









AB SKF AGM 2024

Rickard Gustafson
President & CEO

Since the launch of the strategic framework, we have operated in an increasingly volatile world

High-level timeline

Strategy Launch

	H2 - 2021	H1 - 2022	H2 - 2022	H1 - 2023	H2 - 2023	H1 - 2024
Geopolitical tensions 	[Shaded bar]					
Supply chain disruptions 	[Shaded bar]					
Energy crisis 			[Shaded bar]			
Covid-19 	[Shaded bar]					
War 		[Shaded bar]				
inflation 			[Shaded bar]			

Missile attack in Luts'k



Diligent strategy execution enabled a strong 2023 result

103.9 bn
SEK

Net Sales

13.0 bn
SEK

Adjusted operating profit

13.8 bn
SEK

Net cash flow
from operations

To navigate in this volatile market, execution of our strategic framework has been the key to success



Growth areas

Growth enablers

We have come a long way in building a stronger and more resilient SKF

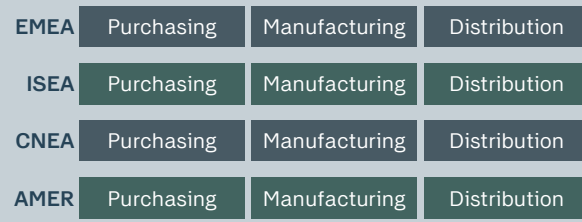
4 key levers have been of particular importance

Operating Model

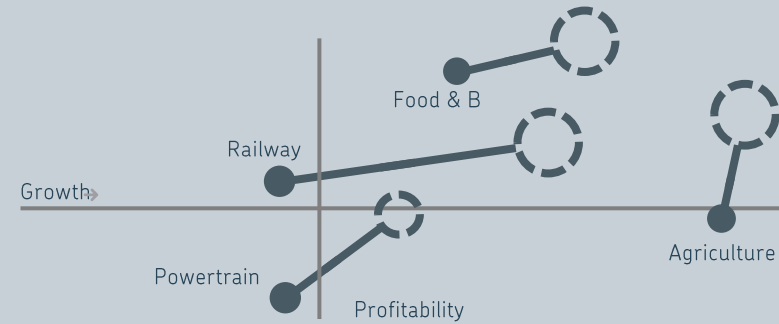
Functional



Decentralized



Portfolio Management



Regionalization



Leadership

Together, we re-imagine rotation for a better tomorrow



Executing our strategy – Priorities

01

Create competitive
& intelligent value
chains

02

Manage and
restructure
our portfolio

03

Gear up for
'intelligent & clean'
leadership

01 Create competitive & intelligent value chains



Scale up production in Mexico



Execute on factory transformation in Schweinfurt



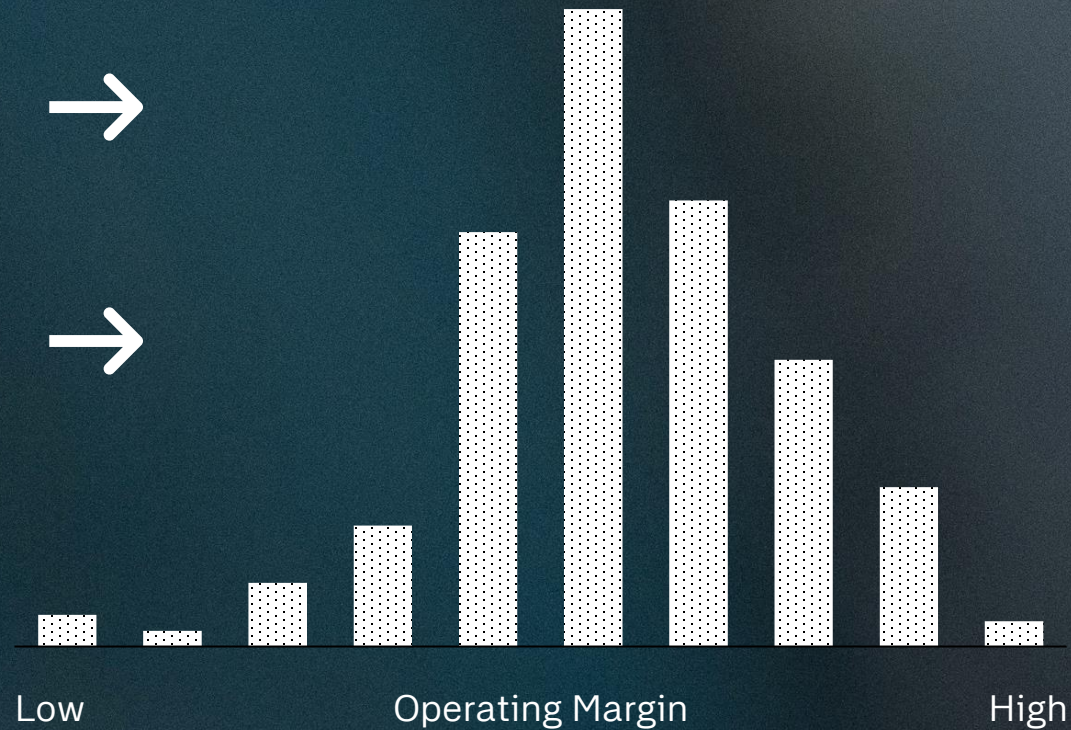
Adapt production ramp up in China to the external environment



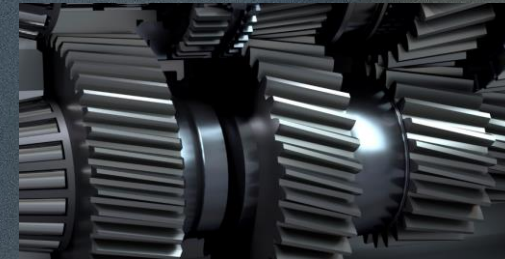
Move volumes eastbound by consolidating capacity in Poznan

02 Manage and restructure our portfolio

Continue portfolio shift



Bring new offerings to the market



Operational Efficiency and Bearing Robustness for Rolling Stock Drives



SKF precision bearings used to produce lithium batteries



Housing select, a configurator for Distributors

03 Gear up for 'intelligent & clean' leadership

Net Zero



A rating



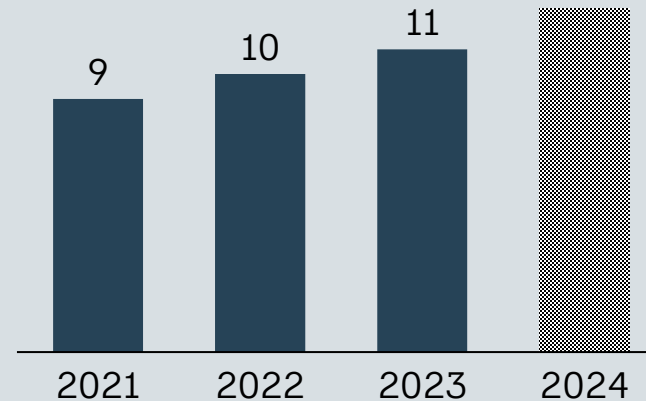
Platinum rating



Near- and long-term targets approved

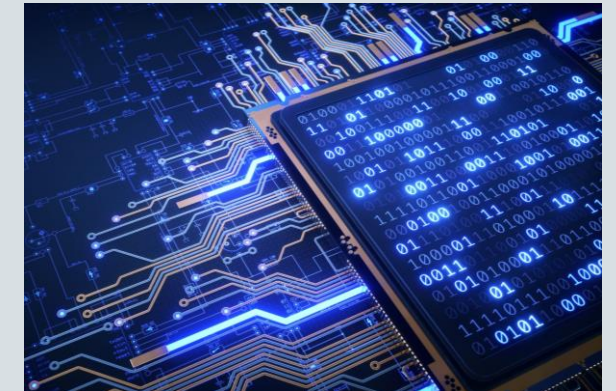
Accelerate decarbonization of our operations

Cleantech revenues



Improve and scale offerings in key areas as renewable energy, electric vehicles and remanufacturing

Technology



Leverage new technologies to strengthen and develop new product and service offerings

Looking ahead..

KPI	2022	2023	Target ¹
Operating margin	10.5%	12.5%	14%
Revenue growth	8.1%	3.8%	5%
ROCE ²	12.6%	15.4%	16%
Net debt/equity ³	19.3%	13.9%	<40%
Carbon neutral by 2030	-46.5%	-41%	ZERO
Dividend pay-out ratio	65.7%	50.4%	50%

Continued diligent strategy execution to deliver on targets

1. The long-term targets shall be achieved over a business cycle
2. Adjusted for items affecting comparability
3. Excluding pension liabilities