



Boliden AB (publ)

Supplement to Base Prospectus for Swedish medium term note programme

guaranteed by Boliden Mineral AB (publ)

Supplement to the Base Prospectus

This supplement (SFSA Reg. No. 23-17743) (the “**Supplement 2**”) is a supplement to, and shall be read together with, Boliden AB’s (publ) (the “**Company**”) base prospectus dated 28 March 2023 (SFSA Reg. No. 23-6202) (the “**Base Prospectus**”), as supplemented by a prospectus supplement dated 7 June 2023 (SFSA Reg. No. 23-16426) (“**Supplement 1**”). The definitions in the Base Prospectus apply to the Supplement 2 as well. This Supplement 2 has been prepared in accordance with Article 23 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of the 14 July 2017, been approved and registered by the SFSA on 22 June 2023 and published on the Company’s website, www.boliden.com, on the same day. Excluding the incorporated documents, the information on the website does not form part of the Supplement 2 or the Base Prospectus and has not been reviewed or approved by the SFSA.

This Supplement 2 has been prepared by reason of the Company;

- on 13 June 2023, through a press release, announcing the profit impact for the second quarter 2023 (due to stopped production at Rönnskär and lower grades than previously communicated at Kevitsa and Tara); and
- on 13 June 2023, through a press release, announcing that the Tara mine in Ireland will be placed under care and maintenance.

The press releases are available on Boliden’s website, www.boliden.com.

At the time of publication of this Supplement 2, there are no outstanding offers to purchase or subscribe for MTN under the Base Prospectus and thus there is no right of revocation.

Amendments and supplements to the Base Prospectus

The second paragraph in the risk factor “*Risks related to unplanned stoppages and maintenance shutdowns*” on page 10 in the Base Prospectus is supplemented and a new third paragraph is added as follows (amendment underlined).

Risks related to unplanned stoppages and maintenance shutdowns

[...]

Major maintenance shutdowns are planned and carried out with a regularity depending on the process within the smelting operations. In addition, maintenance is, albeit conducted on a less comprehensive scale, an integral part of day-to-day operations for the mines. There is a risk that planned maintenance shutdowns take longer time than expected or become more expensive than estimated, thus negatively affecting the Group’s operations and results. Furthermore, unplanned stoppages could occur due to, for example, technical problems, fires, injuries, accidents, water inflow, strikes, or breakdowns caused by lack of or inadequate maintenance. As an example, in March 2021, hydraulic problems in one out of two primary mills in the concentrator plant led to production disruptions in Aitik, and in the fourth quarter 2021, a water inflow when drilling the pilot hole for a ventilation shaft in Tara caused a halt in mining production. The operating profit effect due to production disruptions and breakdowns in Aitik and Tara amounted to SEK -300 m in the first quarter 2021. In July 2021, a fire in Harjavalta, entailing a minor shutdown in the copper and nickel feeds, affected operating profit by SEK -80 m. Furthermore, in December 2021, nickel production at the Harjavalta smelter was stopped due to a slag explosion that was the result of a process malfunction in the nickel electric furnace slag tapping system. The impact on operating profit was SEK -100 m. On the night of 13 June 2023, a fire broke out at the Rönnskär copper smelter. The extent of the fire was significant. The cell house was completely destroyed, while other production at Rönnskär has been stopped for safety reasons. Production except electrolysis is expected to resume within a few weeks. The impact on EBIT is estimated at SEK -85 m per week during the time that all production is stopped. In addition, write-downs of asset values of e.g. destroyed buildings and equipment are still too early to assess. Accordingly, unplanned stoppages may have a negative impact on production and thus adversely affect the Group’s operations and results.

On 13 June 2023, Boliden announced that, due to a combination of factors, the Tara zinc mine in Ireland will be placed under care and maintenance. The business is currently cash flow negative, due to a combination of factors including operational challenges, a decline in the price of zinc, high energy prices and general cost inflation. Tara will therefore be placed under care and maintenance until further notice. The decision means that production at the mine ceases and that the workforce is temporarily laid off until conditions of the operation improve.

[...]

The risk factor “*Risks related to Mineral Resources and Mineral Reserves*” on page 11–12 in the Base Prospectus is supplemented with a new third paragraph as follows (amendment underlined).

Risks related to Mineral Resources and Mineral Reserves

[...]

On 13 June 2023, Boliden announced that, as a result of an adjusted mining plan in Kevitsa, more mine production has taken place in areas with lower grades. This has meant that production during the second quarter 2023 was characterised by lower copper and nickel grades than previously indicated. The adjusted mining plan will also affect grades in the second half of 2023. During the second quarter 2023, the copper grade is estimated at 0.21% and the nickel grade at 0.16%, which is significantly below the reserve grades in Kevitsa of 0.34% and 0.23%, respectively. For the whole year 2023, the grades are estimated to 0.25% for copper and 0.18% for nickel. At the same time, the production of metal in concentrate in Tara has also been affected by lower grades. The zinc grade during the second quarter 2023 is now estimated at 4.7%. As a result of this, the impact on EBIT during the second quarter 2023 for Business Area Mines is estimated to SEK -500 m compared to previous guidance for the grades for the full year 2023. This also includes the impact problems with the mill in Garpenberg in the first quarter 2023, which also affected the start of the second quarter 2023.

[...]

The section “*Mines*” on page 57 in the Base Prospectus is supplemented with a new second paragraph as follows (amendment underlined).

Mines

[...]

On 13 June 2023, Boliden announced that, due to a combination of factors, the Tara zinc mine in Ireland will be placed under care and maintenance. The Tara mine is a high-cost mine with approximately 650 employees. Boliden is working actively to extend the life of the mine in parallel with ensuring its competitiveness. The business is currently cash flow negative, due to a combination of factors including operational challenges, a decline in the price of zinc, high energy prices and general cost inflation. Tara will therefore be placed under care and maintenance until further notice. The decision means that production at the mine ceases and that the workforce is temporarily laid off until conditions of the operation improve.

The section “*Trend information*” on page 68 in the Base Prospectus (as supplemented by Supplement 1) is supplemented as follows (amendment underlined).

Trend information

Due to stopped production at Rönnskär and lower grades than previously communicated at Kevitsa and Tara, EBIT during the second quarter 2023 will be affected by an estimated SEK -700 m.

Other than as set out above, there has been no material adverse change in the prospects of the Issuer since 8 March 2023, being the date of the publication of the last audited financial information of the Group.

Other than as set out above, there has been no significant change in the financial performance of the Group since 31 March 2023, being the end of the last financial period for which financial information has been published to the date of the Base Prospectus.

The section “*Significant changes since 31 March 2023*” on page 68 in the Base Prospectus (as supplemented by Supplement 1) is supplemented as follows (amendment underlined).

Significant changes since 31 March 2023

Due to stopped production at Rönnskär and lower grades than previously communicated at Kevitsa and Tara, EBIT during the second quarter 2023 will be affected by an estimated SEK -700 m.

Other than as set out above, there have been no significant changes in the financial position of the Group since 31 March 2023, being the end of the last financial period for which interim financial information has been published.