

Boliden in brief

Boliden is a metals company with a focus on sustainable development. The Company's core expertise lies within exploration, mining, smelting and recycling. The roots are Nordic, the business global. Boliden's main metals are zinc and copper, but the production of lead, gold, silver and other products is also of considerable importance for the Group's profitability. The Group has approximately 4,900 employees. Revenues in 2014 totalled SEK 36,891 million (SEK 34,409 million).

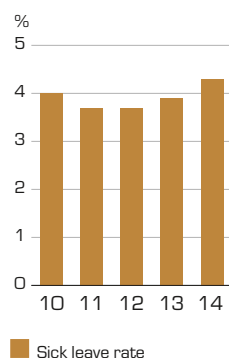
Social and Environmental performance

Gender breakdown. The percentage of women¹⁾ working within Boliden was 17.5 per cent, corresponding to an increase of 0.3 percentage points since 2013.

¹⁾ Calculation based on full-time employees (FTE).

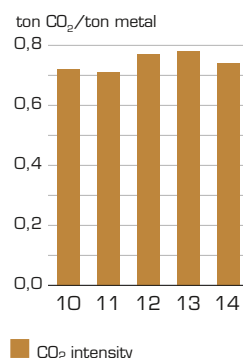
Sick leave

In 2014, the sick leave rate was 4.3 (3.9) per cent. Boliden's target is to reach 3.0 per cent by the end of 2018. Boliden will continue to work towards all units meeting this or a lower rate.



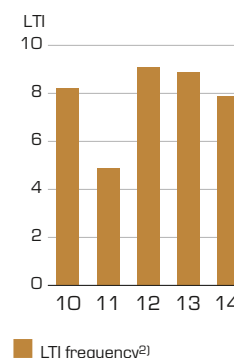
Carbon dioxide emission intensity

Boliden's target is to stabilise or lower the CO₂ emission intensity of its metal production, compared with the base year 2012.



LTI frequency²⁾

The number of accidents leading to absence from work (LTI) for 2014 decreased to 7.9 per one million hours worked, compared with 8.9 in 2013. The level in 2012 was 9.1.

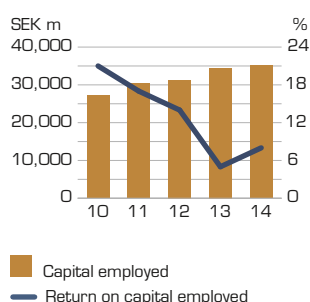


²⁾ The accident frequency is reported, starting in 2012, for Boliden's personnel including contractors.

Financial performance

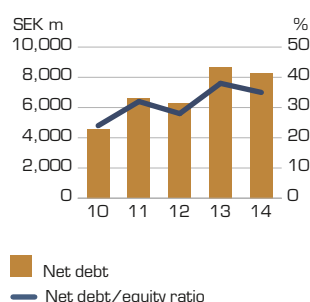
Returns

The return on capital employed totalled 8 (5) per cent. The average per annum return during the period from 2010 to 2014 was 12 per cent.



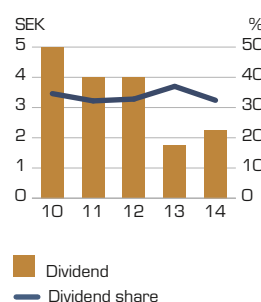
Net debt/equity ratio

The net debt/equity ratio at the end of 2014 was 35 (38) per cent. The year on year reduction was due to higher profits and lower investment levels.



Dividend

The proposed dividend is SEK 2.25 (1.75) per share, corresponding to 32.4 (37.0) per cent of the net profit for the year.



Boliden locations

Putting Boliden on the map

● Mining areas

Tara – zinc, lead

Garpenberg – zinc, silver, lead, gold, copper

The Boliden Area – zinc, copper, gold, silver, tellurium, lead

Aitik – copper, gold, silver

Kylylahti – copper, zinc, gold

○ Smelters

Odda – zinc, aluminium fluoride, sulphuric acid

Bergsöe – lead alloys

Rönnskär – copper, gold, silver, lead, zinc clinker, sulphuric acid

Harjavalta – copper, gold, silver, sulphuric acid, nickel matte

Kokkola – zinc, silver concentrate

● Offices

Stockholm – Head Office and Business Area Smelters

Boliden – Business Area Mines

Neuss – Sales Office

Leamington Spa – Sales Office

Glostrup – Sales Office



Dialogue for greater understanding



Metals are an ever-present and vital component of society. Boliden extracts minerals and produces high quality metals in a cost-efficient way. We aim to be the first sustainable link in the metal's value chain. The work across the value chain – from exploration to customer – is characterised by care for people, the environment and society.

Boliden became a signatory to the UN Global Compact in 2012, and actively supports its principles on human rights, labour, the environment, and anti-corruption.

Global demand for metals has been increasing for a number of years. Rapid economic development in emerging markets with large populations rising from poverty and continued urbanization has been a major driving force. In 2014, more people lived in urban areas than rural ones, with 54 per cent of the world's population residing in urban areas, and by 2050, projections indicate that 66 per cent of the world's population will be urbanised. Boliden's metals are fundamental in meeting the demand for housing and infrastructure.

Mature economies are also driving metal demand. A variety of international and regional initiatives designed to reduce the impact of climate change are likely to benefit Boliden's business, while also putting new demands on the Group's own operations, emphasising the importance of sustainable operational efficiency.

The transition to renewable energy, and the development of modern communication and information technology, requires large amounts of base metals. Energy generation based on wind power or solar panels requires more copper per unit of installed power than traditional forms of energy generation. Electricity is also becoming the energy carrier of choice for an increasing number of industrial activities, which drives a demand for copper in the longer perspective.

The New Boliden Way (NBW) lays down the Group's overall guidelines and values, as well as areas for further improvement, and focuses on stable processes and resource efficiency. Process stability helps ensure improved environmental performance and safer workplaces, as well as high production levels and cost efficiency. Unplanned production stoppages can have a negative environmental impact and put pressure on employees to meet deadlines and can, potentially, increase the risk of unsafe behaviour and deviations from safety routines. In 2014, Boliden placed particular focus on safety efforts after a negative safety and accident frequency trend during 2013, and as of 2014, training in behaviour based safety is an integral part of the NBW.

Strategy and focus

Boliden has further refined its sustainability management work in 2013 and 2014: in 2013 a comprehensive internal programme aimed at identifying sustainability priorities and setting new targets took place, and in 2014, this work was complemented with a stakeholder

consultation designed to identify and confirm Boliden's material sustainability issues. Boliden engaged with employees, investors, customers and authorities to discuss previously identified focus areas and targets and to provide input on additional aspects. This stakeholder consultation, together with the work in 2013 forms the basis for Boliden's CR strategy and the content of Boliden's GRI Report, which has been prepared in accordance with the GRI Guidelines, G4.

Boliden's CR strategy rests on four cornerstones:

- Safety Culture
- Leadership Development
- Environmental Excellence
- Stakeholder Dialogue

Boliden's sustainability priorities and targets address Boliden's most significant impact and risks, and generate the pre-conditions necessary to take advantage of opportunities. The sustainability priorities aim to improve performance and operational efficiency, while taking external impact and stakeholder expectations into account. The priorities are:

- To create a safe work environment
- To secure tomorrow's talent pool
- To achieve diversity and a better gender balance
- To minimize impact on soil, air and water
- To use resources efficiently
- Reclamation responsibility and preservation of natural values

There is a clear delegation of responsibilities at all levels of the organisation and sustainability performance is followed up at every Group management meeting, Board meeting, and local management meetings.

Performance in 2014

Boliden reduced the accident frequency by 12 percent in 2014, from 8.9 to 7.9. This is positive trend and is the result of committed work in this area in 2014. The long term goal is zero – which means the current status is far from satisfactory. The health and safety of our employees is a top priority and our efforts to make improvements in this area must be unceasing. The risks inherent in our operations demand a constant focus on and perseverance in maintaining the correct attitude and behaviour, as well as proper planning and structure.

The focus on skills provision and diversity continued as Boliden in common with the entire primary industry sector, is facing significant numbers of retirements and competition for skills and talent. The share of women in the workforce developed in a positive way. Boliden has set a target of female employees constituting 20 per cent of the

total workforce by 2018, and by the end of 2014, had achieved a figure of 17.5 percent (17.1%). The target will be met by recruiting at least 1/3 women to vacant positions.

Boliden's environmental performance was overall positive in 2014, and the Group performed well on most of the environmental targets. 2015 will see a renewed focus on increased production. This will challenge Boliden's objective of reducing negative impact on soil, air and water, as production volumes and emissions to air and water are interlinked, making it particularly challenging to keep carbon emissions down.

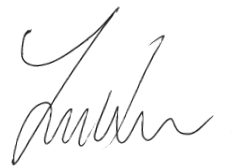
A long history of sustainability management

Boliden, as a corporate entity, has existed for 90 years now, and that long and successful history has been contingent upon the company acting responsibly, understanding the wider context, taking environmental and social factors into consideration across the business, and being responsive to stakeholders' expectations. Right from the start, Boliden has had close links with the local communities where the operations are based, and is an important actor in the communities in which we operate. Boliden is often the largest employer there and hence has a significant economic impact, both directly and indirectly. This has forged a relationship based on mutual interests and respect. Boliden makes use of local skill pools, recruits locally, and makes use of the access to public services and infrastructure. The operations affect the landscape and large numbers of people to varying degrees, and building a sustainable and successful business requires Boliden to be responsive to stakeholders' views and expectations.

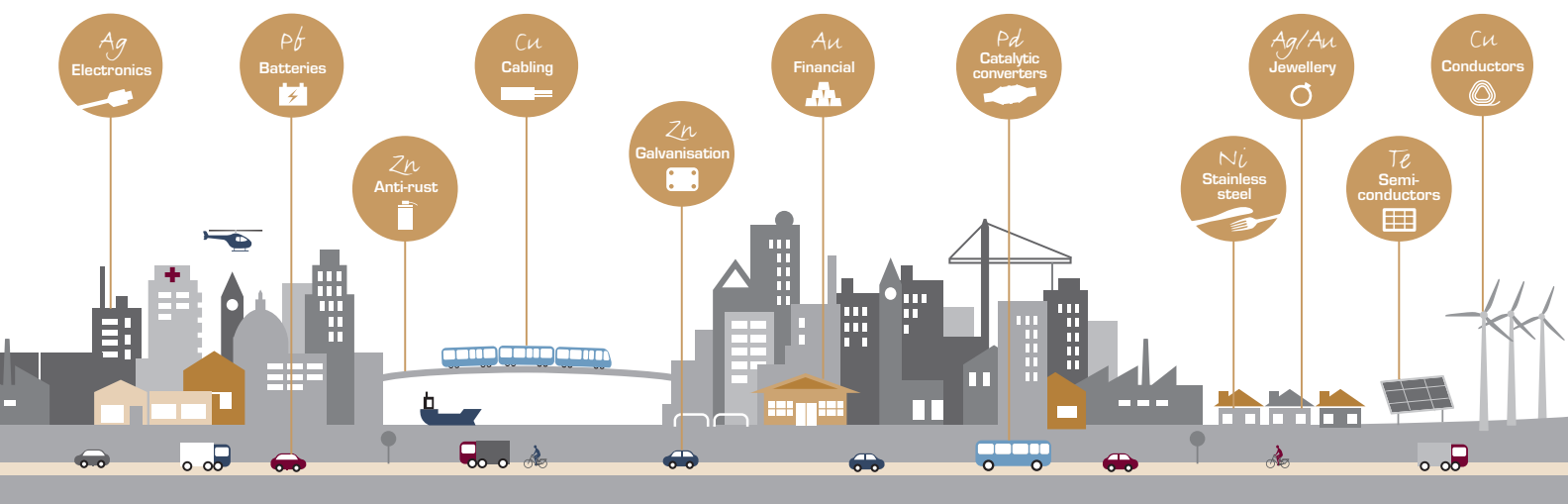
Boliden engages the people who live in the vicinity of its operating units in a variety of activities on a regular basis. These include the "Open House" sessions, where the public is invited to visit the plant and get information in an informal way. Boliden also holds Public Consultations ("Samrådsmöten") to discuss special issues under more formal circumstances. There is always an open channel that individuals in the community can use to bring their concerns to the company. Specially-designated employees are in regular contact with Group's neighbours and sometimes visit people at their homes to discuss matters of concern.

2014 was an interesting year that added several important components to Boliden's continued development. 2015 offers a range of opportunities for Boliden and I look forward to realising them together with all of our employees, who are the soul and force of this company. Together, we will take Boliden forward into the next 90 years.

Stockholm, February 2015



Lennart Evrell
President & CEO



Metals are an ever-present and vital component of society. There is virtually no products in our modern society that does not either contain metal or where metal has not been used in its production. Demand for metals is constantly increasing in the emerging economies where there is a need for new and improved housing, and as prosperity increases, the demand for consumer products, such as electronics and cars, increases too.

One of the important properties of many metals is that they can be recycled over and over again by smelting them down and turning them into new products. Boliden has decided to play an active part in this recovery and recycling work, which is expected to become increasingly important with time.

Boliden sustainability reporting

Boliden Group's sustainability reporting is prepared in accordance with the G4 Sustainability Reporting Guidelines, including the Mining & Metals Sector Supplement. We currently report in accordance with 'Core' application level, which represents a balanced and reasonable presentation of our organisation's economic, environmental, and social performance. The 2014 reporting is composed of two units: one that is integrated into the 2014 Annual Report and which discloses how Boliden works and performs in relation to a set of prioritised sustainability issues, and one that reports our impact and results in accordance with the GRI reporting framework. The sustainability information for 2014 has been subjected to a limited review by Ernst & Young AB; please see the limited assurance statement on page 63 of the Annual Report.

Management approach

Sustainability is an integral part of Boliden's strategy and operations. The basis for the sustainability work is that all operations are conducted in accordance with legislative provisions and permits in the countries in which the Group operates. Boliden's ambitions are, however, significantly higher than this and the Group works proactively by formulating goals and guidelines that are fundamental to its operations from a sustainability point of view. In order to systematically control and develop Boliden's operations, management systems have been implemented to secure that significant sustainability aspects of the operations are covered, making it possible to minimise the risks associated with metal production. Boliden's way of working also facilitates adaptation with market conditions and preferences, and ensures compliance with future legislation. Boliden became a signatory to the UN Global Compact in 2012, and we continually enhance our efforts to protect and respect its principles and promote its spirit. The identification and prioritisation of the Group's sustainability efforts are based on the overall strategy and vision, the impact of the operations and the company's goal of being the first sustainable link in the metals' value chain and achieving operational efficiency. External drivers and the expectations articulated by stakeholders, together with existing and potential legislation are also all considered as part of the identification process, in order to make our work more relevant over time. Efforts to further formalise and strengthen the process of validating the sustainability priorities with external stakeholders were initiated in 2014. Boliden prioritises sustainability issues that:

- Directly impact Boliden's success
- Directly impact Boliden's stakeholders
- Are fundamental to Boliden's ability to operate
- Boliden is able to control

This approach enables Boliden to set relevant goals, to track and improve performance. Boliden has identified the following sustainability priorities:

- Creating a safe workplace
- Achieving diversity and a more even gender distribution among employees
- Securing tomorrow's skill pool
- Minimising the negative impact on soil, air and water
- Using resources efficiently
- Responsible reclamation and nature protection

Sustainability targets 2014 – 2018

Identifying and prioritising the most important and relevant issues within the context of Boliden's sustainability work is an ongoing process. The key factor that is common to all Boliden's sustainability priorities is that they have a direct impact on our operations, overall results and important stakeholders. Sustainability comes with a long term perspective and is a long term commitment. Boliden's approach is to define five-year goal periods that enable more efficient progress to be made.

Sustainability targets 2014 – 2018

• Number of accidents per month at all units	0 accidents
• Sick leave rate	Less than 3.0 %
• Percentage of female employees	At least 20 %
• Metal discharges to water	Reduce by 25 %
• Metal emissions to air	Reduce by 10 %
• Sulphur dioxide emissions to air	Reduce by 10 %
• Carbon dioxide intensity for CO ₂ per tonne of metal produced	≤ 0.77
• Number of environmental accidents per month (<i>limit value deviations + class A incidents</i>)	0

Performance disclosure information and comments are presented on pp. 54–60 of the Annual Report and on pp. 2, 17 and 28 of this GRI report.

Boliden also works, as a complement to these numerical targets, with several goals related to the development of new or improved routines for a safer work environment, and of methods prioritising environmental initiatives and securing a competent workforce for the future.

The New Boliden Way

Boliden's organisational and production philosophy, the New Boliden Way (NBW), governs overall policies, guidelines and instructions. Its purpose is to improve overall productivity and create a culture characterised by continuous improvements. It sets forth how to develop Boliden into a world-class metals partner, acknowledged for its ability to create added value to customers, shareholders and other stakeholders. Stable processes are a prerequisite for a sustainable performance and are the foundations for the NBW. Other major components of the NBW are:

- Doing it right from the start
- Leadership
- Standardise
- Measure and evaluate
- No waste
- Low cost
- Right quality

Boliden focuses on activities that add value as well as standardised processes and methods that can be replicated throughout the Group.

Policies and management systems

Boliden has a governance model comprising Group-wide and local policies, instructions and guidelines, tools and local management systems that correspond to the challenges the company faces. The overall steering documents are collected in the Management Manual, which is available to every employee via Boliden's intranet. Two of the Group's most prominent guidelines are Boliden's Policy on Environment, Health and Safety (EHS) and Boliden's Corporate Responsibility Business Guidelines.

Boliden's operations have adopted environment and occupational health and safety management systems certified in accordance with ISO 14001 and OHSAS 18001, respectively. The Group's smelters are also certified in accordance with the ISO 9001 quality management system. An updated energy management system, in accordance with ISO 50001 is being implemented and has, as of 2014 replaced the former systems based on EN 16001. This upgrade of the energy management system is expected to be completed before end of 2015. By working with certified management systems, Boliden ensures that its operations review significant issues, set targets, measure performance, follow up on progress and continuously work to improve their performance. The certification schemes also demand documented delegation of responsibilities on each site and that relevant competences be upheld.

Boliden's Corporate Responsibility Business Guidelines

The Corporate Responsibility Business Guidelines are Boliden's overarching guidelines regarding responsible business. They cover not only all of the Group's in-house operations but those of business partners with whom Boliden enters into an agreement. They are publicly available on Boliden's corporate website.

The Guidelines have been developed from the principles laid down in the UN Global Compact, and issues by the ILO, as well as those contained in applicable ISO standards and the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

The Guidelines address;

Human rights and Labour standards:

- The effective abolition of child labour, harmful child labour, the right of children to not have their physical or mental health and development endangered (within or outside a working area) and the transition of any child found to be performing harmful child labour to enable her or him to attend and remain in quality education until no longer a child
- Upholding the elimination of all forms of forced or compulsory labour
- Non-discriminatory practices
- Protecting and respecting the freedom of association and collective bargaining
- Living wages
- Working hours
- Safe work environment
- Compliance with national legislation and respect of international conventions and guidelines

The Environment:

- A precautionary approach to environmental challenges
- Environmental risk assessments and systematic management
- Promotion of environmental responsibility
- Best available technology and knowledge sharing
- Compliance with national legislation and respect for international conventions and guidelines

Anti-corruption:

- Zero tolerance of bribery or any form of corruption
- Zero acceptance of direct or indirect involvement in prohibited benefits
- Legal compliance on taxation, fees and royalties and transparency in disclosure of the same
- Reference to Boliden's Anti-corruption policy and the Extractive Industry Transparency Initiative (EITI)

Society and Human rights:

- Acting responsibly in relation to neighbouring societies
- Safeguarding the rights of the indigenous peoples
- Treating members of society with dignity and respect
- Preventing the forcible displacement of individuals, groups or communities
- Respect for international guidelines and standards if security services are used to protect operations

Responsibility and monitoring

Boliden's Group management has the ultimate responsibility for the Group's sustainability work. Prioritising sustainability issues, identifying and selecting the most relevant sustainability issue are an ongoing process involving all units within Boliden. Group management includes the Senior Vice President – Corporate Responsibility who ensures that sustainability issues are addressed continuously.

The work is largely carried out through Group-wide networks in order to facilitate the dissemination of Boliden's goals and strategies as well as the exchange of expertise and experience between the Business Areas and between production units. There are networks for health and safety, environment, human resources and communications. The managers of these networks report directly to Group management. Boliden's Board of Directors reviews the Group's sustainability performance annually.

Environmental performance, sick leave and accident rates are reported on monthly basis. They are also presented at every Group management meeting and at every Board meeting. Supplier assessments on environmental and labour practices are reported on a quarterly basis. A new Group-level position – Safety Director, was established and filled in 2014 with the aim of reversing Boliden's negative accident rate. The number of accidents is now decreasing, but the level is still not acceptable, and efforts to improve the safety culture will, therefore, be intensified in 2015.

Working with business partners to advance sustainability performance

Boliden's ambition is to be the first sustainable link in the metals' value chain and it is, therefore, important that we lead by example and are a stable, long-term and responsible business partner. Boliden has been evaluating its business partners' sustainability management since 2010, and it is the duty of every Boliden manager to evaluate the business partners within his or her area of responsibility. The Evaluation of Business Partners (EBP) is a systematic process whereby business partners are evaluated from a business and sustainability perspective. The evaluation is based on Boliden's Corporate Responsibility Business Guidelines (see above description). The Corporate Responsibility Business Guidelines are appended to all contracts/ business agreements into which Boliden enters.

The evaluation process starts with an online self-assessment that is subsequently followed up and evaluated. A dialogue is established with regard to the potential for improvement identified. Audits and are performed in relevant cases and are followed up through action reports. The audits are also followed up via reporting on measures implemented, and working with improvements is a precondition of a continued partnership. 99 suppliers completed the self-assessment during 2014.

The London Bullion Market Association

Boliden is included on the list of The London Bullion Market Association (LBMA) of recommended gold producers, the Good Delivery List, which requires the company to comply with a set of standards to have this compliance certified by the LBMA. The standards are based on the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. This guidance aims "to help companies respect human rights and avoid contributing to conflict through their mineral sourcing practices. The Guidance is also intended to cultivate transparent mineral supply chains and sustainable corporate engagement in the mineral sector with a view to enabling countries to benefit from their mineral resources and preventing the extraction and trade of minerals from becoming a source of conflict, human rights abuses, and insecurity." Companies included on the list take it upon themselves to ensure that the raw material supply chain complies with a set of ethical criteria. No minerals shall be derived from raw materials that have financed terrorism, been subject to money laundering or are complicit in any other violation of human rights.

Dialogue for greater understanding and performance

Boliden's operations affect many people in a variety of ways, and similarly, these stakeholders have different views and expectations of Boliden. It is to carry out relevant sustainability work, Boliden must identify and address prioritised issues. By conducting stakeholder dialogues, Boliden meets demands for increased transparency and learns about stakeholders' demands and expectations in greater detail. In 2013 and 2014, Boliden mapped and prioritised stakeholders and advanced the level of systematics in the dialogue on material sustainability issues (see below for a description of Boliden's materiality analysis). The Boliden approach to stakeholders is based on a combination of theoretical models and evaluation of the mutual levels of cause, legitimacy and power between Boliden and the stakeholder group. The stakeholder groups identified as priority groups for engagement on sustainability issues are:

- Employees
- Neighbours
- Investors
- Customers
- Authorities

Boliden's framework of stakeholders that raise expectations, influence the perception of our company and are relevant with sustainability performance is, however, wider than that defined by the above stakeholder groups. Dialogue is conducted in different ways with different groups, i.e. bi-annual employee surveys, open house meetings with employees and the neighbouring community, formal and informal meetings with authorities and capital market days and AGMs.

Issues raised during these dialogues include safe and stable operations, mitigation of environmental and community impact, local employment and risk management up- and downstream. Boliden has identified these issues as priorities and the sustainability targets set to run until 2018 are highly relevant in this context. Boliden participates in industry organisations that can play an important role in the sustainability dialogue on specific issues. These organisations include; the Association of Finnish Steel and Metal, the International Zinc Association (IZA), the International Copper Association (ICA), the European Copper Institute (ECI), the Scandinavian Copper Development Association, SveMin and Euromines.

Materiality analysis

This report describes and discloses Boliden's materiality aspects and its performance in relation to these aspects, which are considered to be material with reference to Boliden's ability to maintain sustainable and stable processes, to achieve its vision being "a world class metals company", and to fulfil the strategic direction and objectives. Boliden shall be among our industry's leading companies in terms of customer satisfaction, efficiency and responsibility. This entails an understanding, readiness and progressiveness with regard to aspects deemed to be material.

The net list of material aspects have been identified and prioritized in a process that involved external and internal stakeholders. The process is described below and is based on Boliden's need to identify new areas of sustainability priorities and to set goals for 2014-2018, and on the Global Reporting Initiative's principles for determining the content of a sustainability report.

The starting point for identifying material aspects for this sustainability report was Boliden's vision, sustainability priorities and the objectives set in 2013. All levels and all areas of Boliden's business have been considered. In 2013, an internal programme of work designed to renew Boliden's sustainability priorities and objectives for the period of 2014-2018 was carried out. That work included cross-disciplinary discussions, analysis of impact, and its importance in terms of Boliden's overall results. Multiple internal experts participated and the areas and objec-

tives were anchored across the organisation and adopted by Group management and Board of Directors.

In 2014, in order to comply more closely with the demands put forth in the G4 Guidelines, Boliden consulted selected stakeholder groups on both the above work and its the sustainability performance from a broader perspective. These stakeholders were asked to comment on Boliden's strategic focus and to put forward potential additional key sustainability issues, opportunities for improvement, and the strengths and weaknesses of existing work. The consultation provided ideas on possible improvements to both the sustainability work and its reporting. Examples include: enhanced local stakeholder dialogue, clearly defined responsibility in the value chain and better embracing the customer perspective in Boliden's sustainability priorities. These dialogues will form the basis for future decisions on sustainability initiatives, whether strategic or operational. Overall, the stakeholders confirmed Boliden's sustainability priorities and agreed that they cover the key issues.

Boliden has laid out the structure and content of its GRI Report 2014 on the basis of these findings and of the GRI's principles concerning materiality and completeness. The report discloses:

- Subjects identified by stakeholders as priorities
- Subjects that are crucial in terms of Boliden's ability to achieve its vision, and fulfil its goals, and which are relevant to the prioritised areas and strategies
- Major events for Boliden's operations and value chain in 2014
- Performance

Boliden has, furthermore, determined boundaries for its materiality aspects. Boliden has a responsibility to promote and manage sustainability issues across the value chain. The self-acknowledged responsibility is reflected in the identification of the aspects that are material to Boliden. Part of fulfilling the GRI principle on Boundary entails determining the extent and boundaries of each aspect, based on its impact and priority. Boliden's considerations are disclosed by means of symbols shown in connection with each material aspect – see list below for details.

Modifications to boundaries relative to previous reports and the transition to G4 reporting, involve making some minor changes to the content of the reporting i.e. increasing the focus on supplier assessments with regard to environmental, labour and human rights performance.

Boliden's material aspects are presented below. Two major categories can be made; Aspects that are at the core of sustainable and stable processes, with a direct impact on Boliden's overall results. And, aspects that regards impact on external stakeholders, their perception of Boliden and our ability to grow the business (licence to operate). All together, these aspects impact Boliden's ability to become a world class metals company and the first sustainable link in the metal's value chain.

Boliden will update the materiality analysis on a regular basis in response to changing business requirements, changing stakeholder expectations, mega trends as well as technological and scientific development etc.

Material aspects

Economic

- * Economic performance
- * Market presence
- * Indirect economic impact

Environment

- * Materials
- * Energy
- * Water
- * Biodiversity
- * Closure Planning (MM)
- * Emissions
- * Effluents & Waste
- * Compliance
- * Transport
- * Environmental Grievance Mechanisms
- * Supplier Environmental Assessment

Social – Labor practise and decent work

- * Employment
- * Labor/Management Relations
- * Occupational Health & Safety
- Training & Education
- Diversity & Equal opportunity
- Equal Remuneration for Women & Men
- * Supplier Assessment for Labor Practices
- * Labor Practices Grievance Mechanisms

Social – Human rights

- Non-discrimination
- * Indigenous Rights
- * Assessment
- * Supplier Human Rights Assessment
- * Human Rights Grievance Mechanisms

Social – Society

- * Local Communities
- * Anti-Corruption
- * Anti-Competitive Behaviour
- * Compliance
- * Resettlement (MM)

Social – Product responsibility

- * Product & Service Labelling
- * Materials Stewardship (MM)

■ = Impact within Boliden.
* = Impact outside Boliden.

Boundaries and Limitations of the report

The information contained in this report, with the exception of environmental performance data, covers facts and figures from Boliden's ten (nine) operational units, from the Group's Head office and various staff functions, and from its sales offices. Environmental performance data is limited to Boliden's ten (nine) operational units (as they represent Boliden's significant environmental impact). In 2014, Boliden acquired the Finnish Kylylahti copper mine, located in Outokumpu area, 450 km north-east of Helsinki, Finland. The acquisition is consolidated as a fifth mining area and a tenth business's unit in Boliden Group from the fourth quarter of 2014. Beside this, there has been no significant changes in the supply chain, or in capital structure and capital formation during 2014.

Accounting Principles

The financial data presented is drawn from Boliden's audited annual accounts. The Boliden Group reports in Swedish kronor (SEK). Each operation has an environmental reporting manual that defines and describes measurement and calculation methods in line with Group directives. Environmental data, including energy-related data, is collected on a monthly, quarterly or annual basis and consolidated at Group level. Calculation methods for direct CO₂ emissions are stipulated by national legislation, and in connection with the EU emissions trading scheme. All other emissions have been measured and/or calculated on the basis of periodic measurements. More detailed measurement techniques, calculation methods and assumptions are reported in connection with relevant indicators.

Boliden's Employees (G4-10)

Unless stated otherwise, all information in this GRI report concerning number of employees refers to data from an actual number of employees by December 31st for each year (2011–2014), while in the Annual Report the corresponding figures are calculated and reported as Full Time Employees (FTE).

Total number of employees by employment contract, gender and workforce type

	2011			2012			2013			2014		
	Number	%	Female, %	Number	%	Female, %	Number	%	Female, %	Number	%	Female, %
Permanent	4,500	94.5	–	4,648	95.7	–	4,690	94.2	–	4,780	94.6	17.1
Temporary	261	5.5	–	209	4.3	–	287	5.8	–	272	5.4	34.9
Total in Group	4,761	100.0	16.4	4,857	100.0	16.9	4,997	100.0	17.7	5,052	100.0	18.1
Supervised Workforce	–	–	–	–	–	–	–	–	–	281	6.0	14.9

Total number of permanent employees by employment type and gender

Employment type	2011			2012			2013			2014		
	Number	%	Female, %	Number	%	Female, %	Number	%	Female, %	Number	%	Female, %
Full time	4,222	93.8	–	4,536	97.6	–	4,585	97.8	–	4,672	97.7	16.7
Part time	278	6.2	–	112	2.4	–	105	2.2	–	108	2.3	35.2
Total in Group	4,500	100.0	–	4,690	100.0	–	4,690	100.0	–	4,780	100.0	17.1

Total number of employees by region and gender

Region	2011			2012			2013			2014		
	Number	% of total	Female, %	Number	% of total	Female, %	Number	% of total	Female, %	Number	% of total	Female, %
Sweden	2,789	58.6	20.0	2,893	59.6	20.5	3,030	60.9	20.5	3,045	60.3	21.6
Norway	324	6.8	13.3	308	6.3	14.6	310	6.2	14.6	314	6.2	15.0
Finland	938	19.7	15.5	947	19.5	15.0	967	19.5	15.0	1,069	21.2	16.0
Ireland	699	14.7	4.4	697	14.4	4.7	658	13.2	4.7	611	12.1	4.7
Other	11	0.2	54.5	12	0.2	50.0	12	0.2	50.0	13	0.2	46.2
Total in Group	4,761	100.0	16.4	4,857	100.0	16.9	4,997	100.0	17.7	5,052	100.0	18.1

Percentage of total employees covered by collective bargaining agreements (G4-11)

The total number of employees at Boliden covered by collective bargaining agreements on December 31st, 2014 was 5,046 (4,948), representing 99.9 per cent (98.2) of the total workforce.

Grievance Mechanisms (Environment, Supplier environment, etc.)

Boliden has established an opportunity to anonymously report complaints and expression of concerns related to the Code of Conduct. This is a so called "whistleblower" function which can be reached both from the internal and public web pages. In 2015 Boliden will analyze the need of further complaint functions which is publicly accessible.

GRI content index

Boliden's complete 2014 GRI index in accordance with G4, is presented below. It enables a navigation of the disclosure of organisational profiles, strategies, report parameters, material aspects, management approaches (DMA), performance indicators and sector supplement indicators (MMI) as specified by the GRI guidelines and reported by Boliden. It includes references to Boliden's environmental, social and economic goals and results. All DMA-related material aspects and performance indicators are covered by a third party audit. A symbol is displayed in cases where Boliden reports partially (with omissions) on a material aspect, and the reasons for the omissions are provided in connection with the aspect in this GRI Report.

GENERAL STANDARD DISCLOSURES		Reference
Strategy and analysis		
G4-1	CEO statement	GRI 4-5
Organisational profile		
G4-3	Name of the organisation	AR 100
G4-4	Primary brands, products, and services	AR 16, 24-25
G4-5	Location of headquarters	AR 121
G4-6	Name of countries where the organisation operates	AR inside front and back cover
G4-7	Ownership and legal form	AR 6-7
G4-8	Markets served	AR 10, 77-78
G4-9	Scale of the reporting organisation	AR 77-78
G4-10	Number of employees	GRI 9
G4-11	Employees covered by collective bargaining agreements	GRI 9
G4-12	Description of supply chain	AR 46
G4-13	Significant changes during the reporting period	AR 46, 81, GRI 9
G4-14	Precautionary approach or principle	GRI 7, AR 47-51
G4-15	List of externally developed economic, environmental and social charters	GRI 4, 7
G4-16	List of membership in associations	GRI 8
Identified material aspects and boundaries		
G4-17	List of entities included in financial statement	AR 85
G4-18	Definition of report content and Aspect boundaries	GRI 8, 10-13
G4-19	Material Aspects	AR 62, GRI 8
G4-20	Aspect Boundary within the organisation	GRI 8
G4-21	Aspect Boundary outside the organisation	GRI 8
G4-22	Restatement of information	No restatement
G4-23	Significant changes from previous reporting periods	First G4 report
Stakeholder engagement		
G4-24	List of stakeholder groups engaged	AR 3, GRI 7
G4-25	Basis for selection of stakeholders	GRI 7-8
G4-26	Approach to stakeholder engagement	GRI 7-8
G4-27	Topics and concerns raised through stakeholder engagement	GRI 7-8
Report profile		
G4-28	Reporting period	Calendar year
G4-29	Previous reporting date	March 2014
G4-30	Reporting cycle	Annually
G4-31	Contact point	AR inside cover
G4-32	GRI option, Content Index, and references	G4 Core
G4-33	External Assurance	AR 63
Governance		
G4-34	Governance structure	AR 100-103
Ethics and integrity		
G4-56	Code of conduct	GRI 7

SPECIFIC STANDARD DISCLOSURES		Reference
CATEGORY: ECONOMIC		DMA
Aspect: Economic performance		GRI 4-8, 14
G4-EC1	Direct economic value generated and distributed	GRI 15
G4-EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change	GRI 15
G4-EC3	Coverage of the organisation's defined benefit plan obligations	GRI 15
G4-EC4	Financial assistance received from government	GRI 15
Aspect: Market presence		
G4-EC6	Proportion of senior management hired from the local community at significant locations of operation	GRI 16
Aspect: Indirect economic impacts		
G4-DMA	Aspect Specific DMA	GRI 16
G4-EC8	Significant indirect economic impacts, including the extent of impacts	GRI 16
CATEGORY: ENVIRONMENTAL		DMA
Aspect: Materials		GRI 4-8, 17
G4-EN1	Materials used by weight or volume	GRI 18
G4-EN2	Percentage of materials used that are recycled input materials	GRI 18
Aspect: Energy		
G4-DMA	Aspect Specific DMA	GRI 19
G4-EN3	Energy consumption within the organisation	GRI 19
G4-EN5	Energy intensity	GRI 19
G4-EN6	Reduction of energy consumption	GRI 20
Aspect: Water		
G4-EN8	Total water withdrawal by source	GRI 20
G4-EN10	Percentage and total volume of water recycled and reused	GRI 20
Aspect: Biodiversity		
G4-DMA	Aspect Specific DMA	GRI 21
G4-EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	GRI 21
G4-EN13	Habitats protected or restored	GRI 22
MM1	Amount of land disturbed or rehabilitated	GRI 22
Aspect: Emissions		
G4-DMA	Aspect Specific DMA	GRI 23
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	GRI 23
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	GRI 23
G4-EN18	Greenhouse gas (GHG) emissions intensity	GRI 24
G4-EN19	Reduction of greenhouse gas (GHG) emissions	GRI 24
G4-EN21	NO _x , SO _x , and other significant air emissions	GRI 24
Aspect: Effluents and Waste		
G4-EN22	Total water discharge by quality and destination	GRI 25
G4-EN23	Total weight of waste by type and disposal method	GRI 25
G4-EN24	Total number and volume of significant spills	GRI 26
MM3	Total amount of overburden, rock, tailings etc	GRI 25
Aspect: Compliance		
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	GRI 26
Aspect: Transport		
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organisation's operations, and transporting members of the workforce	GRI 26
Aspect: Supplier Environmental Assessment		
G4-DMA	Aspect Specific DMA	
G4-EN32	Percentage of new suppliers that were screened using environmental criteria	GRI 27
Aspect: Environmental Grievance Mechanisms		
G4-DMA	Aspect Specific DMA	GRI 27
G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms	GRI 27

SPECIFIC STANDARD DISCLOSURES		Reference
CATEGORY: SOCIAL – Labour practices and Decent work DMA		GRI 4-8, 28
Aspect: Employment		
G4-DMA	Aspect Specific DMA	GRI 28
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	GRI 28
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	GRI 29
Aspect: Labour/Management Relations		
G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	GRI 29
MM4	Strikes and lock-outs exceeding one week	GRI 30
Aspect: Occupational Health And Safety		
G4-DMA	Aspect Specific DMA	GRI 30
G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	GRI 30
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	GRI 30
G4-LA7	Workers with high incidence or high risk of diseases related to their occupation	GRI 31
G4-LA8	Health and safety topics covered in formal agreements with trade unions	GRI 31
Aspect: Training and Education		
G4-LA9	Average hours of training per year per employee by gender, and by employee category	GRI 32
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	GRI 32
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	GRI 32
Aspect: Diversity and Equal Opportunity		
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	GRI 33
Aspect: Equal Remuneration For Women and Men		
G4-DMA	Aspect Specific DMA	GRI 33
G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	GRI 33
Aspect: Supplier Assessment for Labour Practices		
G4-DMA	Aspect Specific DMA	GRI 34
G4-LA14	Percentage of new suppliers that were screened using labour practices criteria	GRI 34
Aspect: Labour Practices Grievance Mechanisms		
G4-DMA	Aspect Specific DMA	GRI 34
G4-LA16	Number of grievances about labour practices filed, addressed, and resolved through formal grievance mechanisms	GRI 34
CATEGORY: SOCIAL – Human rights DMA		GRI 4-8, 35
Aspect: Non-discrimination		
G4-HR3	Total number of incidents of discrimination and corrective actions taken	GRI 35
Aspect: Indigenous Rights		
MM5	Operation in or adjacent to indigenous peoples' territories	GRI 35
Aspect: Assessment		
G4-HR9	Total number and percentage of operations that have been subject to human rights reviews or impact assessments	GRI 35
Aspect: Supplier Human Rights Assessment		
G4-DMA	Aspect Specific DMA	GRI 36
G4-HR10	Percentage of new suppliers that were screened using human rights criteria	GRI 36
Aspect: Human Rights Grievance Mechanisms		
G4-DMA	Aspect Specific DMA	GRI 36
G4-HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms	GRI 36

SPECIFIC STANDARD DISCLOSURES		Reference
CATEGORY: SOCIAL – Society		
DMA		GRI 4-8, 37
Aspect: Local Communities		
G4-DMA	Aspect Specific DMA	GRI 37
G4-S01	Local community engagement	GRI 37
MM6	Number and description of significant disputes relating to land use, customary rights of local communities and Indigenous Peoples	GRI 37
MM7	The extent to which grievance mechanisms were used to resolve disputes relating to land use, customary rights of local communities and Indigenous Peoples	GRI 37
Aspect: Resettlement		
MM9	Sites where resettlements took place	GRI 37
Aspect: Closure planning		
MM10	Number and percentage of operations with closure plans	GRI 37
Aspect: Emergency Preparedness		
MM-DMA	Aspect Specific DMA	GRI 38
Aspect: Anti-corruption		
G4-DMA	Aspect Specific DMA	
G4-S04	Communication and training on anti-corruption policies and procedures	GRI 38
G4-S05	Confirmed incidents of corruption and actions taken	GRI 38
Aspect: Anti-competitive behaviour		
G4-S07	Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes	GRI 39
Aspect: Compliance		
G4-S08	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	GRI 39
CATEGORY: SOCIAL – Product responsibility		
DMA		GRI 4-8, 40
Aspect: Product and Service Labelling		
G4-DMA	Aspect Specific DMA	GRI 40
G4-PR3	Type of product and service information required by the organisation's procedures for product and service information and labelling, and percentage of significant product and service categories subject to such information requirements	GRI 40
G4-PR5	Results of surveys measuring customer satisfaction	GRI 40
Aspect: Material Stewardship		
MM11	Programs and progress relating to materials stewardship	GRI 40

Economic performance (EC)

The locations of Boliden's operations are determined by the localisation of mineral resources and the ability to explore and expand operations in connection therewith. Good community relations are a prerequisite for Boliden's business success. The roots of the company's operations lie, in some cases, centuries in the past and the ability to grow the business is, to a large part, dependent of the trust of the surrounding communities and the value that Boliden generates for them.

Financial performance

GOALS	RESULTS IN 2014
<ul style="list-style-type: none"> ● The return on capital employed shall exceed 10 per cent over a business cycle. 	The return on capital employed was 8 per cent (5%) in 2014. The average return on capital employed during the period 2010-2014 was 12 per cent per annum.
<ul style="list-style-type: none"> ● The net debt/equity ratio in an economic upturn shall not exceed 20 per cent in order to maintain a reasonable financial capacity to act in a recession. 	The net debt/equity ratio was 35 per cent (38%) at the end of 2014. The net debt/equity ratio decreased due to a better result, and lower working capital.
<ul style="list-style-type: none"> ● The dividend paid shall correspond to approximately one third of the net profit. 	The Board proposes a dividend for 2014 of SEK 2.25 (SEK 1.75) per share, corresponding to 32.4 per cent (37.0%) of the net profit for 2014. The ordinary dividends paid during the period 2010 to 2014, including the proposed dividend for 2014, correspond to 33.9 per cent of (33.5%) the aggregate net results for the period.

Material economic aspects

The economic aspects identified as material to Boliden are economic performance, market presence and indirect economic impact. All of these aspects are at the core of or interlinked with Boliden's overall performance. They are both the result of and a precondition for trust from the local communities where Boliden operates. By taking into account and performing well within the latter two aspects in particular, Boliden maintains its licence to operate and the ability to develop the business.

Boliden's contribution to the community includes investing in education and engaging with students, nurturing competence and enabling conversion from one occupation to another to make people employable, sponsoring local organisations, making investments that benefit the company and the society etc. These are matters that support national and regional objectives on vibrant rural communities, job creation and strengthening rural communities' contribution to national economic stability. Looking back, one of the Group's focus areas has been to generate a positive economic impact on the local community.

Several of Boliden's most important locations and locations where major investments in increased capacity have been approved are regions where growth injections are needed. Boliden is very aware of the company's role and significance as what is often the biggest employer in the

community and generator of positive trickle down effects such as tax income to finance public services and a foundation for a private service sector. This brings both privileges and responsibilities.

Salaries are an important part of the economic compensation to the community. New employees at Boliden are not compensated based on wages subject to minimum wage rules. In general, the entry level wages for employees are set much higher than the minimum wage, and average salaries and wages are often higher than the national industrial average. For blue-collar employees, there is an entry-level wage stated within the local salary agreement that is used for new employees.

For white-collar employees hired directly out of universities, Boliden applies entry-level wages, depending on the level of education needed for different jobs.

Social impact assessments are conducted both in connection with expansions of and changes to operations, when so demanded by specific requirements, and in conjunction with the closure of operations, in order to assess the consequences for the local community.

Please see pp. 2, and 6-8 of this report and pp. 1, 20 and 106 of the Annual Report, over and above the indicator reporting, to learn more about the ways in which Boliden manage, follow up on and monitor the performance in relation to these aspects.

Material Aspect: ECONOMIC PERFORMANCE

EC1 – Direct economic value generated and distributed

Boliden generates profits and value through metal production and deliveries that acknowledge their social and environmental responsibility. Net sales in 2014 totalled SEK 36,891 million (SEK 34,409 m). Boliden reports revenues and operating profit per Business Unit in the Annual Report on pp.116-120.

Component, SEK M	Stakeholder group	2010	2011	2012	2013	2014	Comment
Direct economic value generated							
a) Revenues	From customers	36,716	40,323	40,001	34,409	36,891	Net sales plus revenues from financial investments and sales of assets.
Economic value distributed							
b) Costs of goods sold	To suppliers and business partners	-30,038	-34,404	-34,559	-31,419	-32,905	Payment to suppliers, non-strategic investments, royalties and facilitation payments.
c) Employee salaries and benefits	Employees	-3,203	-3,282	-3,422	-3,207	-3,557	Total monetary outflows for employees (current payments).
d) Payments to providers of capital	Banks and financial institutions	-319	-259	-266	-253	-291	All financial payments made to the providers of the organisation's capital.
e) Payment to government	Society	-1,374	-1,171	-651	-288	-572	Gross taxes.
f) Community investments	Society	-5	-5	-7	-6	-7	Sponsored local activities.

EC2 – Financial implications and other risks and opportunities due to climate change

Boliden is impacted by the effects of climate change, and the effects are both physical and financial. The stress that heavy rain puts on Boliden's water management systems is one example of a physical implication. Over the past five years, heavy rains have led to capacity investments by Boliden in order to comply with the limits stipulated in relevant permits and to achieve the Group target of reducing discharges to water.

Metals production is a very energy-intensive process that generates both direct and indirect carbon dioxide emissions. Boliden's direct carbon dioxide emissions primarily arise from the metallurgical processes, transportation, and heating requirements. The indirect carbon dioxide emissions derive from purchased electricity. To address the climate change issue, Boliden takes part in development projects focusing on, for example, improving heat recovery, the further electrification of transports, and trials involving replacing fossil fuels with biofuels in process applications.

All of Boliden's smelter operations (Odda, Bergsöe, Rönnskär, Kokkola and Harjavalta) have been part of ETS, the European Emission Trading Scheme, since 2013. The ETS is a strong strategic challenge for Boliden, entailing not only calculating the costs that may be entailed in future purchases of emission allowances, but also working on opportunities to reduce emissions, given the production levels and available technology. The preliminary allocated emissions allowances for Boliden's smelters for the period 2013-2020 total 3.9 Mtonnes which is in line with the forecast direct emissions. The rules for emissions trading, and the financial implications for Boliden after 2020, are uncertain.

In 2013, the Group management formulated new targets for the stabilisation of Boliden's CO₂ emissions until 2018, and set an internal Carbon price as a basis for evaluating investments and mitigation opportunities.


EC3 – Benefit plan coverage

Pension undertakings

Boliden Group companies have various pension schemes in accordance with local conditions and practices in the countries in which they operate. They are generally financed through payments to insurance companies or through own provisions. Boliden has defined benefit plans in Sweden, and Ireland and a very small number of such plans in Norway. The defined benefit plan provides the employee with a fixed amount of their final salary in conjunction with the retirement. The pension costs for the year comprise of service costs, financing costs, special payroll taxes, administrative costs and settlements/reductions of pension plans. Revaluations of the defined benefit net pension liability are reported under Other comprehensive income.

Costs, undertakings and other factors in pension plans are calculated by means of the Projected Unit Credit Method. The Group's reported pension liability totals SEK 1,468 million (SEK 1,047 m) which sum includes endowment insurance totalling SEK 67 million (SEK 66 m) in respect of defined premium plans in Sweden.

Detailed information on provisions for pension and similar undertakings can be found in note 23 of the Annual Report. Boliden is currently not able to report information in addition to what has been stated above.

 Reason for omission
Data is unavailable

EC4 – Financial assistance received from government

In 2014, government grants amounting to 17 (20) MSEK was obtained and 17 (16) MSEK was recognized in the income statement. This was mainly consisting of assistance received in Norway for energy efficiency measures.

Material Aspect: MARKET PRESENCE

EC6 – Proportion of senior management hired from the local community

Boliden reports this indicator for each Business Unit which corresponds to significant locations of operation. Senior managers are defined as managers involved in the local management team. Managers are considered as hired from the local community if they reside permanent in geographical connection to the place of work (not commuting from other regions).

Proportion of senior management hired from the local community at significant locations of operation.

Region	Senior Managers on site	Hired from local community %
Aitik	9	100.0
Boliden Area	10	90.0
Garpenberg	6	100.0
Tara	7	85.7
Kylylahti	6	66.7
Rönnskär	7	85.7
Bergsöe	6	100.0
Odda	5	100.0
Kokkola	5	100.0
Harjavalta	6	100.0
Total in Group	67	92.5

During 2014 Boliden acquired the Kylylahti copper mine and concentrator. The local management team remained after Boliden's takeover.

Material Aspect: INDIRECT ECONOMIC IMPACTS

Aspect Specific DMA

Boliden's operations affect and touch the lives of many people – sometimes entire communities. Value creation depends on the ability to show consideration for people, society and the environment throughout the value chain. Boliden aims to make a positive contribution to the development of communities, regions and countries in which we operate.

Boliden currently operates in countries where the infrastructure is well-developed and the need for Boliden to contribute to society by directly investing in and developing infrastructure and social services is limited.

Boliden is, however, often one of the bigger companies in the local area, paying taxes in the areas in which Boliden operates, and its contribution can, therefore, be considered significant.

EC8 – Significant indirect economic impact, including the extent of impacts

Boliden is the biggest employer in many communities and hence also a key prerequisite for fundamental societal services and facilities in the immediate area. Boliden's indirect effect is difficult to calculate but a rough estimate suggests that for every person employed by Boliden, an average of three to five more job opportunities are created locally.

Stakeholder dialogues during 2014 did also confirm that Boliden is seen as important because of the amount of work opportunities that are created, often in rural areas, or in small to midsize villages. Boliden will continue to develop stakeholder dialogues for dissemination of information and to collect feedback of the impact of the operations.

Boliden participates in the development of education for future engineers within the mining and metals industry.

Some of Boliden's nearest neighbours may experience that uncertainties about future expansions may have negative impact on real estate prices over time. Boliden's overall ambition is to continue to be a force for good in the local community. The expansions at Aitik and Garpenberg are the Group's biggest investments. They have not only more than doubled the mines' productive lifespans, they have also created the preconditions for long-term societal planning needed by communities such as Gällivare and Hedemora. The Group's operations not only impact the local communities at large: employees, shareholders, customers and suppliers all depend on Boliden's profitability, and by improving this aspect of the operations even further, Boliden will be able to continue making a positive economic and social contribution to the development of these communities and their society.

Environmental performance (EN)

Boliden's environmental responsibility entails continuous work towards reducing the negative impact of the Group's operations. The ambition is to go beyond legislative and regulatory requirements. Systematic and farsighted environmental work facilitates compliance with future legislation and stakeholders' expectations. It will also strengthen Boliden's long-term competitiveness.

Environmental targets, 2014–2018

GOAL	RESULTS IN 2014
● Metal discharges to water shall decrease by 25 per cent	Discharges of metals to water have decreased by 4.0 per cent.
● Emissions of metals to air shall decrease by 10 per cent	Emissions of metals to air have increased by 12 per cent.
● Sulphur dioxide emissions to air shall decrease by 10 per cent	Emissions of sulphur dioxide to air have decreased by 11 per cent.
● The relative emissions of carbon dioxide shall stabilize to the 2012 level, regardless of increased production	Carbon dioxide intensity has decreased from 0.77 to 0.74.
● Boliden shall have zero environmental accidents every month (Accidents classified as level A incidents + limit value exceedings) ¹⁾	The outcome was 1.1 accidents per month. This includes several internal incidents when limit values were exceeded but did not cause any effect outside the industrial area.

(Base year 2012)

¹⁾ A serious accident that causes significant harm and/or results in a violation of laws or permits.

Group targets for the period of 2014–2018 have been developed through discussions involving all operations and finally approved by Group Management. These targets have been broken down by operation and are reported on a monthly basis in order to facilitate follow-up.

Boliden performed well with regard to aggregated metal discharges, and sulphur dioxide and carbon dioxide emission during 2014. The emissions of metals to air were higher than desired, with the most significant instances when limit value were exceeded occurring at the Rönnskär smelter, which had problems with dust filtering for a large portion of the year. These technical problems have been resolved and despite not reaching Boliden's internal targets, the dust emissions have not caused any permit violations. Most emission and discharge levels were well below the limit values set in the environmental permits, but nine limit value deviations were reported during the year. Six of these instances when limit values were exceeded occurred in connection with internal deposits where the effects outside the industrial area are very limited. In 2014 both mining and smelting operations experienced discharges of untreated water during heavy rainfall. This have shown the need for increased measures to prepare the business for increasing precipitation. Boliden will therefore put further efforts into water management programs at relevant production sites, in 2015, to develop an understanding on how to reduce the water footprint of the operations.

Material environmental aspects

Several of the environmental aspects such as energy, water, emissions, effluents & waste, compliance and transport are directly linked to how we run our operations and whether we maintain stable processes that comply with our permits. Several of these aspects are interlinked and impact on Boliden's overall performance. Other environmental aspects, such as materials, biodiversity, closure planning, grievance mechanisms and supplier assessments constitute material aspects as they impact external stakeholders (sometimes significantly), and determine Boliden's licence to operate and ability to develop the business. Please see pp. 6–8 in this report and pp. 47, 57–61 and 106 of the Annual Report, over and above the indicator reporting, to learn more about the ways in which Boliden manage, follow up on and monitor these aspects.

Measures to ensure zero environmental accidents

The zero environmental accidents vision will be achieved through stable and upgraded processes, more complete reporting – including incident reporting and follow-up work – and ongoing work on attitudes.

All of the environmental goals are followed up on a monthly basis, with the exception of the CO₂ target, which is followed up quarterly. The follow-up work occurs in conjunction with the Group's management group meetings. Boliden presents the results in the company's quarterly reports.

Boliden's reclamation work is important and by 2018, Boliden aims to have completed the reclamation of at least five prioritised objects out of 20 identified.

Material Aspect: MATERIALS

EN1 – Materials used by weight

There were no significant year on year changes in the use of materials in 2014. Boliden has also included tonnage of total rock, ore and concentrates in the material use in its reporting. Waste rock and sand are reported under EN23 Total Waste as process waste. Some of the concentrate produced in the mines is sold to external parties. The total smelting material feed comprises of concentrates both from Boliden's

own mines and from external mines, purchased secondary materials and secondary materials sent from one smelter to another.

Materials are mostly weighed in connection with loading and/or charging (ore, concentrates, and most smelting materials). The mined rock figure is based on calculations (waste rock and ore). A minor part of input materials is calculated from input and stock.

Materials used by weight, tonnes	2010	2011	2012	2013	2014
Mined rock	62,277,000	68,807,000	81,805,000	83,703,000	85,357,000
Whereof milled ore	33,000,000	37,000,000	40,000,000	43,000,000	46,000,000
Whereof concentrate produced	926,000	929,000	895,000	891,000	961,000
Smelting materials	2,360,000	2,513,000	2,585,000	2,530,000	2,639,000
Other materials	578,000	651,000	657,000	617,000	625,000
Whereof non-renewables	133,000	127,000	133,000	131,000	135,000

EN2 – Percentage of materials that are recycled input materials

Boliden uses its own and other companies' by-products and residues by extracting and recycling metals. The Boliden Rönnskär smelter began using a new electronic scrap recycling facility in 2012, making Boliden the world leader in e-scrap recycling. Boliden Bergsöe, which recycles 70,000 tonnes of lead acid batteries and other lead scrap per year, is, furthermore, the only secondary lead smelter in the Nordic region.

The recycling input rate (RIR) shows the fraction of secondary materials in the total input to Boliden Smelters. Recycled materials include secondary materials from external sources and secondary materials sent from one plant to another within the Boliden Group. By-products and non-product outputs recirculated internally at the sites, and slags sent from smelters to mines, are not included.

Percentage of recycled materials	2010	2011	2012	2013	2014
Total secondary feed	274,100	273,300	322,600	331,600	304,200
Total feed (primary and secondary)	2,360,000	2,513,000	2,585,000	2,530,000	2,639,000
Recycling rate	12%	11%	12%	13%	12%

Material Aspect: ENERGY

Aspect Specific DMA

Metal production is very energy intensive, both in the mining phase and in the refining processes. Boliden's energy consumption is a major cost item, accounting for approximately 17 per cent (18%) of the Group's total costs. Boliden's energy policy states that energy efficiency is a continuous process in which the work should be conducted systematically and based on good scientific and technical principles. Boliden promotes energy efficiency on a broader scale through voluntary commitments within the framework of national programmes, e.g. through the Swedish Energy Agency's PFE programme, the Finnish equivalent called MOTIVA, and collaborations with Enova in Norway and SEAI in Ireland. The main aim of these programmes is to increase the efficiency with which electricity is used. The energy consumption has increased during the reporting period which mainly is an effect of increased production at the Aitik and Garpenberg mines. At the same time the energy intensity decreases which indicates that the efficiency has improved.

Energy management systems

Boliden is in the process of upgrading its energy management systems. An updated energy management system, in accordance with ISO 50001, is being implemented and has, as of 2014 replaced the former systems based on EN 16001. Boliden expects to complete the upgrade of the energy management systems by the end of 2015.

EN3 – Energy consumption within the organization

Energy consumption in 2014 totalled 17.2 (16.4) million gigajoules (GJ). Electricity accounts for 14.5 (13.9) million GJ, which is equivalent to 4.0 (3.9) TWh.

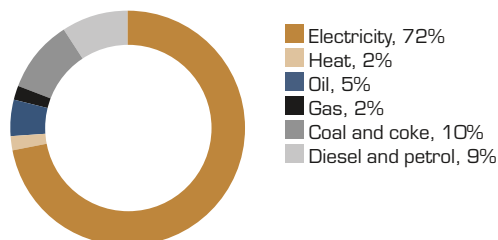
The reported energy usage is based on invoiced incoming and outgoing deliveries, supplemented by internal measurements and stock inventories at the end of the year. Conversions between weight and energy have been performed using energy values specified by the supplier or by using tabled values provided by national bodies.

Electricity is the dominant source of indirect energy in the Group. Out of 14,893,000 GJ of indirect energy used, 97 per cent comprises electricity and only 3 per cent is purchased heat. The origin of the electricity varies between the countries in which Boliden operates. In Norway, hydropower is the dominant source, while hydro and nuclear power dominate in Sweden. In Finland, the supply is a combination of different sources, and in Ireland there is a higher proportion of fossil fuels. Coke, coal, oil and fuel gases are used for the reduction and smelting of copper, lead and zinc concentrates. Diesel is used for transportation purposes, in mining operations and for internal transportation. Limited amounts of heating oil and gas are used for heating purposes during the cold season. The use of biofuels in metallurgical processes has been tested and evaluated, but the consumption of renewable primary fuels has been negligible in the larger context.

Direct Energy consumption within the organisation (GJ)	2010	2011	2012	2013	2014
Coal & coke	1,793,000	1,708,000	1,711,000	1,843,000	1,961,000
Gas	376,000	394,000	382,000	376,000	402,000
Oil	1,354,000	1,071,000	1,050,000	1,015,000	1,057,000
Diesel & petrol	1,196,000	1,368,000	1,601,000	1,698,000	1,795,000
Total non-renewable energy use	4,720,000	4,541,000	4,745,000	4,932,000	5,216,000
Electricity, purchased	13,179,000	13,451,000	14,030,000	13,880,000	14,473,000
Heat, purchased	533,000	367,000	404,000	394,000	420,000
Gross energy input	18,432,000	18,359,000	19,179,000	19,206,000	20,109,000
Produced energy, for internal use	2,220,000	2,371,000	2,045,000	2,169,000	2,052,000
Produced energy, sold	2,285,000	2,780,000	3,039,000	2,791,000	2,878,000
Net energy used	16,147,000	15,579,000	16,140,000	16,415,000	17,231,000

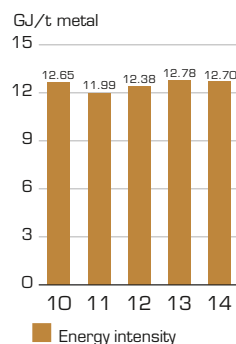
Energy input, 2014 per source

Energy accounts for approximately 17 per cent (18%) of the Group's operating cost.



EN5 – Energy intensity

Boliden's energy intensity was 12.70 (12.78) GJ/t metal, a slight decrease from the previous year. The energy intensity ratio is reported as the product intensity (energy consumed per unit produced). It is calculated as Boliden's net total energy consumption (same as in EN3) for all Boliden sites divided by the production output in metal tonnes from Boliden production sites. This indicator is affected both by process efficiency and the product mix and raw material properties.



EN6 – Reduction of energy consumption

Boliden strives to take advantage of excess heat from the processes, transforming it either to electric power or supplying it for use in external district heating or steam deliveries. In 2014, 2,052,000 (2,169,000) GJ of heat have been used internally, and 2,878,000 (2,791,000) GJ have been delivered externally for use in district heating systems.

The recently completed Swedish PFE (Programme For Energy efficiency, ended 2014) and Enova project (ended 2013) in Norway can serve as examples of coordinated energy reduction initiatives with Boliden participation. The starting point for PFE was the introduction of certified energy management systems. The energy reviews were used to generate lists of measures designed to improve energy efficiency, which the company then implemented during the remaining three years of the programme. The focus of PFE was improve the efficiency of electricity usage. The recently completed projects in the Swedish mines

(the Boliden Area, Boliden Aitik, and Boliden Garpenberg) aimed to save 369,000 GJ/a of electricity, with a saving of 224,000 GJ/a reportedly having been achieved after the first two years (2010–2011), and 140,000 GJ/a during the following years (2012–2014). A project aimed at improving the energy efficiency by modernising transformers and rectifiers in connection with re-spacing of the electrolysis process, was completed at Boliden Odda in 2013. It is estimated that this project has yielded electricity savings on the order of 288,000 GJ/a. Energy reviews and calculations of achieved energy efficiency, in the mentioned examples, have been made according to guidelines from Swedish Energy Agency and Enova.

Boliden, has implemented routines for purchasing high-consumption electrical equipment and new procedures for evaluation of life-cycle costs in construction and renovation as important parts of its energy management system.

Material Aspect: WATER

EN8 – Total water withdrawal

Boliden's operations are located in areas where there is currently no scarcity of water, and no water sources that are significantly affected by water withdrawal by Boliden's operations. Boliden aims nonetheless to reduce both its consumption of fresh water and the discharge of used water. The water volumes are measured and/or calculated for each site by use of flow meters and/or monitoring of pump operating data.

Total water withdrawal by source	2010	2011	2012	2013	2014
Surface water (sea)	84.5	94.0	101.8	95.0	110.6
Surface water (inland)	43.1	44.6	39.6	40.5	42.8
Ground water	9.4	11.1	16.3	16.9	17.1
Collected rain water	1.3	1.3	21.9	0.66	0.55
Municipal water	2.0	2.1	2.3	2.2	2.1
Total water withdrawal in million m³	140.3	153.0	160.0	155.3	173.2
Total	140.3	153.0	160.0	155.3	173.2

EN10 – Water recycled and reused

In mining, water is typically used in mineral processing and slurry transport, while in smelting, it is used for cooling and gas cleaning purposes. Boliden's operations do not reuse water from other organisations, but in Harjavalta and Kokkola, waste water from adjacent operations is

ducted into Boliden's waste water treatment plants for treatment before being discharged to recipients. These volumes are not reported to Boliden. All other water volumes are based on data from flow meters.

Water recycled and reused	2010	2011	2012	2013	2014
Recycled volume in million m ³	198.30	191.95	179.78	104.08	116.94
Percentage of water recycled	141%	125%	112%	67%	68%

Material Aspect: BIODIVERSITY

Aspect Specific DMA

Access to large areas of land is essential to a majority of Boliden's activities i.e. exploration, mining, construction of tailings ponds and dams. Boliden's land holdings include key habitats, habitat protection areas, nature reserves and voluntary designated areas for nature conservation. Most of the mines are located in rural areas. The exception is Tara Mines, which is located near the community of Navan in Ireland. The smelters are all located in industrial areas adjacent to a community, and close to the coast.

The establishment of new mines and the expansion of existing businesses require land to be utilised. The physical impact on surrounding areas of land of opening of i.e. a mining operation is considerable. A substantial amount of forested land must often be cleared to create space for industrial activities. The aim, at all times and in spite of the substantial inroads that must be made into the countryside, is to have the minimum possible impact on biodiversity. All activities must be included in the environmental impact assessment that forms the basis of the environmental permit issued before the operations may commence. Once the mine is operational, the impact continues in the form of waste products – such as waste rock and tailings sand – traffic, noise, dust and other emissions and discharges to air and water.

When new mines are opened in previously undisturbed areas, all of the relevant areas' natural and cultural values are inventoried. This is part of the EIA, (Environmental Impact Assessment) which is a mandatory part of the permit application process for new activities. The EIA makes it possible to measure the effects on the flora and fauna before, during and after any operation is carried out. This inventory, or baseline, can be used as a reference when planning and utilising the remediation actions. EIAs are also carried out and a current baseline established in conjunction with changes to existing operations and the establishment of new operations in already disturbed areas. The majority of Boliden's acreage in Sweden is adjacent to reindeer grazing land and Boliden prioritises in-depth dialogues with representatives of the reindeer industry to ensure the optimum protection of their interests. This may, for example, entail ensuring that the reindeer herds can roam freely between grazing areas, or that grazing land is, as far as possible, maintained in an undisturbed condition and that the lichen and plants on which the reindeer feed are included in the flora planted when areas are reclaimed. In order to promote responsible forestry, Boliden's forests are FSC certified and Boliden has assigned approximately 10 per cent of its productive forested land for nature conservation. This area is partly protected through the establishment of nature conservation land, key habitats and habitat protected areas, and partly managed to promote nature conservation interests. During the reporting period an

additional 100 ha has been set aside for conservation reasons. The areas protected by Boliden mainly comprise older forests, wetlands and areas dominated by deciduous forest. Over time, some of the older forests are becoming more and more primeval. In areas dominated by deciduous forest, forestry is conducted in a way that prioritises deciduous tree species. On the productive forested land, Boliden manages the forestry from a landscape ecological perspective. Over the past years, the Group's forestry management in these areas has included prescribed felling, which is intended to benefit deciduous wooded pastures, and controlled burning in order to promote certain species and biological diversity. By adapting the forest management in areas used for outdoor recreation, social values are created and maintained. Boliden's ambition is for the wildlife on Boliden's land to be in harmony with the forestry, hunting and other public interests. Current long-term plans extend for at least ten years and include remediation, planned measures and allocated money for a number of abandoned pit mines. Boliden is constantly working to develop new options for restoring impacted ecosystems, and to seek possibilities to compensate impacts through offsets.

EN11- Operational sites in areas of high biodiversity values

Boliden's impacts on biodiversity are above all related to land use in current or abandoned operations. As of December 31, 2014, Boliden owned or controlled 21,900 ha of land in connection with existing operations, in areas adjacent to existing or former operations, or in other areas of interest for exploration. Most operations are located in areas where mining or smelting activities have been carried out for anything between several decades and several hundred years. Some of the older mining areas are from a time when environmental legislation did not exist and knowledge levels were much less developed than is currently the case, and it is consequently not only impossible to determine an original baseline, but difficult to quantify the precise long-term impact of the activities. For every operation there is a permit process, and for time-limited operations, such as mines, Boliden always ensures that the areas can be reclaimed after the mine closing. Strategies are constantly developed for the definition of proper compensation measures for application when utilising land and thus causing loss of biodiversity. Closure and remediation plans, including biodiversity aspects, are a mandatory part of the environmental permit issued to operate a mine.

Details of which of the sites that are located in or adjacent to national or regional protected areas, including Natura 2000 habitats defined by EU Member States can be found in the table.

Sites	Operation	Country	Size, ha	Protected areas
Aitik	Mine	Sweden	6,717	Yes ^{1,2,3}
Bergsöe	Smelter	Sweden	13	No
Boliden Area	Mine	Sweden	1,878	Yes ²
Garpenberg	Mine	Sweden	1,375	No
Harjavalta	Smelter	Finland	451	No
Kokkola	Smelter	Finland	340	No
Kylylahti	Mine	Finland	670	Yes ^{1,2}
Odda	Smelter	Norway	40	No
Rönnskär	Smelter	Sweden	153	No
Tara	Mine	Ireland	803	Yes ²
Old mining areas and forests	–	Sweden	9,462	Yes ^{1,2,3}

¹⁾ in the area ²⁾ adjacent to ³⁾ containing portions of area

EN13- Habitats protected and restored

Once reclamation work is completed, the measures must be inspected by the environmental authorities who will either approve them or propose additional measures. Where appropriate, reclamation is done in partnership with affected land owners or sami villages. Boliden continues to monitor and manage the areas that have been reclaimed for an indeterminate period of time, and this may, if necessary, entail implementing additional measures in already reclaimed areas.

There are various different types of protected area in the vicinity of the majority of Boliden's mining operations, such as wildlife and plant sanctuaries, key biotopes, protected watercourses of national interest, nature reserves, and Natura 2000 areas.

Reporting of planned and ongoing reclamation work, together with the status of completed reclamation work, is part of Boliden's manda-

tory environmental reporting and is an important part of the ongoing communication with the supervisory authorities.

A list of 20 prioritised reclamation objects has been drawn up and is updated on the basis of the results of studies showing changes in the status of the respective objects. An object may be anything from measures designed to improve dam safety, or large-scale ground installation projects, to out-and-out nature conservation in the form of water treatment, planting or installation of nesting boxes for birds. Boliden's interventions in older abandoned mining areas are often aimed at complementing the old techniques with new and improved methods. One of Boliden's ambitions for the period from 2014 to 2018 is to complete reclamation of minimum five prioritised objects.

Habitats restored	Type of activity	Size, ha	Start	End
Stekenjokk tailings pond	Dam safety measures	–	2014	2016
Laver	Dam safety measures and reclamation work	12	2014	2018
Gillervattnet tailings pond	Reclamation work	300	2014	n/a
Saxberget	Dam safety measures small dams	–	2014	2014
Enåsen	Reclamation of old industrial area	20	2012	2014
Forests	Own deposition forest conservation	100	2014	2014

MM1- Amount of land disturbed or rehabilitated

Mining companies can often own or hold licenses over very large areas of land. The extraction sites, infrastructure, or other production activities will often disturb a small proportion of that land holding.

Soil conservation and the reclamation of mining areas that have reached the end of their productive lifespan are part of Boliden's operations and responsibility. The reclamation programmes are designed to

reduce the impact on surrounding areas of land and the local biological diversity. In 2014, approximately 43 (16) hectares were restored/reclaimed, while 239 (50) hectares were utilised. A large portion of this increase (178 ha) consists of land that has been added in connection with the incorporation of the Kylylahti site. At the end of 2014, a total of SEK 2,057 million (1,651 m) had been allocated for the reclamation of both mining areas and smelters.

Land management (hectares)	2010	2011	2012 ¹⁾	2013 ¹⁾	2014
Total land holding	18,900	19,400	19,800	19,900	21,900
Disturbed and not yet rehabilitated	5,468	5,668	5,656	5,727	5,761
Disturbed in the reporting period	238	12	77	50	239
Rehabilitated in the reporting period	38	24	6	16	43
Disturbed and not yet rehabilitated	5,668	5,656	5,727	5,761	5,957

¹⁾ Errors (due to incorrect reporting) in the 2012 to 2013 balance have been corrected.

Material Aspect: EMISSIONS

Aspect Specific DMA

Stabilising CO₂ emissions in conjunction with planned increases in capacity and production poses a major challenge for Boliden. The Group is working with systematic reviews of the actual energy and CO₂ emission trends, to identify possible improvements and efficiency measures. The overall objective initially is to stabilise CO₂ emissions, and in the longer perspective, to identify sustainable solutions for reducing them. Boliden's work in this area focuses primarily on the Group's direct emissions.

The new stabilisation target has led to increased focus and follow-up of the energy use and CO₂ emissions and the CO₂ intensity drops after a period of several years with increasing intensity.

Using the best available technical solutions, using resources efficiently, and replacing fossil fuels with renewable ones will all continue to be important components of Boliden's efforts to reduce CO₂ emissions. All units are also obliged, as part of the New Boliden Way, to work continuously to improve process efficiency.

An action plan will also be drawn up with the aim of reducing diffuse emissions (ore dust or emissions from open converter plants that are spread on the wind). The aim is, of course, to reduce emissions, but also to improve both the monitoring and management thereof. Stricter legislation is anticipated in this area.

EN15 – Direct greenhouse gas emissions (Scope 1)

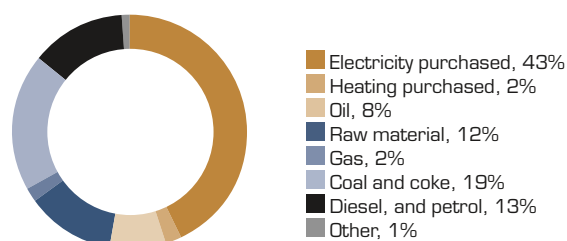
Boliden reports this indicator for its units of operational control. The direct carbon dioxide emissions arise primarily from the use of carbonaceous reducing agents, from fuels in metal extraction processes, and from the use of fuels for mining operations and road transportation within the company. No biogenic emissions are currently reported by Boliden.

The direct emissions are calculated in accordance with the procedures laid down in the WBCSD GHG Protocol, together with additional guidelines from the EU and/or national authorities.

Note. Data in this GRI Report is compiled before the EU-mandated ETS reporting to the competent national authorities. The CO₂ reporting within the framework of ETS is carried out in accordance with separately audited procedures in each country, and although we seek to report the same data, we cannot guarantee that the Group's GRI disclosure will correlate exactly to the CO₂ numbers reported within ETS.

Carbon dioxide emissions (Scope 1 + Scope 2), 2014 per source

The total reported CO₂ emissions are 1.001 (1.000) Mtonnes for the year.



EN16 – Energy indirect greenhouse gas emissions (Scope 2)

Boliden reports this indicator for its units of operational control and include only production related indirects. The indirect emissions from the primary production of electricity have been calculated by Boliden using different principles, depending on the country. In Sweden and Finland, emissions have been calculated with a constant factor (110 g/kWh)

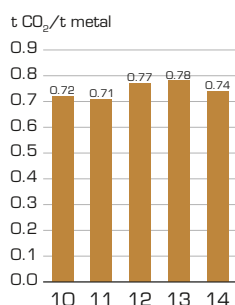
since 2008. This emission factor reflects the average Nordic production during 2007–2008, the base period for the Group GHG reporting. In Norway, the emission factor has been set to 0 because of the direct connection to hydropower production, while in Ireland, the calculations have been based on emission factors reported by the power suppliers (450 g/kWh in 2014). As of 2015 Boliden will use location-based emission factors for Scope 2 reporting.

Energy greenhouse gas emissions, tonnes	2010	2011	2012	2013	2014
Direct emissions, (Scope 1)	510,000	499,000	574,000	578,000	554,000
Indirect emissions, (Scope 2)	403,000	425,000	434,000	422,000	447,000
Total (Scope 1 + Scope 2)	913,000	924,000	1,008,000	1,000,000	1,001,000

EN18 – Greenhouse gas emission intensity

Boliden's GHG intensity was 0.74 (0.78) t/t metal, a significant decrease from the previous year. The GHG intensity is reported as the product emission intensity (metric tons of CO₂ emissions per unit produced). It is calculated as the sum of Scope 1 + Scope 2 emissions for all Boliden sites, divided by the production output in metal tonnes from Boliden production sites. The same principles as those used for calculation of energy intensity (EN5) apply. Boliden only includes CO₂ gas in this GHG intensity.

Greenhouse gas emission intensity



EN19 – Reduction of greenhouse gas emissions

The GRI definitions state that this indicator should reflect reductions of CO₂ emissions identified under EN15-16. The reductions result are estimated from reported energy savings and energy efficiency initiatives reported in EN-5 and EN-7. The recently completed energy efficiency measures (e.g. Boliden Mines' PFE programme) have yielded a reduction in electricity use corresponding to 9,000 t/a CO₂ (Scope 2). Boliden strives to deliver the excess heat from its processes for use in district heating, whenever possible. The heat supplied by Boliden Bergsöe, Boliden Rönnskär, Boliden Kokkola and Boliden Harjavalta in 2014 is corresponding to 240,000 t/a of CO₂ (Scope 1) if the same amount of heat had been produced from a fossil fuel source.

Boliden is also, over and above these measures, actively initiating attempted reductions in fossil fuel emission by means of fuel substitution tests, participation in demonstrations of electrified road transports, and improved heat recovery/exchange with the aim of phasing out the use of fossil fuels for heating purposes.

Boliden is a co-owner of BasEl, and its production company for wind-based power, VindIn AB, which is building and operating wind farms in Scandinavia. The purpose of VindIn is to take a longer term approach and to deliver low cost, renewable electricity. VindIn currently produces over 200 GWh and its goal is to produce 1 TWh within the next few years through the further development of wind farms in Sweden and Finland.

EN21 – Other significant air emissions

Other significant air emissions deriving from Boliden's operations are sulphur oxides, nitrous gases, metals and dust. Regarding sulphur oxides (SO_x/SO₂), the most common sulphur oxide is sulphur dioxide, and Boliden generally uses the expression sulphur dioxide to describe this emission. The figures for sulphur dioxide and nitrous gases presented below are divided into emissions from stacks and diffuse emissions from fuel used in both stationary and mobile equipment and the use of explosives. The figures for metals and dust include the emissions from stacks but exclude the diffuse emissions. Boliden has no emissions of VOC or POP.

Diffuse emissions are generated at both mines and smelters and the environmental impact is due to dust particles containing metals being dispersed by the wind. All operations are working systematically to reduce particle emissions to air, e.g. by enclosure of dust-generating equipment and salting and watering roads. The diffuse emissions are difficult to quantify, but are monitored using recognised methods.

Emission reduction efforts

Boliden's efforts to reduce emissions are based on an overall analysis of the Group's environmental impact and the identification of a number of focus areas. The environmental impact and risk assessments are revised on a regular basis, as are the measures to be taken, the process of identifying relevant milestones and the resources needed to achieve the overall objectives. The work is controlled and conducted by each individual operating facility, as local circumstances may differ. Follow-up work at Group level is conducted on a monthly basis.

Sulphur dioxide emissions to air are mainly attributable to gases generated during the smelting processes at the Harjavalta and Rönnskär copper smelters. The amount of sulphur dioxide emitted during the process depends on such factors as process stability and the efficiency of the gas cleaning systems, and, to some extent, on the amount of sulphur in the raw material. One way of reducing emissions is, therefore, to control the smelting process and to allow emission levels to be a factor when deciding which raw material to smelt. The monitoring and control of abatement systems for effective gas cleaning is important work and is carried out continuously.

The ongoing work focus on process stability and improvement and/or replacement of technology. The emission of metals to air during the last target period (2007–2013) decreased, mainly due to well-performing abatement systems and stable processes with few disruptions.

Emissions to air are mainly based on periodic monitoring in accordance with such standards as SS-EN 14385 or other applicable standards. Emissions from fuel are calculated using the fuel properties data provided by the supplier. Accredited laboratories, both internal and external, are used for analyses of samples taken on site.

Emissions to air (tonnes)	2010	2011	2012	2013	2014
NO _x	480	530	520	360	460
NO _x , indirect emissions from fuel and explosives	230	190	190	180	180
SO ₂	6,850	7,410	8,240	6,410	7,320
SO ₂ , indirect emissions from fuel	59	37	37	32	24
Particulate matter	67	65	64	58	75
Metal emissions to air (Cu, Zn, Pb, Ni, Cd, As, Hg)	23	23	20	19	22

Material Aspect: EFFLUENTS AND WASTE

EN22 – Water discharge

Discharges to water derive from dams and tailings ponds at the mine sites, and from water treatment plants and surface water at both smelter sites and mine sites. Boliden's smelters account for approximately 70 per cent of metal discharges to water while the mines account for the remaining 30 per cent. Boliden mines account for just over 70 per cent of the Group's nitrogen discharges with the nitrogen generated mainly from the use of explosives and their handling. The remaining 30 per cent comes from wastewater recycling at the Kokkola smelter.

Ensuring efficient and stable operations at water treatment plants and recirculating the process water as much as possible is an important part of reducing discharges to water. Boliden's operations include purifying process water, as well as a significant amount of the rainwater that falls within the industrial areas. In recent years, there has been heavy rainfall, underlining the need for increasing the water treatment capacity, and several of Boliden's operations have consequently implemented measures to meet this need.

The way in which Boliden manages nitrogen discharges to water will be particularly important in the years ahead. The ongoing expansion projects will result in marked increases in the mines' nitrogen discharges (by up to an estimated 45 per cent) by 2018. A specific nitrogen action plan will be drawn up and the management and monitoring of water consumption will be improved through the establishment of a dedicated Water Management plan that will apply to all units.

Once the water cleaning process is completed, the smelters discharge their water to the sea while the mines discharge the water into rivers and lakes. The water discharged to recipients is monitored to ensure that levels of pollutants are within the quality standards stipulated in the environmental permit. Accredited laboratories, both internal and external, are used for analyses of samples taken on site. No discharges are made into wetlands, ground water or municipal treatment plants. Volumes are based on flow meters.

Water discharge	2010	2011	2012	2013	2014
Metal discharges to water ¹⁾ (tonnes)	17.8	14.5	29.2	29.2	28.0
Nitrogen /N-tot/ to water (tonnes)	199.0	205.2	252.8	218.8	224.6
To inland surface water (million cubic metres)	58.2	51.1	58.6	54.9	63.0
To sea surface water (million cubic metres)	58.4	54.8	60.2	62.0	71.0
To municipal treatment plants (million cubic metres)	0	0	0	0	0
Discharged water volume	116.5	105.9	118.8	116.9	134.0

EN23 – Total waste by type and disposal method

Boliden handles considerable amounts of waste materials. It mainly consists of dusts, slags, tailings, rock, and other mineral formations. There are virtually no products that can be reused, composted, or incinerated. Boliden therefore choose to report the waste types differently than in the GRI guidelines. Boliden's hazardous waste is going to disposal or stabilisation, in some cases to landfill and deep repository.

Waste by type and disposal method (tonnes)	2010	2011	2012	2013	2014
Hazardous waste, total	722,000	750,000	756,000	737,000	791,000
Whereof waste to external use, treatment, or recovery	3,300	3,800	5,300	5,400	4,700
Whereof waste to external disposal	1,100	480	630	10	20
Non-hazardous waste, total	362,000	340,000	443,000	221,000	269,000
Whereof waste to external use, treatment, or recovery	59,600	63,200	64,500	82,100	78,900
Whereof waste to external disposal	700	800	900	700	800
Waste rock, total	29,270,000	31,646,000	41,635,000	40,836,000	39,724,000
Waste rock for internal construction	3,811,000	3,417,000	5,013,000	2,902,000	3,181,000
Storage of waste rock for future use	5,892,000	11,954,000	30,280,000	30,937,000	30,203,000
Sold waste rock	107,000	23,000	54,000	206,000	108,000
Tailings total	26,304,000	35,974,000	39,290,000	41,674,000	44,428,000
Tailings for internal constitution	1,278,000	2,362,000	1,957,000	2,753,000	2,089,000

MM 3 – Waste types and disposal methods including overburden, rock, tailings and sludge, and their associated risks

Boliden processes a number of different metals and substances that are both toxic and environmentally harmful. The mining and smelting operations generate residual waste consisting of waste rock, tailings, slag, sludge and dust.

EU waste legislation currently has a strategic approach that views waste as a resource and deposition as the last option (Waste Framework Directive, 2008/98/EC). There is already considerable awareness of the importance of waste issues within the Boliden Group: e.g. waste sorting, significant recycling of process residues and scrap, good reporting procedures and ongoing waste projects. The majority of

Boliden's process and mining wastes are sent to landfills in accordance with the EU Landfill of Waste Directive (1999/31/EC) and the Mining Waste Directive (2006/21/EC). The remainder is used as construction material or as filler material. Waste rock tips are covered continuously, wherever possible, in order to prevent weathering or leaching. Boliden's mine waste is generally handled in accordance with applicable environmental permits that specify how and where it may be stored and how it shall be covered and reclaimed.

Extensive monitoring programs are in place to ensure a high level of dam safety and several measures to increase dam safety have been finalised or are in progress. Boliden is responsible for around 40 dam facilities in Sweden, Norway, Finland, Ireland and Canada. They are used or have been used to deposit tailings sand or other waste and for

water management. This figure includes both operational and decommissioned facilities. Dam facilities are managed according to GruvRIDAS (mining industry guidelines for dam safety).

Correctly processed waste can be turned into valuable products.

What is considered waste for one operation can often constitute a raw material for another. Approximately 45 per cent of the process residues generated are sent to another Boliden site for metals recovery or final deposition. Appropriately handled, the trade in waste and by-products can be of benefit to society by increasing overall resource efficiency. Boliden works continuously to identify internal and external recycling or landfill solutions for any process wastes generated. Boliden receives significant amounts of waste from external parties for recycling, construction purposes or safe deposition in landfills.

The export of waste to landfill or for recycling is extensively regulated. Boliden has also developed procedures for monitoring and following up on the receiving party's processing operations to ensure that their waste processing is acceptable from a health and environmental viewpoint.

An expansion in 2012 made Boliden Rönnskär the world's leading recycler of electronic scrap, with an annual capacity of 120,000 tonnes. The lead smelter, Boliden Bergsöe, is one of Europe's four biggest players in lead recycling, and each year, the plant receives about 70,000 tonnes of lead batteries and lead scrap from all over the Nordic region.

The secondary raw materials, i.e. electronic scrap and waste batteries, contain plastics that are incinerated in the process. The incineration of the plastics has two purposes: it serves as a reducing agent in order to produce the metal and it also generates heat that is necessary for the process. The excess heat from the process is reused for, amongst other things, district heating.

Since 2013, Rönnskär no longer reports slags treated in the Boliden Area as non-hazardous waste. The slags are reused in the concentrator plant and remaining waste is reported as tailings by the Boliden Area.

Volumes are mainly based on loaded weight. Waste rock tonnage is based on calculations of volume and density. Tailings are based on calculations of tonnage of ore minus tonnage of concentrate output.

There are no statistics available for overburden as it is seldom that any overburden exists, and what does constitute an insignificant volume of waste. Metal-bearing sludge is not considered waste, but rather is reused in the process. Sludge that is not reused in the process accounts for an insignificant percentage of either Hazardous waste or Non-hazardous waste, depending on its properties.

Some waste is sent for final storage in underground facilities. Tailings are, for example, used as back-fill wherever this is possible, both as reinforcement and to reduce the amount of tailings above ground. Odda stores jarosite and slag in mountain caverns. Rönnskär is in the process of completing underground disposal facilities for arsenic-bearing waste. Kokkola is using old salt mines to store mercury, containing the waste in a secure way.

Boliden has no organic waste material that is suitable for composting, other than small amounts from canteens, which is sent for municipal treatment.

Boliden does not practice deep well injection or incineration of waste.

EN24 – Significant spills

A total of 8 larger oil and/or diesel spills, i.e. 150–400 litres, were reported from Aitik and the Boliden Area. All spills occurred within the mining areas and were immediately sanitised. Any contaminated soil was excavated. A leakage of approximately 370 m³ of acid occurred in Kokkola in connection with a tank breakdown. The acid was collected in a basin and did not cause any harm outside the industrial area.

None of these events have entailed any significant environmental impact or caused lasting harm to the surroundings. Investigations have been conducted in conjunction with all of the incidents in order to ascertain the causes of the spills and, wherever possible, to institute measures that will prevent any repeats.

Material Aspect: COMPLIANCE

EN29 – Significant fines and sanctions

No significant environmental fines have been reported since 2012. During the reporting period there have been two non-monetary sanctions because of minor deviations related to environmental control. No cases have been brought via dispute resolution mechanisms during the reporting period. During the reporting period there has been an increased focus on follow-up of limit value exceedings in order to minimise the occurrence of environmental accidents.

Material Aspect: TRANSPORT

EN30 – Significant environmental impact of transporting products and other goods and materials used in the organisation's own operations, and transporting members of the workforce

Transportation of material and goods plays a major part in reducing emissions to air from Boliden's operations. In 2014, the metal production increased, and consequently the transport volumes increased as well. This resulted in 42,000 (41,000) tonnes of fuel that was used for internal transportation on Boliden's operational sites.

When determining the areas on which to focus in order to reduce the environmental impact from transportation, Boliden uses statistics from the existing consumption of fuels, the tonnages transported and the alternatives that are available when choosing routes and means of transport. Experts in planning and purchasing are constantly working to optimise our transportation, from both an environmental and an economic viewpoint. This optimisation work includes everything from choosing the fuel and engines in Boliden's own vehicles, to choosing suppliers

of transportation services with the best possible environmental performance.

Boliden utilises a comprehensive transportation system for transporting raw materials, products and by-products by ship, rail, or road, depending on the volume being transported and the distance involved. A large number of suppliers and subcontractors are part of Boliden's transportation system and it has proven difficult to compile a uniform report based on information provided by the respective carriers. A more comprehensive calculation of emission levels has, therefore, been conducted for the 2011 fiscal year. We consider these, our own calculations, to be more reliable than the non-uniform data provided by our suppliers. The quality of data is consequently considered to be high, and the result can be also used as an estimate for 2012 to 2014, given that the volumes and transportation streams are similar. Road transports have been calculated using the NTM models and assuming fossil fuel-powered and standardised trucks. Sea transports have been calculated using the NTM models and assuming fossil fuel-powered and standardised ships. Assumptions are made for positioning and time

for loading/unloading in harbour. Rail transports have been calculated using the NTM models, with relevant emissions data for railway diesel and national railway electricity mixes. We estimate, based on these calculations, that emissions linked to transports to and from Boliden sites are on the order of 78,000 tonnes CO₂ for 2014. Only transports chartered by Boliden have been accounted for.

As a producer and importer of metal concentrates, Boliden has taken measures to comply with the new IMO MARPOL Annex V criteria

for substances harmful to the marine environment. In practice, it is a tank lorry that receives the contaminated wash water from the ship and transports it to Boliden's internal landfills or water treatment plants.

A relatively small part of the environmental impact from transportation comes from business travel, but Boliden uses video and web conferencing equipment and telephone conference calls to reduce its business travel. These measures have reduced the need for air travel.


Material Aspect: SUPPLIER ENVIRONMENTAL ASSESSMENT

Aspect Specific DMA

Environmental criteria are a vital part of Boliden's Corporate Business Principles, and therefore also a crucial part of the supplier assessment. Boliden expects business partners to identify and document their significant environmental aspects, and to be aware of and comply with environmental legislation and common practices.

EN32 – Percentage of new suppliers that were screened using environmental criteria

The business areas and group functions have different systems in place – based on different needs – to comply with corporate requirement on supplier assessments, and the assessment results are hence not yet consolidated or followed-up at Group level, and it is, therefore, not possible to provide an adequate response for this indicator. Boliden is currently not able to fully report on this indicator. In 2015 Boliden will analyze the need to modify the reporting routines to comply with G4.

 : Reason for omission
Data is unavailable


Material Aspect: ENVIRONMENTAL GRIEVANCE MECHANISM

Aspect Specific DMA

It is the responsibility of every employee to ensure that operations are conducted properly and in compliance with given instructions. Employees must promptly report any suspected violation relating to accounting, internal controls and auditing to their immediate superior.

EN34 – Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms

Boliden's environmental responsibility entails continuous work to reduce the environmental impact of our operations. Neighbours', and other stakeholders, are welcome to contact either the business unit, or any of the company function, by different channels; i.e. phone, e-mail, by written correspondence. Boliden has not yet developed a formal grievance mechanism that can be consolidated and followed-up at Group level. Boliden is not able to report fully on this indicator. In 2015 Boliden will analyse the need to modify the grievances routines.

 : Reason for omission
Data is unavailable

Social performance

Boliden generates value by having top quality operations, processes and products. Employees who are skilled, committed and who accept personal responsibility are crucial. Boliden must, in turn, offer its employees a safe and inspiring working environment. Material stewardship is also of growing importance since effective use of resources in terms of reuse and recycling of metals in the society is vital for Boliden's business. By acting responsibly towards neighbours, business partners and other stakeholders, Boliden can maintain a good reputation as a metals company and employer.

Boliden's social targets, 2014–2018

GOALS 2018	RESULTS IN 2014
● Number of accidents at each unit shall be 0.	91 accidents, including contractors
● Absence due to sickness shall be below 3 per cent.	4.3 per cent, increase since last reporting period
● 20 per cent of Boliden's workforce shall be women ¹⁾ .	In 2014, women ¹⁾ accounted for 17.5 (17.1) per cent of the Group's total number of full-time employees, and 23 per cent of Boliden's top 100 managers. In the GRI report when using the method of headcount by December 31 2014, women accounted for 18.1 (17.7) per cent of the total workforce.

¹⁾ The target is measured using the total number of full time-employees. In the GRI report employees are measured by annual headcount on December 31st.

Labour Practices and Decent Work (LA)

Material aspects on labour practices and decent work

Occupational health & safety is Boliden's most important issue as it involves the safety and ultimately the life of Boliden's employees, and the materiality is obvious in a work environment with inherent risks. Employment, Labour/Management Relations, Training & Education, Diversity & Equal opportunity and Equal Remuneration are material aspects as they impact Boliden's ability to attract, retain and develop employees. Boliden faces major retirements, competes over scarce supply of relevant competences and is located in rural areas – the ability to offer a work environment dominated by foresight, development and employee care is crucial to the business. Supplier assessment for labour practices is material to Boliden's ambition to be the first sustainable link in the metal's value chain. In addition to indicator reporting, please see GRI pp. 6–8 and Annual Report pp. 47, 54–56 and 106 to learn more about how Boliden manage, follow up and monitor performance within these aspects.

Material Aspect: EMPLOYMENT

Aspect Specific DMA

Boliden considers the ability to recruit, develop and retain competent employees as a prerequisite for its success. It is important to achieve a balance between the company's capabilities and commitments. This means having the right skills in the right place, at the right time.

The company's talent pool, and the skills and knowledge possessed by Boliden's employees are vital if Boliden is to achieve its strategic and operational objectives. The employees are the best ambassadors when it comes to attracting new employees to join the company. In the employee survey My Opinion in 2014, 75% of the respondents stated that they would recommend Boliden as an employer.

Boliden was also ranked 23rd in Universum's ranking of Sweden's 70 Most Appreciated Employers among large companies in 2014.

In 2015 the work with an employer branding strategy for the Boliden Group will commence, with the purpose to improve the work with attracting, retaining and developing Boliden's employees further.

LA1 – Total number and rates of new employee hires and employee turnover by age group, gender and region

Boliden aims to have a diverse workforce at all operations. Boliden has instituted a policy, in order to reach the target of female employees constituting 20 per cent of the total workforce by 2018, stating that at least one third of all new employees should be female.

Total number and rate of new permanent employee hires by age group, gender and region

	2014	
	Number	%
Total in Group	242	5.1
<30 years	84	34.7
30-50 years	135	55.8
>50 years	23	9.5
Men	172	71.1
Women	70	28.9
Sweden	188	77.7
Norway	17	7.0
Finland	36	14.9
Ireland	0	0
Other	1	0.4

Total number and rate of employee turnover by age group, gender and region

	2011		2012		2013		2014	
	Number	%	Number	%	Number	%	Number	%
Sweden	113	4.3	127	4.6	118	4.1	138	4.8
Norway	15	4.8	10	3.3	17	5.7	19	6.5
Finland	47	5.4	56	6.4	48	5.0	51	5.2
Ireland	26	3.9	11	1.6	36	5.5	53	8.8
Other	0	0.0	0	0.0	0	0.0	0	0.0
Total	201	5.1	204	4.4	219	4.4	260	5.4
Where of Men	177	88.1	174	85.3	184	84.0	227	87.3
Where of Women	24	11.9	30	14.7	35	16.0	33	12.7
Where of < 30 years	13	6.5	20	9.8	15	6.8	29	11.2
Where of 30-50 years	48	23.9	48	23.5	54	24.7	62	23.8
Where of > 50 years	140	69.7	136	66.7	150	68.5	169	65.0

LA2 – Benefits provided to full time employees by significant locations of operation

Boliden offers a comprehensive and competitive package of market rate salaries and benefits.

Profit sharing programme

The profit-sharing programme for all employees, that was introduced in 2007 means that a profit share is payable when the return on capital employed reaches 10 per cent. The maximum profit share (SEK 25,000/full-time employee) is payable when the return on capital employed reaches 20 per cent. In 2014, the return on capital employed was 8 per cent (5%) and the amount the programme will receive for 2014 is now to be decided. In 2013, no payment was made to the employees from the profit sharing programme.

Significant locations of operations

While the benefits offered by Boliden are similar at all Boliden operations, they are not identical due to legislative differences between the different countries. One example of these differences is parental leave, parental pay and opportunities for working shorter hours during the early childhood years. In Sweden, Ireland and Norway, for example, Boliden provides compensation for employees on parental leave as a complement to the compensation from the social security systems in these countries. In Finland, all compensation for employees on parental leave is paid exclusively by the social security system.

Below is a description of the benefits offered to our employees by significant locations of operations, defined as the countries where we have our production.

Finland

Boliden's employees in Finland have valid contracts of employment regulating their salaries and other general working conditions. Furthermore, all employees, including temporary workers and those working part time, receive benefits in addition to those included in the collective agreements and individual employment contracts. The benefits are: employers' liability insurance (statutory), travel insurance, leisure time accident insurance, sports insurance, insurance against treatment injury (statutory), group life assurance (statutory), employment pension insurance (statutory), maternity/paternity leave. All employees benefit from the various leisure and healthcare activities provided by the company.

Ireland

Boliden's employees in Ireland are paid competitive salaries, allowances and bonuses, as well as shift premiums (as outlined in collective agreements and/or individual employment contracts). Employees are, furthermore, entitled to the following benefits: life assurance, health insurance (subsidised or fully paid), access to company healthcare, disability cover (white-collar employees only), pension, retirement provision, maternity/paternity leave, annual leave and public holidays, and reimbursement of travel and other work-related expenses.

These benefits are provided for all full-time and part-time employees (sometimes proportionately) as well as employees who are on a fixed term contract. Summer students and temporary employees on very short-term contracts, however, are not entitled to all of the above benefits.

Norway

Boliden's employees in Norway have valid contracts of employment regulating their salaries and other general working conditions.

Employees are, furthermore, entitled to the following benefits: life assurance, travel insurance (official company journeys), health insurance (fully paid), disability cover, defined contribution of five or eight per cent from base salary, and a defined benefit of 70 per cent (incl. state pension) of salary between 62 and 67 years of age, optional loans for consumer goods (max. NOK 30,000), maternity/paternity leave (10 per cent paid by company), annual leave and public holidays, and reimbursement of travel and other related expenses.

The benefits do not differ between full-time and part-time employees. Temporary workers, however, are not entitled to consumer goods loans (max. NOK 30,000) or to company pensions. Temporary workers on short-term contracts (e.g. summer students) are only entitled to life assurance, travel insurance (official company journeys) and disability cover.

Sweden

Boliden's employees in Sweden have valid contracts of employment regulating their salaries and other general working conditions.

All employees, including temporary workers and part-time workers, also have benefits in addition to those included in the collective agreements and individual employment contracts. All permanent employees in Sweden (including part-time workers) are entitled to the following benefits: life assurance, health insurance and disability/invalidity coverage, healthcare fund, dental care, parental leave agreements, retirement provision, company profit-sharing scheme and company bonus schemes. All employees are, furthermore, included in the various leisure and healthcare activities arranged at the different units.

Temporary workers receive the following benefits: life assurance, health assurance and disability/invalidity coverage. The level of all these benefits is higher than that stipulated in national legislation.

Material Aspect: LABOR/MANAGEMENT RELATIONS

LA4 – Minimum notice periods regarding operational changes

Minimum notice periods, as required by labour legislation, are always adhered to by all Boliden's operations. In general, notice periods for significant operational changes are as long as possible, and consultation with employees and relevant parties commence as soon as possible. National legislation and collective agreements set the framework and regulations for how information-sharing and negotiations are to be carried out in connection with operational and organisational changes.

A notice period can vary from weeks to months, depending on the project or proposals, and the urgency with which the required changes must be made. The trade union representatives are continuously updated about the development of the company's operations and informed before any decisions about significant changes in its operations are made. Where significant changes in company operations are necessary, employees and/or their union representatives are involved

from an early stage in the process. Below is a description of the minimum notice periods regarding operational changes or ending employments in the countries where we have our production facilities.

Finland

National legislation mandates that negotiations with the unions take place before the termination of employees' contracts. The trade union representatives must also be given written information about the reasons for layoffs, the number of people that might be affected, and to whom the collective agreement is applicable.

If more than ten employees are at risk of being laid off temporarily, the employment authorities must be informed. The minimum negotiation period is six weeks for permanent layoffs or temporary layoffs (more than 90 days). The minimum negotiation period is 14 days in cases of employees being laid off temporarily for not more than 90 days. Notice periods at an individual level are regulated in the collective agreements.

Ireland

Labour legislation states that minimum notice periods for ending employment depend on length of service, and/or shall be written into employment contracts. Minimum notice periods for other issues are not written into collective agreements, but are included in labour legislation.

Norway

The notice period is always related to employment status and ranges from 14 days for new employees on six months' probation to a notice period of six calendar months for permanent employees with a length of service in excess of ten years and aged 60+.

Sweden

National legislation mandates that the company and the unions must conduct negotiations before significant changes in the operations are decided upon and before employee layoffs can be performed. The trade unions must also be given written information about the reasons for layoffs, the number of people that might be affected and which collective agreements that are applicable. If more than five employees are at risk of being subject to layoffs, the regional Employment office must be informed. When larger numbers of employees are involved in the potential layoffs, the notice timeframes range from two to six months.

MM4 – Number of strikes and lockouts exceeding one week's duration, by country

During 2014 Boliden did not experience any strikes or lockouts exceeding one week's duration. Boliden enjoys good relations with the different unions and there is, from Boliden's perspective, a mutual trust. Boliden supports an active cooperation between employers and employees and their respective representatives in every area of shared interest. For a number of years now, the Group has had an agreement with trade union organisations, with regard to union-related cooperation at all levels within the Group.

The employees have three representatives on Boliden's Board of Directors. Boliden also has a Works Council comprising employee representatives from all of the countries in which Boliden operates. At local level, employee representatives/union representatives sit on a number of different councils relating to employee management, production planning, health and safety etc.

The frequency of dialogue ensures a constant flow of relevant information, enabling the unions to understand how Boliden is performing and promoting a two-way dialogue on strategic matters.

Material Aspect: OCCUPATIONAL HEALTH AND SAFETY

Aspect Specific DMA

The number of accidents decreases, however, not yet in accordance with the reduction model established during 2014. Efforts to improve the safety culture are therefore intensified further by a group-wide survey during February and March 2015. The results are monitored and relevant measures will be put in place in seminars and working meetings. Key areas are the leadership commitment and the preventive risk management.

In 2014, the sick leave rate increased for the second consecutive year. Boliden is looking over the rehabilitation and ability to find alternative work that can be performed by employees that are aptly injured or have a temporarily impaired health. Short- and long-term absence is monitored from 2015 in order to find reasons for the poor trend. Proactive health work should be also deepened during 2015. Boliden also offers all employees special assistance, such as anti-flu vaccinations, where necessary. Every operation also has an activity programme designed to promote employees' health.

Boliden's systematic health and wellness work is based on prevention as well as rehabilitation. A large number of the preventative activities managed by the units focus on identifying lifestyle and environmental factors that may have a negative impact on the level of diseases for some employees.

Employees are encouraged to keep fit and to participate in various sporting activities. Experts are invited to speak on various health risks such as cancer, diabetes and heart conditions, and on how to prevent potential health issues that may arise due to working shifts. Anti-smoking and healthy eating campaigns are carried out on an ongoing basis.

LA5 – Representation on health and safety committees

Boliden has health and safety committees at all workplaces where more than fifty employees are working on a regular basis. More than 75 per cent of the workforce is represented by the health and safety committees.

The health and safety committees identify potential hazards, evaluate these potential hazards, recommend corrective actions, and follow up on implemented recommendations. The health and safety committees hold meetings regularly and carry out inspections of the workplace.

The committee members are also available to receive worker concerns and recommendations, to discuss problems, and to provide input into existing and proposed health and safety programs.

All units have procedures for risk assessments, incident reporting and safety inspections. Boliden also promotes initiatives designed to involve employees on a more informal basis by encouraging them to contribute suggestions for health and safety improvements.

LA6 – Injuries, occupational diseases, and work-related fatalities

Boliden has a zero harm philosophy with regards to accidents at work. The goal for each unit is zero accidents every month. Low absentee rates and low injury rates can generally be linked to positive trends in staff morale and productivity.

Boliden has a responsibility to create structures, procedures and other conditions for a safe working environment. Equipment, instructions, risk assessments, incident reporting, safety audits and inspections all help safeguard the individual's safety. Boliden continuously invests in safer machinery and equipment. All operations also regularly provide safety training for all employees (the term employee also includes, here, any form of supervised worker who is not a contractor) according to a fixed schedule, with a view to improving knowledge and awareness and to providing constant reminders of the importance of working safely.

Whatever the efforts that are put into systems and techniques, however, they will not be sufficient without decisive action on the part of each individual in the form of his or her own behaviour. Every individual must take responsibility and devote time to considering and following the routines essential to accident avoidance. The principle of safety first at all times must be clearly established in every employee's mind.

In 2014, 47 (57) accidents resulting in absence from work were reported at Boliden's units by Boliden employees. The number of accidents resulting in absence from work, including contractors, was 91 (112). The number of calendar days of absence due to accidents among Boliden's employees was 1,482 (1,983), an average of 32 (35) days per accident.

There have been no fatalities in any region within Boliden in the last six years, either among employees or among contractors.

The number of reported occupational diseases or data on absenteeism connected to occupational diseases is not included in our reporting since it can take several years before a reported occupational disease is finally accepted or not accepted as an occupational disease by the authorities. The absence is however included in the ordinary sick leave percentage.

LTI Frequency¹⁾ Boliden employees

	2010	2011	2012	2013	2014
Sweden	10.4	4.8	6.8	7.5	5.0
Norway	1.7	1.8	1.8	5.8	10.1
Finland	6.0	7.1	9.4	5.8	6.7
Ireland	6.7	4.0	4.7	7.4	6.3
Group	8.2	4.9	6.6	7.0	5.8

LTI Frequency¹⁾ employees and contractors

	2012 ²⁾	2013	2014
Sweden	10.1	8.6	7.8
Norway	1.5	7.4	8.2
Finland	11.5	10.1	9.0
Ireland	4.9	10.0	6.3
Group	9.1	8.9	7.9

Lost day rate³⁾

Lost days due to injury per 200,000 working hours, Boliden employees

Calendar days	2010	2011	2012	2013	2014
Sweden	45	19	19	23	27
Norway	2	1	1	14	29
Finland	23	31	35	40	8
Ireland	80	37	105	178	128
Group	44	23	35	49	37

Sick leave rate⁴⁾

Boliden employees

Percentage	2010	2011	2012	2013	2014
Sweden	3.5	3.5	3.3	3.7	4.2
Norway	5.6	6.0	5.1	4.8	4.5
Finland	5.5	4.7	4.9	5.0	4.8
Ireland	3.0	2.4	2.8	3.1	3.8
Group	4.0	3.7	3.7	3.9	4.3

¹⁾ The LTI Frequency is calculated per one million working hours and includes all injuries that have caused one day's absence or more from work after the day of the injury. To calculate the injury rate (IR) according to GRI, divide the LTI frequency stated above by five.

²⁾ Statistics include employees and contractors working for a contracted company at Boliden's operating sites and/or on behalf of Boliden. Complete data is not available for the years prior to 2012.

³⁾ The number of days' absence for contractors is not reported as there is no data available in which lost days are related to work at Boliden's operating sites and/or on behalf of Boliden.

⁴⁾ The sick leave rate is the total number of hours' absence due to sickness divided by the total number of scheduled working hours.

Boliden registers accidents and LTI frequency for contractors working on-site, but currently lacks the ability to monitor lost day rate and sick leave for contractors working for several clients (other than Boliden).

LA7 – Workers with high incidence or high risk of diseases related to their occupation

Parts of Boliden's workplaces involves a risk of exposure to lead. Occupational exposure can cause lead poisoning. Long term exposure at lower concentrations can also cause damage to the human body. Chronic poisoning usually presents itself with different types of symptoms: anemia, neurological and kidney damage. Illness is preventable by avoiding exposure to lead.

As part of Boliden's occupational hygiene monitoring programmes, workplaces are regularly checked with regard to exposure, ergonomics, air quality, noise and vibrations. The results are analysed, actions taken when called for, and reported to the authorities.

Employees are screened regularly via the occupational health services provided at the workplace to ensure each individual is fit to do his or her assigned work. Any sign of illness that could be associated with work is documented and reported.

LA8 – Health and safety topics covered in formal agreements with trade unions

Formal agreements with trade unions cover health and safety aspects to some extent, one example being the Swedish SAM committee. Health and safety aspects are, however, mainly covered by national legislation.

Boliden provides free personal protection equipment at all sites and requires its use in accordance with the work procedures that were established, based on the risk assessments carried out before any work is commenced.

There are joint management/employee health and safety committees on each site, and it is mandatory for safety representatives to participate in health and safety inspections, audits, and accident investigations.

All sites provide training in accordance with a training matrix that defines the mandatory training for each position. The training each person has received is documented in the HR system. The training records serve as a basis for promotion, further training and/or repetition.

Every employee not only has the right, but also the duty to stop any work that is considered to be unsafe. If a hazardous condition is discovered, every employee not only has the right, but the duty to report this via Boliden's deviation system. All near misses, incidents and accidents are reported via this system and followed up systematically. If a serious deviation occurs, all employees have access to a whistleblower function where they can file an anonymous report.

Safety inspections are carried out according to schedule at each site. Unannounced safety inspections are, furthermore, carried out in conjunction with maintenance work and projects, or for no particular reason at all. Managers, safety coordinators and safety representatives are amongst those who participate in the safety inspections. Group management take part in Group Safety Walks at least once a year, whereby all operational sites are visited and safety issues are discussed with workers on site.

Material Aspect: TRAINING AND EDUCATION

LA9 – Average hours of training per employee by gender and by employee category

Keeping all employees updated regarding technological, functional and leadership skills is essential to Boliden's performance. Every employee should be able to influence their own development and Boliden should provide resources and opportunities to make sure that employees have the right skills to perform their job tasks in an efficient and safe way, at all times. Boliden's approach is to facilitate skills development during regular working hours. The responsibility for organisation and to follow up on the "on the job" training lies within the line management. Boliden have not set targets regarding average hours of training for different job categories - it is the individual need that determine the methods and quantity of the training activities. The average number of training hours for different employee categories on Group level have been measured for the first time in 2014 and will be measured annually from now on.

Average hours of training per employee by gender and by employer category

Category	2014
Men	16,8
Women	16,2
White collar	18,7
Blue collar	15,7
Total	16,7

LA10 – Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings

Boliden runs several training programmes. While the work with skills management is coordinated across the whole Group, much of the responsibility is local, as each unit has knowledge of its own specific needs and circumstances.

All new employees receive introductory and orientation training in their new workplace, following a structured procedure and checklist that is signed off by the employee. All employees also receive the necessary training to enable them to perform their duties in a safe, efficient and competent manner. This applies to all blue-collar and white-collar employees, in all categories and at all levels in the organisation.

Training measures are usually conducted locally in order to optimise the way in which they are controlled and customised in line with the needs of the unit in question. The training activities include an on-going traditional leadership development programme for first-line managers, focusing on leadership and employee development. A number of statutory training measures are also provided, along with training in representing the employer on legal, labour law and human resources issues, and on ethical concerns.

Boliden provides opportunities for all employees to develop as individuals and professionals. All employees have an individual development plan, agreed upon together with their manager. It is also important that all employees get the opportunity to obtain an overview of the Group's operations and to understand how the value chain is formed. Training courses and study visits are, therefore, arranged within both our business areas. Ongoing Group-wide programmes and initiatives include:

The Boliden Academy – programmes for Young Professionals, Women at Work and the Top 100 Management Team. During 2014 a new programme was designed addressing Middle management needs was created and will commence in early 2015.

Management Reviews and Succession Planning processes – further enhance our skills management programmes.

Talent Forum sessions have been conducted in 2014. The Talent Forums were introduced in 2013 and are a new form of systematic and structured review of all top 100 Managers and those who report directly to them, and focuses on their future career and competence development.

Internal applicants are given priority for vacant positions, provided that they have the necessary qualifications. The training programs provided within Boliden therefore facilitates continued employability within Boliden making it possible for the employees to take on different roles and positions within the company. As stated in Boliden's redundancy policy, workforce reorganization, downsizing and redundancies must be handled carefully and in proper, ethical manner. Care and concern must be shown for individual employees and efforts must be made to provide effective assistance for those affected. The support provided to employees leaving the company therefore depends on their individual needs. Employees retiring from the company can get support and consultation regarding financial planning to make the transition to civilian life easier.

LA11 – Percentage of employees receiving a regular performance appraisal and career development review, by gender and by employee category

Boliden's target is that 100 % of Bolidens Employees should receive a annual performance appraisal and career development review.

In 2013 Boliden introduced a new competence and personnel planning tool in order to attract new qualified personnel, to develop and integrate new personnel and to develop and retain those currently employed. The tool has been used across the Group to improve the development of performance management, competence planning and succession planning. One purpose of introducing the tool was to improve the quality and possibilities to follow up on the development reviews as the tool enables managers and employees to document development reviews and to follow up on goals and development plans, and also highlights their competence and expresses their desire to advance.

In 2013 Boliden's top 100 managers and employees reporting directly to them (in total about 700 employees) were included in the first phase of the implementation.

Development of the system continued in 2014, adding both more users and new functions to the system. One example of this is the recruitment module, which provides managers with support for compiling recruitment profiles, ranking applicants by qualification, documenting interviews, compiling assessments and ensuring that every new employee is given a good introduction. In December 2014 invitations to use the system for the 2015 performance reviews were issued to all White collar employees in the Boliden Group.

Percentage of employees receiving regular performance and career development reviews by gender and employee category

	2014
Total in Group	71.9
Men	69.6
Women	83.2
Bluecollar	65.2
White collar	85.8

Material Aspect: DIVERSITY AND EQUAL OPPORTUNITY

LA12 – Composition of governance bodies

Percentage of individuals within the organisation's governance bodies in the diversity categories gender and age group

	2011			2012			2013			2014		
	Board of Directors	Group Management	Super-visors	Board of Directors	Group Management	Super-visors	Board of Directors	Group Management	Super-visors	Board of Directors	Group Management	Super-visors
Total number	11	5	463	11	5	462	11	5	472	11	5	500
Women %	27.3	0.0	10.6	27.3	20.0	11.9	27.3	20.0	12.1	27.3	20.0	15.0
Men %	72.7	100.0	89.4	72.7	80.0	88.1	72.7	80.0	87.9	72.7	80.0	85.0
<30 years %	0.0	0.0	2.4	0.0	0.0	3.2	0.0	0.0	1.9	0.0	0.0	3.0
30–50 years %	9.1	20.0	53.8	9.1	40.0	51.3	9.1	40.0	53.4	9.1	40.0	55.0
>50 years %	90.9	80.0	43.8	90.9	60.0	45.5	90.9	60.0	44.7	90.9	60.0	42.0

Percentage of total number of employees per employee category and diversity categories gender and age

	2011	2012	2013	2014
	Employees	Employees	Employees	Employees
Total number	4761	4857	4977	5052
Blue Collar %	69.0	68.4	68.3	68.0
White Collar %	31.0	31.6	31.7	32.0
Women %	16.4	16.9	17.7	18.1
Men %	83.2	83.1	82.3	81.9
<30 years %	13.5	13.8	14.0	13.8
30–50 years %	48.1	48.8	49.1	50.5
>50 years %	38.4	37.3	37.3	35.7

Diversity contributes to the dynamism, creativity and ultimately better results. Boliden strives to have employees with different background; age and experience. Boliden has employees who come from minority groups, but does not register this of concern for the individual privacy.

Material Aspect: EQUAL REMUNERATION FOR WOMEN AND MEN

Aspect Specific DMA


Boliden pursues an active equal opportunities policy throughout the organisation. There is also a policy that condemns all forms of discrimination or harassment based on gender. The principle of equal pay for work of equal value is applied in all of the countries in which Boliden operates. There are no legal or socioeconomic hindrances, in the countries in which Boliden operate, that might prevent Boliden from living up to this principle. Notwithstanding the legislative differences between the countries in which Boliden operates, e.g. with regard to parental leave, maternity pay and opportunities for working shorter hours during the early childhood years, Boliden encourages both men and women to take parental leave. Boliden also provide compensation for employees on parental leave in some of the countries in which Boliden operate.

LA13 – Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation

For blue collar employees there are salary scales for every job category and employees are paid according to the scale, regardless of gender, when joining Boliden as a new employee or when changing to a different job category.

In Sweden a structured process for mapping and analyzing the salaries of all employees from a gender perspective is established. This process is carried out every third year according to Swedish legislation and is done together with representatives of all trade unions. The purpose of this work is to identify differences in salaries between men and women that exist without proper cause. Any identified differences are followed by corrective actions. The latest salary mapping was carried out in 2013.

The ratio of basic salary remuneration of women to men is not consolidated and followed-up on Group level, and there is currently no work ongoing to aggregate these numbers across countries and legal entities. Boliden is currently not able to fully report on this indicator.

 Reason for omission
Data is unavailable


Material Aspect: SUPPLIER ASSESSMENT FOR LABOUR PRACTICES

Aspect Specific DMA

Labor standards are a vital part of Boliden's Corporate Business Principles, and therefore also a crucial part of the supplier assessment. The business areas and group functions have different systems in place – based on different needs – to comply with corporate requirement on supplier assessments.

LA14 – Percentage of new suppliers that were screened using labor practices criteria

The assessment results are not yet consolidated and followed-up with on group level so that this indicator can be answered adequately. Boliden is currently not able to fully report on this indicator. In 2015 Boliden will analyze the need to modify the reporting routines to comply with G4.

 : Reason for omission
Data is unavailable

Material Aspect: LABOUR PRACTICES GRIEVANCE MECHANISMS

Aspect Specific DMA

Effective grievance mechanisms play an important role in remedating impacts for labour practices. All Boliden employees can file grievances via Managers, HR functions or union representatives. Anonymous grievances can also be filed via Bolidens whistleblower function, which can be accessed by all employees via the intranet, ensuring that they are protected against any form of reprisals. Any grievances filed via these channels are to be dealt with swiftly and according to standardised procedures.

LA16 – Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms

Boliden's social responsibility includes safe and fair working conditions for our employees and at our business partners. Employee's, and other stakeholders, are welcome to contact either the local managers, or any of the company functions, by different channels; i.e. phone, e-mail, by written correspondence.

At year end 2014, three formal grievances about Labour practice grievances related to Boliden employees were filed. Two have been addressed and resolved during the reporting period. One grievance is still under investigation.

Human rights (HR)

Material aspects on Human rights

Boliden's own operations are located in countries where the risks for human rights violations are generally low. However, material aspects to consider are Non-discrimination, Indigenous rights and Assessment. The majority of Boliden's human rights risks are related to the supply chain. Depending on the nature and geography of the supplier, additional material aspects are: Freedom of Association & Collective Bargaining,

Child Labour, Forced and Compulsory Labour. All these aspects are covered by Boliden's Supplier Human Rights Assessment. There is a Human Rights Grievance Mechanism that cover Boliden's own operations, as well as suppliers. In addition to indicator reporting, please see pp. 6–8 in this report and pp. 51, 61 and 106 on the Annual Report to learn about how Boliden manage performance within these aspects.

Material Aspect: NON-DISCRIMINATION

HR3 – Total number of incidents of discrimination and action taken

Boliden's commitment to diversity is clearly stated in Boliden's Diversity Policy, which is a part of Boliden's Management Manual. Boliden and its employees shall:

- Refrain from all forms of discrimination and harassment on the basis of gender, ethnicity, age, disability, religion, sexual orientation or any other factor
- Always focus on the person's competence, and disregard aspects such as gender, ethnicity, age, disability, sexual orientation or other circumstances
- Strive to ensure that Boliden is perceived as an equal opportunity employer in every respect described above
- Support employees in their ambition to achieve a healthy balance between working life and private life
- Forcefully act against and counter any incidences of discrimination or harassment.

The Diversity Policy states that if an incident of discrimination or harassment should occur, the employee affected shall initially raise the matter with his or her manager and secondarily, with the company's human resources function, or through the whistleblower function (accessible via the intranet and Boliden's external web-page).

Three incidents of discrimination occurred in Boliden during 2014, which was reviewed by the company. Investigations was carried out by the responsible manager supported by local HR function and all incidents were resolved during the reporting period and are no longer subject to actions.

Material Aspect: INDIGENOUS RIGHTS

MM5 – Total number of operations taking place in or adjacent to Indigenous Peoples' territories, and number and percentage of operations or sites where there are formal agreements with Indigenous Peoples' communities

All operations in northern Sweden (i.e. all mines within the Boliden Area and the Aitik mine) are in the reindeer herding areas. Two Boliden sites out of ten (20%) are considered. Consultation is ongoing with the four affected Sami villages and agreements on compensation issues and cooperation are generally in place between Boliden and the Sami villages. During the reporting period there has been ongoing negotiations in the Land and Environment Court regarding permit for a production increase at Aitik. The planned expansion involves a minor extension of the land use and disturbances compared to what is already established.

Material Aspect: ASSESSMENT

HR9– Total number and percentage of operations that have been subject to human rights reviews or impact assessments

Boliden have operating mines in Aitik, the Boliden Area, Garpenberg (Sweden) and Kylylahti (Finland). The smelters are located in Rönnskär and Bergsöe (Sweden), Harjavalta and Kokkola (Finland) and Odda in Norway. During the last ten years, specific social impact assessments (including the human rights aspects) have been conducted at two occasions in the Boliden Area Operation, that is in one out of ten (10%) Boliden sites. In addition to this, social impact is generally considered in all new projects and when Boliden applies for new or extended permits.

During the reporting period an exploitation concession application for the development project in Laver (potential mine site in Northern Sweden) was submitted to the Mining Inspectorate of Sweden. An exploitation concession, which entails balancing mining rights against other forms of land usage, secures exclusive rights to extract ore within the concession area for a period of 25 years. The area around Laver is designated as an area of national interest for the Semisjaur-Njarg Sami village and an impact assessment of any mining operations in the area has, therefore, been conducted in cooperation with the relevant Sami village.

Material Aspect: SUPPLIER HUMAN RIGHTS ASSESSMENT

Aspect Specific DMA

One way to develop and promote sustainability management within the metals and mining industry is through cooperation with business partners.

All of Boliden's agreements with business partners include Boliden Corporate Responsibility Business Guidelines. These guidelines clearly stipulate that the business partner shall act in accordance with the 10 principles of the UN Global Compact. Boliden actively communicates the meaning of the Boliden Corporate Responsibility Business Guidelines to new and existing business partners.


Boliden has about 5,900 suppliers, 195 of these represent 80 per cent of the spend. Boliden has conducted reviews of its business partners through the EBP (Evaluation of Business Partners) process since 2010. The EBP process evaluates business partners from a commercial and a sustainability perspective. The EBP work is based on UN Global Compact and on the ILO and ISO standards in the areas relating to human rights, working and labour conditions, environmental responsibility and systematic environmental work, anti-corruption and, finally, the way in which a company's own sustainability work is followed up and evaluated.

The evaluation process starts with an online self-assessment that is subsequently followed up and evaluated. A dialogue is established with regard to the potential for improvement identified. In 2014 approximately 99 (62) business partners completed the self-assessment and one (2) audit was conducted. No determination of contracts due to human rights screening accrued in 2014. The audits are followed up via reporting on the measures implemented. The self-assessments and the audits are based on the content of the Boliden Corporate Responsibility Business Guidelines.

The audits are followed up via reporting on the measures implemented. Working with improvements is a precondition for a continued partnership. The self-assessment forms and Boliden's CSR criteria are available on Boliden's website. <http://www.boliden.com/Sustainability/Business-partners/>

HR10 – Percentage of new suppliers that were screened using human rights criteria

Protection of human rights are a vital part of Boliden's Corporate Business Principles, and therefore also a crucial part of the supplier assessment. The business areas and group functions have different systems in place – based on different needs – to comply with corporate requirement on supplier assessments. The assessment results are consequently not currently consolidated and followed-up with on Group level in a way that would enable this indicator to be answered adequately. Boliden is currently not able to fully report on this indicator. In 2015 Boliden will analyse the need to modify the reporting routines to comply with G4.

 : **Reason for omission**
Data is unavailable

Material Aspect: HUMAN RIGHTS GRIEVANCE MECHANISM

Aspect Specific DMA

Boliden has established a facility enabling complaints and expression of concerns related to the Code of Conduct to be reported anonymously. This "whistleblower" function can be accessed both from the internal and the public web pages. In 2015 Boliden will analyse the need for additional publicly accessible complaint functions.

HR12- Number of grievances about human rights impacts filed, addressed, and resolved

Boliden's social responsibility includes protection of human rights. If human rights are violated in connection with Boliden's business, any stakeholder are welcome to contact either the local managers, or any of the company functions, by different channels; i.e. phone, e-mail, by written correspondence.

During 2014 no formal grievances were filed related to human rights impacts on Boliden's own employees. No grievances related to human rights were reported via the whistleblower function.

There were also no formal grievances related to human rights during the 2013 reporting period.

Society (SO)

Material aspects on Society

The majority of aspects deemed to be material with regard to Society concern Boliden's relationship with external stakeholders and are at the core of Boliden's ambition to both promote sustainability in the industry and to be the first sustainable link in the metal's value chain. They may also have a significant impact of the perceptions of Boliden and determine Boliden's licence to operate and ability to develop the

Material Aspect: LOCAL COMMUNITIES

Aspect Specific DMA

Good community relations are as important for our business as the effective management of our operations. The operational sites host a range of regular and ongoing activities, such as "Open House", where the public is invited to visit the plant and to get information in an informal way, and "Public Consultations" (Samrådsmöten), where the public is invited to discuss special issues under more formal circumstances. There is always an open channel for individuals within the community to present concerns and complaints to the company. Specially assigned employees have a regular contact with neighbours and sometimes even visit people at their homes to discuss matters of concern.

SO1 – Local community engagement

Boliden is a mature company and an established part of community life in all present mining operations, and at all smelter locations. Boliden's business operations are often of considerable importance in terms of employment in the local community, making Boliden an important local stakeholder. This means that community engagement is already implemented and that the need for further impact assessments are limited to the occasions where it is necessary to drastically change the scope or focus of Boliden's operations. Social impacts assessments can be made in conjunction with closure of an operation, in order to assess any consequences to the community and in an effort to mitigate, as far as possible, any negative effects.

The Group's operations have not only a substantial impact on job opportunities but also affect suppliers' purchasing power elsewhere in the local business sector, which, in the long term, impacts the development of the communities' service sectors. Boliden estimates that for each Boliden employee, another three to five local job opportunities are, on average, created.

Local involvement in the form of support for and partnerships with voluntary organisations and associations are other ways in which Boliden can make a positive contribution to the areas in which the company operates. Boliden's support focuses primarily on local sporting and cultural events, schools and hospitals, often linked to children and young people. In 2014, Boliden's units sponsored local activities to the tune of approximately SEK 7 million (SEK 6 m).

Dialogue is ongoing with the numerous stakeholders impacted. It is primarily conducted through discussion and cooperation but also, to meet some specific needs, through social impact assessments.

Measurements are carried out on a continual basis to monitor any impact on the local community in relation to the environment in the form, for example, of dust, noise, vibrations and shockwaves from blasting. Methods have also been put in place for assessing impact, e.g. through changes to traffic, the landscape, water access and land access.

When analysing complaints about vibration from blasting, for example, the blasting schedule was changed so that most people would still be at work, rather than relaxing at home. This resulted in a significant decrease in the number of complaints.

Keeping the interests of the local community high on the agenda when planning and executing mining and smelting operations is vital to maintaining good relations with the employees, their families and their neighbours, and is an essential part of being a responsible corporate citizen. Failing to maintain these good relations would be a threat to the operation, as it would hamper the ability to attract a competent workforce and would jeopardise any potential expansion.

business. These aspects are; Local communities, Anti-corruption, Anti-competitive Behaviour, Compliance and Resettlement. Industrial operations change the landscape why also Closure planning is important to consider in the licensing process. In addition to indicator reporting, please see pp. 6–8 in this report and pp. 51 and 106 of the Annual Report to learn more about how Boliden manage these aspects.

MM6 – Number and description of significant disputes relating to land use, customary rights of local communities and Indigenous Peoples

There were no such cases in 2014. Boliden defines significant disputes as formal processes in courts or other dispute resolution mechanisms.

MM7 – The extent to which grievance mechanisms were used to resolve disputes relating to land use, customary rights of local communities and Indigenous Peoples

Boliden has routines for informing and including nearby and local residents. When the company applies for new exploration permissions or to expand the operation, there are mechanisms such as open houses and post-exploration forums that enable nearby and local residents and businesses to state their opinion. Parts of these processes are required by law.

Material Aspect: RESETTLEMENT

MM9 – Sites where resettlements took place, the number of households resettled in each, and how their livelihoods were affected in the process

There have been no resettlements of whole villages in Boliden's corporate history. The latest significant case of resettlement was when the Hötjärn tailings pond in the Boliden Area was being planned (finalised year 2010). Dialogue was initiated with two permanent residents and two holiday cottage residents, and agreement regarding compensation and practical solutions was reached.

As a rule, Boliden buys properties within proximity of the operations as they are put up for sale, and thus few residents are affected once the mine expands in that direction. In cases where a resident feels disturbed by a nearby operation, Boliden offers to buy the property and to compensate for any inconvenience. The aim is always to reach a solution that suits the individual's needs and makes the residents feel fully compensated.

Material Aspect: CLOSURE PLANNING

MM10 – Number and percentage of operations with closure plans

Boliden's operations involves land use for mining, industrial areas and ponds for sand and clarification pond. Conservation and reclamation of mining areas which reaches the end of its production lifespan is therefore part of Boliden's operations and responsibilities. The goal is to use the best available technology followed by a continuous monitoring of the work that has been done. All of Boliden's present operations, mines and smelters, have environmental closure plans which are approved by the authorities. In 2014, Boliden worked actively on the reclamation of five former mine sites, all of which have closure plans. At the end of 2014, a total of 2,057 (1,651) MSEK had been set aside for remediation of mining areas and smelters. The expansion of the Aitik mine to 45 million tonnes of ore per year and extended mining to 2040 will increase future reclamation costs. During the reporting period the additions to existing provisions have therefore increased by SEK 356 million.

Material Aspect: EMERGENCY PREPAREDNESS

Aspect Specific DMA

Communities adjacent to mining operations will be concerned about the hazards and risks the operations generate. For Boliden, effective emergency management is essential to protect people, the environment and the operations. Every business unit has their local emergency management plan, including routines for crisis management which is reviewed and practiced regularly. During the reporting period, a fire occurred at Tara mine, and a serious incidents with a tank leakage occurred in Kokkola. Several environmental incidents during spring runoff or heavy rainfall also occurred. In all cases, Boliden's emergency preparedness functioned satisfactorily and led to minimization of damage to people, property and the environment.

Material Aspect: ANTI-CORRUPTION

Aspect Specific DMA

Boliden's Code of Conduct provides a framework for what is deemed responsible conduct. It applies to all employees throughout the Group, to the members of the Board of Directors of Boliden AB and to its subsidiaries. Business ethics are covered in Boliden's Code of Conduct, but recent legislation has imposed new demands on Boliden and thereby generated a need to provide a more focused anti-corruption policy and guidelines. As a starting point, a group-wide risk survey was carried out in 2012 to identify any potential corruption-related risks. Functions with external contacts were prioritised. Based on the outcome of the survey, Boliden revised its anti-corruption policy and guidelines and the new version was adopted by the Board of Directors. The organisation's anti-corruption policy and guidelines form an inherent part of the Code but are included in separate documents. Implementation of Boliden's new and revised Anti-Corruption Policy and Guidelines began, as mentioned above, in 2012 and continued during 2013–2014.

S04 – Training in anti-corruption policies and procedures

Line managers are responsible for making the guidelines known and for monitoring compliance.

All managers and other employees whose work involves extensive external contacts with business partners, in particular with suppliers or agents, are subject to anti-corruption training appropriate for their area of responsibility, starting with the Management Development Programme – a training programme for Boliden's top 130 managers.

All of our employees, together with agents, suppliers and other third parties acting on Boliden's behalf, must comply with the Group's Anti-Corruption Policy and Guidelines. These documents are available in Boliden's Management manual on the intranet. All white-collar employees (1,588 employees in September 2013) were invited to a mandatory e-learning training session in September 2013 in order to increase their knowledge of our anti-corruption and anti-bribery work. The training was available in Swedish, Norwegian, Finnish and English, depending on where the participants were based. Boliden is in the process of developing, updating and renewing training sessions and completion of a new e-learning course to be launched in 2015.

Boliden has a whistle-blower function which can be used to anonymously report suspected cases of criminal activities or other serious misconduct.

S05 – Incidents of corruption

No incidents of corruption or actions taken against corruption were reported during 2014.

Material Aspect: ANTI-COMPETITIVE BEHAVIOR**S07– Anti-Competitive behaviour and compliance**

Boliden's Code of Conduct clearly states that employees and Board members shall comply with applicable anti-trust and competition laws. They should refrain from sharing, discussing or disclosing competitive sensitive information when meeting other companies or organisations, and seek advice from the Corporate Legal Office in all matters involving risk of antitrust expose for Boliden and themselves.

Boliden conducts extensive domestic and international operations and is occasionally involved in disputes and legal proceedings arising in the course of its activities. There are no initiated or ongoing legal actions with respect to anti-competitive behaviour or compliance, with the exception of the Travis Perkins litigation, which was a civil claim that is described below. There are no significant fines or non-monetary actions, related to anti-competitive behavior, initiated or pending against Boliden.

Legal dispute arising from the earlier copper tubing cartel

In June 2012, Boliden was served with claims in the UK courts by a number of companies in the Travis-Perkins corporate Group. Travis-Perkins claims to have sustained losses as a consequence of the copper tubing cartel in which Boliden and seven other companies were involved during the period from June 1988 to March 2001, and for which the companies concerned were fined by the European Commission in 2004. The fine and the interest on the same – a sum totalling SEK 367 million – were paid by Boliden in July 2010. Boliden has contested the claim and has, in order to ensure that all relevant parties are involved, also brought contribution claims against the other cartel members. The parties have reached final settlement and the processes have been completed during 2014.

Material Aspect: COMPLIANCE**S08– Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations**

Boliden has not received any significant fines or non-monetary sanctions since 2012. No cases have been brought via dispute resolution during the reporting period. Legislative compliance is important for Boliden since it gives the business legitimacy.

Product responsibility (PR)

Material aspects on Product Responsibility

Product & Service labelling, Compliance and Materials Stewardship are the aspects deemed as material with regard to product responsibility. They all concern Boliden's information on the sustainability performance of the processes, services and products that we supply – which Boliden

regard as a significant competitive strength. In addition to indicator reporting, please see GRI pp.6-8 and Annual Report p.106 to learn more about how Boliden manage, follow up and monitor performance within these aspects.

Material Aspect: PRODUCT AND SERVICE LABELLING

Aspect Specific DMA

Boliden shall be a world class metals company. This means that Boliden shall be among the leading companies in the industry in terms of customer satisfaction, efficiency and responsibility. Customer satisfaction is measured biannually by surveys among regular customers. Boliden also collects feedback from customers through planned visits and via daily contacts throughout the contract execution process. Complaints are reported and handled systematically across interfaces to smelter units. Customers are engaged in the development of new products and other technical solutions through Boliden's technical customer support service.

PR3 – Type of product and service information required by the organisation's procedures for product and service information and labelling, and percentage of significant product and service categories subject to such information requirements

Products put on the market by Boliden are labelled according to relevant legislation concerning transportation, storage and use, and are accompanied by the necessary documentation. Written information is available in the form of Material Safety Data Sheets (MSDS). All significant products (100%) are subject to these product declarations, which are updated on a regular basis in line with legislation and new scientific findings. The MSDSs are, in addition to being distributed to customers, also available at www.boliden.com

The EU chemical legislation (REACH) is implemented as part of the day-to-day operation at all of the Boliden production sites.

Boliden's environmental performance and the way in which the production affects the environment is, furthermore, described in a transparent and detailed manner using common assessment methods and benchmarks.

Product information	YES	NO
Sourcing		X
Content	X	
Safe use of product	X	
Disposal of the product	X	
Other		

In 2013, Boliden Rönnskär was awarded the quality certificate issued by the London Bullion Market Association (LBMA) for the gold produced at the unit. Boliden has continued the work required for inclusion in the LBMA list of recommended gold producers. Companies included on the list take it upon themselves to assure that the raw material supply chain fulfils a set of ethical criteria. No minerals shall be derived from raw materials that have financed terrorism, been subject to money laundering or are complicit in any other violation of human rights. The supply chain is to be audited by a third party. Boliden employs the services of the accounting firm, KPMG AB.

PR5 – Results of surveys measuring customer satisfaction

Last spring Boliden conducted a customer survey, to find out how Boliden fared within the four key areas. Boliden will with regular intervals continue to measure customer satisfaction, define actions and follow up over time in order to secure performance, as well as develop capabilities further toward the vision to be a world class metals partner.

The survey was sent out to 349 customers, covering all product segments and all geographical areas of Boliden's metal (Cu, Zn, Pb, Au, Ag) and sulphuric acid sales. Only customers that had been active during the last 12 month period was approached and the response rate was 45 per cent. The survey investigated the following four key areas:

- offerings
- relations
- administration
- competition comparison

The results show that Boliden performs well in respect to production quality, and delivery service. The survey indicate delivery service, lead times, and also personal contacts to be areas where Boliden can develop further.

Material Aspect: MATERIAL STEWARDSHIP

MM11 – Programs and progress relating to materials stewardship

Boliden extracts minerals and produces high quality metals, which are mainly sold to industrial customers in Europe. Care and consideration for people, society and the environment is evident in all our activities – from exploration to customer deliveries.

For Boliden it is of vital importance to develop the by product business along with the metals business. In volume, the largest by product is sulphuric acid, which is sold for industrial use. Another example is slag based products, like "iron sand" from the Rönnskär processes. The raw material is slag from copper production, which is purified and granulated into a black coarse-grained glassy material. This material is very suitable as a filler in road and building construction. The use of iron sand reduces the extraction of gravel and sand from nature. The majority sold in the surrounding region. During 2014 Boliden experienced a setback when local authorities oppose the further use of the sand of environmental reasons. Boliden believes this is inaccurate and it is of utmost importance for the company to establish life cycles thinking where most of the minerals excavated in mines can come to effective use in society.

Boliden has made significant investments in the recycling industry and is now the largest electronic scrap recycler in the world.

Boliden owns land and forest and is practises responsible forestry, as defined by the Forest Stewardship Council (FSC), by promoting and protecting biodiversity and creating environmental and social values.

Boliden performs business partner (EBP) reviews based on a range of sustainability criteria, including their environmental impact management, such as discharges to water and emissions to air management. The contracts with suppliers include specifications of environmental aspects in their delivery, such as levels of substances and waste management methods.

