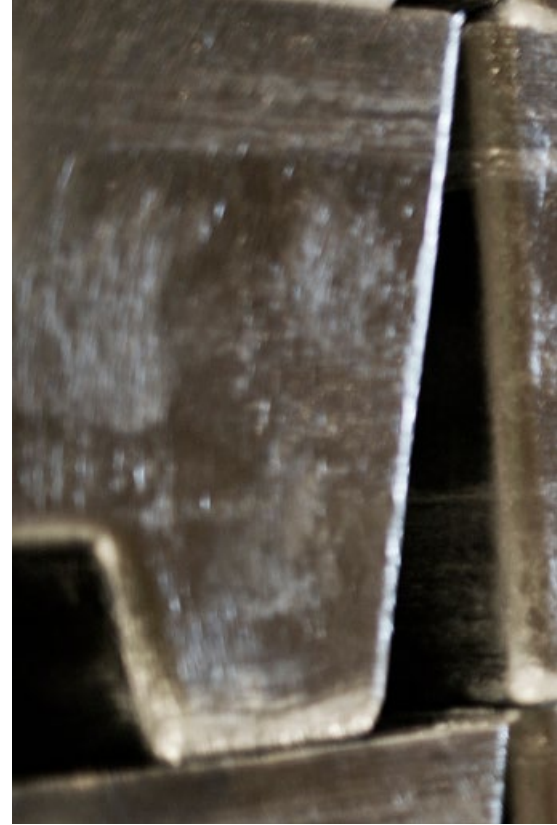


Developments on the metal markets

Despite monetary tightening, volatile energy markets, and increased geopolitical tensions, the global economy remained resilient, however, the base metals markets experienced weak developments.



Market trends

The global economy showed resilience during 2023 amid a challenging macroeconomic backdrop with monetary tightening, volatile energy markets and increased geopolitical tensions. Global growth was stronger than anticipated and GDP increased by 2.6 percent. Inflation had already begun to fall in the beginning of the year as a response to the US Federal Reserve initiating interest rate hikes in 2022, followed by the European Central Bank and others. As central banks continued to increase interest rates, inflation kept falling in most of the major economies. Towards the end of the year, expectations of rate cuts in the near future had a positive effect on market sentiment, which also gave strong support to metal prices such as copper and gold. Geopolitical risks increased during the year as the war in Ukraine continued and the Israel-Hamas war broke out in October. Price spikes and supply disruptions closely linked to the war in Ukraine and the sanctions imposed on Russia eased, including for energy, metals, and food items. Energy prices continued to be volatile, but to a lesser extent than in the previous year. The risks associated with the Covid-19 pandemic as a major global threat diminished.

The global stock market rebounded from the negative performance of 2022. Especially the US stock market showed strong growth, partially driven by the hype surrounding artificial intelligence and the technology companies involved in its development. The growth in European stock indexes was more moderate and the discount to American companies were at historical highs. In the US, the Inflation Reduction Act of 2022, which offers tax credits and other incentives to promote investment, started to shape the renewable energy market in a significant way, with the US as the preferred destination, including investments in the supply chain of critical metals. The urgency to limit climate change increased and faster progress will be required to meet the 2030 target set by the Paris Agreement and net zero by 2050. At the UN Climate Change Conference (COP28), almost 200 countries pledged to move away from fossil fuels and triple new investments in renewable energy.

Price developments in the metals market were generally weak in 2023. Both supply and demand for base metals increased and most markets were in surplus. With supply chains returning to more normal conditions and falling prices of raw materials, including metals, industrial destocking of inventories put further pressure on demand and prices.

Long-term metal demand

Historically, increased metal demand has been strongly linked to global economic growth and especially to developments in China, which accounted for the single largest source of demand for base metals. Although growth over the long term is expected to decline both globally and in China, metal demand will increase sharply thanks to climate transition and the electrification of societies. Ambitions to phase out

fossil fuels increased worldwide. Major metal intensive investments will be necessary for electricity generation, power distribution infrastructure and electrical equipment. Global demand for base metals is expected to grow for a long time.

Long-term metal supply

Mines have limited lifespans and must be replaced by new ones, but this will only occur if mining companies believe future metal prices will yield profitable investments in new projects. The trend of increasingly comprehensive requirements from permit-issuing authorities and local communities, the larger scale of projects due to lower metal grades, and a growing need for infrastructure have gradually increased cost levels and capital intensity in the mining industry. Due to the above factors, developing a new mine usually takes many years, and the time from discovery to metal production is increasing. In current circumstances this could lead to future supply shortages for most of our main metals. While expansion in existing mines generally has lower capital intensity, it will only partially meet the future demand for metals. The smelting capacity expansion rate is based on the view companies have of demand in the regional market and the supply of raw materials. New capacity affects concentrate market balance and thus the terms between smelters and the mines. Metal recycling rates are expected to increase over time, but as with the expansion of existing mines, they are only able to meet part of the future demand for metals.

China's dominant position

China accounts for about 40–50 percent of global base metal demand and significant shares of the world's metal supply. Economic development in the country is therefore of great importance for Boliden's markets. China's economy is expected to become more focused on services and less on infrastructure and real estate development, leading to lower future metal demand. At the same time, economic growth is expected to decline gradually. Smelting capacity expansion in China has developed at a fast pace in order to meet the rapid growth in demand for base metals. Metal imports are significant, and the Chinese smelting industry has become a major player in the global concentrate market, especially for copper. While China's position as the world's largest nickel producer was recently taken over by Indonesia, this was through major investments controlled by Chinese interests. Global copper and zinc mining capacity has sometimes been a limiting factor when investment growth was high in China. Even during periods of slowdown in global economic activity or when extraordinary situations have affected the economy, demand from China continued to be good, and therefore periods of low copper and zinc prices were brief from a historical perspective.



The zinc market

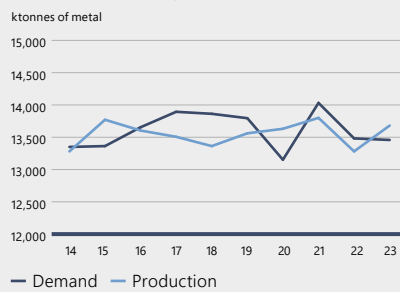
Weak demand

Global demand for zinc developed poorly in 2023, particularly in Europe, where it declined by 10 percent. Compared to the previous year, global demand remained unchanged. Activity in the construction sector was severely affected by high interest rates which reduced demand for housing. However, demand from the automotive industry was more robust. Although Germany, Europe's largest market, experienced a strong increase in produced units, production remained below pre-Covid-19 levels. Consumers, still mindful of the previous year's energy crisis, remained cautious. Zinc prices developed very poorly in 2023 and fell by an average of 24 percent during the year despite significant supply adjustments in the mining sector.

Return of smelter production

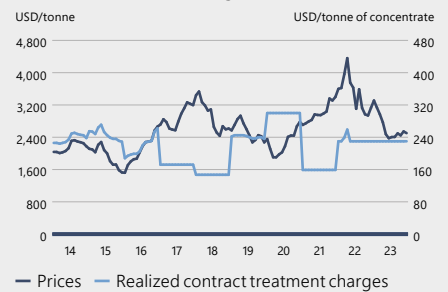
During the energy crisis of 2022, many smelters temporarily reduced production rates or shut down operations completely, particularly in Europe. The zinc smelter industry, being energy-intensive, is vulnerable to high energy prices. As energy markets normalized in 2023, zinc production also stabilized, though some smelter disruptions remained. Global production increased by 3 percent. LME inventories reached the highest level since 2021 and metal premiums fell. Spot market premiums were at historically high levels in the beginning of the year but nearly halved over the

Global demand and production



Source: CRU

Prices and treatment charges (TC)



Source: Bloomberg, CRU

course of the year.

Suspended mine production

Global mine production decreased by 3 percent during the year. Several mines became unprofitable due to weaker zinc prices and were put on care and maintenance. In the beginning of the year the concern was smelter availability, which resulted in improved terms for smelters, with the negotiated treatment charges in benchmark annual contracts set at USD 274 (230) per tonne concentrate, including some positive price participation. However, the market balance

quickly shifted as mines began to suspend production and spot market treatment charges collapsed to levels significantly below the benchmark annual contracts. As many mines struggled with profitability, efforts to rationalize production costs were carried out. The average cash cost level for the industry fell in 2023, despite the higher treatment charges and general cost inflation. Cash cost in the 90th percentile decreased to USD 2,260 per tonne (2,430).

The copper market

Steady demand and price development

Demand for copper grew by 2 percent compared to the previous year, despite the macroeconomic headwinds. While demand in Europe was weak, it was more than offset by strong demand in China, where consumption increased by 6 percent. Copper continued to benefit from the trend toward increased electrification, battery charging and power transmission infrastructure, along with the supply-side issues. On average, the copper price fell by 4 percent during 2023, which was significantly less than many other base metals.

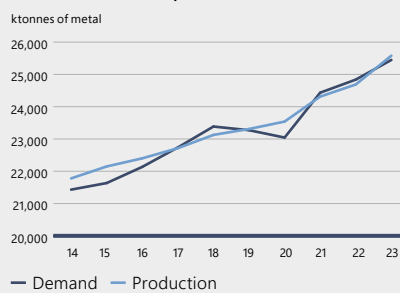
Stable smelter production

Global production of finished copper metal increased by 4 percent in 2023, primarily led by China where production increased by 9 percent with the start-up of new smelter capacity. Global stock levels slightly decreased during the year and remained at low levels. Metal premiums increased in Europe but fell in Asian markets.

Lower mined production than anticipated

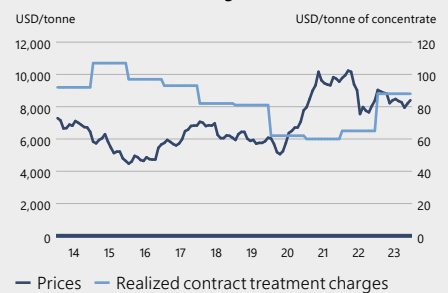
The supply of concentrates increased by 5 percent in 2023 but fell short of expectations as many mining companies failed to deliver on guided volumes. Significant disruptions in key operations in Latin America contributed to this shortfall. Spot market treatment charges increased during most of 2023 but fell sharply

Global demand and production



Source: CRU

Prices and treatment charges (TC)



Source: Bloomberg, CRU

towards the end of the year upon the news of reduced concentrate supply. Benchmark annual contracts at USD 88/8.8 Usc were above spot terms. Annual contracts for 2024 were established at USD 80/8.0 Usc. Production costs for mining companies continued to increase during the year from the higher base in 2022. Costs for power and fuel decreased but other items such as labor and consumables increased. Costs were also increased due to the effect of higher treatment charges and lower revenues from by-products. Cash cost in the 90th percentile

increased to USD 5,840 per tonne (5,420). Margins for the mining companies decreased compared with the previous year but remained favorable from a historical perspective.

The nickel market

Slower growth in demand

In 2023, demand for nickel increased by 6 percent compared to 2022. Stainless steel, representing almost two-thirds of global demand, saw a 6 percent increase in nickel consumption. Batteries, the second largest market for nickel consumption, grew by 9 percent, significantly lower compared to recent years. China, the world's leading battery market, only increased the consumption of nickel by 5 percent despite significant growth in electric vehicle sales globally. Falling prices for battery raw materials, including nickel, lithium and cobalt, led to widespread destocking throughout the supply chain.

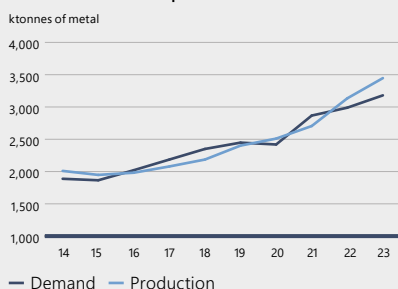
Falling nickel price

The average LME price of nickel decreased by 16 percent in 2023 as it fell from the high levels in 2022. From the start to end of the year, the price fell by 45 percent. Despite the decrease, LME prices traded at a significant premium to class 2 nickel products such as nickel pig iron (NPI) and ferronickel, although the differential narrowed.

Continued expansion in Indonesia

The global production of nickel increased in 2023 as capacity additions were continuously brought online in Indonesia. The country has the biggest ore reserves in the world and is currently the largest nickel producer following major investments to develop the domestic nickel supply chain. Nickel production increased by

Global demand and production



Source: CRU

10 percent globally compared to 2022. Indonesia and China, the two leading producers, increased production by 22 percent and 16 percent, respectively. Both segments of the nickel market, class 1 and class 2, were in surplus. Indonesia accounted for more than half of global mine production. Mine production capacity in the country continued to grow strongly and increased by 26 percent compared to the previous year. Production increased by 11 percent globally. Cash cost in the 75th percentile was USD 19,600 per tonne (18,800), and in the 90th percentile USD 20,200 per tonne (19,800). Costs for low-cost producers decreased on average, despite a significant reduction

Price



Source: Bloomberg

in by-product revenue. The cost curve is relatively flat and large parts of the industry struggled with marginal profitability or loss-making at prices recorded at the end of the year.

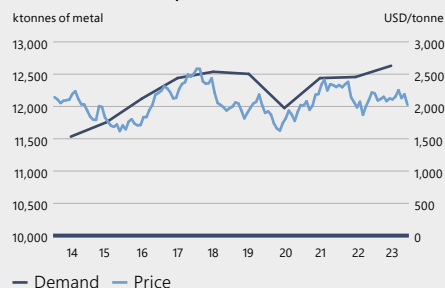
The lead market

Stable demand and supply

Global lead demand increased by 1 percent compared to the previous year. The supply of lead metal also increased by 3 percent as smelter production normalized following disturbances related to high energy costs in the previous year. Both primary and secondary lead smelters increased output levels. The price of lead is typically quite stable compared to other base metals, and in 2023 it fell by 1 percent, despite a weaker dollar.

LME stocks of finished metal in Asian warehouses grew throughout most of the year but remained essentially zero in Europe. Mine production was unchanged, partially affected by the suspension of production at several zinc mines around the world where lead is produced as a by-product. Treatment charges in benchmark annual contracts decreased from 2022 but were higher than those observed on the spot market.

Global demand and price



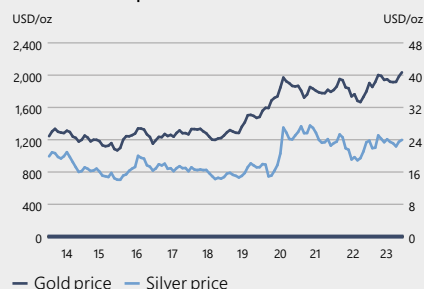
Source: Bloomberg, CRU

Precious metal markets

Gold and silver prices are governed by anticipated developments in the global economy and have often been sought-after metals in weak economic conditions or when unusual events affect the global economy. Precious metals are included in the investment portfolios of financial players to an increasing extent. Following a historical high level of gold purchases by central banks in 2022, gold continued to be bought in large volumes in 2023. Interest among financial investors declined during the year, most notably in Europe, with significant funds outflows. The gold price had a strong second half of 2023 driven by the increased geopolitical risk as the Israel-Hamas war

broke out as well as the growing expectations that the US Federal Reserve could start the rate cutting cycle soon. The average price increased by 8 percent compared to 2022. The silver price followed the same pattern, although the metal is more dependent on the economic cycle, as a significant proportion of demand is industrial. The silver price increased by 7 percent in 2023. The price of palladium fell by 37 percent during 2023 as automotive OEMs reduced inventories. The price of platinum managed to remain flat given weak global mine production and substitution of palladium in the lower-temperature part of autocatalysts.

Gold and silver price

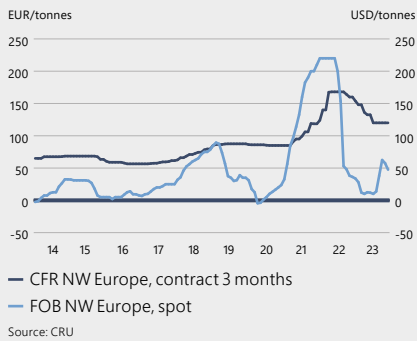


Source: Bloomberg

The sulphuric acid market

The sulphuric acid spot price began the year at low and falling levels before recovering in the second half of the year driven by renewed demand from Morocco and Chile. The average price for 2023 was 82 percent lower than in 2022. Contract-based prices were more stable and declined by 17 percent over the same period. Global consumption increased with higher demand from fertilizer production, the largest market for sulphuric acid, as well as the mining industry.

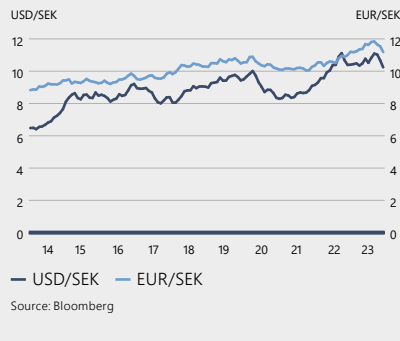
Sulphuric acid price



Currency trends

The USD saw a mixed development against other currencies during the year following the strong development in 2022 due to the US Federal Reserve's early decision to carry out aggressive interest rate hikes. As other central banks caught up in the cycle of raising interest rates throughout the year, the relative strength of the USD faded. However, global economic uncertainty and increased geopolitical tensions benefited the USD, which is perceived as less risky given it is the world's largest currency. The USD exchange rate increased by 5 percent against the SEK and fell by 3 percent against the EUR.

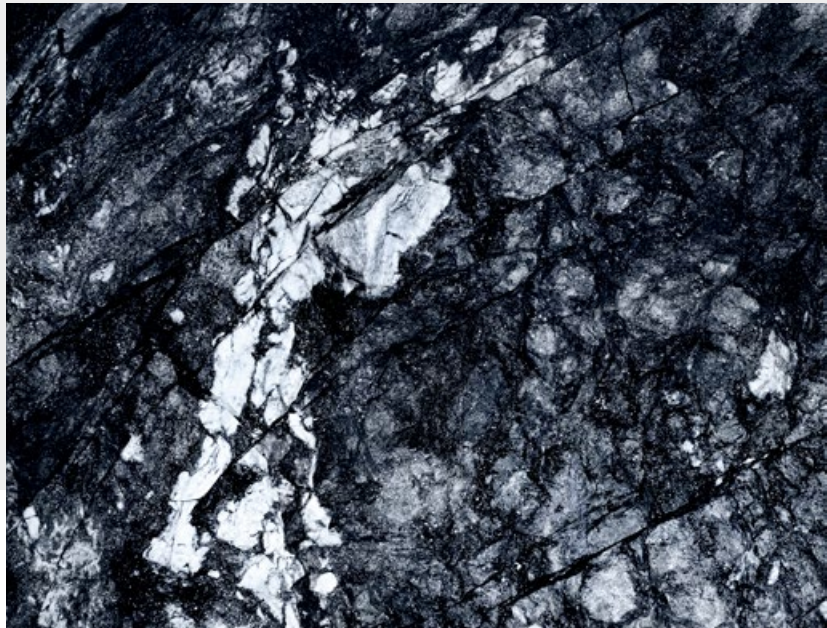
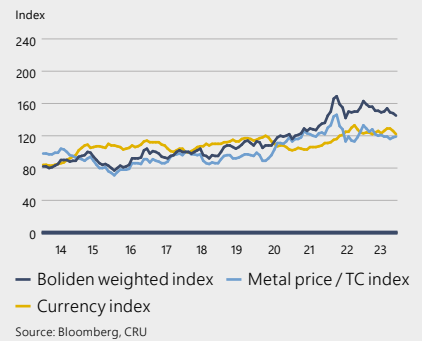
Exchange rates



Boliden weighted index

The Boliden weighted index, which includes prices, terms and currencies that have the biggest effect on Boliden's earnings, remained unchanged in 2023. The weighted metal price and treatment charge index fell by 3 percent, while the currency index increased by 3 percent. Currencies and metal prices often display a negative correlation that has an offsetting effect on Boliden's weighted index and earnings.

Boliden weighted index



About pricing

Metals

Prices for copper, zinc, nickel and lead are set daily on the London Metal Exchange (LME). In addition to the price, there is usually a premium. Its level is governed by the local balance between metal demand, smelter capacity, shipping costs and payment terms. Prices for gold, silver, palladium and platinum are set in a similar way by the London Bullion Market Association (LBMA). Cobalt and tellurium prices are published in the Metal Bulletin.

Concentrates

The price of concentrate is usually the LME price less treatment charges and is calculated on the payable part of a concentrate's metal content, and regulated by terms and conditions between mines and smelters. The balance between the supply of concentrates from the world's mines and smelter demand governs pricing between mines and smelters.

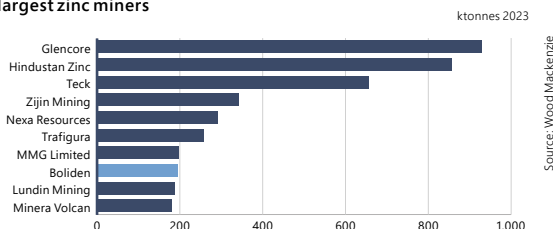
Market position

Boliden conducts business in a global marketplace and is one of the world's biggest zinc mining and smelting companies. In copper, we are a small but leading player in Europe, and we have built up a position in nickel in recent years.

Mining companies – zinc

Boliden is the world's eighth largest zinc mining company measured on 2023 production, which takes into account the curtailment of production at Tara mid-year. Garpenberg and Tara, when fully operational, are major zinc mines by international comparison, and Garpenberg is also one of Europe's biggest producers of silver. The Boliden Area is a minor zinc producer.

The 10 largest zinc miners

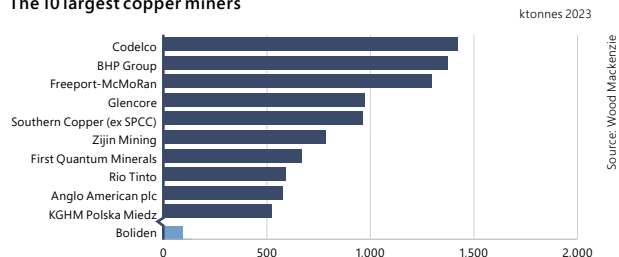


Source: Wood Mackenzie

Mining companies – copper

Boliden is a minor global copper miner but plays an important role in Europe's metal supply. Aitik, Europe's largest copper mine, is a major mine in terms of ore production but medium-sized in terms of metal production. Kevitsa and the Boliden Area are minor copper producers.

The 10 largest copper miners

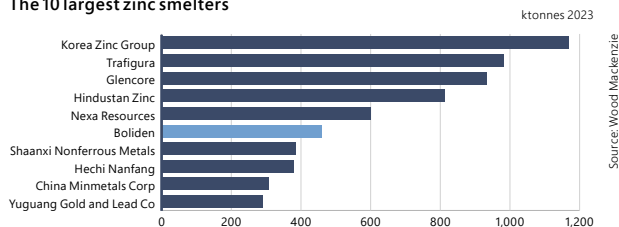


Source: Wood Mackenzie

Smelting companies – zinc

Boliden is the world's sixth largest zinc smelting company. The Kokkola smelter is a major zinc producer while the Odda smelter is medium-sized. The ongoing expansion at Odda will make the smelter a leading zinc producer.

The 10 largest zinc smelters

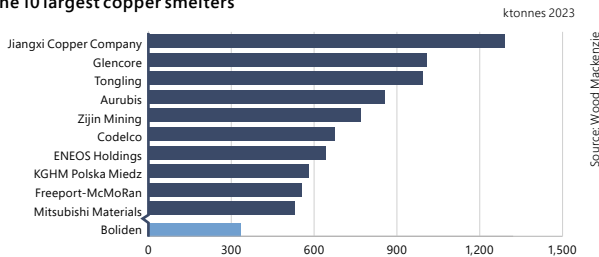


Source: Wood Mackenzie

Smelters – copper

Boliden is the twenty-first largest copper smelting company globally, a position that reflects the production disturbances related to the fire in the Rönnskär tank house. The Rönnskär smelter is a major copper producer and a world leader in recycling of electronics. The Harjavalta smelter is a minor copper producer.

The 10 largest copper smelters



Source: Wood Mackenzie

Mining and smelting companies – nickel

Since the acquisition of the Kevitsa mine, Boliden enjoys the same integrated structure in nickel as it does in copper and zinc, with the exception that Boliden does not produce finished nickel metal but an intermediate product known as nickel matte, which is sold on for further processing. Harjavalta is the only nickel smelter in Western Europe.

Mining and smelting companies – lead

Boliden is an important lead mining company globally, but without a primary lead mine. Instead, lead is extracted as a by-product, mainly from the zinc mines. Boliden is a medium-sized smelter for primary lead and has a significant position in lead recycling in Europe through the Bergsöe smelter.

Competitiveness

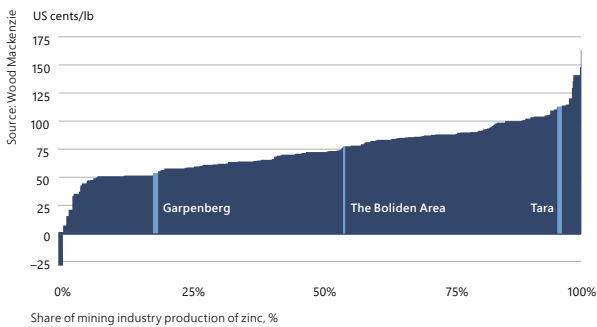
Metals are traded and priced on global exchanges. Competitive costs and sustainable processes are critical to long-term success as the metals are largely produced and traded in their pure forms without distinguishing properties. Boliden’s operations are sustainable and competitive thanks to leading-edge technological capabilities, high productivity, cost-efficiency and a limited environmental footprint.

Unlike refined metals, mined concentrates are not traded on exchanges, but are priced by leading players who announce their terms in the form of annual agreements known as benchmark contracts. Unit production costs for mines are

well-known to the market thanks to the regular compilation by independent analysts, such as Wood Mackenzie¹⁾, of information on cost levels, known as cash cost. Highly competitive mines often have high grades, significant revenues from by-products, advantageous infrastructure, and low costs. Smelter competitiveness is usually compared using the cash margin metric, which is a more comparable metric, since smelters extract multiple metals and by-products. Smelter competitiveness depends on the cost level, stable processes with ability to recover and extract other metals and by-products in addition to the primary metal.

CASH COST FOR THE MINING INDUSTRY

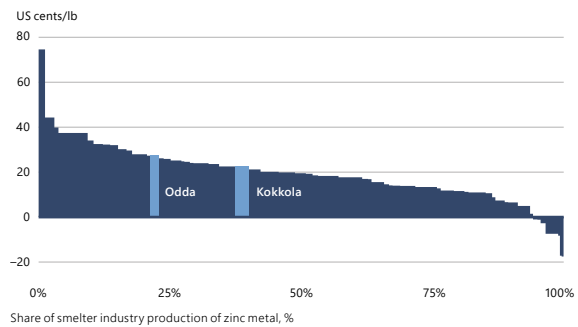
Zinc – composite C1 cash cost



Garpenberg and the Boliden Area have large revenues from multiple metals and report according to pro rata costing. Tara reports according to normal costing. According to Wood Mackenzie, Garpenberg has world-leading productivity among underground mines.

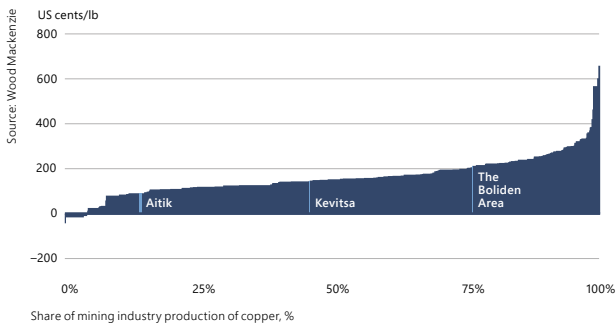
CASH MARGIN FOR THE SMELTER INDUSTRY

Zinc – cash margin



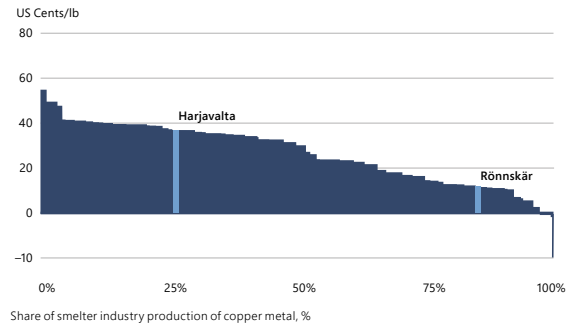
Boliden’s zinc smelters benefit from economies of scale and low energy costs, but have low production of by-products. The cash margin curve is relatively flat and there is little difference between the smelters at lower and higher percentiles.

Copper – composite C1 cash cost



Aitik has the world’s highest productivity for open pit mines with concentrator according to Wood Mackenzie. Kevitsa is a nickel and copper mine with by-products. Kevitsa is in the first quartile on the nickel cash cost curve.

Copper – cash margin



Boliden’s copper smelters enjoy a high cash margin due to its ability to process complex materials. In 2023, Rönskär’s position was negatively affected by the fire in the tank house. Harjavalta has significant revenues from its nickel business.

¹⁾ The graphs are based on estimates and assumptions by Wood Mackenzie, and may differ from Boliden’s own cash cost per mine data due to differences in the underlying data. Refer to page 137 for more details on cash cost and cash margin.

The share

The Boliden share is listed on Nasdaq Stockholm and is part of the Large Cap segment. During the year, the share fell by 20 percent thus underperforming the Stockholm stock exchange.

Trading in the Boliden share A

In all, 1.0 billion (1.0) Boliden shares were traded in 2023 with a total value of SEK 335 billion (377). Nasdaq accounted for 65 percent (66) of trading in Boliden shares. During the year, 643 million (646) Boliden shares were traded on Nasdaq Stockholm, with a total value of SEK 218 billion (242). An average of 2.5 million (2.6) shares were traded per trading day, and the Boliden share accounted for 1.8 percent (1.9) of the total volume of shares traded on Nasdaq Stockholm. The largest exchange after Nasdaq, was Cboe CXE, with 28 percent (26) of all trades in the share.

Price trend and dividend

The Boliden share fell by 20 percent compared to the OMX Stockholm 30 index, which rose by 17 percent, and the MSCI World Metals & Mining Index, which rose by 1 percent. At year-end 2023, the Boliden share was quoted at SEK 314 (391) on NASDAQ Stockholm, corresponding to a market capitalization of SEK 86 billion (107). In common with other raw materials companies, the value of the Boliden share varies on average more than the broad stock market indices. Over the last five years, the beta value of the Boliden share against OMXSPI was 1.04 (1.05). The Board proposes to the AGM an ordinary dividend of SEK 7.50 (15.00) per share for 2023, which is in line with Boliden's dividend policy. The proposed dividend corresponds to 33.8 percent (33.1) of net earnings per share and a dividend yield of 2.4 percent (3.8) of the share price at year-end. Boliden's average total return (dividend paid and share price performance) over the past ten years was 17 percent (16) per year.

Share capital

The total number of shares is 273,511,169. Each share has a quota value of SEK 2.12, and total share capital is SEK 578,914,338. Boliden's share capital derives from one type of share where each share has the same voting rights and the same right to dividends. There is no provision in Boliden's articles of association that limits the right to transfer shares or any voting right restrictions as to how many votes a shareholder may exercise at a shareholders' meeting. Boliden holds 40,000 repurchased treasury shares and has not issued any shares in 2023.

Boliden is unaware of any agreement between shareholders that may entail restrictions on the right to transfer shares in the company. Boliden is not party to any significant agreement affected by any public buyout offer. Boliden has no shareholders who have declared that they directly or indirectly represent at least one tenth of the total number of votes for all shares.

Ownership structure

As of December 31, 2023, Boliden had 124,052 shareholders (113,050), which was a new year-end record.

Approximately 57 percent (62) of the shares were registered to foreign accounts. The ten biggest individual shareholders represented 29 percent (28) of the share capital.

Boliden's employees hold shares, via profit-sharing foundations, for which voting rights cannot be directly exercised. At year-end, the foundations held 1,191,186 shares (1,091,076).

Shareholder information on the website

Continuously updated information about the Boliden share and the shareholder list is available on the Boliden website at www.boliden.com.

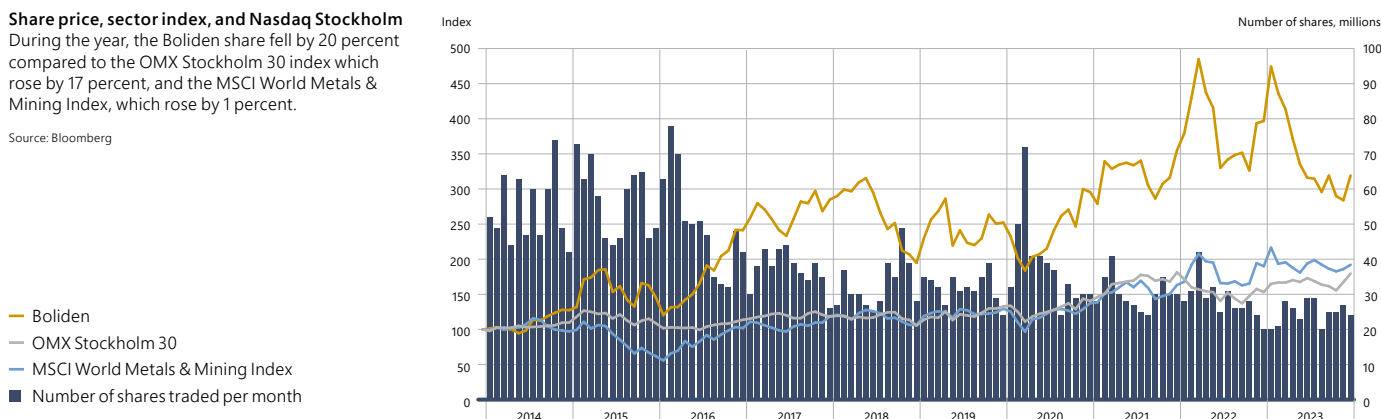
Boliden's financial reports, presentations and contact details to the equity research analysts in the 21 (22) banks and fund commissioners who monitor Boliden are also available on the website. For further information, please email us at: investorrelations@boliden.com.

Share price, sector index, and Nasdaq Stockholm

Share price, sector index, and Nasdaq Stockholm

During the year, the Boliden share fell by 20 percent compared to the OMX Stockholm 30 index which rose by 17 percent, and the MSCI World Metals & Mining Index, which rose by 1 percent.

Source: Bloomberg





Boliden's 10 biggest shareholders As of December 31, 2023

Percentage of capital and votes, %	
Swedbank Robur Fonder	5.4
BlackRock	4.9
Vanguard	3.9
T. Rowe Price	2.5
Handelsbanken Fonder	2.4
SEB Fonder	2.2
AMF Pension	1.9
Nordea fonder	1.8
Söderbloms Factoringtjänst AB	1.8
Folksam	1.7
Total	28.5

Source: Monitor, Modular Finance AB. The verification date may vary for certain shareholders.

Breakdown of Boliden's shares as of December 31, 2023

Shareholdings	Number of shareholders	Number of shares	Shareholding, %	Votes, %
1–100	78,145	2,572,711	0.9	0.9
101–500	30,866	8,258,105	3.0	3.0
501–1,000	7,922	6,373,606	2.3	2.3
1,001–10,000	6,489	16,796,089	6.1	6.1
10,001–50,000	400	8,028,854	0.3	0.3
50,001–	232	184,341,843	67.4	67.4
Anonymous ownership		47,139,961	17.2	17.2
Total		273,511,169	100.0	100.0

Source: Monitor, Modular Finance AB Holdings

The share in brief, 2023

Exchange	Nasdaq Stockholm
Ticker	BOL
ISIN code	SE 0020050417
ICB code	5510
Highest price paid	479
Lowest price paid	266
Closing price	314
Market cap. 31 Dec	SEK 86 billion
Turnover rate	362%
Number of shares	273,511,169
Beta value (5 years)	1.04

Source: Nasdaq OMX, Modular Finance AB

Annual total return as of December 31, 2023	1 year	3 years	5 years	10 years
Boliden	-16%	9%	16%	17%
OMX Stockholm 30	19%	12%	14%	10%
MSCI World Metals & Mining Index	5%	19%	19%	11%

The average total shareholder return on the Boliden share over the past 10 years was 17 percent per year and 370 percent for the period as a whole.

Source: Bloomberg

Trading on different exchanges



- Nasdaq, 65%
- CBOE, 28%
- Aquis, 3%
- LSE Group, 3%
- Other, 1%

In 2023, 65 percent (66) of Boliden shares were traded on the Stockholm Exchange. Source: Modular Finance AB

Ownership by country



- Sweden, 43%
- USA, 31%
- Luxembourg, 7%
- Great Britain, 7%
- Other, 12%

57 percent (62) of the shares were registered to foreign accounts.

Ownership by category



- Foreign accounts, 57%
- Swedish legal entity accounts, 29%
- Swedish natural person accounts, 14%