

Alfa Laval

Modern Slavery Act Statement



1. Introduction

The continued prevalence of forced labour and human trafficking is a serious global issue with many victims, and we will not tolerate this within our organization or within our supply chain. Alfa Laval is committed to taking all appropriate steps to ensure that acts of forced labour and child labour are not occurring within our organization or our supply chain.

2. Our organization

Alfa Laval is a leading global provider of specialized products and engineering solutions based on its key technologies of heat transfer, separation and fluid handling.

The company's equipment, systems and services are dedicated to assisting customers in optimizing the performance of their processes. The solutions help them to heat, cool, separate and transport products in industries that produce food and beverages, chemicals and petrochemicals, pharmaceuticals, starch, sugar and ethanol.

Alfa Laval's products are also used in power plants, aboard ships, oil and gas exploration, in the mechanical industry, in the mining industry and for wastewater treatment, as well as for comfort climate and refrigeration applications.

Alfa Laval's worldwide organization works closely with customers in nearly 100 countries to help them stay ahead in the global arena. Alfa Laval is listed on Nasdaq OMX, and, in 2022, posted annual sales of about 52,135 SEK Million. The company has 20300 employees.

3. Our approach

3.1 Alfa Laval's commitment

Alfa Laval is committed to respect human rights as set out the International Bill of Human Rights and the International Labour Organisation's (ILO) Declaration on the Fundamental Principles and Rights at Work. In doing so, we are guided by the United Nation's Guiding Principles (UNGP) and Organisation for Economic Cooperation and Development (OECD) guidelines for multinational enterprises on business conduct and human rights.

Alfa Laval supports all laws duly enacted to prohibit human trafficking, child labour, forced labour and any activity related to slavery. As an organization, we operate in accordance with our Business Principles and Human Rights Policy. The four cornerstones of our Business Principles are caring, committed, planet and transparency. The Business Principle "Caring" consists of human rights including but not limited to freedom of association, child labour and forced labour. Our Human Rights policy recognizes and respects all human rights which is applicable to all employees, subsidiaries and the supply chain. This further highlights our commitment on forced labour to have zero tolerance for any form of forced or trafficked labour. We are determined to ensure that no one is compelled to work under any force or intimidation.

We respect national laws in countries where we operate. When national laws are in conflict with international human rights standards or does not fully comply with them, we strive to work in accordance with the highest international standards to the greatest extent possible.



We take responsibility to;

- Respect human rights and avoid infringing on the human rights of others and should address adverse human rights impacts if they occur.
- Work proactively to ensure we are not complicit in human rights abuses and seek ways to prevent or mitigate adverse human rights impacts that may be linked to our operations, products or services by a business relationship.
- Carry out human rights due diligence as appropriate to the size, the nature and context of operations and the severity of the risks of adverse human rights impacts.
- Provide for or co-operate through legitimate processes in the remediation of adverse human rights impacts if Alfa Laval has caused, contributed or connected to these impacts.

3.2 Own organization

Alfa Laval requires all employees to adhere to the Business Principles and Human Rights Policy of Alfa Laval. Managers are responsible for understanding and implementing them locally. All employees are given training every two years on the Business Principles which include guidance on how to act against modern slavery.

3.3 Suppliers in focus

Our sourcing organisation routinely seeks out information to identify and address risks in suppliers including risk of forced labour and child labour and will continue to do so. Our sourcing organization runs specific training modules on how to implement the Business Principles for Suppliers, which include a section on Modern Slavery.

Below we describe in more detail how we work with the suppliers, where we consider the risk of forced labour is the greatest.

Working with our suppliers

The way we work with suppliers to uphold human rights is set in our Sourcing Policy and Business Principles for Suppliers.

We conduct risk assessments and evaluate suppliers to ensure that suppliers not only deliver expectations set by Alfa Laval but share Alfa Laval's sustainability ambitions. Moreover, audits that evaluate Business Principles for Suppliers are conducted. In 2022, 74 Business Principles audits were performed. These audits focus on six critical deviations; forced labour, child labour, young labour, freedom of association, health and safety and fire protection and environment.

When critical deviations are identified, mitigation and follow up activities are individually developed on a case-by-case approach supported by Alfa Laval Supplier Risk and Compliance Council. If a supplier does not fulfil Alfa Laval's expectations on performance or compliance, there is an escalation process to put business on hold or even phase out and terminate the agreement between Alfa Laval and the supplier as the last resort.

3.4 Report of Misconduct

In the event of any breach to this statement is perceived or identified, all employees shall report to their manager. If it is not possible or not appropriate, the report can be made to the senior manager, following the management chain or alternatively via our anonymous Reporting channel (Speak Up!) that can be found on Share and on Alfalaval.com. This



whistleblower system is also available externally for anonymous reporting of any breach committed by Alfa Laval. We will abide by the whistleblower mechanism and Whistleblower Protection and Anti-Retaliation Policy to safeguard whistleblowers' integrity.

4. Our Progress

Our yearly progress in implementing Modern Slavery Act in our organization and processes will be reported on a yearly basis in our Annual and Sustainability Report.

A handwritten signature in blue ink, appearing to be "Tom Erixon", written over a horizontal line.

Tom Erixon
President and CEO
Lund, Sweden, June 2023

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes Alfa Laval's modern slavery and human trafficking statement for the financial year 1 January 2022 to 31 December 2022. This statement is made in accordance with Section 54(1) of the Modern Slavery Act 2015.