

Financial Policy

Approved by the Board of Directors

This is a summary version of Probi's internal policy. This document only presents the main objectives of the policy.

The **Probi Financial Policy** outlines guidelines for financial management and risk control within Probi AB, ensuring that financial risks are maintained at an acceptable level. Key points include:

1. Purpose:

- The policy provides guidelines on managing financial risks and controlling financial operations within Probi.
- It is reviewed annually and revised when significant changes occur within the company or market.

2. Financial Risks Covered:

- **Currency Risk:** Mitigates risks from fluctuations in foreign exchange rates.
- **Funding and Liquidity Risk:** Ensures access to financing and liquidity to cover operational costs and unforeseen expenses.
- **Interest Rate Risk:** Reduces risks from changes in interest rates affecting the company's performance.
- **Counterparty Credit Risk:** Limits exposure to financial deterioration of counterparties in financial transactions.
- **Customer Credit Risk:** Manages the credit risk of customers through credit checks and limits.

3. Organization and Responsibilities:

- **Board:** Oversees financial risk management and reviews the policy annually.
- **CEO:** Responsible for the financial control of Probi and approving financial partnerships and leasing arrangements with the CFO.

- **CFO:** Manages day-to-day financial operations, ensures compliance with the policy, and oversees external financing.

4. Financial Risk Management:

- **Currency Risk:** CFO manages consolidated foreign exchange exposures, including hedging for future transactions.
- **Liquidity Risk:** Ensures sufficient liquidity through cash, credit, and securities to meet short-term financial obligations.
- **Interest Rate Risk:** Spread interest rate maturities evenly to reduce concentration risk.
- **Counterparty Credit Risk:** Transactions are only conducted with institutions or companies with high credit ratings (BBB+ or higher).
- **Customer Credit Risk:** Managed through credit assessments and credit insurance when necessary.

5. Reporting:

- Daily liquidity reports and monthly financial risk reports are provided to the CEO and CFO, and regular updates are presented to the Board.

This policy aims to protect Probi's financial stability, ensuring effective management of risks while maintaining compliance with financial regulations.