

# Finance POLICY

Define a framework within which Bufab's subsidiaries will manage their financial exposures and operations. These are the main features of the policy:

- **Organization and responsibilities**  
The Bufab AB Board of Directors, CEO and CFO are overall responsible for the policy, whereas Group. Managing Directors of subsidiaries are responsible for local compliance with the policy.
- **Capital structure**  
Bufab AB shall aim to maintain a capital structure ensuring long term business requirements, investment demands and value of the Group and each subsidiary.
- **Financing**  
Objective is to ensure sufficient financing to meet financing needs in Group and in each subsidiary.
- **Liquidity management**  
Objective is to provide sufficient liquidity in Group and subsidiaries and protect liquid assets from risks.
- **Exchange rate exposure**  
Objective is to reduce volatility in EBITDA and balance sheet due to exchange rate changes, primarily using "natural hedges" in each subsidiary.
- **Bank relations**  
All banks used in the Group and in each subsidiary shall be highly rated.
- **Pledged assets and guarantees**  
The CFO controls and coordinates pledged assets and guarantees globally to comply with restrictions.

Erik Lundén, CEO, Bufab Group



Pär Ihrskog, CFO



**BUFAB**

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