR and other interest rate benchmarks have been subject to a number of legislative measures, whereof some have been implemented and others are pending implementation. The most important initiative on the subject matter is the Benchmarks Regulation that entered into force 1 January 2018 and which regulates the provision of a benchmark, contribution of input data for the purpose of determining a benchmark and the operation of benchmarks within the EU. Since the regulation has only been applicable for a limited period of time, the effects of the regulation cannot be fully assessed. There is, however, a risk that the Benchmarks Regulation may affect how interest rate benchmarks are calculated and developed. This in turn may give rise to increased volatility for some interest rate benchmarks. In addition, the increased administrative requirements and the associated regulatory risks may decrease the will of some parties to participate in the determination of interest rate benchmarks or to the fact that certain interest rate benchmarks will cease to be published. If this is the case for an interest rate benchmark applied to Notes, it could have an adverse effect on the Noteholders.

### **Noteholders' meeting**

The Terms and Conditions include certain provisions allowing the Noteholders to vote on matters relating to the Noteholders' interests. Pursuant to these provisions, certain majorities of Noteholders have the right to make decisions and take measures that bind all Noteholders, including those who choose to abstain from voting or who vote in a manner contrary to the majority. Consequently, the actions of the majority in such matters could impact the Noteholders' rights under the Finance Documents in a manner that would be undesirable for some of the Noteholders.

### **There has been no active trading market for the Notes**

Although the Issuer shall use its best efforts to ensure that the Notes are listed on a Regulated Market, there can be no assurance that such application will be accepted or that the Notes will be so admitted. Prior to any admission to trading, there has been no public market for the Notes. There can be no assurance that an active trading market for the Notes will develop or, if developed, will be sustained. The Nominal Amount may not be indicative of the market price for the Notes. Furthermore, following a listing of the Notes, the liquidity and trading price of the Notes may be subject to fluctuations in response to many factors, including those referred to in this section, as well as to market fluctuations and general economic conditions that may adversely affect the liquidity and price of the Notes, regardless of the actual performance of the Issuer, the Guarantor or any other member of the Group. In addition, transaction costs in any secondary market may be high. Therefore, Noteholders may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. Accordingly, the purchase of Notes is suitable only for investors who can bear the risks associated with a lack of liquidity in the Notes and the financial and other risks associated with an investment in the Notes. Investors must be prepared to hold the Notes until maturity.

### **Clearing and settlement in Euroclear's account-based system**

The Notes are affiliated to and will continue to be affiliated to a central securities depository of notes, currently Euroclear's account-based system. Clearing and settlement relating to the Notes and, in the majority of cases, the payment of interest and repayment of principal amounts, will be performed within Euroclear's account-based system. The investors are therefore dependent on the functionality of Euroclear's account-based system.

### **Relationship with the Issuer**

All notices and payments to be delivered to the Noteholders will be distributed by the Issuer to such Noteholders in accordance with the Terms and Conditions. In the event that a Noteholder does not receive such notices or payments, its rights may be prejudiced but it may not have a direct claim against the Issuer therefor.

### **Change of law**

The Notes are subject to Swedish and applicable European laws and administrative practice in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision, change to Swedish or European law or administrative practice after the date of this Base Prospectus, nor can any assurance be given as to whether any such change could adversely impact the ability of the Issuer to make payments under the Notes.

### **Dependence on subsidiaries**

The Issuer holds no significant assets other than the shares in its direct Subsidiaries and receivables against other Group companies and as such the Issuer is dependent on the ability of its Subsidiaries (including, but not limited to, the Guarantor) to make payments to it so as to enable it to make payments under the Notes.

The Issuer's Subsidiaries are legally separate and distinct from the Issuer and have no obligation to make payments to the Issuer of any surpluses generated from their respective businesses. The ability of such Subsidiaries to make payments to the Issuer is restricted by, among other things, the availability of funds, corporate restrictions and local law.

### **Subordinated rights**

The Notes represent an unsecured obligation of the Issuer and will rank *pari passu* with all other unsecured and unsubordinated obligations of the Issuer. This means that in the event of the Issuer's liquidation, company reorganisation or bankruptcy the Noteholders will only be entitled to receive any proceeds from the realisation of the Issuer's assets once prioritised creditors (including secured creditors (if any)) have been paid in full.

If any Subsidiary of the Issuer (other than the Guarantor) is subject to any foreclosure, dissolution, winding-up, liquidation, recapitalisation, administrative or other bankruptcy or insolvency proceeding, the creditors of such Subsidiary of the Issuer will generally be prioritised due to their position in the capital structure and will generally be entitled to payment in full from the sale or other disposal of the assets of such a Subsidiary before the Issuer, as a direct or indirect shareholder, will be entitled to receive any distributions from such a Subsidiary.

### **Restrictions of the Guarantee**

Although the Notes are unsecured, the Noteholders benefit from an upstream guarantee issued by the Guarantor for the Issuer's payment obligations under the Notes (the "**Guarantee**"). If the Guarantor does not derive sufficient corporate benefit from the Guarantee, the Guarantee is only valid up to the amount the Grantor legally could have distributed as dividend to its shareholders in accordance with the Swedish Companies Act (*Sw. Aktiebolagslag (2005:551)*) at the time the Guarantee is given. Also, there are no provisions in the Guarantee that prevent the Guarantor from taking up loans or to provide security for other loans (including other Market Loans). The Noteholders' right to payment from the Guarantor under the Guarantee is subject to, amongst other things, the availability of funds, corporate restrictions, the terms of the Guarantor's indebtedness and local law. In the event of insolvency, liquidation or a similar event relating to the Guarantor, all other unsecured creditors of the Guarantor would be entitled to receive any proceeds from the realisation of the Guarantor's assets *pari passu* with the Noteholders' claim under the Guarantee but only once prioritised creditors (including secured creditors (if any)) of the Guarantor have been paid in full.

Since neither the obligations of the Issuer under the Notes nor the Guarantor's obligations under the Guarantee are secured, the Issuer cannot assure that the proceeds of any enforcement sale of assets in connection with any insolvency procedure or winding-up of the Issuer or the Guarantor would be sufficient to satisfy all amounts then due on or in respect of the Notes.

Every investor should be aware that by investing in the Notes, it risks losing its investment or parts thereof in the event of the Issuer's or Guarantor's liquidation, company reorganisation or bankruptcy.

### **Noteholders' claims under the Guarantee are structurally subordinated to the indebtedness of the Guarantor's subsidiaries**

If any Subsidiary of the Guarantor is subject to any foreclosure, dissolution, winding-up, liquidation, recapitalisation, administrative or other bankruptcy or insolvency proceeding, the creditors of such Subsidiary of the Guarantor will generally be prioritised due to their position in the capital structure and will generally be entitled to payment in full from the sale or other disposal of the assets of such a Subsidiary before the Guarantor, as a direct or indirect shareholder, will be entitled to receive any distributions from such a subsidiary.

### **Refinancing risk**

The Issuer's ability to successfully refinance its debt, including the Notes, is dependent on the conditions of the Group and the financial markets in general at such time. As a result, the Issuer's access to financing sources at a particular time may not be available on favourable terms, or at all. The Issuer's inability to refinance its debt obligations on favourable terms, or at all, could have a material adverse effect on the Group's business, financial condition and results of operations and on the Issuer's ability to repay amounts due under the Notes.

### **MTN with fixed interest rate**

The value of MTN is highly influenced by the general interest rate level. An increase in the general interest rate level generally means that an MTN bearing fixed interest rate may decrease in value.

### **MTN with floating interest rate**

A decrease in the general interest rate level generally means that the return of MTN bearing floating interest rate may decrease. The fact that the applicable base interest rate in accordance with the Terms and Conditions may be lower than zero means that an investor in MTN with a floating interest rate is not guaranteed a return corresponding to the applicable margin.

### **MTN without interest (Zero Coupon)**

Investments in MTN not bearing interest (zero coupon) implies a risk that the market value of MTN may be adversely affected by changes in the market interest rate. An increase in the general interest rate level generally means that an MTN not bearing interest may decrease in value. Generally, the longer the duration on MTN not bearing interest the higher price volatility compared to interest-bearing securities with comparable maturities.

## DESCRIPTION OF THE PROGRAMME

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*The following is a description of the Programme and is qualified in its entirety by the full Conditions included in the section “Terms and Conditions and form of Final Terms”.*

### General

The Programme has been established by Boliden for the issuance of medium term notes in SEK or EUR. A Note may be issued in a minimum Nominal Amount of EUR 100,000 (or the equivalent in SEK) and with a minimum term of one year. MTN may be issued with fixed rate, floating rate or as zero couponing notes. The Issuer has undertaken towards the Dealers that the total outstanding Nominal Amount of Notes under the Programme shall not exceed SEK 3,000,000,000 at any time. The Issuer and the Dealers may agree to increase or decrease such amount.

The Issuer has appointed Swedbank AB (publ) as Arranger, and Danske Bank A/S, Danmark, Sverige Filial, DNB Bank ASA, filial Sverige, Nordea Bank Abp, Skandinaviska Enskilda Banken AB (publ), Aktiebolaget Svensk Exportkredit (publ) and Swedbank AB (publ) as Dealers, in respect of the Programme. Further Dealers may be appointed.

### Terms and Conditions and Final Terms

Notes issued under the Programme will be governed by the Terms and Conditions as well as the applicable Final Terms. The Terms and Conditions are standardised and apply to all Notes issued under the Programme. For each Loan, Final Terms are prepared that include supplementary terms and conditions for the relevant Loan. Applicable Final Terms must therefore be read in conjunction with the Terms and Conditions. The Final Terms will be submitted to the SFSA and published on the webpage of the Issuer. Any amendments (other than adjustments to clear and obvious errors) to the Terms and Conditions will not be effective to Notes issued prior to such amendment, unless a Noteholders’ Meeting resolves otherwise.

### Form of Notes

Notes will be issued in dematerialised book-entry form and registered on a Securities Account (maintained with Euroclear) on behalf of the relevant Noteholder. Hence, no physical notes will be issued. Notes will be registered in accordance with the Swedish Financial Instruments Accounts Act (*lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*). Registration requests relating to Notes shall be directed to an Account Operator.

### Status of Notes

Upon issuance, Notes will constitute direct, unconditional, unsubordinated and unsecured debt obligations of the Issuer and rank *pari passu* and without any preference among themselves and shall rank at least *pari passu* with all other present and future unsubordinated and unsecured obligations (except those obligations preferred by law) of the Issuer.

### Pricing and interest

The Pricing of the MTN cannot be established in advance but set in connection with the relevant issue on the bases of the prevailing market conditions. MTN may be issued at a price below or exceeding the relevant Nominal Amount. The interest (if any) applicable to MTN depends on several factors, one of which is the interest applicable to other investments with a corresponding term. Interest (if any) may be set at a floating interest rate based on EURIBOR or STIBOR, plus a margin, or at a fixed interest rate.

### Admission to trading

Notes issued may be listed on a Regulated Market. If relevant, any intended listing of Notes will be set out in the applicable Final Terms. The estimated costs associated with such listing will also be set out in the applicable Final Terms. Although the Issuer has undertaken to apply for registration on a Regulated Market for Loans which according to the Final Terms must be admitted to trading on a Regulated Market, and, as long as permitted under applicable laws and regulations, to take any measures that may be required to maintain the admission as long as the relevant Loan is outstanding, there is no assurance that such application will be accepted, that Notes will be so admitted or that an active trading market will develop.

## Prescription

Claims for the repayment of the principal of Notes will be prescribed and become void ten (10) years after the Maturity Date. Claims for the payment of interest will be prescribed and become void three (3) years from the relevant Interest Payment Date. Upon prescription, the Issuer will be entitled to keep any funds that may have been reserved for such payments.

If the prescription period is duly interrupted in accordance with the Swedish Limitations Act (*preskriptionslagen (1981:130)*) a new prescription period of ten years will commence for claims in respect of principal and three years for claims in respect of interest amounts, in both cases calculated from the day indicated by provisions laid down in the Swedish Limitations Act concerning the effect of an interruption in the limitation period.

## Governing law

The Loan Terms and any non-contractual obligations issues which arise in connection therewith, shall be governed by the laws of Sweden. Disputes shall be settled by Swedish courts. The Stockholm District Court (*Stockholms tingsrätt*) shall be the court of first instance.

## Product description

### Interest structures

Notes issued under the Programme may have a fixed or floating interest rate. The interest structure applicable to a specific Loan will be stated in the Final Terms. Below is a short description of the available interest structures.

#### Fixed interest rate

If the relevant Final Terms of a Loan specify fixed interest rate as applicable to it, the Loan shall bear interest on its Nominal Amount at the Interest Rate from, but excluding, the Interest Commencement Date up to and including the Maturity Date.

Interest accrued during an Interest Period is calculated using the Day Count Convention 30/360 and paid in arrears on the relevant Interest Payment Date or, to the extent such day is not a Business Day, the first following day that is a Business Day. Day Count Convention 30/360 means that the amount is to be calculated based on a year with 360 days consisting of twelve months each consisting of 30 days and, in the event of a partial month, the actual number of days which have elapsed in the month. Interest is calculated and payable, however, only up to and including the Interest Payment Date.

#### Floating interest rate (FRN)

If the relevant Final Terms of a Loan specify 'floating interest rate' as applicable to it, the Loan shall bear interest on its Nominal Amount from, but excluding, the Interest Commencement Date up to and including the Maturity Date.

The Interest Rate applicable to each respective Interest Period shall, when possible, be calculated by the Calculation Agent on the respective Interest Determination Date and is the sum of the Base Rate and the Margin for the relevant period. The relevant Interest Base Margin will be set out in the relevant Final Terms and the Base Rate will be either of EURIBOR and STIBOR (as defined in the Terms and Conditions).

Interest accrued during an Interest Period is calculated using the Day Count Convention Actual/360 and paid in arrears on the relevant Interest Payment Date or, to the extent such day is not a Business Day, the Interest Payment Date shall instead be the next Business Day provided that such Business Day does not fall in the new calendar month, in which case the Interest Payment Date shall be the preceding Business Day. Interest is calculated and payable up to and including each relevant Interest Payment Date.

#### Zero Coupon

Zero Coupon Loans does not bear interest.

## European Benchmarks Regulation

Interest payable for Notes issued under the Programme may be calculated by reference to certain benchmarks, being EURIBOR and STIBOR, as defined in the Terms and Conditions. The benchmarks are provided by the European Money Market Institute (EURIBOR) and the Swedish Bankers' Association (STIBOR). At the date of this Base Prospectus, the European Money Market Institute and the Swedish Bankers' Association do not appear

on the register of administrators and benchmarks maintained by ESMA pursuant to Article 36 of Regulation (EU) 2016/1011 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the “**Benchmarks Regulation**”). As far as the Issuer is aware the provisions in Article 51 of the Benchmarks Regulation apply, such that the European Money Market Institute and the Swedish Bankers’ Association are not yet required to obtain authorisation or registration (or, if located outside of the European Union, equivalence, recognition or endorsement).

## **Repayment of Loans and payment of interest**

### **Repayment at maturity**

MTN become due and payable in the Nominal Amount including interest (if applicable) on the Maturity Date as set out in the relevant Final Terms. Interest shall be paid on each Interest Payment Date set out in the relevant Final Terms. If the due date in respect of a repayment or payment (other than interest) falls on a day which is not a Business Day, the Loan is not repaid until the following Business Day (and, in respect of interest, as set out above in section “Interest structures”).

### **Repurchase of Notes by the Issuer**

Following agreement with the Noteholder, the Company may repurchase MTN from time to time provided that repurchase is in compliance with applicable law. MTN owned by the Company may, in the discretion of the Company, be retained, transferred, or redeemed.

### **Mandatory repurchase**

Each Noteholder is entitled to demand repurchase of all, or some, of the MTN held by the Noteholder in accordance with the Terms and Conditions, provided that (i) the shares in the Company cease to be admitted to trading on the Regulated Market at Nasdaq Stockholm; or (ii) an event, or series of events, occurs which leads to a natural or legal person, itself or together with a closely associated person as set forth in the Stock Market (Takeover Bids) Act (*lag (2006:451) om offentliga uppköpserbjudanden på aktiemarknaden*), directly or indirectly, at any time acquiring or otherwise controlling more than 50% of the shares or votes in the Company.

### **Termination of Loans**

The Calculation Agent shall declare in writing a relevant Loan, together with accrued interest (if any), immediately due and payable, or payable at such time as the Calculation Agent or the Noteholders’ Meeting (as applicable) decides, upon the occurrence of any circumstance stated in section 10.2 in the Terms and Conditions and if:

- i. so decided by the Noteholders under a Loan at the Noteholders’ Meeting; or
- ii. so demanded in writing by Noteholders who, at the time of demand, represent not less than 1/10 of the total outstanding Nominal Amount for the relevant Loan. Upon demand, a Noteholder shall provide evidence that the Noteholder is a Noteholder on the relevant Business Day. Demand for acceleration may only be made by a Noteholder who alone represents 1/10 of the total outstanding Nominal Amount or jointly by Noteholders who, together, represent 1/10 of the total outstanding Nominal Amount on the relevant Business Day.

**TERMS AND CONDITIONS**

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**TERMS AND CONDITIONS FOR NOTES ISSUED UNDER  
BOLIDEN AB (PUBL)'S MTN PROGRAMME**

## TABLE OF CONTENTS

1.	DEFINITIONS .....	15
2.	ISSUANCE OF LOANS .....	19
3.	REGISTRATION OF MTN.....	19
4.	RIGHT TO ACT ON BEHALF OF A NOTEHOLDER.....	20
5.	PAYMENTS .....	20
6.	INTEREST.....	20
7.	DEFAULT INTEREST .....	22
8.	REPURCHASE .....	22
9.	GENERAL UNDERTAKINGS.....	23
10.	TERMINATION OF LOANS .....	24
11.	NOTEHOLDERS' MEETING .....	27
12.	AMENDMENT OF TERMS, ETC. ....	29
13.	PRESCRIPTION .....	30
14.	NOTICES.....	30
15.	LIMITATION OF LIABILITY, ETC. ....	30
16.	GUARANTEE .....	31
17.	GOVERNING LAW AND JURISDICTION.....	31

### Appendices

Appendix 1 – Form of Final Terms

Appendix 2 - Guarantee

## TERMS AND CONDITIONS FOR NOTES ISSUED UNDER BOLIDEN AB (PUBL)'S MTN PROGRAMME

The following terms and conditions ("**Terms and Conditions**") shall apply to loans which Boliden AB (publ) (Reg. No. 556051-4142) (the "**Company**") issues on the capital market under this MTN Programme ("**MTN Programme**") by issuing bonds in SEK or EUR with varying terms, however not less than one year, commonly referred to as medium term notes ("**MTN**").

### 1. DEFINITIONS

1.1 In addition to the definitions set forth above, as used in these terms and conditions, the following terms shall have the meanings set forth below.

"**Account Operator**" means a bank or other party duly authorised to operate as an account operator pursuant to the Swedish Financial Instruments Accounts Act (1998:1479) and through which a Noteholder has opened a Securities Account in respect of its MTN.

"**Adjusted Loan Amount**" means the total outstanding Nominal Amount of MTN in respect of a particular Loan less the amount of all MTN held by a Group Company, whether or not the Group Company is directly registered as owner of such MTN.

"**Business Day**" means a day in Sweden other than a Sunday or other public holiday or, with respect to the payment of promissory notes, a day which is not the equivalent of a public holiday in Sweden. Saturdays, Midsummer's Eve, Christmas Eve and New Year's Eve shall for the purpose of this definition be deemed to be public holidays.

"**Calculation Agent**" means (i) if a Loan has been issued by two or more Issuing Dealers, the Issuing Dealer designated by the Company to be responsible for certain administrative tasks regarding the Loan in accordance with the Final Terms; and (ii) if a Loan has been issued by only one Issuing Dealer, the Issuing Dealer.

"**Day Count Convention**" means, when calculating an amount for a certain period, the basis of calculation stated in the Final Terms and which:

- (a) if the calculation method "30/360" is specified as applicable, means that the amount is to be calculated based on a year with 360 days consisting of twelve months each consisting of 30 days each and, in the event of a partial month, the actual number of days which have elapsed in the month; and
- (b) if the calculation method "Actual/360" is specified as applicable, means that the amount is to be calculated on the actual number of days elapsed in the relevant period divided by 360.

"**Dealers**" means Aktiebolaget Svensk Exportkredit (publ), Danske Bank A/S, Danmark, Sverige Filial, DNB Bank ASA, filial Sverige, Nordea Bank Abp, Skandinaviska Enskilda Banken AB (publ), and Swedbank AB (publ) and every other

dealer specially authorized by Euroclear Sweden to process and register issues in the Euroclear Sweden system that accedes to this MTN Programme in accordance with section 12.3, however only as long as such institution has not retired as a dealer.

“**EUR**” means the single currency of the participating member states in accordance with the European Union’s framework for the Economic and Monetary Union (EMU).

“**EURIBOR**” means:

- (a) the applicable percentage rate per annum displayed on Reuters screen EURIBOR01 (or through another system or another screen which replaces such system or screen) as of or around 11.00 a.m. on the relevant day for loans or deposits in EUR for a period comparable to the relevant Interest Period; or
- (b) if no such interest rate is available for the relevant Interest Period according to paragraph (a), the arithmetic mean of the rates (rounded upwards to four decimal places), as supplied to the Calculation Agent at its request quoted by the Reference Banks (which are appointed by the Calculation Agent), for deposits of EUR 10,000,000 for the relevant Interest Period; or
- (c) if no such interest rate is available pursuant to paragraphs (a) and (b), the interest rate which, according to the reasonable assessment of the Calculation Agent, best reflects the interest rate for deposits in EUR offered for the relevant Interest Period.

“**Euroclear Sweden**” means Euroclear Sweden AB (Reg. No. 556112-8074).

“**Final Terms**” means the final terms established for a particular Loan under this MTN Programme in accordance with Appendix 1 (Form of Final Terms).

“**Framework Amount**” is the framework amount which the Company and the Dealers agree on from time to time.

“**Group**” means the corporate group of which the Company is the parent company (where the terms corporate group and parent company have the meanings as defined in Chapter 1, section 11 of the Swedish Companies Act (*Sw. aktiebolagslag (2005:551)*) (or such other legislation which replaces the aforementioned legislation).

“**Group Company**” means any and all legal entities which from time to time that are part of the Group.

“**Guarantee**” means the Guarantor’s undertaking, according to Appendix 2 to these Terms and Conditions, as for its own debt (*Sw: *proprieborgen**) for all of the Company’s obligations under the Loans taken up by the Company under the MTN Programme.

“**Guarantor**” means Boliden Mineral AB (publ), company registration number 556231-6850.

**“Interest Commencement Date”** means, according to the Final Terms, the date from which interest (where applicable) begins to accrue.

**“Issuing Dealer”**, means, in accordance with the Final Terms, that or those Dealers through which MTN will be or have been issued.

**“Licensing Obligation”** means a mandatory obligation to apply for a license, permit, authorisation, or similar with a governmental authority or similar entity in order to conduct the business that is the objects of the obliged entity, such as an authorisation from the Swedish Financial Supervisory Authority (Sw. Finansinspektionen) to offer financial services to the general public, an authorisation from the Swedish Data Protection Authority (Sw. Datainspektionen) to conduct debt collection (Sw. inkassoverksamhet) or a license from the Swedish Radiation Safety Authority (Sw. Strålsäkerhetsmyndigheten) to conduct nuclear activities (Sw: kärnteknisk verksamhet). For the avoidance of doubt, operations which an entity may engage in when the operation (but not the object of the business itself) requires a license, permit, authorisation or similar from a governmental authority or similar entity, such as an environmental permit, does not constitute a License Obligation.

**“Loan”** means every Loan, comprising of one or more MTN, issued by the Company under this MTN Programme.

**“Loan Terms”** means, for a particular Loan, these Terms and Conditions and the Final Terms for such Loan.

**“Market Loan”** means loans taken up through the issuance of commercial paper, bonds or other securities (including loans under MTN or other market loan programmes) which are sold, brokered, or invested in an organized form and which are, or may be, admitted to trading on a Regulated Market”

**“Material Group Company”** means (a) the Company and (b) every Group Company whose total assets or revenue (excluding intra-Group items) are equal to or exceed ten per cent (10%) of the total assets or revenues of the Group as set out in the most recently published annual report.

**“Maturity Date”** means, in accordance with the Final Terms, the date when MTN shall be repaid.

**“MTN”** means a unilateral debt instrument in the Nominal Amount which has been registered in accordance with the Swedish Financial Instruments Accounts Act (Sw. lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument) and which is part of a Loan issued by the Company under this MTN Programme.

**“Nominal Amount”** means the amount of each MTN as stated in the Final Terms.

“**Noteholder**” means the person who is registered on a Securities Account as direct registered owner (Sw: *direktregistrerad ägare*) or nominee (Sw: *förvaltare*) with respect to an MTN.

“**Noteholders’ Meeting**” means a meeting among the Noteholders held in accordance with Section 11 (*Noteholders’ Meeting*).

“**Record Date**” means the fifth Business Day (or another Business Day prior to the relevant day which is market practice on the Swedish bond market), prior to (i) the payment date for interest or principal in accordance with the Loan Terms; or (ii) another day on which payment is to be made to Noteholders; (iii) the date of the Noteholders’ Meeting; (iv) dispatch of notice; or (v) another relevant date.

“**Reference Banks**” means Nordea Bank Abp, Skandinaviska Enskilda Banken AB (publ), Svenska Handelsbanken AB (publ) and Swedbank AB (publ).

“**Regulated Market**” means any regulated market as defined in Directive 2014/65/EU on markets in financial instruments.

“**Securities Account**” means the account maintained by Euroclear Sweden in accordance with the Swedish Financial Instruments Accounts Act in which (i) an owner of securities is directly registered as the owner of securities; or (ii) an owner’s holding of securities is registered in the name of a nominee.

“**SEK**” means the lawful currency of Sweden.

“**Spanish Litigation**” means the legal process initiated in Spain against members of the Group involving an amount of approximately EUR 141,000,000 (or a corresponding value in other currencies).

“**STIBOR**” means:

- (a) the applicable percentage rate per annum displayed on Nasdaq Stockholm’s website for STIBOR fixing (or through another website replacing it) as of or around 11.00 a.m. on the relevant day for the offering of deposits in SEK and for a period comparable to the relevant Interest Period; or
- (b) if no such interest rate is available for the relevant Interest Period according to paragraph (a), the arithmetic mean of the rates (rounded upwards to four decimal places), as supplied to the Calculation Agent at its request quoted by the Reference Banks (or such replacement banks as appointed by the Calculation Agent), for deposits of SEK 100,000,000 for the relevant Interest Period; or
- (c) if no quotation is available pursuant to paragraphs (a) and (b), the interest rate which according to the reasonable assessment of the Calculation Agent best reflects the interest rate for deposits in SEK offered in the Stockholm interbank market for the relevant period.

- 1.2 Additional definitions, such as Interest Structure, Base Rate, Interest Determination Date, Interest Payment Date(s) and Interest Period are set forth (where applicable) in the Final Terms.
- 1.3 The definitions set forth in these Terms and Conditions also apply to the Final Terms.
- 1.4 Upon calculation of whether a limit described in SEK has been reached or exceeded, an amount in another currency shall be calculated based on the exchange rate applicable on the Business Day immediately preceding the relevant point in time and which is published on Reuters' screen "SEKFIX=" (or through another system or another screen which replaces such system or screen) or, where such rate is not published, according to the rate for SEK for the relevant currency on the aforementioned day which is published by the Swedish Central Bank on its website ([www.riksbank.se](http://www.riksbank.se)).

## **2. ISSUANCE OF LOANS**

- 2.1 Under this MTN Programme, the Company may issue MTN, denominated in SEK or in EUR, with a maturity of at least one year. Under a Loan, MTN may be issued in multiple tranches without the approval of any Noteholder.
- 2.2 By subscribing to MTN, each initial Noteholder approves that its MTN shall have the rights and be subject to the conditions set forth in, and be governed by, the provisions of the Loan Terms. By acquiring MTN, each new Noteholder confirms such approval.
- 2.3 The Company undertakes to make payments in respect of issued MTN and to otherwise comply with the Loan Terms for the Loans issued under this MTN Programme.
- 2.4 If the Company wishes to issue MTN under this MTN Programme, the Company shall enter into a separate agreement for this purpose with one or more Dealers which shall be the Issuing Dealer for such Loan.
- 2.5 Final Terms shall be established in relation to each particular Loan which together with these Terms and Conditions shall constitute the complete Loan Terms for the Loan.

## **3. REGISTRATION OF MTN**

- 3.1 MTN will be registered on a Securities Account on behalf of Noteholders and, accordingly, no physical securities will be issued. Registration requests relating to MTN shall be directed to an Account Operator.
- 3.2 Any person who on the basis of an assignment, pledge, the provisions of the Children and Parents Code (Sw: *föräldrabalken*), the terms of a will or deed of gift or otherwise is entitled to receive payment in respect of an MTN must cause their rights to be registered with Euroclear Sweden in order to receive such payment.
- 3.3 The Calculation Agent shall be entitled to obtain information from Euroclear Sweden regarding the contents of its debt register for MTN for the purpose of carrying out its duties in accordance with these Terms and Conditions. The Calculation Agent shall

not be responsible for the content of such excerpt nor is it in any other way obligated to verify who is a Noteholder.

#### **4. RIGHT TO ACT ON BEHALF OF A NOTEHOLDER**

**4.1** Any person other than a Noteholder wishing to exercise the Noteholder's rights under the Loan Terms or vote at a Noteholders' Meeting must present a power of attorney or other proof of authorization from the Noteholder or a successive, coherent chain of powers of attorney or proof of authorisation starting with the Noteholder.

**4.2** A Noteholder may issue one or several powers of attorney to third parties to represent it in relation to some, or all, of the MTN held by the Noteholder. Any such representative may act independently.

#### **5. PAYMENTS**

**5.1** MTN become due and payable in the Nominal Amount including interest (if applicable) on the Maturity Date. In the event the Maturity Date is a day which is not a Business Day, the Loan is not repaid until the following Business Day. Interest according to section 6 (*Interest*) shall be paid on the relevant Interest Payment Date.

**5.2** Payment in respect of MTN denominated in SEK shall be made in SEK and, in respect of MTN denominated in EUR, shall be made in EUR and made to the person who is registered as a Noteholder on the Record Date for the respective payment date or to such person who is registered with Euroclear Sweden in accordance with section 3.2 above as being entitled to receive such payment.

**5.3** If a Noteholder has registered, through an Account Operator, that principal or interest shall be deposited into a certain bank account, such deposit shall be effected by Euroclear Sweden on the relevant payment date. In all other cases, Euroclear Sweden shall transfer the amount on the respective payment date to the Noteholder to the address registered with Euroclear Sweden on the Record Date.

**5.4** Should Euroclear Sweden not be able to effect payments as aforesaid due to an impediment attributable to the Company or due to any other impediment, the Company shall ensure that such payments are made to the persons who are registered as Noteholders on the relevant Record Date as soon as possible after such impediment no longer exists. In such case, interest shall be payable according to section 7.1.

**5.5** In the event the Company is unable to perform a payment obligation through Euroclear Sweden due to an impediment attributable to Euroclear Sweden, the Company shall be entitled to postpone the payment obligation until such time as the impediment no longer exists. In such case, interest shall be payable according to section 7.2.

**5.6** If payment is made in accordance with this section 5 to a person not entitled to receive such amount, the Company and Euroclear shall nonetheless be deemed to have fulfilled their payment obligations. However, the aforementioned shall not apply if the Company or Euroclear Sweden were aware that payment was made to a person not entitled to receive the payment or if the Company or Euroclear Sweden did not act with normal care.

#### **6. INTEREST**

- 6.1** For Loans on which interest accrues, interest shall be calculated on the Nominal Amount.
- 6.2** Interest on a certain Loan is calculated and payable (where applicable) in accordance with the Final Terms. The relevant Interest Structure shall be stated in the Final Terms according to one of the following alternatives:
- (a) Fixed Rate
- If a Loan is specified as a Loan with a Fixed Rate, the Loan will bear interest according to the Interest Rate from, but excluding, the Interest Commencement Date up to and including the Maturity Date.
- Interest is calculated using the Day Count Convention 30/360.
- (b) Floating Rate (FRN)
- If a Loan is specified as a Loan with Floating Rate, the Loan will bear interest at the Interest Rate from, but excluding, the Interest Commencement Date up to and including the Maturity Date. The Interest Rate for the relevant Interest Period shall be calculated by the Calculation Agent on the respective Interest Determination Date and is the sum of the Base Rate and the Margin for the relevant period.
- If the Interest Rate cannot be determined on the Interest Determination Date due to such impediment as referred to in Section 15.1, interest shall continue to accrue on the Loan at the interest rate applicable to the preceding Interest Period. As soon as the impediment no longer exists, the Calculation Agent shall calculate a new Interest Rate which shall be effective from the second Business Day following the day of the calculation until the expiration of the current Interest Period.
- Interest is calculated using the Day Count Convention Actual/360.
- (c) Zero Coupon
- If the Loan is specified as a Zero Coupon it bears no interest. Loans with Zero Coupon may be issued at a discount, par or premium.
- 6.3** Accrued interest (where applicable) is paid in arrears on the relevant Interest Payment Date.
- 6.4** If the Interest Payment Date for a Loan bearing a Fixed Rate is not a Business Day, interest will be paid on the next Business Day. Interest is calculated and accrued only up to and including the Interest Payment Date.
- 6.5** If the Interest Payment Date for a Loan with a Floating Rate is not a Business Day, the next Business Day shall be the Interest Payment Date provided that such Business Day does not occur in a new calendar month, in which case the Interest Payment Date shall be the previous Business Day. Interest is calculated and payable up to and including the Interest Payment Date.

## **7. DEFAULT INTEREST**

- 7.1** In the event of any default in payment, default interest shall be payable on the overdue amount from its due date up to and including the date on which payment is made at a rate corresponding to the average of one week STIBOR for MTN denominated in SEK and one week EURIBOR for MTN denominated in EUR for the duration of the delay, plus two percentage points in each case. For this purpose, STIBOR and EURIBOR shall be determined on the first Business Day in each calendar week for the duration of the period of default. Default interest in accordance with this section 7.1 for interest-bearing Loans shall never be paid at an interest rate lower than the interest rate applicable to the relevant Loan on its relevant due date plus two percentage points. Default interest shall not be capitalised.
- 7.2** If the default in payment is due to an impediment affecting a Dealer or Euroclear Sweden, default interest shall accrue at a rate corresponding to (i) for interest-bearing Loans, the interest rate applicable to the relevant Loan on its relevant due date; or (ii) for Zero Coupon Loans, the average of one week STIBOR or EURIBOR respectively for the duration of the delay (whereby STIBOR and EURIBOR shall be determined on the first Business Day of each calendar week for the duration of the period of default).

## **8. REPURCHASE**

- 8.1** Following agreement with the Noteholder, the Company may repurchase MTN from time to time provided that repurchase is in compliance with applicable law. MTN owned by the Company may, in the discretion of the Company, be retained, transferred, or redeemed.
- 8.2** Each Noteholder is entitled to demand repurchase of all, or some, of the MTN held by the Noteholder, if:
- (a) the shares in the Company cease to be admitted to trading on the Regulated Market at Nasdaq Stockholm; or
  - (b) an event, or series of events, occurs which leads to a natural or legal person, itself or together with a closely associated person as set forth in the Stock Market (Takeover Bids) Act (*lag (2006:451) om offentliga uppköpserbjudanden på aktiemarknaden*), directly or indirectly, at any time acquiring or otherwise controlling more than 50% of the shares or votes in the Company.
- 8.3** As soon as the Company obtains knowledge of such an event according to section 8.2, the Company shall be obligated to notify the Noteholders of such event through a press release published on the Company's website and in accordance with section 14 (*Notices*). The notice shall contain instructions regarding how a Noteholder wishing to have an MTN repurchased must proceed as well as specifying the Repurchase Date.
- 8.4** The Repurchase Date shall occur no earlier than 20 and no later than 40 Business Days after notice of change mentioned in 8.2 a) and b) has been sent to the Noteholder in accordance with section 8.3. However, in the event the Repurchase Date is not a Business Day, the Repurchase Date shall be deemed to be the Business Day immediately following.

- 8.5** Where a right to repurchase exists, the Company shall, upon demand by a Noteholder, repurchase the relevant MTN on the Repurchase Date at its Nominal Amount together with accrued interest (if any) which would have been repaid on the final Maturity Date, together with accrued interest (where applicable). For MTN with Zero Coupon, an amount per MTN calculated in accordance with section 10.5 shall be paid instead.
- 8.6** Notices from Noteholders regarding demands for repurchase of MTN's shall be drafted in accordance with the instructions set forth in the notice provided to the Noteholders in accordance with section **Error! Reference source not found..** The Notice from the Noteholder must be received by the Company at least 10 Business Days before Redemption Date.

## **9. GENERAL UNDERTAKINGS**

### **9.1 Status of the Loan**

The Company shall ensure that its payment obligations under the Loan rank at least *pari passu* with its other unsubordinated and unsecured payment obligations, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

### **9.2 The Company's operations and assets**

The Company undertakes, for as long as any MTN is outstanding, not to materially change the nature of the Group's operations or to sell or otherwise dispose of any asset where such sale or disposition has a material adverse effect on the Company's ability to perform its obligations towards the Noteholders.

### **9.3 Framework amount**

The Company may not issue additional MTN under this MTN Programme where such would entail that the aggregate Nominal Amount of the MTN outstanding under this MTN Programme, including those MTN's intended to be issued, exceeds the Framework Amount on the day on which the agreement regarding the issuance of MTN was entered into between the Company and the Issuing Dealer.

### **9.4 Securing of other Market Loans**

The Company undertakes, as long as any MTN is outstanding:

- a) not to provide security or cause any Group Company to provide security for any other Market Loan which has been taken up or may be taken up by the Company, except as set forth in subsection c) below and for the guarantee by the Guarantor;
- b) not to provide security for Market Loans in any form other than through a contingent liability (which, in turn, may not be secured) which has been taken up or which may be taken up by a party other than the Company; and
- c) to ensure that Group Companies, when taking up Market Loans, comply with the provisions applicable to the Company according to subsections a) – b) above, subject to the exception however that Group Companies may provide contingent liabilities for other Group Companies' Market Loans and may cause

the Company and other Group Companies to issue contingent liabilities (which, in turn, may not be secured) for Market Loans.

#### **9.5 Admission to trading on a regulated market**

The Company undertakes to apply for admission on the relevant Regulated Market for Loans which according to the Final Terms must be admitted to trading on a Regulated Market, and to take any measures that may be required to maintain the admission as long as the relevant Loan is outstanding, however, not longer than as permitted under applicable laws and regulations.

#### **9.6 Governing law**

The Company undertakes to comply in all material respects with any rules and instructions issued from time to time by Swedish or relevant foreign governmental authorities, central banks, or other public authorities or Regulated Markets to which the MTN have been admitted to trading.

#### **9.7 Availability of Loan Terms**

The Company undertakes to make the current version of these Terms and Conditions, the Guarantee, and the Final Terms for all outstanding Loans admitted to trading on a Regulated Market available on the Company's website and to ensure that the Guarantee is valid for all outstanding Loans.

### **10. TERMINATION OF LOANS**

**10.1** The Calculation Agent shall declare in writing a relevant Loan, together with accrued interest (if any), immediately due and payable, or payable at such time as the Calculation Agent or the Noteholders' Meeting (as applicable) decides, upon the occurrence of any circumstance stated in section 10.2 and if:

- (i) so decided by the Noteholders under a Loan at the Noteholders' Meeting; or
- (ii) so demanded in writing by Noteholders who, at the time of demand, represent not less than 1/10 of the total outstanding Nominal Amount for the relevant Loan. Upon demand, a Noteholder shall provide evidence that the Noteholder is a Noteholder on the relevant Business Day. Demand for acceleration may only be made by a Noteholder who alone represents 1/10 of the total outstanding Nominal Amount or jointly by Noteholders who, together, represent 1/10 of the total outstanding Nominal Amount on the relevant Business Day.

**10.2** Loans may only be declared due and payable in accordance with section 10.1 provided that:

- a) the Company fails to make timely payment of principal or interest regarding the relevant Loan under this MTN Programme, unless the delay (i) is a result of a technical or administrative error; and (ii) does not continue for more than three Business Days;

- b) the Company in any respect other than as stated in subsection (a) above fails to perform its obligations under the Loan Terms regarding relevant Loans under this MTN Programme and, where rectification is possible and the Company receives a written demand therefore by the Calculation Agent, Issuing Dealer, or a Noteholder to effect rectification, such rectification has not occurred within 20 Business Days after the Company receives a demand for rectification by the Calculation Agent, Issuing Dealer, or Noteholders representing not less than 1/10 of the total outstanding Nominal Amount of the relevant Loan as set forth in section 10.1 (ii);
- c) (i) a Material Group Company or the Guarantor fails within due time or within the applicable grace period to make payment regarding another loan and the loan in question, as a consequence thereof, has been accelerated, or could have been accelerated or, where no notice of acceleration provision exists or the non-payment would have constituted final payment, where the late payment continues for 10 Business Days, provided that the total outstanding liability under the relevant loans amounts to not less than EUR 10,000,000 (or an equivalent value in another currency), or (ii) another loan to a Material Group Company or the Guarantor has been declared due and payable in advance as a consequence of an event of default (regardless of the nature), provided that the total of due and payable liabilities under such terminated loans is at least EUR 10,000,000 or a corresponding value in another currency);
- d) A Material Group Company or the Guarantor fails, within 15 Business Days after the day on which such company receives a legitimate claim, to make performance under any guarantee or surety which the relevant company has provided for the financial obligations of a third party, provided that the total legitimate claims not satisfied within such time amount to not less than EUR 10,000,000 (or a corresponding value in another currency);
- e) Assets owned by a Material Group Company with a value in excess of EUR 1,000,000 (or the equivalent value in another currency) are attached or become the subject of similar foreign proceedings and such attachment or other foreign proceedings are not terminated within 30 Business Days from the date of the attachment decision or the decision regarding similar foreign proceedings other than any sequestration of assets for a maximum amount of EUR 141,000,000 (or its equivalent in other currencies) as a result of the Spanish Litigation;
- f) The Guarantor, the Company, or a Material Group Company suspends payments;
- g) A Material Group Company applies for, or admits an application for, company reorganization according to the Swedish Companies Reorganization Act (*Iag (1996:764) om företagsrekonstruktion*) or similar proceedings;
- h) A Material Group Company or the Guarantor is placed in bankruptcy;
- i) A decision is taken to place the Company in liquidation or to place a Material Group Company or the Guarantor in compulsory liquidation; or
- j) A circumstance occurs which entails that the Company is replaced as the debtor under a relevant Loan by another party (or a decision to do so has

been adopted, for example by the Company's board of directors preparing a merger plan under which the Company will be the transferring company) and such decision has not been approved by the Noteholders in accordance with section 11.9;

- k) The Company or a Group Company which conducts operations subject to a Licensing Obligation (*Sw: tillståndspliktig verksamhet*) does not hold, or no longer holds, a license for such operations;
- l) The Company does not own 100% of the shares in the Guarantor; or
- m) The Guarantee is not valid for any outstanding Loan.

The term "loan" as used in subsection c) above also includes overdraft accounts and sums which are not received as a loan, but which must be paid on the basis of a debt security obviously intended for public trading.

**10.3** The Calculation Agent may not declare the relevant Loan together with interest (if any) due for payment in accordance with this section 10 by reference to circumstances constituting an event of default if a Noteholders' Meeting has resolved that the relevant circumstances shall not give rise (temporarily or permanently) to an acceleration pursuant to section 10.

**10.4** The Company shall be obligated to immediately notify the Issuing Dealers and the Noteholders in accordance with section 14 (*Notices*) in the event grounds for acceleration exist as stated in section 10.2. In the absence of such notice, neither the Calculation Agent nor the Issuing Dealer, irrespective of actual knowledge, shall be deemed to be aware of grounds for acceleration. Neither the Calculation Agent nor the Issuing Dealer is obligated itself to monitor whether the conditions for acceleration exist according to section 10.2.

**10.5** Upon redemption of loans following acceleration in accordance with section 10.1:

- (c) interest-bearing Loans shall be redeemed at an amount per MTN which, together with accrued interest, would have been redeemed on the final Maturity Date; and
- (d) non-interest-bearing Loans shall be redeemed at an amount per MTN determined by the following formula as per the date of acceleration of the Loan:

$$\frac{\text{Nominal Amount}}{(1 + r)^t}$$

- r = the ask rate quoted by the Calculation Agent for Swedish government bonds with an outstanding term to maturity corresponding to the remaining term of the relevant Loan. In the absence of such ask rate, the bid rate shall be used instead, as reduced by a market bid/ask spread, expressed in percentage points. The calculation shall be based on the closing quotation.
- t = the remaining term for the relevant Loan, expressed in the Day Count Convention Actual/360 for MTN denominated in SEK or EUR.

## 11. NOTEHOLDERS' MEETING

- 11.1** The Calculation Agent is entitled to convene a Noteholders' Meeting for the Noteholders under the relevant Loan, and must convene a Noteholders' Meeting for the Noteholders under the relevant Loan at the request of the Issuing Agent, the Company, or Noteholders who at the time of the request represent at least one-tenth of the Adjusted Loan Amount under the relevant Loan (such request may only be made by Noteholders who are registered in the debt register maintained by Euroclear Sweden on the next Business Day after the day the request was received by the Calculation Agent and must be made together if a request is made by several Noteholders).
- 11.2** The Calculation Agent shall convene a Noteholders' Meeting by written notice to each Noteholder, the Company, and the Issuing Dealer within five (5) Business Days from the date when a request was received from the Company, Noteholders, or the Issuing Dealer in accordance with Section 11.1 (or such later date as necessary for technical or administrative reasons).
- 11.3** The Calculation Agent may refrain from convening a Noteholders' Meeting if (i) the proposed resolution must be approved by a person in addition to the Noteholders, and this person has notified the Calculation Agent that such approval will not be given; or (ii) the proposed resolution is not compatible with applicable law.
- 11.4** The notice in accordance with Section 11.2, shall contain (i) the time of the meeting; (ii) the place of the meeting; (iii) an agenda (including each request by a Noteholder for a resolution); and (iv) a proxy form. A decision may not be made at the Noteholders' Meeting in respect of any matter that is not listed in the notice. If Noteholders are required to announce their intention to participate in the Noteholders' Meeting, the notice shall contain information regarding such requirement.
- 11.5** The Noteholders' Meeting shall be held no earlier than fifteen (15) Business Days and no later than thirty (30) Business Days after the notice. Noteholders' Meetings for several Loans under the MTN Programme may be held on the same occasion.
- 11.6** Without deviating from the provisions in these Terms and Conditions, the Calculation Agent may stipulate further provisions, as it deems appropriate, regarding the convening and holding of the Noteholders' Meeting. Such provisions may, among other things, include provisions enabling Noteholders to vote without attending the meeting in person, or to allow the voting to take place electronically or through written voting procedures.
- 11.7** Only a person who has been issued a power of attorney in accordance with section 4 (*Right to act on behalf of a Noteholder*) by someone who is a Noteholder on the Record Date for the Noteholders' Meeting may exercise voting rights at such Noteholders' Meeting, provided that the relevant MTN is covered by the Adjusted Loan Amount. The Calculation Agent may attend the Noteholders' Meeting and shall ensure that an extract from the debt register maintained by Euroclear Sweden on the Record Date for the Noteholders' Meeting is available at the Noteholders' Meeting.
- 11.8** The Noteholders and the Calculation Agent, and their respective representatives or assistants, are entitled to attend a Noteholders' Meeting. The Noteholders' Meeting may resolve that other persons may attend. Representatives shall submit a duly issued power of attorney to be approved by the chairperson of the Noteholders'

Meeting. The Noteholders' Meeting shall commence with the appointment of a chairperson, a secretary to take the minutes, and persons to attest the minutes. The chairperson shall prepare a list of Noteholders that are present and entitled to vote at the meeting, with information on the proportion of the Adjusted Loan Amount that is held by each respective Noteholder (the "Voting Register"). The Voting Register shall thereafter be approved by the Noteholders' Meeting. When applying these provisions, Noteholders who have cast their vote via electronic voting, ballot paper or the equivalent shall be deemed to be present at the Noteholders' Meeting. Only those who were Noteholders or representatives for such Noteholders on the fifth Business Day prior to the Noteholders' Meeting, and who are covered by the Adjusted Loan Amount, are entitled to vote and shall be included in the Voting Register. The Company shall be granted access to relevant voting calculations and the basis for these. The minutes shall be completed as soon as possible and made available to Noteholders, the Company, and the Calculation Agent.

- 11.9** Decisions on the following matters require the approval of Noteholders representing at least 90 per cent of that portion of the Adjusted Loan Amount for which Noteholders are voting under the relevant Loan at the Noteholders' Meeting:
- (e) any change in the Maturity Date, reduction of the Nominal Amount, change in terms relating to interest or the amount to be repaid (other than in accordance with the Loan Terms);
  - (f) any change in the provisions governing the Noteholders' Meeting according to this section 11; and
  - (g) substitution of debtor.
- 11.10** Matters which are not covered by Section 11.9 require the approval of Noteholders representing more than 50 per cent of that portion of the Adjusted Loan Amount for which Noteholders are voting under the relevant Loan at the Noteholders' Meeting. This includes, but is not limited to, amendments and waivers of rights in relation to the Loan Terms which do not require a greater majority (other than changes in accordance with section 12 (*Amendments of terms etc.*) and acceleration of Loans.
- 11.11** A quorum at a Noteholders' Meeting requires the presence of Noteholders, in person or via telephone (or by a representative with a power of attorney), representing at least 50 per cent of the Adjusted Loan Amount for matters listed in section 11.9 and for any other matter 20 per cent of the Adjusted Loan Amount
- 11.12** If the Noteholders' Meeting has not met the necessary quorum requirements, the Calculation Agent shall convene a new Noteholders' Meeting (in accordance with section 11.2) provided that the relevant proposal has not been withdrawn by the initiator of the Noteholders' Meeting. The quorum requirement in section 11.11 is not applicable to such new Noteholders' Meeting. If the Noteholders' Meeting has met the quorum requirement for some, but not all, matters which are to be resolved on in the Noteholders' Meeting, decisions shall be made on those matters for which a quorum is present, and any other matter shall be referred to a new Noteholders' Meeting.
- 11.13** A decision at a Noteholders' Meeting which imposes new obligations on, or limits the rights of, the Company or an Issuing Dealer under the Terms and Conditions requires the written approval of the relevant party.

- 11.14** A Noteholder which holds more than one MTN need not vote for all, or vote in the same way for all, MTN held.
- 11.15** The Company may not, directly or indirectly, pay or contribute to the payment of any compensation to any Noteholder for its approval under the Loan Terms unless such compensation is offered to all Noteholders who provide their consent at the relevant Noteholders' Meeting.
- 11.16** A decision made at a Noteholders' Meeting shall be binding on all Noteholders under the relevant Loan, whether or not they were present at the Noteholders' Meeting. Noteholders shall not be held liable for any damage that the decision may cause another Noteholder.
- 11.17** The Company shall reimburse the Calculation Agent for costs and disbursements incurred by it in connection with the Noteholders' Meeting including reasonable compensation for the Calculation Agent.
- 11.18** At the request of the Calculation Agent, the Company shall provide the Calculation Agent with a certificate, without delay, stating the Nominal Amount for MTN owned by Group Companies on the relevant Record Date before a Noteholders' Meeting, regardless of whether such Group Company is directly registered as an owner of MTN. The Calculation Agent shall not be held responsible for the content of such certificate or otherwise for determining whether an MTN is owned by a Group Company.
- 11.19** Noteholders under the relevant Loan shall be notified, without delay, of any and all decisions made at a Noteholders' Meeting through a press release published on the Company's website and in accordance with Section 14 (*Notices*). At the request of a Noteholder or the Issuing Dealer, the Calculation Agent shall provide the Noteholder with the minutes from the relevant Noteholders' Meeting. Failure to notify the Noteholders as stated above in this section does not affect the validity of the decision.
- 12. AMENDMENT OF TERMS, ETC.**
- 12.1** The Company and the Dealers may agree on adjustments to clear and obvious errors in these Terms and Conditions.
- 12.2** The Company and the Calculation Agent may agree on adjustments to clear and obvious errors in the Final Terms for certain Loans.
- 12.3** Appointment of a Dealer to the MTN Programme may be made through an agreement between the Company, the relevant Dealer, and other Dealers. A Dealer may retire as a Dealer. However, a Calculation Agent under a particular Loan may only retire as such if a new Calculation Agent is simultaneously appointed in its place.
- 12.4** Changes to, or waivers of, Loan Terms in cases other than those set forth in sections 12.1 to 12.2 must be made through a decision taken at a Noteholders' Meeting according to section 11 (*Noteholders' Meeting*) with approval by the Company and any relevant parties in accordance with section 11.13 and other relevant provisions.
- 12.5** An approval at a Noteholders' Meeting of an amendment of the terms may cover the substantive content of the change and need not contain a specific drafting of the change.

**12.6** A decision regarding an amendment of the terms shall also include a decision in respect of when the amendment enters into force. However, an amendment shall not enter into force before it has been registered with Euroclear Sweden (where applicable) and published on the Company's website.

**12.7** Notice of amendments or waivers of Loan Terms in accordance with this section 12 must be given to the Noteholders in accordance with section 14 (*Notices*) and published on the Company's website.

### **13. PRESCRIPTION**

**13.1** Claims for repayment of principal shall be subject to a time bar of 10 years from the Maturity Date. Claims for interest shall be subject to a time bar of 3 years after each relevant Interest Payment Date. In the event a claim is barred, any funds set aside for payment of such claim shall vest in the Company.

**13.2** If a period of limitation is tolled, a new limitation period will commence of ten years with respect to the right to receive repayment of the principal, and of three years with respect to the right to receive payment of interest, in both cases calculated from the date of the tolling of the limitation period, as such date is determined pursuant to the provisions of the Swedish Limitations Act (*Sw: Preskriptionslag (1981:130)*).

### **14. NOTICES**

**14.1** Notices shall be given to the Noteholders of the relevant Loan at the address registered with Euroclear Sweden on the Record Date prior to dispatch. A notice to the Noteholders shall also be published through a press release and published on the Company's website.

**14.2** Notice shall be given to the Company and each Dealer at the address registered with the Swedish Companies Registration Office at the time notice is given.

**14.3** A notice to the Company or the Noteholders according to the Loan Terms which is sent by normal mail to the stated address shall be deemed to have been received by the recipient on the third Business Day after dispatch and notice sent by courier shall be deemed to have been received by the recipient when handed over at the stated address.

**14.4** The failure to send notice to a particular Noteholder in the correct manner shall not have any impact on the legal effect of notice to other Noteholders.

### **15. LIMITATION OF LIABILITY, ETC.**

**15.1** The Dealers shall not be liable for any damage as a consequence of Swedish or foreign legislation, actions by Swedish or foreign public authorities, acts of war, strikes, blockades, boycotts, lockouts, or any other similar circumstance. The reservation in respect of strikes, blockades, boycotts, and lockouts applies notwithstanding that the Dealer itself takes such measures or is subject to such measures.

**15.2** Damage which arises in other cases shall not be compensated by the Dealer provided the Dealer acted with normal care.

**15.3** Neither the Company nor the Dealer shall be obligated in any circumstance to pay compensation for indirect loss.

**15.4** In the event a Dealer is prevented from taking a measure as a consequence of a circumstance set forth in section 15.1, the measure may be postponed until such time as the impediment no longer exists.

**15.5** The provision set forth above shall apply unless otherwise required by the Swedish Financial Instruments Accounting Act.

**16. GUARANTEE**

In accordance with Appendix 2, the Guarantor has provided a guarantee as for its own debt (*Sw: proprieborgen*) for all of the Company's obligations under the Loans issued under the MTN Programme.

**17. GOVERNING LAW AND JURISDICTION**

**17.1** Swedish law shall apply to the Loan Terms and any non-contractual issues which arise in conjunction with the Loan Terms.

**17.2** Any dispute shall be resolved by a Swedish court of law. The Stockholm District Court shall be the court of first instance.

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It is hereby confirmed that the above terms and conditions are binding on us.

Stockholm 19 October 2018

BOLIDEN AB (PUBL)

## FORM OF FINAL TERMS

The following form is used for the Final Terms for each Loan issued under the MTN Programme.

**Boliden AB (publ)**  
**Final Terms**  
**for Loan number [●]**  
**under Boliden AB (publ)'s ("Company") Swedish MTN Programme**

The Terms and Conditions dated [●] and the Final Terms set forth below shall apply to the Loan. Unless otherwise stated, definitions used in these Final Terms are set forth in the Terms and Conditions or otherwise in the Company's Base Prospectus, approved and registered with the Swedish Financial Supervisory Authority on [●], including any published supplemental prospectus prepared for the MTN Programme from time to time in accordance with Directive 2003/71/EC (together with relevant implementation measures according to this directive in each respective member state in its current wording, including amendments through Directive 2010/73 EU, to the extent implemented in the relevant member state, referred to as the "**Prospectus Directive**" ("**Base Prospectus**"). This document constitutes the Final Terms for the Loan and has been prepared in accordance with Article 5.4 of the Prospectus Directive. Complete information regarding the Company and the Loan may only be obtained through a reading of the Final Terms together with the Base Prospectus.

The Base Prospectus and any supplemental prospectus are available on the Company's website ([www.boliden.se](http://www.boliden.se)).

[[These Final Terms replace the Final Terms dated [date], whereupon the Nominal Amount has been increased from [SEK]/[EUR] [amount in words] to [SEK]/[EUR] [amount in figures].]

### GENERAL

1.	<b>Loan number:</b>	[●]
	(i) Tranche name:	[●]
2.	<b>Aggregate Nominal Amount:</b>	
	(i) For [the Loan:]	[SEK]/[EUR] [●]
	(ii) Tranche 1:	[SEK]/[EUR] [●]
	(iii) [Tranche 2:]	[SEK]/[EUR] [●]
3.	<b>Price per MTN:</b>	[●] % of the Nominal Amount [plus accrued interest]

		from and including [●]
4.	<b>Currency:</b>	[SEK]/[EUR]
5.	<b>Nominal amount:</b>	[SEK]/[EUR] [●] (the stated amount may not be less than EUR 100,000 or an equivalent amount in SEK)
6.	<b>Loan Date:</b>	[●]
7.	<b>Interest Commencement Date:</b>	[Loan Date]/[●]
8.	<b>Settlement Date:</b>	[Loan Date]/[●]
	(i) [Tranche 1:]	[●]
	(ii) [Tranche 2:]	[●]
9.	<b>Maturity Date:</b>	[●]
10.	<b>Interest Structure:</b>	[Fixed Rate]/ [Floating Rate (FRN)]/ [Zero Coupon]
11.	<b>Amount as basis for calculation of interest:</b>	[Nominal Amount]/[●]
<b>BASIS FOR CALCULATION OF RETURN</b>		
12.	<b>Fixed Interest Rate:</b>	[Applicable]/[Not applicable] <i>(if not applicable, delete the remaining subheadings under this heading)</i>
	(i) Interest Rate:	[●] % per year
	(ii) Interest Period:	Period from [●] up to and including [●] (the first Interest Period) and thereafter each period of approximately [●] months with the final day on an Interest Payment Date <i>(Correct the above in the event of a short or long first coupon)</i>
	(iii) Interest Payment Date(s):	[Annually [●]] [Semi-annually [●] and [●]] [Quarterly [●], [●], [●] and [●]], the first time on [●] and the last time on [●], however if such a day is not a Business Day, interest will not be paid until the following Business Day. Interest is calculated and payable, however, only up to and including the Interest Payment Date.
	(iv) Day Count Convention:	30/360 [Adjusted]/[Unadjusted]

	(v)	Risk factors:	In accordance with the Risk Factor with the heading MTN with fixed interest rate in the Base Prospectus.
13.	<b>Floating Rate (FRN):</b>		[Applicable]/[Not applicable]  <i>(if not applicable, delete the remaining subheadings under this heading)</i>
	(i)	Base Rate:	[●] months [STIBOR]/[EURIBOR]  [The Interest Base for the first coupon will be [[●]/a linear interpolation between [●] months [STIBOR]/[EURIBOR] and [●] months [STIBOR]/ [EURIBOR]]
	(ii)	Interest Base Margin:	[+/-] [●] % per year
	(iii)	Interest Determination Date:	[Second] Business Day prior to the start of each Interest Period, the first time on [●]
	(iv)	Interest Period:	The period from [●] up to and including [●] (the first interest period) and thereafter each period of about [●] months with the final day on an Interest Payment Date
	(v)	Interest Payment Date(s):	[●], [●], [●] and [●] of each year, the first time on [●] and the last time on [●]. However, if such a day is not a Business Day, the Interest Payment Date shall instead be the next Business Day provided that such Business Day does not fall in the new calendar month, in which case the Interest Payment Date shall be the preceding Business Day. Interest is calculated and payable up to and including each relevant Interest Payment Date.
	(vi)	Day Count Convention:	Actual/360 [Adjusted]/[Unadjusted]
	(vii)	Risk factors:	In accordance with the Risk Factor with the heading MTN with floating interest rate in the Base Prospectus
14.	<b>Zero Coupon :</b>		[Applicable]/[Not applicable]  <i>(if not applicable, delete the remaining subheadings under this section)</i>
	(i)	Terms for Loans without interest:	[Specify details]
	(ii)	Risk Factors:	In accordance with the Risk Factor with the heading MTN without interest (Zero Coupon) in the Base Prospectus
<b>REPAYMENT</b>			

<b>Miscellaneous</b>		
15.	<b>Issuing Dealer[s]:</b>	[•]
16.	<b>Calculation agent:</b>	[•]
17.	<b>Admission to trading:</b>	[Applicable]/[Not applicable] <i>(if not applicable, delete the remaining subheadings under this section)</i>
	(i) Relevant market:	An application for registration will be submitted to [Nasdaq Stockholm]/[state other regulated market]
	(ii) Estimate of all costs in conjunction with admission to trading:	SEK [•]
	(iii) Total number of securities admitted to trading:	[•]
	(iv) Earliest date for admission to trading:	[Loan date]/[•] [Tranche 1:] [Tranche 2:]
18.	<b>ISIN:</b>	SE[•]
19.	<b>Credit rating for the Loan</b>	[Not applicable]/[specify]
20.	<b>Resolution as basis for the Issue:</b>	[In accordance with the Base Prospectus]/[specify]
21.	<b>Interests of natural or legal persons involved in the Issue:</b>	[Other than the compensation paid to the Issuing Dealers based on their participation in the MTN Programme and this Issue, the Company is not aware of any persons involved with any interest of significance to the Issue]  <i>[description of the interests of significance to the Issue for any natural or legal persons involved in the issue, including conflicts of interest]</i>
22.	<b>Information from third parties:</b>	[Information contained in these Final Terms that comes from a third party has been accurately reproduced and, to the extent the Company is aware and is able to ascertain from a comparison with other information that has been published by the relevant third party, no facts have been omitted in a way that would render the

	reproduced information inaccurate or misleading]/[Not Applicable]
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The Company confirms that it has disclosed all material events after the date of this MTN Programme regarding the Base Prospectus that could affect the market's perception of the Company.

The Company further confirms that the above Final Terms are applicable to the Loan, together with the Terms and Conditions, and undertakes accordingly to pay principal and, where applicable, interest.

[Place] [date for signing of Final Terms]

BOLIDEN AB (PUBL)

## GUARANTEE

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Between Boliden AB (publ) (Reg. No. 556051-4142) (the “**Company**”) and Danske Bank A/S, Danmark, Sverige filial, DNB Bank ASA, filial Sverige, Nordea Bank Abp, Skandinaviska Enskilda Banken AB (publ), Aktiebolaget Svensk Exportkredit and Swedbank AB (publ) (together the “**Dealers**”), an agreement was signed on 19 October 2018 (*Sw: emissionsavtal*) (the “**Agreement**”) regarding the establishment of a Swedish Medium Term Note Programme (“**MTN Programme**”) under which the Company intends to raise loans on the Capital Market by issuing notes in SEK or EUR.

With reference to the MTN Programme, Boliden Mineral AB (publ) (Reg. No. 556231-6850) (the “**Guarantor**”) hereby guarantees as principal obligor as for its own debt (*Sw:proprieborgen*) all of the Company’s obligations, as agreed in this guarantee (the “**Guarantee**”).

In addition to the definitions set forth in this Guarantee, the terms defined in the Agreement and in the Terms and Conditions (appended to the Agreement) shall have the same meaning when used in this Guarantee.

The Terms and Conditions and the relevant Final Terms shall apply to each MTN. The obligations set forth in paragraph 4-6 below shall apply to the Guarantor only in case the Company has not already fulfilled such obligations in accordance with the Terms and Conditions.

1. The Guarantor has reviewed and approved the conditions set forth in the Agreement and the Terms and Conditions (as amended from time to time).
2. All of the Company’s obligations according to the Agreement, the Terms and Conditions and all Loans issued under the MTN Programme are guaranteed by the Guarantor as principal obligor as for its own debt (*Sw:proprieborgen*). The Guarantee continues in force until all obligations under the Agreement, the Terms and Conditions and all Loans issued under the MTN Programme have been fulfilled. The obligations under this Guarantee shall be in force even if the Framework Amount has been exceeded.
3. The Guarantor’s obligations are limited to the extent (and only if a limitation applies) required to avoid breach of the provisions on unlawful value transfers according to chapter 17, paragraph 1-3 in the Swedish Companies Act (*Sw: aktiebolagslagen (2005:551)*) (as amended from time to time).
4. The Guarantor further guarantees that as long as there are outstanding MTN the Guarantor shall not sell or otherwise dispose of any material fixed assets if such disposal threatens the Guarantor’s ability to fulfill its payment obligations under this Guarantee.
5. The Guarantor hereby confirms that its execution of this Guarantee do not violate any law, agreement, other rules or regulations binding on the Guarantor.
6. All the notices to the Guarantor shall be made to the following address:

Postal address: P.O. Box 44  
101 20 Stockholm  
Sweden  
Visiting address: Klarabergsviadukten 90  
Telephone: +46 (0)8 610 15 00  
www.boliden.com

If a notice has been sent by registered letter (*Sw. rekommenderat brev*), the notice shall be deemed to have been received by the recipient no later than the third Business Day following the dispatch. If a message has been sent by e-mail, the message shall be deemed to have reached the addressee when it is actually received. However, if the e-mail reaches the recipient after normal business hours, the message shall be deemed to have been received by the recipient at the beginning of the following Business Day.

7. This Guarantee, and any non-contractual obligations arising out of or in connection herewith, shall be governed by and construed in accordance with the laws of Sweden. The courts of Sweden have exclusive jurisdiction to settle any dispute arising out of or in connection with the Guarantee. The City Court of Stockholm (*Sw. Stockholms tingsrätt*) shall be the court of first instance.

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Stockholm 19 October 2018

BOLIDEN MINERAL AB (PUBL)

## BUSINESS DESCRIPTION AND STRUCTURE

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### The business of the Group

#### Business idea and strategy

Boliden aims to be a leading metals company by establishing and operating competitive mines and smelters and by being the preferred choice for business partners. The primary focus for Boliden's mining operations is the creation of growth through exploration and investments in organic growth, coupled with improved productivity and acquisitions where Boliden's know how and competences can add value. For the smelters, the focus is on increasing profitability by concentrating on costs, improving process stability and the ability to process complex raw materials.

#### Main operations

The Group in total has on the date of this Base Prospectus approximately 5,700 employees. Its main business activities consist of mining, processing/producing and selling concentrates, metals, in particular the base metals zinc, copper, nickel and lead but also precious metal such as gold and silver, and certain by-products.

The Group's business is divided into two segments – mining and smelting. Boliden's main metals – zinc and copper – are primarily sold to industrial customers in Europe. Boliden also conducts recycling of electronic materials and is a substantial market participant when it comes to recycling lead from car batteries.

#### Mines

As of the date of this Base Prospectus, Boliden mines comprise nine mines in six mining areas: Aitik, the Boliden Area and Garpenberg in Sweden, Kevitsa and Kylylahti in Finland and the Tara mine in Ireland. The Aitik mine is a medium-sized copper mine by international standards in terms of metal production and a significant copper mine in terms of ore extracted. Aitik also earns income from its by-metals gold and silver. Garpenberg is a medium-sized zinc mine which also generates income from silver and lead. The Boliden Area is a small mining area that contains three underground mines and one open-pit mine extracting and processing metals such as silver, gold, zinc, lead and copper. Kevitsa is an expanding copper-nickel mine with several by-products and Kylylahti is a small mine with short life-span currently reviewing the possibility of increased cobalt extraction. Tara is a large zinc mine by international standards and also earns minor revenues from lead.

#### Smelters

Boliden's five smelters are located in Sweden, Finland and Norway and comprise the Kokkola and Odda zinc smelters, the Rönnskär and Harjavalta copper smelters, and the Bergsöe lead smelter. The business area focuses on refining of concentrates and recycled raw materials, and sales of metals and by-products. The Kokkola zinc smelter is a major zinc producer by international standards, while the Odda zinc smelter is a small/medium-sized plant. The Rönnskär copper smelter is medium-sized, but has a material operation in electronic recycling. The Harjavalta copper smelter is small, but its nickel smelting operations are material by European standards.

### Share information

Pursuant to the Issuer's Articles of Association, its share capital shall be no less than SEK 200,000,000 and no more than SEK 800,000,000, with its number of shares being no less than 200,000,000 and no more than 800,000,000. As at the date of this Base Prospectus, the Issuer's registered share capital was SEK 578,914,338. As at the date of this Base Prospectus, the Issuer's registered number of shares was 273,511,169.

Since December 2001 the shares in the Issuer have been listed on the regulated market of NASDAQ OMX Stockholm under the short code BOL.

As at 31 October 2018, the Issuer had 76,119 shareholders.

**Ten largest shareholders as at 31 October 2018**

<b>Name of shareholder</b>	<b>Percentage of votes and share capital</b>
Swedbank Robur fonder	5.3
Black Rock Inc	5.0
Norges Bank Investment Management	3.7
AMF Försäkring och Fonder	3.5
SEB fonder inkl Lux.	3.2
Vanguard fonder	2.7
Söderbloms Factoringtjänst AB	1.7
Invesco funds	1.7
Andra AP-fonden	1.4
Xact fonder/Handelsbankens index fonder	1.2
<b>Total, ten largest shareholders</b>	<b>29.4</b>

**Legal structure**

Boliden is the ultimate shareholder of the Group Companies. The Issuer conducts limited operations on what is, for fiscal purposes, commission from Boliden Mineral and has no employees (other than the CEO) . The Issuer's operations mainly consist of owning shares in the operating subsidiaries and it is reliant of other entities within the Group to advance loans or make dividend distributions to the Issuer so as to enable it to make payments under the Notes. The Issuer is thus dependent upon receipt of sufficient income arising from the operations of the Group. The ability of the operating Group Companies to make payments is restricted by, among other things, the availability of funds, corporate restrictions and local law.

Save for some additional subsidiaries which are dormant or of lesser significance, the Issuer's shareholding of two directly owned and 21 indirectly owned subsidiaries as at 31 October 2018 is outlined in the below table.

<b>Name of subsidiary, registered office</b>	<b>Registration number</b>	<b>Shareholding and votes</b>
Boliden Limited, Toronto, Canada	3977366	100%
Boliden Power Ltd, Vancouver, Canada	700245	100%
3974677 Canada Inc, Toronto, Canada	3974677	100%
1393512 Ontario Inc, Toronto, Canada	1393512	100%
Boliden B.V., Drunen, Netherlands	18048775	100%
Boliden Mineral AB, Skellefteå, Sweden	556231-6850	100%
Boliden Harjavalta Oy, Harjavalta, Finland	1591739-9	100%
Boliden Kylylahti Oy, Polvijärvi, Finland	1925412-3	100%
Boliden Kevitsa Mining Oy, Petkula, Finland	2345699-1	100%
Boliden Finnex Oy, Petkula, Finland	2345662-5	100%
Boliden Kuhmo Oy, Petkula, Finland	1925450-2	100%
Boliden Kokkola Oy, Kokkola, Finland	0772004-3	100%
Kokkolan Teollisuusvesi Oy, Kokkola, Finland	2558533-2	65%
Boliden Commercial AB, Stockholm, Sweden	556158-2205	100%
Boliden Commercial UK Ltd, Warwickshire, UK	5723781	100%
Boliden Commercial Deutschland GmbH, Neuss, Germany	165903	100%
Tara Mines Holding DAC, Navan, Ireland	60135	100%
Boliden Tara Mines DAC, Navan, Ireland	33148	100%
Irish Mine Development Ltd, Navan, Ireland	174811	100%
Rennicks and Bennett Ltd, Navan, Ireland	34596	100%
Boliden Odda AS, Odda, Norway	911177870	100%

Name of subsidiary, registered office	Registration number	Shareholding and votes
Boliden Bergsöe AB, Landskrona, Sweden	556041-8823	100%
Boliden Bergsoe A/S, Glostrup, Denmark	20862149	100%

## THE ISSUER

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### General corporate and Group information

The Issuer's legal and commercial name is Boliden AB (publ) and its Swedish Reg. No. is 556051-4142. The registered office is at Box 44, 101 20 Stockholm, Sweden. The telephone number of the Issuer is +46 (0)8 610 15 00. The Issuer was incorporated in Sweden on 27 November 1947 and registered with the Swedish Companies Registration Office (*Bolagsverket*) on 23 December 1947. The Issuer is a public limited liability company (*publikt aktiebolag*) regulated by the Swedish Companies Act (*aktiebolagslagen (2005:551)*).

Boliden's history stretches back to the 1920s, when the company established a position in the fields of exploration, mining operations, concentration, smelting and recycling operations. Pursuant to the Issuer's Articles of Association, the object of the Issuer's business shall be to, directly or indirectly, pursue mining and produce metals, and thereto related business activities.

### Board of directors

Pursuant to Boliden's Articles of Association, the Board shall consist of no less than three and no more than ten members, with no deputy members, elected by the general meeting of the shareholders. The company's employees have a statutory entitlement to appoint three employee members and three employee deputy members to the Board. The Board currently consists of seven members elected by the Annual General Meeting held in 2018 until the Annual General Meeting in 2019 and three Employee Members with three Deputy Members appointed by trade union organisations.

#### Anders Ullberg

*Born 1946. Chairman of the Board since 2005 and Board member since 2005.*

**Principal education:** M.Sc. Economics.

**Other on-going principal assignments:** Chairman of the Boards of Eneqvist Consulting and Studsvik. Member of the Boards of Atlas Copco, Beijer Alma, Epiroc and Valedo Partners. Chairman of the Swedish Financial Reporting Board and Member of the Board of the European Financial Reporting Advisory Group.

#### Marie Berglund

*Born 1958. Board member since 2003.*

**Principal education:** M. Sc. Biology.

**Other on-going principal assignments:** Vice President, Raw Materials and Environment, NCC Industry. 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.

#### Tom Erixon

*Born 1960. Board member since 2013.*

**Principal education:** LL.B. MBA.

**Other on-going principal assignments:** President and CEO of Alfa Laval

#### Michael G:son Löw

*Born 1951. Board member since 2010.*

**Principal education:** M.Sc. Economics.

**Other on-going principal assignments:** Chairman of the Board of Recondoil. Member of the Boards of Concordia Maritime, Preem, Stena Bulk and AP Sten Sweden. Deputy Chairman of the Boards of the Swedish Chamber of Commerce for Russia & CIS, and the Swedish Association for Energy Economics. Member of the Royal Swedish Academy of Engineering Sciences

**Elisabeth Nilsson**

*Born 1953. Board member since 2015.*

**Principal education:** M.Sc. Engineering.

**Other on-going principal assignments:** Chairman of the Board of Göta Kanalbolaget. Member of the Board of EKN, member of Skandia's council.

**Pekka Vaurramo**

*Born 1957. Board member since 2016.*

**Principal education:** M.Sc. Engineering.

**Other on-going principal assignments:** Chairman of the Board of the Association of Support Service Industries. Member of the Board of Nokian Tyres. Member of the Advisory Council of the Finnish Fair Corporation.

President and CEO of Metso as from November 2018.

**Pia Rudengren**

*Born 1965. Board member since 2017.*

**Principal education:** M.Sc. Economics.

**Other on-going principal assignments:** Chairman of the Board of Social Initiative. Member of the Boards of Duni, WeMind, Academedia, Kappahl and Tikkurila.

**Marie Holmberg**

*Born 1963. Board member, employee representative since 2008.*

**Other on-going assignments:** Representative of the Swedish Association of Graduate Engineers.

**Kenneth Ståhl**

*Born 1973. Board member, employee representative since 2014.*

**Other on-going assignments:** Representative of IF Metall (the Swedish Metalworkers' Union). Chairman of the IF Metall Bergsöe branch.

**Cathrin Öderyd**

*Born 1975. Board member, employee representative since 2018.*

**Other on-going assignments:** Representative of IF Metall (the Swedish Metalworkers' Union). Chairman of the IF Metall Aitik branch.

**Ola Holmström**

*Born 1965. Deputy Board member, employee representative since 2017.*

**Other on-going assignments:** Representative of IF Metall (the Swedish Metalworkers' Union), Chairman of the IF Metall Kristineberg branch, FSG (Trade union cooperation), BKR (Boliden's Group Council).

**Magnus Filipsson**

*Born 1974. Deputy Board member, employee representative since 2018.*

**Other on-going assignments:** Chairman of the Unionen trade union Aitik/Boliden area/Stockholm. BKR (Boliden Group Council), BWC (Boliden Works Council).

**Gard Folkvord**

*Born 1969. Deputy Board member, employee representative since 2018.*

**Other on-going assignments:** Chairman of Odda Kjemiske Arbeiderforening. Member of the competence committee Industri Energi. Member of Odda municipality Board (A). Chairman of Oddaprodukt AS.

**The Group Management****Mikael Staffas**

*Born 1965. President & CEO since 2018.*

**Principal education:** M.Sc. Engineering, MBA.

**Other on-going principal assignments:** Chairman of the Boards of Eurometaux and the Swedish Association of Mining Employers (GAF). Deputy Chairman of the Board of The Swedish Association of Mines, Mineral and Metal Producers (SveMin). Member of the Boards of The Swedish Association of Industrial Employers (Industriarbetsgivarna), the International Copper Association (ICA) and the International Zinc Association (IZA).

**Håkan Gabrielsson**

*Born 1967. CFO since 2016.*

**Principal education:** M.Sc: Business Administration.

**Other on-going principal assignments:** N/A

**Kerstin Konradsson**

*Born 1967. Senior Vice President – Business Area Smelters since 2012.*

**Principal education:** M.Sc. Engineering.

**Other on-going principal assignments:** Member of the Royal Swedish Academy of Engineering Sciences (IVA) and Board member of Höganäs.

**Stefan Romedahl**

*Born 1967. Senior Vice President – Business Area Mines since 2018.*

**Principal education:** M.Sc. Engineering.

**Other on-going principal assignments:** Member of the Board of The Swedish Association of Mines, Mineral and Metal Producers (SveMin) and The Swedish Association of Mining Employers (GAF).

**Thomas Söderqvist<sup>1</sup>**

*Born 1957. Senior Vice President Corporate Responsibility since 2015.*

**Principal education:** B.Sc. Engineering.

**Other on-going principal assignments:** N/A

**Additional information on the Board and the Group Management****Business address**

The address for all members of the Board and the Group Management is c/o Boliden Mineral AB, Box 44, SE 101 20 Stockholm, Sweden.

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<sup>1</sup> Thomas Söderqvist will be replaced by Åsa Jackson on the board of directors as of January 2019 – for more details please see <https://www.boliden.com/media>

**Conflicts of interest**

No members of the Board or Group Management of the Issuer has any private interest that might conflict with the Issuer's interests.

**Auditor**

Deloitte AB (Rehngatan 11, 112 79 Stockholm, Sweden) is the Issuer's auditor since 2015. Jan Berntsson, born 1964, is the auditor in charge. Jan Berntsson is an authorised public accountant and member of FAR, the professional institute for accountants in Sweden.

## THE GUARANTOR

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### General corporate information

The Guarantor's legal and commercial name is Boliden Mineral AB (publ) and its Swedish Reg. No. is 556231-6850. The registered office is at 936 81 Boliden. The telephone number of the Guarantor is +46 (0)910 77 40 00. The Guarantor was incorporated in Sweden on 27 December 1982 and registered with the Swedish Companies Registration Office (*Bolagsverket*) on 13 July 1983. The Guarantor is a public limited liability company (*publikt aktiebolag*) regulated by the Swedish Companies Act (*aktiebolagslagen (2005:551)*). The Guarantor is a wholly-owned subsidiary of the Issuer.

Pursuant to the Guarantor's Articles of Association, the object of the Guarantor's business shall be to, directly or indirectly, conduct mining, concentration, metallurgic and chemical industrial business, own and manage real or personal property, and thereto related activities.

### Business description

Boliden Mineral is the main operating entity of the Group and has on the date of this Base Prospectus approximately 2,800 employees, including most of Group Management. Boliden Mineral operates mines in the north of Sweden as well as the Rönnskär smelter close to Skellefteå and owns most of the groups other operating entities and also contains certain common functions.

Borrowing from external lenders is typically made directly by or through Boliden Mineral and thus Boliden Mineral has a function of an internal bank of the Group.

### Board of directors

#### **Stefan Romedahl**

*Born 1967. Chairman of the Boliden Mineral AB Board since 2018.*

**Principal education:** M.Sc. Engineering

**Other on-going principal assignments:** Member of the Board of The Swedish Association of Mines, Mineral and Metal Producers (SveMin) and The Swedish Association of Mining Employers (GAF).

#### **Mikael Staffas**

*Born 1965. Board member of Boliden Mineral AB since 2011.*

**Principal education:** M.Sc. Engineering, MBA.

**Other on-going principal assignments:** Chairman of the Boards of Eurometaux and the Swedish Association of Mining Employers (GAF). Deputy Chairman of the Board of The Swedish Association of Mines, Mineral and Metal Producers (SveMin). Member of the Boards of The Swedish Association of Industrial Employers (Industriarbetsgivarna), the International Copper Association (ICA) and the International Zinc Association (IZA).

#### **Håkan Gabrielsson**

*Born 1967. Board member of Boliden Mineral AB since 2016.*

**Principal education:** M.Sc: Business Administration.

**Other on-going principal assignments:** N/A

#### **Kerstin Konradsson**

*Born 1967. Board member of Boliden Mineral AB since 2012.*

**Principal education:** M.Sc. Engineering.

**Other on-going principal assignments:** Member of the Royal Swedish Academy of Engineering Sciences (IVA) and Board member of Höganäs.

**Thomas Söderqvist<sup>2</sup>**

*Born 1957. Board member of Boliden Mineral AB since 2015.*

**Principal education:** B.Sc. Engineering.

**Other on-going principal assignments:** N/A

**Group Management**

For information on the Group Management, see section “The Group Management” on page 47.

**Additional information on the Board****Business address**

The address for all members of the Board is c/o Boliden Mineral AB Box 44, SE 101 20 Stockholm, Sweden.

**Conflicts of interest**

No members of the Board of the Guarantor has any private interest that might conflict with the Issuer’s interests.

**Auditor**

Deloitte AB (Rehngatan 11, 112 79 Stockholm, Sweden) is the Issuer’s auditor since 2015. Jan Berntsson, born 1964, is the auditor in charge. Jan Berntsson is an authorised public accountant and member of FAR, the professional institute for accountants in Sweden.

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<sup>2</sup> Thomas Söderqvist will be replaced by Åsa Jackson on the board of directors as of January 2019 – for more details please see <https://www.boliden.com/media>

## LEGAL CONSIDERATIONS AND SUPPLEMENTARY INFORMATION

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### Authorisation and responsibility

The Issuer has obtained all necessary resolutions, authorisations and approvals required in conjunction with the Notes and the performance of its obligations relating thereto.

The Issuer accepts responsibility for the information contained in this Base Prospectus and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Base Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import. The Board of the Issuer is, to the extent provided by law, responsible for the information contained in this Base Prospectus and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Base Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

### Legal and arbitration proceedings

The Group is currently and may from time to time be subject to disputes, claims and administrative proceedings as a part of the ordinary course of business. Save for the on-going disputes described below, the Group is not now and has not been party to any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened which Boliden is aware of) during the previous 12 months which, when adversely determined, may have, or have had in the recent past, significant effects on Boliden's and/or the Group's result or financial position.

#### Dam breach accident

In 1998, a dam breach occurred in a tailings pond at the Los Frailes mine in Spain, which was then owned by Boliden's subsidiary, Boliden Apirsa S.L. ("**Apirsa**"). It was established that the likely cause of the accident was design and construction errors in the dam. Nevertheless, Apirsa was ordered to pay approximately EUR 45 million in clean-up costs, damages and fines to the Spanish Ministry of the Environment. In addition, as a consequence of the accident, the local government (Junta de Andalucía) brought a claim against Apirsa, Boliden BV and Boliden for reimbursement for clean-up related costs totalling approximately EUR 89 million.

In 2005, Apirsa initiated insolvency proceedings to ensure a coordinated and orderly liquidation of the company. The receivers in the bankruptcy requested that Apirsa's parent company, Boliden BV, together with Boliden Mineral and Boliden should be held liable for Apirsa's total deficit of approximately EUR 141 million, including the above mentioned clean-up costs of 45 MEUR and the alleged 89 MEUR claim from the Junta de Andalucía, which is still pending in the court of the first instance in Seville. Boliden has not made any provisions in relation to Apirsa related disputes.

#### Export of metallic residues in the 1980's

In October 2013, a claim was brought by a Swedish limited partnership, Arica Victims KB (the Partnership), representing over 800 individuals from the Chilean town Arica, against Boliden for damages of approximately SEK 100 million plus interest. The claim concerns Boliden's export of metallic residues from its Rönnskär smelter between 1984 and 1985 for processing by the Chilean company Promel. The District Court of Skellefteå, Sweden, tried the case and ruled in favour of Boliden and ordered the Partnership to reimburse Boliden for its trial costs. The Partnership has appealed the verdict and the case will be tried by the Court of Appeal for Northern Norrland in Umeå in the beginning of 2019. Boliden has not made any provisions in relation to the Arica dispute

### Certain material interests

The Arranger has engaged in, and may in the future engage in, investment banking and/or commercial banking or other services for Boliden in the ordinary course of business. In particular, it should be noted that the Arranger may be the lender under certain credit facilities with a member of the Group as borrower. Therefore, conflicts of interest may exist or may arise as a result of the Arranger had previously engaged, or will in the future engage, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

The Arranger or its affiliates may be or become shareholders in the Issuer.

## Trend information

There has been no material adverse change in the prospects of the Group since 6 March 2018, being the date of publication of the latest audited financial information of the Issuer.

## Significant changes since 24 October 2018

There have been no significant changes in the financial or trading position of the Group since 24 October 2018, being the date of publication of the latest interim report of the Issuer.

## Material Agreements

Neither the Issuer or the Guarantor has concluded any material agreement outside of their ordinary course of business which may materially affect the Issuer's ability to fulfil its obligations under the Notes or the Guarantors ability to fulfil its obligation under the Guarantee.

## Incorporation by references

The following information has been incorporated into this Base Prospectus by reference and should be read as part of this Base Prospectus:

<b>Annual Report for 2016</b>	as regards the audited consolidated financial information and the audit report on pages 69-103.
<b>Annual Report for 2017</b>	as regards the audited consolidated financial information and the audit report on pages 71-105.
<b>2018 Q3 Interim Report</b>	as regards the unaudited consolidated financial information for the period from July to September 2018 on pages 15-28 (including comparable numbers for the period from July to September 2017).

Information in the above documents which is not incorporated by reference is either deemed by the Issuer not to be relevant for investors in Notes or covered elsewhere in the Base Prospectus.

The Issuer's Annual Reports for 2016 and 2017 have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by EU and in accordance with the Swedish Annual Report Act (*årsredovisningslag (1995:1554)*). With the exception of the Annual Reports, no information in this Base Prospectus has been audited or reviewed by the Issuer's auditor.

## Documents on display

Copies of the following documents are electronically available at [www.boliden.com](http://www.boliden.com). Paper copies of the documents are also available at the Issuer's office, Klarabergsviadukten 90, 116 64 Stockholm, Sweden during the validity period of this Base Prospectus (regular office hours):

- the Issuer's Articles of Association;
- the Issuer's and the Group's Annual Reports (including auditor's report) for the financial years 2016 and 2017;
- the Issuer's Interim Report for the third quarter 2018;
- all documents which are incorporated by reference into this Base Prospectus; and
- documents relating to the Guarantee.

## ADDRESSES

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### The Issuer

#### Boliden AB (publ)

Postal address: P.O. Box 44  
101 20 Stockholm  
Sweden  
Visiting address: Klarabergsviadukten 90  
Telephone: +46 (0)8 610 15 00  
www.boliden.com

### The Arranger

#### Swedbank AB (publ)

Address: 105 34 Stockholm  
Sweden  
Telephone: +46 (0)8 700 99 00  
www.swedbank.se

### The Dealers

#### Swedbank AB (publ)

Address: 105 34 Stockholm  
Sweden  
Telephone: +46 (0)8 700 99 00  
www.swedbank.se

#### Danske Bank A/S, Danmark, Sverige Filial

Address: 103 92 Stockholm  
Sweden  
Visiting address: Norrmalmstorg 1  
Telephone: +46 (0)752-48 49 30  
www.danskebank.se

#### DNB Bank ASA, Filial Sverige

Address: 111 56 Stockholm  
Sweden  
Visiting address: Regeringsgatan 59  
Telephone: +46 (0)8 47 34 100  
www.dnb.se

#### Skandinaviska Enskilda Banken AB (publ)

Address: 111 47 Stockholm  
Sweden  
Visiting address: Kungsträdgårdsgatan 8  
Telephone: +46 (0)8 76 95 000  
www.seb.se

#### Aktiebolaget Svensk Exportkredit (publ)

Address: 111 64 Stockholm  
Sweden  
Visiting address: Klarabergsviadukten 61-63  
Telephone: +46 (0)8 61 38 300  
www.sek.se

#### Nordea Bank Abp

Postal address: P.O. Box 850  
Köpenhamn  
Danmark  
Visiting Address: Hamnbanegatan 5  
Telephone: +358 9 1651  
www.nordea.com

### Legal Advisor to the Issuer

#### Mannheimer Swartling Advokatbyrå

Postal address: P.O. Box 1711  
111 87 Stockholm  
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