

Human Rights (HR)

Material aspects on HUMAN RIGHTS

Boliden's own operations are located in countries where the risks of human rights violations is generally low. There are, however, material aspects to consider, such as Non-discrimination, Indigenous Rights and Assessment. The majority of Boliden's human rights risks are related to the supply chain. Additional material aspects, depending on the nature and geography of the supplier, include the Freedom of Association & Collective Bargaining, Child Labour, Forced and Compulsory Labour. All of these aspects are covered by Boliden's Supplier Human Rights Assessment. There is a Human Rights Grievance Mechanism that covers Boliden's own operations, as well as those of our suppliers. Please see the General Disclosure and Management Approach part of GRI, in addition to indicator reporting, to learn about how Boliden manages performance within these aspects.

The London Bullion Market Association

Boliden is included on The London Bullion Market Association's (LBMA) list of recommended gold producers, the Good Delivery List, which requires the company to comply with a set of standards and 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.

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 site).

No incidents of discrimination were reported to Boliden during 2016 through the formal grievance mechanisms or the whistleblower function.

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

Operations in northern Sweden and northern Finland (the Boliden Area, the Aitik mine, and the Kevitsa mine) are in the reindeer-herding areas.

Three of Boliden's eleven sites (27%) are affected. Consultation is ongoing with the affected Sami villages and agreements on compensation issues and cooperation are generally in place between Boliden and the Sami villages.

Material Aspect: Assessment

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

During the last ten years, specific social impact assessments (including the human rights aspects) have been conducted on two occasions in the Boliden Area Operation, i.e. in one out of Boliden's eleven operations (9%). Furthermore, social impact is generally considered for all new projects and when Boliden applies for new or extended permits.

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 new 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 Boliden's Corporate Responsibility Business Guidelines to new and existing business partners.

Boliden has about 7,300 suppliers, 200 of these represent 80% of the expenditure. 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 the 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 2016 approximately 76 (115) business partners completed the self-assessment and 5 (3) audits were conducted. No termination of contracts due to human rights screening occurred in 2016. The self-assessments and the audits are based on the content of Boliden's 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.

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

The protection of human rights is a vital component of Boliden's Corporate Business Principles, and therefore also a crucial part of the supplier assessment. Boliden cannot currently disclose this information. New routines and systems for supplier screening are being implemented, which means that the information will be presented from 2017 onwards.

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.

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 is welcome to contact either the local managers or any of the company functions by a variety of channels; e.g. phone, e-mail, and written correspondence.

No formal grievances were filed relating to human rights impacts on Boliden's own employees in 2016. No grievances relating to human rights were reported via the whistleblower function.