



FACTSHEET

APRIL 2014

PROVIDING SOLUTIONS FOR A LOW-CARBON FUTURE

SKF is a leading global supplier of bearings, seals, mechatronics, lubrication systems, and services. SKF Knowledge Engineering products, solutions and services help customers improve performance, reduce energy use and lower total costs. SKF has sales offices in more than 130 countries, over 100 manufacturing sites and technical centers, and is supported by around 15,000 distributor locations worldwide.

SKF AIMS TO FIGHT CLIMATE CHANGE

SKF's Climate Savers commitment includes a number of targets:

- Scope 1 and 2 emissions: 5% reduction of the SKF Group's annual energy use by 2016 against 2006 levels (in absolute terms), irrespective of volume growth; and 5% year-on-year reduction of energy use per production output
- Scope 3 emissions:
 - Promote effective energy management in its supply chain by requiring ISO 50001 Energy Management Standard certification for all energy intensive suppliers by 2016
 - 30% reduction of CO₂ emissions per tonne-km generated by transport managed by SKF Logistics Services, by 2016 against 2011 levels
- Scope 4: Accelerate innovation and product development of low carbon solutions through the SKF BeyondZero™ portfolio, consisting of products and solutions with significant documented environmental benefits. SKF commits to quadrupling the revenue from the SKF BeyondZero™ portfolio from SEK 2.5 billion in 2011 to SEK 10 billion in 2016.

BEYONDZERO™ AND CLIMATE CHANGE

BeyondZero™ is SKF's vehicle to

- Continuously minimize the negative environmental impacts of its operations
- Increase the positive contribution provided by its products and solutions to help customers lower their carbon impact and to provide innovative low-carbon solutions.

The SKF BeyondZero™ portfolio contains solutions such as the rotor positioning bearing for start-stop systems in cars and the electromechanical actuators that reduce energy requirements by up to 90%, compared to conventional actuators. Avoided emissions will be reported retrospectively annually, verified by a third party. Solutions from the portfolio will enable significant greenhouse gas (GHG) reductions.

PRODUCTIVE PARTNERSHIPS ARE KEY TO DRIVING CHANGE.

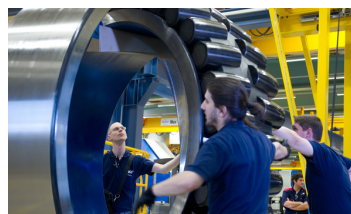
SKF collaborates with industry peers and has launched the SKF-Chalmers University Technology Centre for Sustainability. Its aim is to deliver groundbreaking, industry-focused research on sustainability, providing solutions for a low-carbon future.



"In SKF, we are firmly committed to take our responsibility to actively contribute to a better, cleaner future. We believe that it is our responsibility to use our combined knowledge, experience, influence and creativity to minimize the negative environmental impact deriving from our operations along the entire value chain. As a result, we have set ourselves challenging targets to simultaneously reduce the negative impact from our own operations and at the same time, increase the positive impact delivered by SKF solutions for our customers."

Tom Johnstone
CEO

www.skf.com/group



Productive partnerships are key to driving change.

ACCELERATING THE ENERGY EFFICIENCY OF SKF OPERATIONS

SKF raises the bar internally, by

- Aiming for Group certification in the ISO 50001 Energy Management Standard by 2014
- Building new facilities according to the LEED standard
- Collaborating with machine suppliers, etc. to reach the aggressive targets set - and still have room for significant growth.

DRIVING CHANGE BEYOND SKF'S OWN BORDERS

Supporting low-carbon steel manufacturing

Using its knowledge and expertise, SKF will support cooperative research and development initiatives aimed at significantly reducing CO₂ emissions from steel production.

Innovative logistics caring for our climate

The aggressive reduction target for transport needs successful cooperation across the supply chain and beyond. This will require a change in behavior to find new solutions through SKF Logistics Services and joint initiatives such as the Clean Shipping Network and KNEG, climate-neutral road transports.

Setting new standards for scope 4 reporting

SKF is breaking new ground with its SKF BeyondZero portfolio in applying systematic and transparent approaches to calculating and communicating environmental claims.

As part of the Climate Savers commitment, SKF will also take the lead in the establishment of standards for calculating carbon emissions savings enabled by a solution (also referred to as scope 4 emissions).



5%
reduction of the SKF Group's annual
energy use by 2016

5%
year-on-year reduction of energy use
per production output

30%
reduction of CO₂ emissions generated
by transport, by 2016