

For further information, please contact:

Press Relations: Theo Kjellberg, +46 31-337 6576; +46 725-776 576; theo.kjellberg@skf.com

Investor Relations: Patrik Stenberg, +46 31-337 2104; +46 705-472 104; patrik.stenberg@skf.com

SKF launches Green Finance Framework

Gothenburg, 29 October 2019: SKF is today launching a Green Finance Framework. By engaging in green financing, SKF's funding strategy will become more aligned with the Group's climate objectives, to reduce CO₂ emissions from its own manufacturing and supply chain operations as well as supporting customers to reduce their emissions.

Within the Green Finance Framework, SKF intends to finance investments that support the transition to a low-carbon, climate resilient growth and lower environmental impact.

Niclas Rosenlew, Senior Vice President and CFO, says: "Sustainability is integrated into our strategy and business models. Our products help to reduce friction, energy and water consumption. Our offerings have always had an impact in these areas and by making sure our financing structure also contributes to a more sustainable world, we are taking the next step in our sustainability strategy."

SKF's climate objectives focus on reducing emissions across the entire value chain. With 2015 as the base year, SKF aims to reduce its CO₂ emissions from manufacturing per tonne of sold bearings and transported goods by 40%, respectively. The Group is well on its way to achieving these goals ahead of the target of 2025.

Niclas Rosenlew says: "We are currently making substantial investments in our own operations to increase flexibility, improve productivity and safety, as well as to decrease our environmental footprint. Our position within the cleantech field also enables us to contribute to the growth of industries such as renewable energy and electric vehicles."

SKF's Green Finance Framework follows the Green Bond Principles and the Green Loan Principles. The Green Finance Framework has been independently evaluated by the Center for International Climate Research (CICERO). Within the Green Finance Framework, SKF's intention is to issue a green bond in the near future. The Green Finance Framework is available for download at <https://www.skf.com/group/investors/green-finance-framework>.

Aktiebolaget SKF
(publ)

SKF's mission is to be the undisputed leader in the bearing business. SKF offers solutions around the rotating shaft, including bearings, seals, lubrication management, condition monitoring and maintenance services. SKF is represented in more than 130 countries and has around 17,000 distributor locations worldwide. Annual sales in 2018 were SEK 85 713 million and the number of employees was 44,428. www.skf.com

® SKF is a registered trademark of the SKF Group.