

The Nomination Committee's reasoned statement as regards proposal of Board of Directors in Alfa Laval AB (publ)

The Nomination Committee in respect of the Annual General Meeting 2016 consists of Finn Rausing (Tetra Laval), Claes Dahlbäck (Foundation Asset Management), Lars-Åke Bokenberger (AMF-Pension), Jan Andersson (Swedbank Robur fonder) and Ramsay Brufer (Alecta) as well as the Chairman of the Board, Anders Narvinger. Finn Rausing is Chairman of the Nomination Committee. The Nomination Committee has held three formal meetings in respect of the Annual General Meeting 2016 and has also had contacts over the telephone and via e-mail. The meetings included *inter alia* an evaluation of the Board's composition and an assessment of the potential future competence requirements of the Board.

The Nomination Committee proposes re-election of board members Gunilla Berg, Arne Frank, Ulla Litzén, Anders Narvinger, Finn Rausing, Jörn Rausing, Ulf Wiinberg and Margareth Øvrum. Lars Renström, Alfa Laval's retiring CEO, has declined re-election.

In addition, the Nomination Committee proposes that Anders Narvinger is re-appointed as Chairman of the Board of Directors. Should Anders Narvinger's assignment as Chairman of the Board of Directors end prematurely, the Board of Directors shall appoint a new Chairman.

The Nomination Committee's proposal entails that the Board of Directors, during the next term, will consist of eight members elected by the General Meeting.

Information on the members proposed to the Board of Directors is presented on Alfa Laval's website, under the section for the Annual General Meeting 2016 (<http://www.alfalaval.com/investors/corporate-governance/annual-general-meetings>).

The Nomination Committee has during its work reviewed an external evaluation of the work of the Board of Directors. The evaluation was made through open discussions and interviews with the individual members of the Board of Directors. The evaluation focuses on the work procedures of the board, the working climate and the need for specific competence on the board. Further, the Nomination Committee has also met the CEO of Alfa Laval, who has reported on the Company's operations. The proposal which is presented to the Annual General Meeting has been prepared in accordance with the framework for the work of the Nomination Committee, resolved by the Annual General Meeting of Alfa Laval AB on 23 April 2015.

With regard to the Company's global operations, the Nomination Committee has in its work strived to present a proposal on the composition of the Board of Directors characterized by diversity and variety with respect

to experience, knowledge, competence and background. The Nomination Committee has also assessed the requirements set out in the Swedish Corporate Governance Code (Sw. *Svensk kod för bolagsstyrning*) regarding gender balance on the Board of Directors. The proposed Board of Directors consists of three women and five men, which corresponds to a women's proportion of 38 % (preceding year 33 %). This is well in line with the ambitions communicated by the Swedish Corporate Governance Board.

Taken together, the Nomination Committee considers the proposed Board of Directors to, with respect to the Company's operations, development and in other respects, have an appropriate composition characterized by diversity and variety with respect to competence, experience, and background of the members elected by the General Meeting.

The Nomination Committee has, in accordance with the requirements set forth in the Swedish Corporate Governance Code, discussed the issue concerning the members of the Board of Directors' independence. The Nomination Committee has assessed that all members proposed to be elected by the General Meeting are independent of the Company and the management. Further, the Nomination Committee has assessed that all of the members to be elected by the General Meeting, except for board members Finn Rausing and Jörn Rausing, are independent of the Company's major shareholders. Accordingly, the proposal on the composition of the Board of Directors meets applicable requirements of independent board members as set forth in the Swedish Corporate Governance Code.

Lund, Sweden, in March 2016

The Nomination Committee of Alfa Laval AB (publ)