

SEK m	Quarter			Six months		12 months	Full year
	2-2021	2-2020	1-2021	2021	2020	Jul-Jun	2020
Revenues	17,891	13,391	17,083	34,975	26,600	64,695	56,321
Operating profit ex. revaluation of process inventory	2,616	1,634	2,449	5,065	3,137	10,366	8,438
Operating profit	2,785	1,801	2,779	5,564	3,236	11,263	8,935
Profit after financial items	2,727	1,726	2,719	5,446	3,095	11,018	8,668
Net profit	2,191	1,346	2,178	4,368	2,413	8,756	6,801
Earnings per share, SEK	8.00	4.92	7.96	15.96	8.82	32.00	24.86
Free cash flow	2,013	1,174	2,165	4,178	329	8,807	4,957
Net debt	1,999	6,946	132	1,999	6,946	1,999	2,236
Return on capital employed, %	-	-	-	-	-	21.8	17.2
Return on equity, %	-	-	-	-	-	19.3	15.8
Net debt/equity ratio, %	4	17	0	4	17	4	5



## Strong earnings and cash flow

- Operating profit excluding revaluation of process inventory totaled SEK 2,616 m (1,634).
- Free cash flow was SEK 2,013 m (1,174).
- High metal prices.
- Stable production in both Mines and Smelters.
- The Board has today decided to invest EUR 700 m in the smelter in Odda to increase capacity from 200 to 350 ktonnes/year.

# Shareholder Equity

Q2  
2021

## SALES

Revenues increased to SEK 17,891 m (13,391).

## FINANCIAL PERFORMANCE

### Analysis of operating profit

SEK m	Quarter		
	2-2021	2-2020	1-2021
Operating profit	2,785	1,801	2,779
Revaluation of process inventory	168	168	330
<b>Operating profit ex. revaluation of process inventory</b>	<b>2,616</b>	<b>1,634</b>	<b>2,449</b>
<b>Change</b>		<b>982</b>	<b>167</b>
<b>Analysis of change</b>			
Volumes		-584	8
Prices and terms		1,743	446
Metal prices		2,821	533
By-product prices		43	23
TC/PC terms		-190	-109
Metal premiums		-4	11
Exchange rate effects		-926	-12
Costs (local currencies)		-118	-188
Depreciation		-27	-90
Other		-31	-7
<b>Change</b>		<b>982</b>	<b>167</b>

### Operating profit excl. revaluation of process inventory

SEK m	Quarter			Six months	
	2-2021	2-2020	1-2021	2021	2020
Mines	2,192	779	1,631	3,823	1,098
Smelters	789	914	949	1,738	2,031
Other/eliminations	-364	-60	-131	-495	9
<b>The Group</b>	<b>2,616</b>	<b>1,634</b>	<b>2,449</b>	<b>5,065</b>	<b>3,137</b>

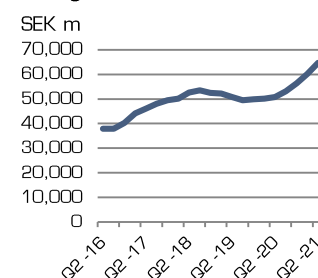
Operating profit excluding revaluation of process inventory improved to SEK 2,616 m (1,634).

The improvement is due to higher metal prices and lower treatment charges. Volumes decreased as a result of lower grades in Mines and lower free metal volumes in Smelters. Costs increased due to planned maintenance shutdowns. The second quarter last year included an impact on earnings of SEK -80 m from a fire in Kevitsa.

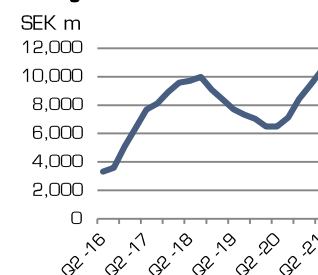
Operating profit excluding revaluation of process inventory was SEK 167 m higher than the previous quarter as a result of higher metal prices. Volumes were in line with the previous quarter, while costs increased due to higher mine production and planned maintenance shutdowns. Depreciations were higher as a result of higher production of metal in concentrate. Production disruptions and breakdowns in Tara and Aitik burdened operating profit by SEK 300 m in the previous quarter.

Profit after financial items totaled SEK 2,727 m (1,726). Net profit was SEK 2,191 m (1,346), corresponding to earnings per share of SEK 8.00 (4.92). Return on capital employed and equity for the past 12 months were 21.8% and 19.3% respectively.

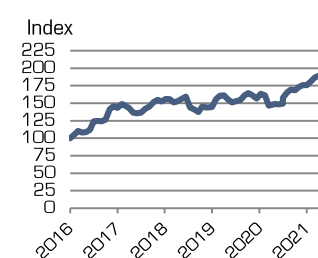
### Sales, rolling 12 months



### Operating profit excl. revaluation of process inventory, rolling 12 months



### Boliden-weighted metal prices and treatment charge terms in SEK



Index 100 = January 1, 2016  
Average Q2 2020 = 149  
Average Q2 2021 = 196

## INVESTMENTS

Investments totaled SEK 1.4 billion (1.5). Investments for 2021 are estimated to total SEK 7.5 billion including this year's part of the investment in the expansion of Odda. The amount includes a little over SEK 4.5 billion in maintenance investments like mine development, waste rock mining, ongoing dam raising and replacement investments.

## CASH FLOW

SEK m	Quarter			Six months		12 months	Full year
	2-2021	2-2020	1-2021	2021	2020	Jul-Jun	2020
<b>Cash flow from operating activities before change in working capital</b>	<b>3,516</b>	<b>2,745</b>	<b>3,364</b>	<b>6,879</b>	<b>5,005</b>	<b>14,177</b>	<b>12,303</b>
Change in working capital	-109	-66	-122	-231	-1,350	71	-1,048
<b>Cash flow from operating activities</b>	<b>3,406</b>	<b>2,678</b>	<b>3,242</b>	<b>6,648</b>	<b>3,655</b>	<b>14,248</b>	<b>11,255</b>
Cash flow from investment activities	-1,393	-1,504	-1,076	-2,470	-3,325	-5,442	-6,297
<b>Free cash flow</b>	<b>2,013</b>	<b>1,174</b>	<b>2,165</b>	<b>4,178</b>	<b>329</b>	<b>8,807</b>	<b>4,957</b>

Free cash flow increased to SEK 2,013 m (1,174) mainly due to improved earnings.

## NET FINANCIAL ITEMS AND FINANCIAL POSITION

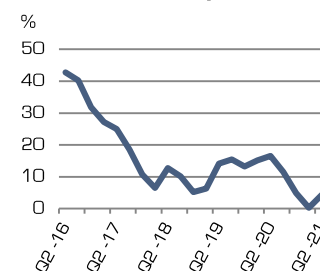
Net financial items totaled SEK -58 m (-75). Average interest on loans was 1.6% (1.1).

The net debt/equity ratio at the end of the quarter was 4% (17) and net debt was SEK 1,999 m (6,946). In addition, net reclamation liability totaled SEK 2,319 m (2,275).

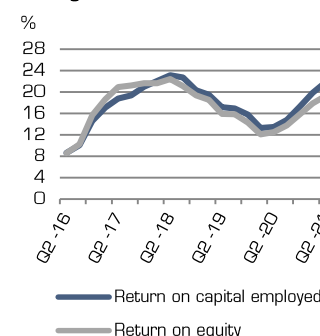
The average term of approved loan facilities was 3.1 years (4.1), and the fixed interest term on unutilized loans was 2.7 years (3.4). At the end of the quarter, Boliden's current liquidity, in the form of cash and cash equivalents and unutilized binding credit facilities with a term of more than one year, totaled SEK 12,871 m (8,662).

Q2  
2021

Net debt/equity ratio, at the end of the quarter



Return on total capital, rolling 12 months



# Market development

The business cycle strengthened during the second quarter. The construction and manufacturing industries in particular enjoyed a recovery in demand. Average prices for all main metals increased, with the exception of nickel. Price development in SEK was similar to that in USD, as the exchange rate remained largely unchanged.

## Average metal prices and exchange rates

	Quarter			Six months	
	2-2021	2-2020	1-2021	2021	2020
Zinc, USD/tonne	2,916	1,961	2,750	2,832	2,047
Copper, USD/tonne	9,700	5,356	8,504	9,092	5,500
Nickel, USD/tonne	17,359	12,215	17,570	17,466	12,475
Lead, USD/tonne	2,128	1,673	2,018	2,072	1,762
Gold, USD/troz	1,814	1,711	1,798	1,806	1,646
Silver, USD/troz	26.7	16.4	26.3	26.5	16.6
USD/SEK	8.41	9.68	8.40	8.40	9.68
EUR/SEK	10.14	10.65	10.12	10.13	10.66

## ZINC

Global demand rose 11% during the second quarter compared to the previous year. In the steel industry, which is an important zinc consumer, production levels were high in order to benefit from the high price of galvanized steel. Zinc prices increased 6% compared to the previous quarter.

The Chinese smelting industry increased production compared to the previous quarter. The production rate in the rest of the world was stable.

Global mined production was roughly 17% higher than in the second quarter last year. Last year, many mine operators were forced to shut down their operations temporarily to reduce the spread of Covid-19. Increasing production together with limited smelter capacity led to improved treatment charges on the Chinese spot market.

## COPPER

The copper price developed strongly during the first part of the period and reached a new record level in May. Despite the price drop at the end of the quarter, prices increased by 14% compared to the previous quarter.

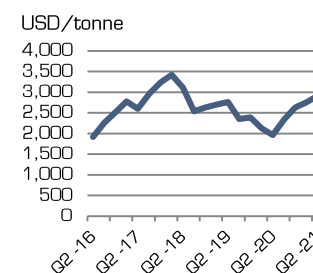
Global demand for copper increased 5% compared to the second quarter last year. Demand in China decreased by 6% but was compensated by a strong recovery in the rest of the world. Industrial production, especially in the USA and Europe, continued to develop strongly.

Global smelter production was largely unchanged compared to last year's second quarter. The restrictions introduced last year to combat the pandemic only had a marginal effect on metal production. The supply of concentrate increased 5% compared with the second quarter of 2020. The concentrate market is now considered to be in equilibrium following a serious shortage during the first quarter.

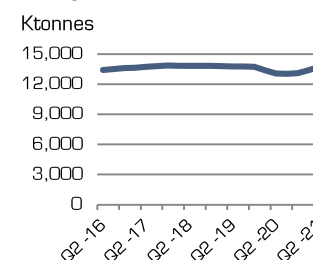
Most Chinese smelters carried out maintenance shutdowns during the quarter. The reduced demand for concentrate had a positive effect on copper treatment charges and spot prices improved. However, they continued to be significantly lower than prices in benchmark annual contracts.

Q2  
2021

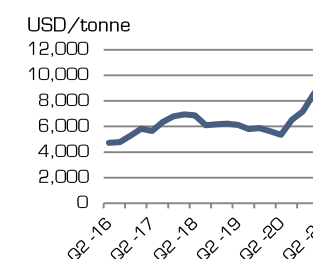
### Zinc price



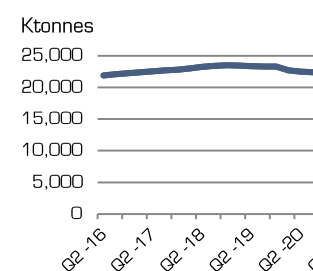
### Global zinc demand, rolling 12 months



### Copper price



### Global copper demand, rolling 12 months



## NICKEL

Global demand for nickel increased 26% compared to the second quarter last year, mainly as a result of increased stainless-steel production. The growth in nickel supply was not as pronounced and is estimated at 9%. The shortage of nickel during the first six months of 2021 resulted in a significant reduction of official stocks.

On average, the price of nickel was slightly lower than in the previous quarter.

## LEAD

Global demand for lead increased 8% compared to the second quarter last year, while production increased 6%. Sales of replacement batteries to the automotive industry continued at a high level.

## PRECIOUS METALS

The gold price rose initially before falling back toward the end of the quarter. Increasing concern regarding higher inflationary pressure led initially to an increase in the gold price. However, the price fell at the end of the quarter when the US Federal Reserve indicated that an increase in the federal funds rate may take place earlier than anticipated.

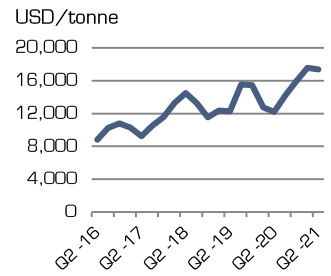
The deficit of palladium increased, and the price rose 16% during the quarter.

## SULPHURIC ACID

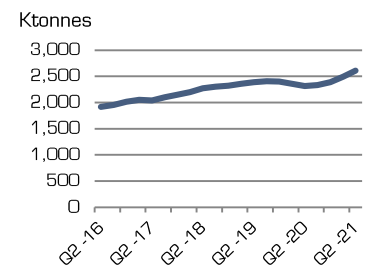
Global sulphuric acid prices rose during the second quarter to the highest level since the fall of 2008. Chinese smelters reduce production, partly as a result of limited energy supply. As a result, production only covered demand in China. Thus, access to the export market remained limited despite the resumption of production by major smelters in Japan and South Korea following maintenance shutdowns.

Q2  
2021

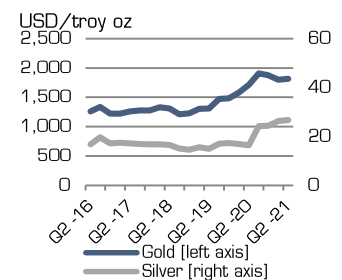
### Nickel price



### Global nickel demand, rolling 12 months



### Gold and silver price



# Mines

Boliden has five mining areas – Aitik, Boliden Area, Garpenberg, Kevitsa and Tara. The Business Area includes exploration and mine development, mining operations, reclamation, and the treatment of closed mines.

- Higher metal prices
- Lower grades
- Operating profit totaled SEK 2,192 m (779)

SEK m	Quarter			Six months	
	2-2021	2-2020	1-2021	2021	2020
Revenues	5,550	4,240	4,727	10,277	7,656
Gross profit	5,678	4,294	4,834	10,512	7,857
Operating expenses	2,355	2,414	2,232	4,587	4,718
Depreciation	1,091	1,094	1,004	2,095	2,032
Operating profit	2,192	779	1,631	3,823	1,098
Investments	942	1,073	778	1,720	2,516
Capital employed	28,679	29,825	29,040	28,679	29,825

## Analysis of operating profit

SEK m	Quarter		
	2-2021	2-2020	1-2021
<b>Operating profit</b>	<b>2,192</b>	<b>779</b>	<b>1,631</b>
<b>Change</b>		<b>1,413</b>	<b>561</b>

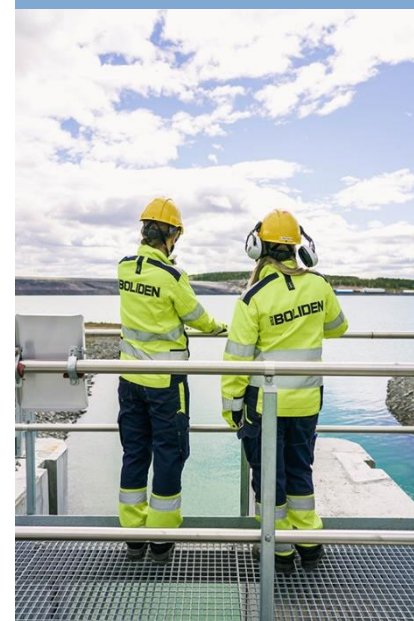
### Analysis of change

Volumes	-267	342
Prices and terms	1,728	440
Metal prices	2,137	501
TC/RC terms	191	28
Exchange rate effects	-600	-89
Costs (local currencies)	11	-122
Depreciation	-21	-86
Other	-38	-14
<b>Change</b>	<b>1,413</b>	<b>561</b>

Operating profit increased to SEK 2,192 m (779). The improvement is mainly due to higher metal prices. However, volumes decreased compared to the previous year as a result of lower grades in Aitik and the loss of volume from Kylahti, which was mined for the last time last year. The second quarter last year included an impact on earnings of SEK -80 m from a fire in Kevitsa.

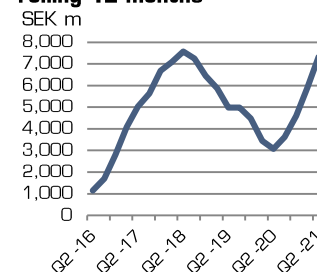
The operating profit was SEK 561 m higher than the previous quarter. The improvement is mainly due to higher metal prices combined with higher milled volume in Aitik and higher grades in Kevitsa. However, higher production resulted in higher costs and depreciations. Production problems in Aitik and Tara affected operating profit in the amount of SEK -300 m in the previous quarter.

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2021

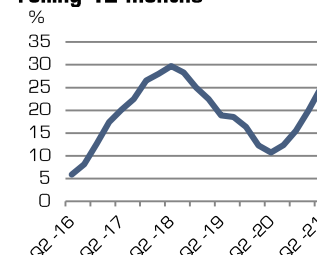


Inspection of the spillway from the raw water pond in Aitik.

### Operating profit, rolling 12 months



### Return on capital employed, rolling 12 months



## PRODUCTION

### Metal in concentrate

	Quarter			Six months				
	2-2021	2-2020	%	1-2021	%	2021	2020	%
Zinc, tonnes	72,672	73,950	-2	67,554	8	140,227	137,517	2
Copper, tonnes	28,871	34,076	-15	24,455	18	53,325	63,135	-16
Nickel, tonnes	3,404	2,670	28	2,974	14	6,379	5,305	20
Lead, tonnes	14,972	13,822	8	13,855	8	28,826	26,362	9
Gold, kg	1,737	1,987	-13	1,394	25	3,131	3,641	-14
Silver, kg	97,111	80,541	21	92,327	5	189,437	160,797	18

Information about production and metal grades at each respective unit can be found on pages 27 and 28.

Produced metal in concentrate was higher than the previous quarter, which was characterized by production problems in Aitik, but a little lower than last year. High sick leave due to the Covid-19 pandemic has continued to have a negative impact. Production of zinc in concentrate was greater than the previous quarter's but was a little lower than last year's. Production of copper in concentrate increased compared to the previous quarter but decreased compared to the previous year. On the other hand, the production of nickel in concentrate rose substantially compared to both the previous quarter and last year due to higher grade in Kevitsa. While the production of gold in concentrate increased compared to the previous quarter due to increased milled volume in Aitik and the Boliden Area, it was lower than last year due to lower grade and the loss of volume from Kylvlahti. The production of silver in concentrate rose both in comparison with the previous quarter and last year as a result of higher silver grade in Garpenberg and in the Boliden Area.

**Aitik's** milled volume increased compared to the previous quarter, which was affected by a longer, unplanned shutdown in one of the two mill lines in the concentrator. The shutdown lasted a little less than a week during the second quarter. However, Aitik's milled volume did not reach last year's level. High sick leave related to the Covid-19 pandemic had a negative effect. The production of copper and precious metals in concentrate both fell on an annual basis. Lower grades also have had a negative effect. The copper grade was 0.21% (0.25), and the gold grade was 0.11 g/tonne (0.13). The average copper grade in 2021 is expected to reach 0.21% and the gold grade 0.11 g/tonne, which is in line with what was previously announced.

**The Boliden Area's** milled volume was higher than in the previous quarter and the second quarter last year as a result of increased production from stock and a changed ore mix. A changed mix in the throughput with an increased proportion of ore from Renström at the expense of the proportion of ore from Kristineberg, resulted in even higher grades for most metals.

**Garpenberg** noted yet another stable production quarter. However, milled volume did not fully reach the previous quarter's record level. The zinc grade during the second quarter was 3.8% (3.6), and the silver grade was 120 g/tonne (101). The average zinc grade in 2021 is anticipated to reach 3.8% and the silver grade 110 g/tonne, which is in line with what was previously announced.

**While Tara's** milled volume increased compared to the previous quarter which was affected by production challenges, it was lower than last year. A shorter, unplanned maintenance shutdown on a conveyor belt had a negative impact. In all, lower grades led to a production of metal in concentrate on par with the previous quarter but lower than last year.

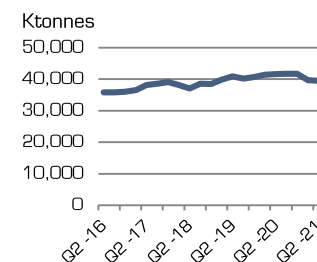
**Kevitsa's** milled volume decreased a little compared to the previous quarter but increased compared to last year, which was affected by a fire in a crusher plant. Ore with low grindability together with disruptions in the crushers affected throughput negatively. However, higher grades made a positive contribution. The copper grade was 0.38% (0.36), and the nickel grade was 0.23% (0.18).

Q2  
2021

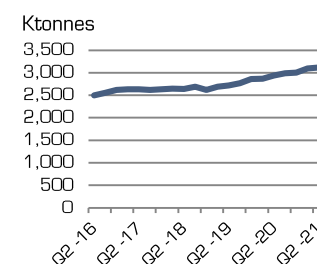


Employees in Tara Deep.

#### Milled volume in Aitik, rolling 12 months



#### Milled volume in Garpenberg, rolling 12 months





# Smelters

Boliden has five smelters: the Kokkola and Odda zinc smelters, the Rönnskär copper and lead smelter, the Harjavalta copper and nickel smelter, and the Bergsöe lead smelter.

- Higher metal prices but lower treatment charges
- Stable production
- Operating profit excluding revaluation of process inventory decreased to SEK 789 m (914)

SEK m	Quarter			Six months	
	2-2021	2-2020	1-2021	2021	2020
Revenues	17,502	13,015	16,912	34,414	26,144
Gross profit ex. revaluation of process inventory	2,879	2,910	2,966	5,845	6,023
Operating expenses	1,797	1,693	1,732	3,529	3,403
Depreciation	316	317	311	627	632
Operating profit ex. revaluation of process inventory	789	914	949	1,738	2,031
Operating profit	957	1,082	1,279	2,236	2,130
Investments	449	424	307	756	795
Capital employed	23,433	21,843	22,786	23,433	21,843

## Analysis of operating profit

SEK m	Quarter		
	2-2021	2-2020	1-2021
<b>Operating profit</b>	<b>957</b>	<b>1,082</b>	<b>1,279</b>
Revaluation of process inventory	168	168	330
<b>Operating profit ex. revaluation of process inventory</b>	<b>789</b>	<b>914</b>	<b>949</b>
<b>Change</b>		<b>-125</b>	<b>-160</b>
<b>Analysis of change</b>			
Volumes		-46	-53
Prices and terms		48	-55
Metal prices		682	92
By-product prices		43	23
TC/RC terms		-381	-137
Metal premiums		-4	11
Exchange rate effects		-292	-44
Costs (local currencies)		-134	-58
Depreciation		-4	-4
Other		10	10
<b>Change</b>		<b>-125</b>	<b>-160</b>

Operating profit excluding revaluation of process inventory decreased to SEK 789 m (914). In all, prices and terms had a slightly positive effect. Volumes were affected by lower volumes of free metal and costs increased as a result of more extensive maintenance work.

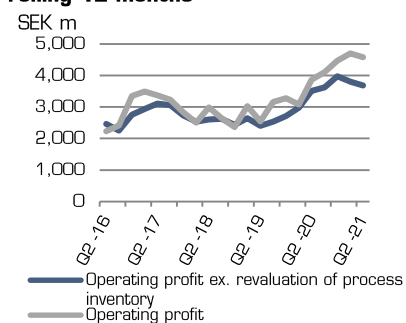
Operating profit excluding revaluation of process inventory was SEK 160 m lower than the previous quarter. Prices and terms had a negative impact. All of the zinc concentrate feed during the quarter was priced at the 2021 benchmark level. This contrasted with the previous quarter where half of the zinc concentrate volume was priced at last year's significantly higher level. Costs increased partly as a result of no maintenance shutdowns being carried out during the previous quarter.

Q2  
2021

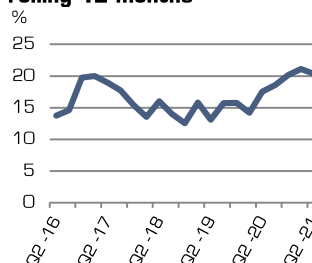


Copper smelting in the converter hall in Rönnskär.

## Operating profit, rolling 12 months



## Return on capital employed, rolling 12 months





## PRODUCTION

### Metal production

Q2  
2021

	Quarter					Six months		
	2-2021	2-2020	%	1-2021	%	2021	2020	%
Zinc, tonnes	117,577	117,418	0	121,953	-4	239,530	244,714	-2
Copper, tonnes	94,840	93,007	2	96,762	-2	191,602	188,251	2
Lead, tonnes	19,167	18,198	5	19,963	-4	39,130	39,329	-1
Nickel in matte, tonnes	7,282	7,114	2	6,002	21	13,284	14,238	-7
Gold, kg	4,130	4,597	-10	5,510	-25	9,640	8,648	11
Silver, kg	133,304	146,020	-9	146,205	-9	279,509	300,460	-7
Sulphuric acid, tonnes	448,024	443,135	1	453,243	-1	901,267	871,152	3

Lead includes lead alloys in Bergsöe. Information about production at each respective unit can be found on pages 29 and 30.

Copper and zinc production showed small variations compared with both the previous quarter and last year. However, precious metal production fell compared to both periods as a result of lower grades in incoming concentrate and a shortage of electronic secondary raw materials. The production of nickel in matte was significantly higher than previous quarter but in line with last year.

**Rönnskär's** copper and precious metal production was slightly lower than both the previous quarter and last year. Secondary feed continued to be affected by shortage of electronic secondary raw materials. However, concentrate feed was higher than the previous quarter due to higher deliveries from Aitik. The volume of free metals decreased for the precious metals, but was on par with both the previous quarter and last year for the other metals. A planned minor maintenance shutdown was carried out during the quarter.

**Harjavalta** noted yet another strong production quarter. The production of nickel in matte increased compared with the previous quarter and last year as a result of stable production. However, low energy content in incoming concentrates required pyrite to be added, which had a negative effect. The production of copper and gold did not reach the previous quarter's record levels due to lower grades in incoming material.

**Kokkola's** zinc production was slightly lower than the previous quarter and last year as a result of a planned maintenance shutdown. The production of silver in concentrate was negatively affected by lower grades in incoming material.

**Odda's** zinc production was on par with the previous quarter but higher than last year when a planned maintenance shutdown was carried out.

**Bergsöe's** production was higher compared to the previous quarter and last year as a result of stable production.

## MAINTENANCE SHUTDOWNS

Planned maintenance shutdowns were carried out during the quarter, affecting operating profit by SEK -50 m (-25). Maintenance shutdowns in the smelters during 2021 will have an estimated impact on operating profit of SEK -510 m (-345), of which SEK -310 m (-220) in the third quarter and SEK -150 m (-100) in the fourth quarter.



Nickel in matte, Harjavalta.

# Half-year summary

Sales during the first half of the year totaled SEK 34,975 m (26,600). Operating profit excluding revaluation of process inventory increased to SEK 5,065 m (3,137), mainly due to higher metal prices.

The negative volume effect is due to lower volumes in Mines, mainly due to lower milled volume in Aitik and the loss of volume from Kylylahti.

Costs increased compared to last year as a result of higher maintenance and energy costs.

Depreciations increased mainly as a result of increased production of metal in concentrate in Kevitsa.

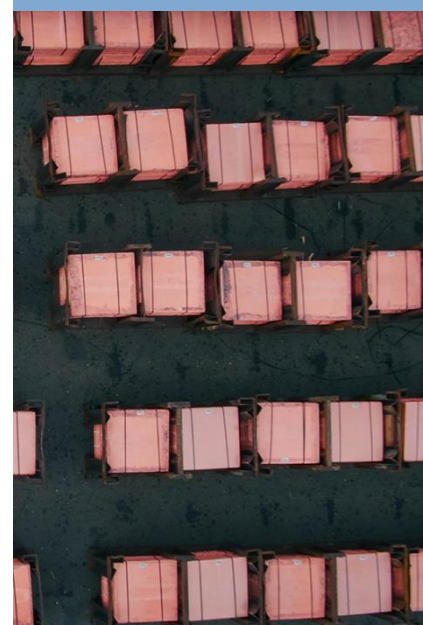
The second quarter last year included an impact on earnings of SEK -80 m from the fire in Kevitsa. Production disturbances and breakdowns in Tara and Aitik during the first quarter this year affected operating profit by SEK -300 m.

## Analysis of operating profit

SEK m	Six months	
	2021	2020
<b>Operating profit</b>	<b>5,564</b>	<b>3,236</b>
Revaluation of process inventory	499	99
<b>Operating profit ex. revaluation of process inventory</b>	<b>5,065</b>	<b>3,137</b>
<b>Change</b>		<b>1,928</b>
<b>Analysis of change</b>		
Volumes		-314
Prices and terms		2,542
Metal prices		4,592
By-product prices		22
TC/RC terms		-140
Metal premiums		-35
Exchange rate effects		-1,898
Costs (local currencies)		-165
Depreciation		-116
Other		-19
<b>Change</b>		<b>1,928</b>

Net financial items totaled SEK -118 m (-141), while net profit totaled SEK 4,368 m (2,413). Earnings per share were SEK 15.96 (8.82). Investments during the first half of the year totaled SEK 2,480 m (3,328).

Q2  
2021



Copper cathodes, Rönnskär.

# Sustainable development

Q2  
2021

	Quarter			12 months	Full year	
	2-2021	2-2020	1-2021	Jul-Jun	2020	Goal 2021
Accidents (LTI) per million hours worked	3.5	5.2	6.5	5.4	5.8	0.0
Sick leave, %	4.8	5.2	5.2	4.9	4.8	≤ 4,0
Sulphur dioxide to air, Ktonnes	1.8	1.6	1.6	6.5	6.3	≤ 6,3
Carbon dioxide intensity, tonnes CO <sub>2</sub> /tonne metal <sup>1</sup>	0.65	0.59	0.70	0.65	0.61	≤ 0,59
Number of serious environmental incidents <sup>2</sup>	0	0	0	0	0	0

<sup>1</sup> CO<sub>2</sub>-intensity is the relationship between the total carbon dioxide emissions (Scope 1 and Scope 2) and the total production of metal in concentrate from mines and metal production from smelters.

<sup>2</sup> A serious incident that causes or has the potential to cause significant environmental impact.

## EMPLOYEES

The average number of employees (full-time equivalents) was 6,098 (6,095). The accident frequency for employees and contractors was lower than the previous quarter and the corresponding quarter last year. Boliden continues to focus on the development of proactive risk management and increased involvement in occupational health & safety issues to improve safety for employees and contractors alike.

Boliden follows government guidelines in the countries concerned in respect of the Covid-19 pandemic and is actively engaged in protecting health and reducing the spread of infection and worry among its employees. This takes place as part of the established systematic occupational health & safety efforts in the Group. The improved pandemic situation enables a gradual return to normal procedures, which will involve more safety inspections, physical meetings with contractors, more efficient risk management in the field and more frequent exchanges of experience. Updating guidelines concerning working remotely and from home forms an important part of organizational and social work environment efforts.

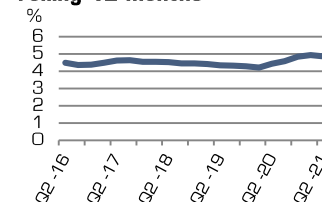
The Covid-19 pandemic continued to cause higher levels of sick leave. However, it was a little lower than both the previous quarter and last year.

## EXTERNAL ENVIRONMENT

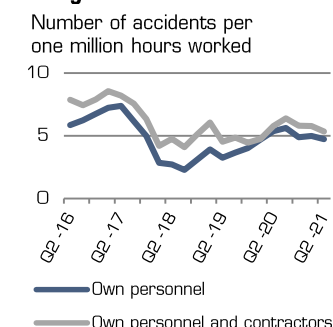
Carbon dioxide intensity was lower than the previous quarter but higher than last year. The proportion of fossil fuel was once again at a normal level. This contrasts with the previous quarter where temporary production disturbances related to cold weather increased carbon dioxide emissions. There are constant efforts to reduce carbon dioxide emissions under Boliden's climate program. Sulphur dioxide emissions were a little higher during the quarter due to natural variations. Initiatives to reduce sulphur dioxide emissions are in progress.

No serious environmental incidents occurred during the quarter.

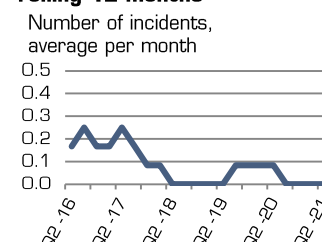
**Sick leave rate, rolling 12 months**



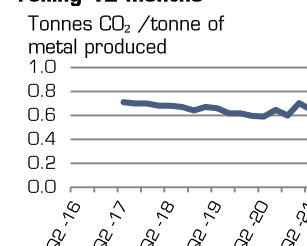
**Accident frequency, rolling 12 months**



**Serious environmental incidents<sup>2</sup>, rolling 12 months**



**Carbon dioxide intensity<sup>1</sup>, rolling 12 months**



## Events after the reporting period

### EXPANSION OF THE SMELTER IN ODDA

The Board has decided to invest in an expansion of Boliden Odda to 350 ktonnes of annual zinc production and to increase the extraction of bimetals. The investment is for a total of EUR 700 m and will be completed at the end of 2024. The new plant will be one of the most efficient zinc smelters in the world and will produce zinc with a very low carbon footprint. The necessary environmental permit has been obtained for expansion including the capacity for long-term waste storage in rock caverns.

## Other significant events

### PERMIT PROCESS FOR THE MINING OF ORE IN LIIKAVAARA

On April 29, 2021, the Swedish Land and Environment Court granted Boliden a permit under the Swedish Environmental Code for the mining of ore in Liikavaara, a new open pit next to Aitik. The permit is not applicable until April 29, 2022 at the earliest. The permit has been appealed by several different public authorities and organizations.

### PERMIT TO INCREASE PRODUCTION IN GARPENBERG

On June 15, 2021, the Swedish Land and Environment Court granted Boliden a permit to increase the amount of mined and concentrated ore in Garpenberg from 3 to 3.5 million tonnes per year. The permit has been appealed, but it includes an implementation provision, which means the permit is valid until further notice despite its having been appealed.

## Risks and uncertainty factors

Significant risks and uncertainty factors for the Group and the Parent Company include market and external risks, financial risks, operational and commercial risks, and legal risks. The global economic climate in general and global industrial production in particular, affects demand for zinc, copper, and other base metals. For further information about risks and risk management, we refer to Boliden's Annual and Sustainability report for 2020: Risk Management, on pages 54 to 57.

### COVID-19 PANDEMIC

During the quarter, Boliden worked to minimize the spread of infection to protect the health of employees and contractors. However, the Covid-19 pandemic has led to increased short-term sick leave and certain logistics disruptions.

While the company is planning for normal business operations during future quarters, elevated risks linked to the effects of Covid-19 remain. As of the third quarter of 2021, upcoming maintenance shutdowns constitute a particular hazard in this respect. In cases where the Covid-19 pandemic has affected risk assessment, this is made clear in the respective sections of the interim report.

## Interim Report preparation principles

The Consolidated Accounts have been prepared in accordance with the International Financial Reporting Standards (IFRS) approved by the EU, and with the Swedish Financial Reporting Board recommendation, RFR1, complementary accounting rules for Groups, which specifies the supplementary information required in addition to IFRS standards, pursuant to the provisions of the Swedish Annual Accounts Act. This Interim Report for the Group has been prepared in accordance with IAS 34, Interim Financial Reporting, and the Swedish Annual Accounts Act, and for the Parent Company in accordance with the Swedish Annual Accounts Act. The accounting principles and calculation methods have remained unchanged from those applied in the 2020 Annual and Sustainability Report.

For several years, Boliden has presented certain financial metrics in interim reports that are not defined under IFRS, and it considers these metrics to provide valuable supplementary information as they more clearly evaluate the company's performance. Not all companies calculate financial metrics in the same way, so the metrics used by Boliden are not always comparable with those used by other companies, and these metrics should, therefore, not be regarded as a replacement for metrics defined in accordance with IFRS. The financial metrics that Boliden uses and which are not defined in accordance with IFRS regulations are: Operating profit (EBIT) excluding revaluation of process inventory, Operating profit (EBIT), Free cash flow, Net debt, Return on capital employed, Return on Equity, Net debt/Equity ratio, Equity/Assets ratio and Net reclamation liability. For definitions, explanations and calculations of the financial metrics used by Boliden, see [www.boliden.com](http://www.boliden.com).

# Affirmation

Q2  
2021

The undersigned hereby affirm that this Interim Report provides a true and fair overview of the Parent Company's and Group's operations, positions and performance, and describes the material risks and uncertainty factors faced by the Parent Company and the companies that make up the Group.

Stockholm, July 21, 2021

Anders Ullberg  
Chair

Karl-Henrik Sundström  
Vice chair

Helene Biström  
Board member

Michael G:son Löw  
Board member

Per Lindberg  
Board member

Perttu Louhiluoto  
Board member

Elisabeth Nilsson  
Board member

Pia Rudengren  
Board member

Marie Holmberg  
Board member,  
Employee representative

Kenneth Ståhl  
Board member,  
Employee representative

Cathrin Öderyd  
Board member,  
Employee representative

Mikael Staffas  
President and CEO

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Co. Reg. No. 556051-4142

# Auditor's review report

Q2  
2021

## Introduction

We have reviewed the interim report for Boliden AB (publ) for the period January 1 to June 30, 2021. The Board of Directors and the President are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on the interim report based on our review.

## Scope and focus of the review

We have conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review entails making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with ISA and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. The conclusion is thus based on a review and does not have the same level of assurance as a conclusion expressed on the basis of an audit.

## Conclusion

Based on our review procedures, nothing has come to our attention that causes us to believe that the interim report is not, in all material respects, prepared for the Group in accordance with IAS 34 and the Swedish Annual Accounts Act, and for the Parent Company, in accordance with the Swedish Annual Accounts Act.

Stockholm, July 21, 2021

Deloitte AB

Jan Berntsson  
Authorized Public Accountant



- October 22, 2021 Interim Report for the third quarter of 2021
- February 11, 2022 Interim Report for the fourth quarter and year-end 2021
- April 28, 2022 Interim Report for the first quarter of 2022 and AGM at Aitik

## Presentation of the report

The interim report will be presented via webcast/telephone conference

**Time and date:** Thursday, July 22 at 09:30 (CET)

The presentation will be by webcast via [www.boliden.com](http://www.boliden.com)

To participate in the conference call, call one of the following numbers 3 to 5 minutes before the conference begins and use the code 69409035#.

Telephone number from Sweden: 08-5664 2651 (also dial area code)

Telephone number from the UK: +44 33 330 00804

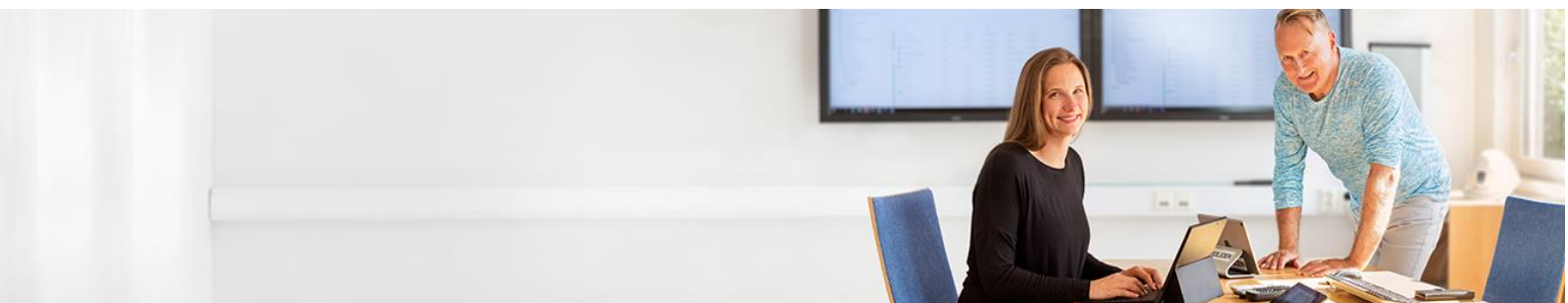
Telephone number from the USA: +1 631 913 1422

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### Boliden's new values: Care, Courage and Responsibility

**A story about RESPONSIBILITY: Easier for everyone to take responsibility and improve operational reliability**

#### User-friendly processes at Odda

The guidelines and procedures for using specific equipment and performing certain tasks at the smelter in Odda in Norway were not always easy to find. Sometimes the necessary information was available in a document, and other times instructions were printed out and taped onto a wall. There was no easily accessible, single place where all processes and guidelines were stored – until now. Since the fall of 2019, all operational departments have appointed one of their own machine operators to systematize and improve their work processes, update necessary documentation, and make it accessible and easy to use. This makes it easy for everyone at the smelter to take personal responsibility for day-to-day operations and to improve the predictability and reliability of the way tasks are performed.

"The chosen superusers were committed to working closely together to create an environment for increased collaboration between departments," says Arne Opheim, Communication & NBW Developer at Odda, responsible for facilitating and coordinating the work. In addition to describing how to perform a job according to the current standard, the system shows all the operators the tools they will need for a particular task, the safety equipment required and what to consider when performing the job.

"All work-related procedures are fed into the system, which will clearly help improve safety when each document is easy to find and access," says Christina Steen, HR Manager at Odda.

"We have begun the work of making videos to go with the procedures and show how a specific process, piece of equipment or critical task must be performed according to the relevant standard. The procedures must be very easy and clear to use," she adds. They are also easy to access from a mobile device. This particular feature is crucial for our colleagues working in the smelter.

Finn Bjørnar Berg, head safety representative at Odda, is looking forward to seeing the system implemented throughout the smelter.

"It's extremely important for everyone to work safely. Our next step will be to fully implement the initiative at the operator level," he says. The aim of organizing all guidelines, procedures and processes in a single database is to streamline and improve working methods for people working at the smelters. The next phase will be to identify how the system must be maintained and developed as part of the plant's daily procedures.

*Photo: Christina Steen, HR Manager and Arne Opheim, Communication & NBW Developer at Odda*

# Consolidated Income Statements

**Q2**  
2021

SEK m	Quarter			Six months		12 months	Full year
	2-2021	2-2020	1-2021	2021	2020	Jul-Jun	2020
Revenues	17,891	13,391	17,083	34,975	26,600	64,695	56,321
Cost of goods sold	-14,555	-11,110	-13,881	-28,436	-22,415	-51,537	-45,516
<b>Gross profit</b>	<b>3,336</b>	<b>2,280</b>	<b>3,203</b>	<b>6,539</b>	<b>4,186</b>	<b>13,158</b>	<b>10,805</b>
Selling expenses	-128	-120	-122	-250	-251	-503	-505
Administrative expenses	-171	-164	-148	-319	-348	-647	-675
Research and development costs	-237	-209	-218	-455	-392	-813	-749
Other operating income and expenses	-15	14	66	50	41	68	59
Results from participations in associated companies	0	0	-1	0	0	0	0
<b>Operating profit</b>	<b>2,785</b>	<b>1,801</b>	<b>2,779</b>	<b>5,564</b>	<b>3,236</b>	<b>11,263</b>	<b>8,935</b>
Financial income	2	0	0	3	0	5	3
Financial expenses	-61	-76	-60	-121	-141	-250	-270
<b>Profit after financial items</b>	<b>2,727</b>	<b>1,726</b>	<b>2,719</b>	<b>5,446</b>	<b>3,095</b>	<b>11,018</b>	<b>8,668</b>
Tax	-536	-380	-542	-1,078	-682	-2,262	-1,867
<b>Net profit</b>	<b>2,191</b>	<b>1,346</b>	<b>2,178</b>	<b>4,368</b>	<b>2,413</b>	<b>8,756</b>	<b>6,801</b>
<b>Net profit attributable to:</b>							
Owners of the Parent Company	2,189	1,346	2,177	4,367	2,413	8,753	6,799
Non-controlling interests	1	0	1	2	1	3	2

## Earnings and Equity per share

SEK m	Quarter			Six months		12 months	Full year
	2-2021	2-2020	1-2021	2021	2020	Jul-Jun	2020
Earnings per share <sup>1</sup> , SEK	8.00	4.92	7.96	15.96	8.82	32.00	24.86
Ordinary dividend per share, SEK	-	-	-	-	-	-	8.25
Redemption per share, SEK	-	-	-	-	-	-	6.00
Equity per share <sup>2</sup> , SEK	169.32	153.28	176.35	169.32	153.28	169.32	166.81
Number of shares	273,511,169	273,511,169	273,511,169	273,511,169	273,511,169	273,511,169	273,511,169
Average number of shares	273,511,169	273,511,169	273,511,169	273,511,169	273,511,169	273,511,169	273,511,169

1 As no potential shares exist, there is no dilution effect.

2 Equity divided by the number of shares.

## Key ratios – The Group

SEK m	Quarter			Six months		12 months	Full year
	2-2021	2-2020	1-2021	2021	2020	Jul-Jun	2020
Return on capital employed <sup>1</sup> , %	-	-	-	-	-	21.8	17.2
Return on equity <sup>2</sup> , %	-	-	-	-	-	19.3	15.8
Equity/assets ratio, %	63	62	64	63	62	63	63
Net debt/equity ratio <sup>3</sup> , %	4	17	0	4	17	4	5
Net reclamation liability <sup>4</sup> , SEK m	2,319	2,275	2,289	2,319	2,275	2,319	2,205
Net debt, SEK m	1,999	6,946	132	1,999	6,946	1,999	2,236

1 Operating profit divided by average capital employed.

2 Profit after tax divided by average equity.

3 Net of interest-bearing provisions and liabilities less financial assets including cash and cash equivalents divided by equity.

4 Reclamation liability less capitalized reclamation costs.

# Consolidated Statements of The Group

**Q2**  
2021

SEK m	Quarter			Six months		12 months	Full year
	2-2021	2-2020	1-2021	2021	2020	Jul-Jun	2020
<b>Profit for the period</b>	<b>2,191</b>	<b>1,346</b>	<b>2,178</b>	<b>4,368</b>	<b>2,413</b>	<b>8,756</b>	<b>6,801</b>
<b>Other comprehensive income</b>							
<i>Items that will be reclassified to the Income Statement</i>							
Change in market value of derivative instruments	11	-70	7	18	-49	-8	-76
Fiscal effect on derivative instruments	-2	15	-1	-4	11	1	16
Transfers to the Income Statement	-6	-1	2	-4	0	-2	2
Tax on transfers to the Income Statement	1	0	0	1	0	0	0
<b>Sum cash flow hedging</b>	<b>5</b>	<b>-55</b>	<b>7</b>	<b>12</b>	<b>-39</b>	<b>-8</b>	<b>-58</b>
The period's translation difference on overseas operations	-239	-932	458	219	-79	-513	-810
Profit on hedging of net investments in overseas operations	24	243	-42	-18	149	100	267
Tax on the period's profit from hedging instruments	-5	-52	9	4	-32	-21	-57
<b>Sum translation exposure</b>	<b>-220</b>	<b>-741</b>	<b>424</b>	<b>204</b>	<b>38</b>	<b>-435</b>	<b>-600</b>
<b>Total items that will be reclassified</b>	<b>-216</b>	<b>-797</b>	<b>432</b>	<b>216</b>	<b>-1</b>	<b>-443</b>	<b>-659</b>
<i>Items that will not be reclassified to the Income Statement</i>							
Revaluation of defined benefit pension plans	-	-	-	-	-	-36	-36
Tax attributable to items that will not be reversed to the Income Statement	-	-	-	-	-	8	8
<b>Total items that will not be reclassified</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-28</b>	<b>-28</b>
<b>Total other comprehensive income</b>	<b>-216</b>	<b>-797</b>	<b>432</b>	<b>216</b>	<b>-1</b>	<b>-471</b>	<b>-687</b>
<b>Total comprehensive income for the period</b>	<b>1,975</b>	<b>549</b>	<b>2,609</b>	<b>4,584</b>	<b>2,413</b>	<b>8,285</b>	<b>6,115</b>
<b>Total comprehensive income for the period attributable to:</b>							
Owners of the Parent Company	1,974	549	2,608	4,582	2,412	8,282	6,112
Non-controlling interests	1	0	1	2	1	3	2

# Consolidated Balance Sheets

**Q2**  
2021

SEK m	30 Jun 2021	30 Jun 2020	31 Dec 2020
Intangible assets	3,555	3,562	3,506
Property, plant and equipment	43,530	44,580	43,605
Participations in associated companies	9	9	9
Other shares and participations	5	5	6
Deferred tax assets	93	118	94
Derivative instruments	8	8	6
Long-term receivables	418	137	425
<b>Total non-current assets</b>	<b>47,618</b>	<b>48,419</b>	<b>47,650</b>
Inventories	15,340	12,633	14,238
Trade and other receivables	3,854	2,272	3,631
Tax receivables	8	261	242
Derivative instruments	233	56	137
Other current receivables	1,218	1,496	1,533
Cash and cash equivalents	5,312	1,984	5,060
<b>Total current assets</b>	<b>25,965</b>	<b>18,702</b>	<b>24,842</b>
<b>Total assets</b>	<b>73,583</b>	<b>67,122</b>	<b>72,492</b>
<b>Equity</b>	<b>46,323</b>	<b>41,937</b>	<b>45,638</b>
Pension provisions	1,172	1,124	1,159
Other provisions	4,920	4,961	4,880
Deferred tax liabilities	3,339	3,230	3,296
Liability to credit institutions	5,970	6,241	5,951
Other interest-bearing liabilities	133	183	153
Derivative instruments	5	18	17
<b>Total non-current liabilities</b>	<b>15,538</b>	<b>15,757</b>	<b>15,456</b>
Liability to credit institutions	0	1,347	0
Other interest-bearing liabilities	45	54	50
Trade and other payables	8,288	4,957	6,607
Other provisions	254	181	254
Current tax liabilities	158	13	173
Derivative instruments	115	58	37
Other current liabilities	2,861	2,816	4,277
<b>Total current liabilities</b>	<b>11,722</b>	<b>9,427</b>	<b>11,398</b>
<b>Total equity and liabilities</b>	<b>73,583</b>	<b>67,122</b>	<b>72,492</b>

# Consolidated Statements of Shareholder Equity

**Q2**  
2021

SEK m	30 Jun 2021	30 Jun 2020	31 Dec 2020
<b>Opening balance</b>	<b>45,638</b>	<b>41,440</b>	<b>41,440</b>
Total comprehensive income for the period	4,584	2,413	6,115
Dividend	-2,256	-1,915	-1,915
Redemption	-1,641	-	-
Dividend to non-controlling interests	-1	-	-1
<b>Closing balance</b>	<b>46,323</b>	<b>41,937</b>	<b>45,638</b>
<b>Total equity attributable to:</b>			
Owners of the Parent Company	46,310	41,925	45,625
Non-controlling interests	13	12	13

As of June 30, 2021, the hedge reserve after tax effect totaled SEK 0 m (8).

# Consolidated Statements of Cash Flow

**Q2**  
2021

SEK m	Quarter			Six months		12 months	Full year
	2-2021	2-2020	1-2021	2021	2020	Jul-Jun	2020
<b>Operating activities</b>							
Profit after financial items	2,727	1,726	2,719	5,446	3,095	11,018	8,668
Adjustments for items not included in the cash flow:							
- Depreciation, amortisation and write-down of assets	1,418	1,421	1,330	2,748	2,680	5,762	5,693
- Provisions	7	4	4	12	12	12	12
- Revaluation of process inventory	-168	-168	-330	-499	-99	-897	-497
- Other	-2	57	-1	-3	21	10	35
Tax paid/received	-466	-296	-359	-825	-704	-1,728	-1,608
<b>Cash flow from operating activities before changes in working capital</b>	<b>3,516</b>	<b>2,745</b>	<b>3,364</b>	<b>6,879</b>	<b>5,005</b>	<b>14,177</b>	<b>12,303</b>
Cash flow from changes in working capital	-109	-66	-122	-231	-1,350	71	-1,048
<b>Cash flow from operating activities</b>	<b>3,406</b>	<b>2,678</b>	<b>3,242</b>	<b>6,648</b>	<b>3,655</b>	<b>14,248</b>	<b>11,255</b>
<b>Investment activities</b>							
- Acquisition of intangible assets	-6	-5	-11	-17	-11	-49	-43
- Acquisition of property, plant and equipment	-1,388	-1,500	-1,075	-2,463	-3,317	-5,401	-6,256
- Disposal of property, plant and equipment	0	0	0	0	0	0	0
- Acquisition/disposal of financial assets	0	1	10	10	3	9	2
<b>Cash flow from investment activities</b>	<b>-1,393</b>	<b>-1,504</b>	<b>-1,076</b>	<b>-2,470</b>	<b>-3,325</b>	<b>-5,442</b>	<b>-6,297</b>
<b>Cash flow before financing activities (free cash flow)</b>	<b>2,013</b>	<b>1,174</b>	<b>2,165</b>	<b>4,178</b>	<b>329</b>	<b>8,807</b>	<b>4,957</b>
Dividend	-3,898	-1,915	-	-3,898	-1,915	-3,898	-1,915
Loans raised	-	7,376	-	-	8,176	-	8,176
Amortisation of loans	-15	-5,500	-14	-29	-5,979	-1,582	-7,533
<b>Cash flow from financing activities</b>	<b>-3,913</b>	<b>-39</b>	<b>-14</b>	<b>-3,926</b>	<b>282</b>	<b>-5,479</b>	<b>-1,271</b>
<b>Cash flow for the period</b>	<b>-1,900</b>	<b>1,136</b>	<b>2,152</b>	<b>252</b>	<b>611</b>	<b>3,327</b>	<b>3,686</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>7,211</b>	<b>852</b>	<b>5,060</b>	<b>5,060</b>	<b>1,373</b>	<b>1,984</b>	<b>1,373</b>
Exchange rate difference on cash and cash equivalents	0	-2	0	0	0	0	0
<b>Cash and cash equivalents at period-end</b>	<b>5,312</b>	<b>1,984</b>	<b>7,211</b>	<b>5,312</b>	<b>1,984</b>	<b>5,312</b>	<b>5,060</b>



# Income Statements – the Parent Company

**Q2**  
2021

SEK m	Quarter			6 months		12 months	Full year
	2-2021	2-2020	1-2021	2021	2020	Jul-Jun	2020
Revenues	103	-	101	204	-	204	-
Administrative expenses	-139	-	-112	-251	-	-251	-
Operating profit	-36	-	-11	-47	-	-47	-
Tax	-	-	-	-	-	-	-
<b>Profit for the period</b>	<b>-36</b>	<b>-</b>	<b>-11</b>	<b>-47</b>	<b>-</b>	<b>-47</b>	<b>-</b>

The Parent Company, Boliden AB, conducts limited operations, is in a tax agreement with Boliden Mineral AB, and has one employee who is compensated by Boliden Mineral AB. Boliden AB had no sums to report under Other Comprehensive Income for the second quarter of 2021.

# Balance Sheets – the Parent Company

SEK m	30 Jun 2021	30 Jun 2020	31 Dec 2020
Participations in subsidiaries	3,911	3,911	3,911
Non-current financial receivables, subsidiaries	8,983	12,884	12,884
Current financial receivables, subsidiaries	52	200	-
<b>Total assets</b>	<b>12,946</b>	<b>16,996</b>	<b>16,796</b>
Equity	12,101	16,046	16,046
Non-current liabilities to credit institutions	750	750	750
Current liabilities, subsidiaries	95	200	-
<b>Total liabilities and equity</b>	<b>12,946</b>	<b>16,996</b>	<b>16,796</b>

# Financial assets and liabilities

Q2  
2021

30 Jun 2021, SEK m	Reported value	Fair value
Other shares and participations	5	5
Trade and other receivables	3,854	3,854
Derivative instruments	241	241
Cash and cash equivalents	5,312	5,312
<b>Total assets</b>	<b>9,412</b>	<b>9,412</b>
Liabilities to credit institutions	5,970	5,977
Trade and other payables	8,288	8,288
Derivative instruments	120	120
<b>Total liabilities</b>	<b>14,379</b>	<b>14,385</b>

30 Jun 2020, SEK m	Reported value	Fair value
Other shares and participations	5	5
Trade and other receivables	2,272	2,272
Derivative instruments	64	64
Cash and cash equivalents	1,984	1,984
<b>Total assets</b>	<b>4,326</b>	<b>4,326</b>
Liabilities to credit institutions	7,588	7,596
Trade and other payables	4,957	4,957
Derivative instruments	76	76
<b>Total liabilities</b>	<b>12,621</b>	<b>12,629</b>

The fair value of derivatives is based on bid and ask prices listed on the closing date and by discounting estimated cash flows. Market prices for metals are taken from locations where metal derivatives are traded, i.e. the London Metal Exchange (LME) and the London Bullion Market Association (LBMA). Discount rates are based on current market rates per currency and time to maturity for the financial instrument. Exchange rates are obtained from the Riksbank (Swedish Central Bank). When presenting the fair value of liabilities to credit institutions, the fair value is calculated as discounted agreed amortizations and interest payments at estimated market interest margins. As of June 30, 2021, the interest terms of current loan agreements were adjudged to be on par with market rates in the credit market. Thus, in essence, fair value corresponds to the carrying amount.

The carrying amounts of trade receivables and payables are considered to be the same as their fair value due to their short time to maturity, the fact that provisions are made for doubtful trade receivables, and that any penalty interest will be invoiced. Boliden's financial instrument holdings, which are reported at fair value in the balance sheet, are all classified as level 2 items in the fair-value hierarchy, except for a small amount of level 3 holdings in other shares and participations. See also under Accounting Principles in the Annual and Sustainability Report.

# Breakdown of external income

**Q2**  
2021

The sale of metal concentrates, metals, intermediate products, and by-products is recognized upon delivery to the customer in accordance with the terms and conditions of sale, i.e. revenue is recognized when control passes to the purchaser.

The Group's metal concentrates are invoiced provisionally upon delivery. Definitive invoicing takes place when all relevant parameters have been determined (concentrate, quantity, metal content, impurity content and metal price for the agreed price setting period, which is usually the average price on the LME in the month following delivery).

Customers are invoiced for the Group's metals and metal products upon delivery. The Group eliminates price risks associated with sales and purchases by hedging the difference between purchased and sold quantities on a daily basis.

Customers are invoiced for by-products when control is transferred, which takes place upon delivery.

SEK m	Quarter							
	Mines		Smelters		Other		The Group	
	2-2021	2-2020	2-2021	2-2020	2-2021	2-2020	2-2021	2-2020
Finished metals	-	-	14,578	10,999	-	-	14,578	10,999
Metal in concentrate	381	359	0	0	-	-	381	359
Intermediates	-	-	2,581	1,803	-	-	2,581	1,803
By-products	-	-	344	230	-	-	344	230
Other sales	0	0	8	-1	0	1	8	0
<b>Total external revenues</b>	<b>381</b>	<b>360</b>	<b>17,510</b>	<b>13,030</b>	<b>0</b>	<b>1</b>	<b>17,891</b>	<b>13,391</b>
<b>Internal revenues</b>	<b>5,170</b>	<b>3,881</b>	<b>-8</b>	<b>-15</b>	<b>123</b>	<b>55</b>	<b>-</b>	<b>-</b>
<b>Total revenues per segment</b>	<b>5,550</b>	<b>4,240</b>	<b>17,502</b>	<b>13,015</b>	<b>123</b>	<b>56</b>	<b>17,891</b>	<b>13,391</b>

SEK m	Six months							
	Mines		Smelters		Other		The Group	
	2021	2020	2021	2020	2021	2020	2021	2020
Finished metals	-	-	28,659	22,066	-	-	28,659	22,066
Metal in concentrate	536	424	0	0	-	-	536	424
Intermediates	-	-	5,143	3,561	-	-	5,143	3,561
By-products	0	-	584	502	-	-	584	502
Other sales	1	0	51	48	0	-1	52	47
<b>Total external revenues</b>	<b>538</b>	<b>424</b>	<b>34,437</b>	<b>26,177</b>	<b>0</b>	<b>-1</b>	<b>34,975</b>	<b>26,600</b>
<b>Internal revenues</b>	<b>9,739</b>	<b>7,232</b>	<b>-23</b>	<b>-34</b>	<b>246</b>	<b>107</b>	<b>-</b>	<b>-</b>
<b>Total revenues per segment</b>	<b>10,277</b>	<b>7,656</b>	<b>34,414</b>	<b>26,144</b>	<b>246</b>	<b>106</b>	<b>34,975</b>	<b>26,600</b>

# Sensitivity analysis

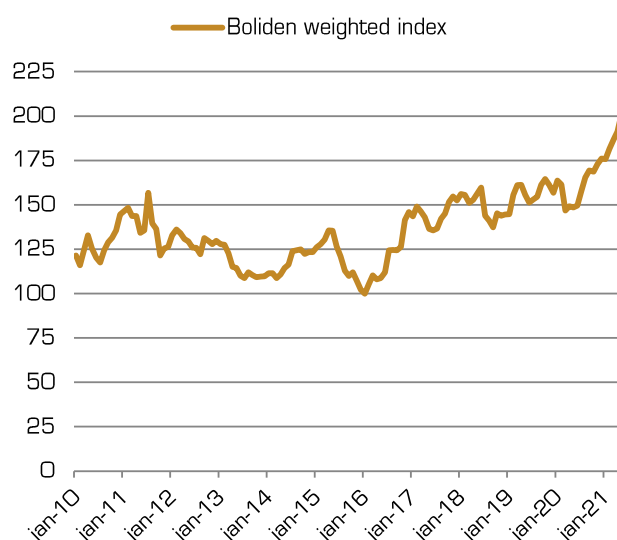
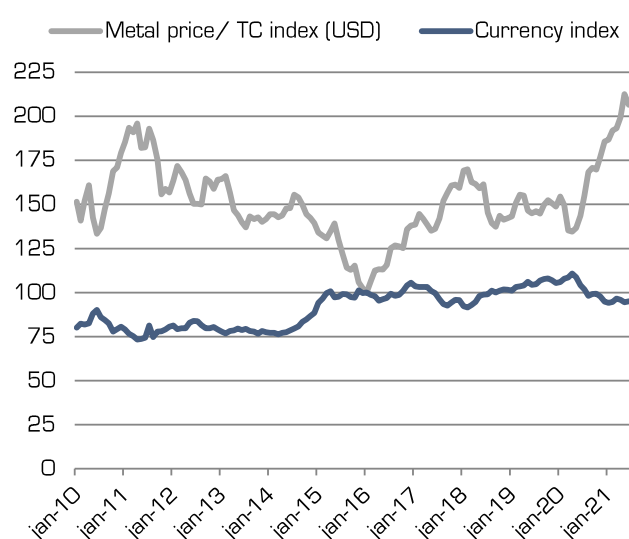
Q2  
2021

The table below presents an estimate of how changes in market terms will affect the Group's operating profit over the next 12 months. The calculation is based on listings on June 30, 2021 and on Boliden's planned production volumes. The sensitivity analysis does not take into account the effects of metal price hedging, currency hedging, contracted treatment charges, or the revaluation of process inventory in Smelters.

Change in metal prices, +10%	Effect on operating profit, SEK m	Change in TC/RC, +10%	Effect on operating profit, SEK m	Change in USD, +10%	Effect on operating profit, SEK m
Copper	950	TC/RC Copper	50	USD/SEK	1,900
Zinc	830	TC Zinc	50	EUR/USD	1,250
Gold	330	TC Lead	-10	USD/NOK	115
Silver	270				
Nickel	240				
Lead	150				
Palladium	130				
Platinum	45				

The table below shows a weighted index of the prices, terms and currencies that have the greatest impact on Boliden's profits, together with a weighted currency index and a weighted metal price and treatment charge index. Currencies and metal prices have often displayed a negative correlation that has had an equalizing effect on the Boliden-weighted index and on Boliden's earnings.

## Prices and terms index



Index 100 = 1 Jan 2016.

# Quarterly data per segment

**Q2**  
2021

SEK m	3-2019	4-2019	1-2020	2-2020	3-2020	4-2020	1-2021	2-2021
<b>THE GROUP</b>								
Revenues	11,170	12,972	13,210	13,391	13,550	16,170	17,083	17,891
Operating expenses	3,895	3,998	4,035	4,142	3,850	4,181	3,986	4,182
Depreciation	1,276	1,309	1,258	1,415	1,411	1,608	1,320	1,413
Operating profit ex. revaluation of process inventory	1,635	1,721	1,504	1,634	2,258	3,043	2,449	2,616
Operating profit	1,873	1,744	1,435	1,801	2,622	3,077	2,779	2,785
Investments	1,834	3,255	1,823	1,505	1,275	1,703	1,087	1,393
Capital employed	50,048	49,809	52,600	51,747	52,130	51,007	51,707	51,718
<b>MINES</b>								
Revenues	4,163	4,293	3,416	4,240	4,864	5,606	4,727	5,550
Gross profit	4,206	4,094	3,563	4,294	4,835	5,540	4,834	5,678
Operating expenses	2,165	2,239	2,304	2,414	2,110	2,345	2,232	2,355
Depreciation	956	970	939	1,094	1,093	1,278	1,004	1,091
Operating profit	1,091	890	318	779	1,638	1,858	1,631	2,192
Investments	1,285	2,583	1,442	1,073	874	1,050	778	942
Capital employed	28,144	28,719	30,027	29,825	30,352	29,009	29,040	28,679
<b>SMELTERS</b>								
Revenues	10,761	12,612	13,128	13,015	13,259	15,880	16,912	17,502
Gross profit ex. revaluation of process inventory	2,710	2,812	3,113	2,910	2,854	3,186	2,966	2,879
Operating expenses	1,716	1,716	1,709	1,693	1,730	1,790	1,732	1,797
Depreciation	316	336	315	317	315	326	311	316
Operating profit ex. revaluation of process inventory	716	759	1,117	914	835	1,109	949	789
Operating profit	954	782	1,048	1,082	1,199	1,143	1,279	957
Investments	548	670	371	424	394	646	307	449
Capital employed	22,073	21,175	22,560	21,843	21,936	21,977	22,786	23,433
<b>OTHER/ELIMINATIONS</b>								
Revenues	-3,755	-3,933	-3,335	-3,865	-4,573	-5,316	-4,555	-5,162
Operating expenses	14	43	22	35	10	46	22	30
Operating profit, internal profit	-155	118	96	-28	-204	131	-110	-322
Operating profit, other	-17	-47	-28	-32	-11	-56	-21	-43
Investments	0	3	9	8	7	7	2	2
Capital employed	-169	-85	13	79	-158	21	-119	-393

# Consolidated quarterly data

Q2  
2021

	3-2019	4-2019	1-2020	2-2020	3-2020	4-2020	1-2021	2-2021
<b>Financial performance <sup>1</sup>, the Group</b>								
Revenues, SEK m	11,170	12,972	13,210	13,391	13,550	16,170	17,083	17,891
Operating profit before depreciation, SEK m	3,149	3,053	2,693	3,216	4,034	4,685	4,100	4,197
Operating profit ex. revaluation of process inventory, SEK m	1,635	1,721	1,504	1,634	2,258	3,043	2,449	2,616
Operating profit, SEK m	1,873	1,744	1,435	1,801	2,622	3,077	2,779	2,785
Profit after financial items, SEK m	1,801	1,667	1,369	1,726	2,559	3,013	2,719	2,727
Net profit, SEK m	1,406	1,360	1,067	1,346	2,035	2,353	2,178	2,191
Earnings per share, SEK	5.14	4.97	3.90	4.92	7.44	8.60	7.96	8.00
Free cash flow, SEK m	-653	822	-845	1,174	1,878	2,750	2,165	2,013
Net debt/equity ratio, %	15	13	15	17	11	5	0	4
<b>Production of metal in concentrate <sup>2</sup></b>								
Zinc, tonnes	75,494	72,851	63,567	73,950	76,720	71,896	67,554	72,672
Copper, tonnes	29,605	28,057	29,059	34,076	30,777	33,745	24,455	28,871
Nickel, tonnes	2,050	2,282	2,635	2,670	3,058	3,700	2,974	3,404
Lead, tonnes	15,206	13,818	12,540	13,822	13,785	13,950	13,855	14,972
Cobalt, tonnes	210	191	260	215	231	237	128	147
Gold, kg	2,016	1,671	1,654	1,987	2,080	2,242	1,394	1,737
Gold, troy oz.	64,815	53,709	53,164	63,882	66,874	72,077	44,813	55,849
Silver <sup>3</sup> , kg	91,376	96,495	80,256	80,541	96,652	96,524	92,327	97,111
Silver <sup>3</sup> , '000 troy oz.	2,938	3,102	2,580	2,589	3,107	3,103	2,968	3,122
Palladium, kg	137	175	167	211	236	244	260	285
Platinum, kg	206	235	239	317	341	379	352	396
Tellurium, kg	12,056	11,713	5,101	12,576	11,387	12,678	10,086	9,599
<b>Metal production, Smelters</b>								
Zinc, tonnes	121,920	122,322	127,296	117,418	117,389	126,730	121,953	117,577
Copper, tonnes	75,394	86,590	95,243	93,007	91,796	91,787	96,762	94,840
Lead, tonnes	4,917	6,973	7,113	6,099	7,472	7,226	7,090	6,144
Lead alloys, tonnes (Bergsöe)	9,089	14,464	14,018	12,099	6,368	13,975	12,873	13,023
Nickel in matte, tonnes	3,808	7,089	7,124	7,114	4,476	6,733	6,002	7,282
Gold, kg	3,055	3,526	4,051	4,597	4,190	5,699	5,510	4,130
Gold, troy oz.	98,203	113,360	130,248	147,783	134,703	183,227	177,150	132,768
Silver, kg	96,980	104,860	154,440	146,020	141,460	144,140	146,205	133,304
Silver, '000 troy oz.	3,118	3,371	4,965	4,695	4,548	4,634	4,700	4,286
Sulphuric acid, tonnes	375,338	393,167	428,017	443,135	408,741	449,985	453,243	448,024
<b>Metal prices in USD, average per quarter</b>								
Zinc, USD/tonne	2,348	2,388	2,128	1,961	2,335	2,628	2,750	2,916
Copper, USD/tonne	5,802	5,881	5,637	5,356	6,519	7,166	8,504	9,700
Lead, USD/tonne	2,028	2,045	1,847	1,673	1,873	1,901	2,018	2,128
Nickel, USD/tonne	15,540	15,450	12,723	12,215	14,210	15,930	17,570	17,359
Gold, USD/troy oz.	1,472	1,483	1,584	1,711	1,909	1,876	1,798	1,814
Silver, USD/troy oz.	16.98	17.32	16.90	16.38	24.26	24.39	26.26	26.69
<b>Metal prices in SEK, average per quarter</b>								
Zinc, SEK/tonne	22,510	23,000	20,576	18,978	20,718	22,681	23,095	24,520
Copper, SEK/tonne	55,615	56,648	54,501	51,829	57,840	61,844	71,426	81,558
Lead, SEK/tonne	19,436	19,700	17,855	16,188	16,622	16,408	16,947	17,894
Nickel, SEK/tonne	148,955	148,821	123,017	118,192	126,076	137,466	147,579	145,956
Gold, SEK/troy oz.	14,111	14,281	15,316	16,552	16,937	16,187	15,102	15,255
Silver, SEK/troy oz.	162.74	166.82	163.45	158.46	215.21	210.48	220.53	224.43
<b>Exchange rates, average per quarter</b>								
USD/SEK	9.59	9.63	9.67	9.68	8.87	8.63	8.40	8.41
EUR/USD	1.11	1.11	1.10	1.10	1.17	1.19	1.20	1.21
EUR/SEK	10.66	10.66	10.66	10.65	10.36	10.28	10.12	10.14
USD/NOK	8.86	9.12	9.47	10.01	9.13	9.04	8.51	8.37

1 For definitions, visit [www.boliden.com](http://www.boliden.com).

2 Refers to the metal content of the concentrate.

3 Includes silver production in Tara, which is not payable.



# Quarterly data per unit – Mines

**Q2**  
2021

	3-2019	4-2019	1-2020	2-2020	3-2020	4-2020	1-2021	2-2021
<b>AITIK</b>								
Milled ore, Ktonnes	10,070	10,523	10,453	10,520	10,169	10,519	8,476	10,254
Head grades								
Copper, %	0.24	0.22	0.23	0.25	0.24	0.25	0.22	0.21
Gold, g/tonne	0.15	0.10	0.10	0.13	0.13	0.16	0.12	0.11
Silver, g/tonne	1.04	0.97	0.87	1.34	1.00	1.04	0.91	0.80
Production of metal in concentrate								
Copper, tonnes	22,240	20,789	20,973	24,392	22,345	23,402	17,014	19,457
Gold, kg	828	669	591	802	786	948	563	674
Gold, troy oz.	26,621	21,494	18,990	25,799	25,280	30,493	18,115	21,682
Silver, kg	8,913	8,217	6,838	11,291	7,885	8,603	5,798	6,088
Silver, '000 troy oz.	287	264	220	363	253	277	186	196
<b>THE BOLIDEN AREA</b>								
Milled ore, Ktonnes	528	512	501	421	498	478	424	513
Of which, smelter slag	67	67	80	64	67	71	59	70
Head grades								
Zinc, %	3.1	3.4	4.4	2.7	3.8	3.1	2.7	3.4
Copper, %	0.32	0.34	0.43	0.35	0.38	0.38	0.37	0.40
Lead, %	0.31	0.39	0.47	0.28	0.45	0.41	0.33	0.38
Gold, g/tonne	2.2	1.9	1.9	2.4	2.2	2.4	1.8	1.9
Silver, g/tonne	46	52	63	44	69	57	49	50
Tellurium, g/tonne	54	49	25	71	57	55	47	49
Production of metal in concentrate								
Zinc, tonnes	12,992	14,187	16,251	9,062	15,157	11,677	8,725	13,522
Copper, tonnes	1,038	1,167	1,253	992	1,235	1,179	1,047	1,450
Lead, tonnes	664	919	668	430	850	799	468	764
Gold, kg	814	671	604	712	816	827	504	706
Gold, troy oz.	26,178	21,557	19,429	22,900	26,244	26,590	16,206	22,695
Silver, kg	16,300	18,483	18,997	11,459	23,587	19,129	13,296	17,411
Silver, '000 troy oz.	524	594	611	368	758	615	427	560
Tellurium, kg	12,056	11,713	5,101	12,576	11,387	12,678	10,086	9,599
<b>TARA</b>								
Milled ore, Ktonnes	611	654	395	698	652	570	548	605
Head grades								
Zinc, %	5.4	5.4	5.5	5.7	5.5	6.2	5.7	5.3
Lead, %	1.1	1.1	0.9	1.0	1.0	1.2	1.0	1.0
Production of metal in concentrate								
Zinc, tonnes	31,101	33,655	20,923	38,247	34,103	33,735	29,634	30,528
Lead, tonnes	4,471	4,346	2,170	4,286	3,677	4,268	3,380	3,331
Silver <sup>1</sup> , kg	604	221	238	259	156	265	251	222
Silver <sup>1</sup> , '000 troy oz.	19,419	7,105	7,652	8,327	5,015	8,520	8,070	7,137

<sup>1</sup> Silver production in Tara is not payable.

# Quarterly data per unit – Mines

**Q2**  
2021

	3-2019	4-2019	1-2020	2-2020	3-2020	4-2020	1-2021	2-2021
<b>GARPENBERG</b>								
Milled ore, Ktonnes	725	721	720	769	775	735	817	791
Head grades								
Zinc, %	4.6	3.7	3.9	3.6	3.8	3.8	3.8	3.8
Copper, %	0.06	0.05	0.07	0.05	0.05	0.06	0.07	0.07
Lead, %	1.63	1.47	1.61	1.42	1.42	1.47	1.48	1.62
Gold, g/tonne	0.27	0.28	0.32	0.33	0.32	0.26	0.31	0.32
Silver, g/tonne	119	124	103	101	108	123	118	120
Production of metal in concentrate								
Zinc, tonnes	31,313	24,733	26,300	26,477	27,390	26,485	29,196	28,623
Copper, tonnes	184	177	256	204	198	215	312	265
Lead, tonnes	10,071	8,553	9,702	9,106	9,258	8,883	10,007	10,877
Gold, kg	137	145	165	182	177	144	181	181
Gold, troy oz.	4,395	4,675	5,318	5,848	5,689	4,622	5,828	5,819
Silver, kg	65,347	69,379	54,012	57,176	64,899	68,458	72,982	73,389
Silver, '000 troy oz.	2,101	2,231	1,736	1,838	2,087	2,201	2,346	2,359
<b>KEVITSA</b>								
Milled ore, Ktonnes	2,050	1,959	2,103	2,066	2,430	2,588	2,370	2,206
Head grades								
Copper, %	0.29	0.28	0.30	0.36	0.29	0.36	0.28	0.38
Nickel, %	0.17	0.16	0.17	0.18	0.18	0.20	0.19	0.23
Cobalt, %	0.013	0.012	0.012	0.013	0.012	0.013	0.011	0.013
Gold, g/tonne	0.10	0.11	0.10	0.15	0.11	0.14	0.11	0.14
Palladium, g/tonne	0.09	0.13	0.12	0.15	0.14	0.13	0.16	0.20
Platinum, g/tonne	0.19	0.24	0.22	0.27	0.26	0.26	0.25	0.31
Production of metal in concentrate								
Copper, tonnes	5,282	4,769	5,504	6,820	6,455	8,622	6,082	7,699
Nickel, tonnes	1,841	2,121	2,325	2,450	2,810	3,487	2,974	3,404
Cobalt, tonnes	96	103	105	110	126	154	128	147
Gold, kg	97	99	106	148	144	186	145	176
Gold, troy oz.	3,127	3,180	3,393	4,750	4,628	5,996	4,664	5,653
Palladium, kg	137	175	167	211	236	244	260	285
Palladium, troy oz.	4,405	5,627	5,374	6,787	7,577	7,834	8,354	9,173
Platinum, kg	206	235	239	317	341	379	352	396
Platinum, troy oz.	6,612	7,570	7,693	10,192	10,954	12,200	11,317	12,715
<b>KYLYLAHTI</b>								
Milled ore, Ktonnes	172	153	200	198	164	119	-	-
Head grades								
Zinc, %	0.25	0.45	0.26	0.33	0.21	0.15	-	-
Copper, %	0.55	0.83	0.59	0.91	0.37	0.30	-	-
Nickel, %	0.24	0.23	0.29	0.25	0.28	0.30	-	-
Cobalt, %	0.15	0.20	0.17	0.19	0.14	0.11	-	-
Gold, g/tonne	1.05	0.73	1.18	0.93	1.17	1.39	-	-
Production of metal in concentrate								
Zinc, tonnes	87	276	92	163	70	-	-	-
Copper, tonnes	860	1,155	1,072	1,667	543	326	-	-
Nickel, tonnes	209	160	310	220	247	213	-	-
Cobalt, tonnes	113	88	154	105	105	83	-	-
Gold, kg	140	87	188	143	157	136	-	-
Gold, troy oz.	4,494	2,803	6,035	4,585	5,033	4,375	-	-

# Quarterly data per unit – Smelters

**Q2**  
2021

	3-2019	4-2019	1-2020	2-2020	3-2020	4-2020	1-2021	2-2021
<b>RÖNNSKÄR</b>								
Feed, tonnes								
Copper								
Copper concentrate	114,467	151,087	166,210	163,500	171,844	156,630	155,727	165,687
Secondary raw materials	42,530	41,547	43,630	39,768	37,104	40,706	40,577	43,342
Of which, electronics	19,651	20,475	19,090	17,977	15,880	18,646	16,331	19,375
Copper, total	156,997	192,634	209,840	203,268	208,949	197,336	196,304	209,029
Lead								
Lead concentrate	7,140	12,275	9,885	10,236	12,394	10,508	11,059	9,832
Secondary raw materials	365	428	161	243	170	189	251	270
Lead, total	7,505	12,703	10,046	10,479	12,564	10,698	11,310	10,102
Production								
Cathode copper, tonnes	41,161	52,315	58,076	56,220	55,642	56,049	55,652	54,325
Lead, tonnes	4,917	6,973	7,113	6,099	7,472	7,226	7,090	6,144
Zinc clinker, tonnes	7,739	8,264	8,431	9,424	9,599	5,967	7,733	8,482
Gold, kg	2,500	2,990	3,141	3,485	2,852	4,028	3,026	2,547
Gold, troy oz.	80,375	96,129	100,968	112,055	91,705	129,491	97,270	81,880
Silver, kg	85,700	91,100	138,700	131,400	127,000	126,600	122,205	110,944
Silver, '000 troy oz.	2,755	2,929	4,459	4,225	4,083	4,070	3,929	3,567
Sulphuric acid, tonnes	90,838	107,594	128,826	133,991	128,274	114,416	127,416	137,301
<b>BERGSÖE</b>								
Feed, tonnes								
Battery raw materials <sup>1</sup>	9,010	15,522	15,200	13,586	7,404	14,950	13,595	12,961
Production, tonnes								
Lead alloys	9,089	14,464	14,018	12,099	6,368	13,975	12,873	13,023

<sup>1</sup> As of 2020, battery raw material is reported excluding plastics; these were previously included. Adjustments to the background history have been made accordingly.

# Quarterly data per unit – Smelters

**Q2**  
2021

	3-2019	4-2019	1-2020	2-2020	3-2020	4-2020	1-2021	2-2021
<b>HARJAVALTA</b>								
Feed, tonnes								
Copper								
Copper concentrate	151,714	138,582	145,631	151,346	139,318	175,579	155,427	158,302
Secondary raw materials	6,998	6,935	6,014	7,289	5,442	7,320	7,622	9,603
Copper, total	158,712	145,517	151,645	158,635	144,761	182,898	163,049	167,905
Nickel concentrate	41,732	75,225	66,736	68,616	47,593	71,080	68,833	76,077
Production								
Cathode copper, tonnes	34,233	34,275	37,168	36,787	36,154	35,738	41,110	40,515
Nickel in matte	3,808	7,089	7,124	7,114	4,476	6,733	6,002	7,282
Gold, kg	555	536	911	1,111	1,337	1,671	2,485	1,583
Gold, troy oz.	17,828	17,232	29,280	35,728	42,998	53,736	79,881	50,888
Silver, kg	11,280	13,760	15,740	14,620	14,460	17,540	24,000	22,360
Silver, '000 troy oz.	363	442	506	470	465	564	772	719
Sulphuric acid, tonnes	166,611	173,809	183,806	198,282	165,581	221,108	211,232	206,817
<b>KOKKOLA</b>								
Feed, tonnes								
Zinc concentrate incl. waelz	150,418	137,233	146,612	142,972	152,678	145,441	154,975	134,050
Production, tonnes								
Zinc	73,602	71,662	79,107	71,786	72,408	73,956	74,574	70,460
Silver in concentrate, kg	6,363	5,124	6,094	6,526	1,641	5,055	6,156	5,694
Silver in concentrate, '000 troy oz.	205	165	196	210	53	163	198	183
Sulphuric acid	89,653	78,486	82,483	81,459	82,674	81,868	83,050	70,831
<b>ODDA</b>								
Feed, tonnes								
Zinc concentrate, incl. zinc clinker	92,435	98,435	100,086	88,239	97,764	96,269	95,315	93,149
Production, tonnes								
Zinc	48,318	50,660	48,189	45,632	44,981	52,774	47,379	47,117
Sulphuric acid	28,236	33,277	32,903	29,403	32,212	32,593	31,545	33,075

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