

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

1. Background

In respect of the Annual General Meeting 2021, the Nomination Committee consists of Jörn Rausing (Tetra Laval), Ramsay Brufer (Alecta Pensionsförsäkring), Jan Andersson (Swedbank Robur Fonder), Anders Oscarsson (AMF Försäkring och Fonder) and Per Trygg (SEB fonder), as well as the Chairman of the Board, Dennis Jönsson. Jörn Rausing is the Chairman of the Nomination Committee and Emma Adlerton, General Counsel at Alfa Laval, is the Secretary to the Nomination Committee. The Nomination Committee has, in respect of the Annual General Meeting 2021, held three formal meetings, which were partly digital, and has also had contact on telephone and by e-mail. The meetings included an evaluation of the composition and competence of the Board of Directors, an evaluation of the candidates for next term and a review of the compensation to the members of the Board of Directors.

2. Proposal

The Nomination Committee proposes re-election of the Board members Maria Moræus Hanssen, Dennis Jönsson, Henrik Lange, Ray Mauritsson, Heléne Mellquist, Finn Rausing, Jörn Rausing and Ulf Wiinberg. Furthermore, the Nomination Committee proposes election of Lilian Fossum Biner as new member of the Board of Directors.

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

As a result of the Nomination Committee's proposal, the Board of Directors will be extended with one person during the next term, and accordingly comprises of nine members elected by the general meeting.

Information on the proposed members of the Board of Directors is presented on Alfa Laval's website, <https://www.alfalaval.com/investors/>, under the information concerning the Annual General Meeting 2021.

3. Reasoned statement as regards proposal of Board of Directors

During its work, the Nomination Committee has reviewed a digital evaluation concerning the work of the Board of Directors carried out by the Chairman of the Board together with an external party. The evaluation consisted of interviews and open discussions with the individual members of the Board of Directors. The evaluation focuses on the work procedures of the Board of Directors, the work climate, and the need for specific competence within the Board of Directors. Furthermore, the Nomination Committee has interviewed Heléne Mellquist and Henrik Lange regarding the Board's composition and competence, and Alfa Laval AB's CEO Tom Erixon on the company's operations. This proposal presented to the Annual General Meeting has been prepared in accordance

with the framework for the work of the Nomination Committee, which was resolved by the 2018 Annual General Meeting of Alfa Laval AB.

With regard to the company's global operations, the Nomination Committee has strived to propose a Board of Directors that represents a diversity and breadth of experience, knowledge, competence and background. The Nomination Committee has aimed at a composition of the Board representing a variety of relevant industrial experience, as well as experience within the for Alfa Laval relevant and strategic development areas. Due to the fact that four new members have been elected to the Board of Directors during the last two years, of which the Chairman of the Board was appointed at the Annual General Meeting 2020, the Nomination Committee has considered the need of stability in the Board. Also, the Nomination Committee has particularly considered the ambitions set out in the Swedish Corporate Governance Code (*Sw Svensk kod för bolagsstyrning*) (the "Code") regarding gender balance within the Board of Directors.

The Nomination Committee has decided to propose Lilian Fossum Biner as new member of the Board of Directors.

Lilian Fossum Biner has over the past 20 years built a solid experience from Board assignments in several large companies, listed as well as private. Lilian Fossum Biner has among other things held the position as Chairman of the Board in Cloetta AB during the years 2016 to 2020, and is currently Board member in Scania AB, Carlsberg A/S, LE Lundbergföretagen AB, a-connect ag and Givaudan S.A. Moreover, Fossum Biner has held the positions as Chairman of the Audit Committees and Remuneration Committees in connection with different Board assignments. Fossum Biner has as a basis an extensive experience from retail and consumer goods companies where she has held several senior positions.

The Nomination Committee deems Lilian Fossum Biner to be well qualified as member of the Board of Directors and considers that her extensive experience from Board assignments in combination with her financial and operational competence from retail and consumer goods companies will broaden the overall competence of the Board.

The Nomination Committee has applied the provision 4.1 in the Code as diversity policy when considering the proposal of the Board of Directors.

Based on the above, the Nomination Committee's overall assessment is that the proposed Board of Directors, with regard to the company's operations, development phase and other conditions, has an appropriate composition, characterized by diversity and breadth of competence, knowledge and experience which altogether will contribute to a continued economic profitability for Alfa Laval in the future.

The Nomination Committee has during recent years strived for gender balance within the Board of Directors in accordance with the ambitions that have been communicated by the Swedish Corporate Governance Board. The proposed Board of Directors consists of three women and six men, which corresponds to a women proportion of 33 percent. This is somewhat lower than desired, and the Nomination Committee will during the coming year prioritize the aim to reach an even gender balance in the Board of Directors.

It is the Nomination Committee's opinion that the proposed members can set aside the time required to fulfill their respective Board assignments in Alfa Laval.

The Nomination Committee has, in accordance with the requirements set forth in the Code, discussed the issue concerning the independence of the members of the Board of Directors. The Nomination Committee has assessed that all members proposed to be elected by the general meeting, are independent of the company and the management. Furthermore, the Nomination Committee has assessed that the members to be elected by the general meeting, except for Finn Rausing, Jörn Rausing and Dennis Jönsson, 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 Code.

Lund, Sweden, in March 2021
The Nomination Committee of Alfa Laval AB (publ)