

## **Statement by the Board of Directors, according to Chapter 19, Section 22 of the Swedish Companies Act**

The Board of Directors has proposed that the Annual General Meeting on 27 April 2021 resolves to give the Board of Directors authorization to decide to purchase shares in Alfa Laval AB as follows.

The Board of Directors is authorized, during a period up until the Annual General Meeting 2022, to purchase shares in the company on as many occasions as it deems appropriate, however, only to the extent that the company's holding at no time exceeds five percent (5 %) of the total amount of shares in the company. Purchase shall be made on Nasdaq Stockholm at a price per share within the prevailing price interval by which is meant the span between the highest registered purchase price and the lowest registered sales price.

The purpose of the authorization is to give the Board of Directors the possibility to adjust the capital structure of the company until the next Annual General Meeting, after which the Board intends to propose to the Annual General Meeting 2022 a resolution to cancel the repurchased shares. Furthermore, the Board of Directors intends to propose to the same general meeting a corresponding bonus issue of shares to restore the size of the share capital.

### **The justification of the authorization**

In regard to the statement to be provided pursuant to Chapter 19, Section 22 of the Swedish Companies Act, a reference is made to the Board of Directors' statement pursuant to Chapter 18, Section 4 of the Swedish Companies Act, which has been submitted in connection with the proposal for distribution of profits (SEK 5.50 per share). With reference to what is stated therein and to the best knowledge of the Board of Directors, it is the Board of Directors' opinion that the proposed authorization to purchase shares in the company is justifiable taking into consideration the demands with respect of shareholders' equity that are imposed by the nature, scope and risks associated with the operations and the company's and the Alfa Laval group's need to strengthen the balance sheet, liquidity and financial position in general.

Lund, March 2021  
The Board of Directors of Alfa Laval AB (publ)