

SKF adopted the "Sustainability Reporting Guidelines" in 2000 when they were issued by the Global Reporting Initiative (GRI). GRI is an international body promoting the voluntary reporting of the economical, environmental and social impact of an organization's activities, products and services. This 2007 report is based on the applicable parts of the G3 Guidelines.

SKF reports on all Profile Disclosures, all Management Approach Disclosures and all Core Performance Indicators and all relevant Additional Indicators. Further comments or explanations have been added in the index table below where it is relevant or it is reported differently from the GRI G3 Guidelines or why the indicators are not reported.

Profile		Annual Report page reference
1. Strategy and analysis		
1.1	Statement from the most senior decision-maker of the organization about the relevance of sustainability to the organization on its strategy (See the President's letter in the 2007 Annual Report including Sustainability Report)	2-3
1.2	Description of key impact, risks and opportunities The SKF Group has more than 100 operation sites, sales offices and a distribution network of 15,000 in over 130 countries. SKF recognizes the inherent impact a multinational enterprise has environmentally and socially through its corporate governance, business transactions, supply chain and products and services supplied. SKF's approach to these impacts and to meeting stakeholders' requirement and expectations is centred on SKF Care: Business Care, Environmental Care, Employee Care and Community Care. The challenges from global warming also resulted in opportunities for new product development and innovation, where SKF launched its BeyondZero concept to drive for overall positive footprint from its operation on the environment.	110-111, 113-117, 118-119, 119-121, 122-123 111-113
2. Organization profile		
2.1	Name of the organization Aktiebolaget SKF	1
2.2	Primary brands, products, and/or services The SKF Group is the leading global supplier of products, solutions and services in the area comprising rolling bearings, seals, mechatronics, services and lubrication systems. The Group's service offer includes technical support, maintenance, condition monitoring and training.	Inside front cover, 21-24,
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures SKF is organized into three divisions, the Industrial Division and the Service Division, servicing industrial OEM and aftermarket customers respectively, and the Automotive Division, servicing both automotive OEM and aftermarket customers.	Inside front cover, 11-14, 49-50 (note 2), 51 (note 3) 61-62 (note 12), 93-105
2.4	Location of organization's headquarters SE 415-50 Göteborg Sweden	Back cover
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report. The SKF Group has a turnover of 59 billion SEK (2007), 120 operation sites distributed over the world and its own sales companies in 70 countries. SKF is also represented in 130 countries through some 15,000 distributors and dealers. 42,888 employees, 120 operation sites in 25 countries.	10, 50 (note 2), TRAR[i]
2.6	Nature of ownership and legal form SKF is a publicly registered company.	7-9, TRAR
2.7	Market served (including geographical breakdown, sectors served, and types of customers/beneficiaries). (see comment to indicator 2.5)	10, 24, 50 (note 2), 97, 101, 105
2.8	Scale of reporting organization (see comment to indicator 2.5)	Inside front cover, 7-9, 34-41, 49-50 (note 2)
2.9	Significant changes during the reporting period regarding size, structure, or ownership. SKF acquired businesses in 2007 amounting to 1,218 million SEK.	51-54 (note 3) , 122
2.10	Awards received in the reporting period. SKF was included in the Dow Jones Sustainability Indexes (for eighth year in succession) and FTSE4Good Index Series (for seventh year in succession) since the indexes were established. SKF also received various international and nation awards in recognition of its economical, environmental and social performances.	106, 110

3. Report parameters		
3.1	Reporting period for information provided. The reporting period is January – December 2007.	122
3.2	Date of most recent previous report. The previous SKF Sustainability Report (included in the SKF Annual Report) was issued in March 2007.	122
3.3	Reporting cycle SKF publishes its Sustainability Report (included in the SKF Annual Report) annually.	124
3.4	Contact point for questions regarding the report or its contents. o Ingallil Östman, Senior, Vice President, Group Communication, ingallil.ostman@skf.com o Marita Björk, Head of Investor Relations, marita.bjork@skf.com o Bengt Olof Hansson, Vice President, Corporate Sustainability and Managing Director, SKF (UK), benqt.olof.hansson@skf.com	132
3.5	Process for defining report content. SKF adopted the Global Reporting Index guidelines since they were established in 2000. The 2007 Sustainability Report is based on the applicable parts of the G3 Guidelines. Materiality: SKF is a leading global supplier of products, solutions and services in the area comprising rolling bearings, seals, mechatronics, services and lubrication systems. It has factories, technical and engineering centres, logistics locations, sales offices and distribution network worldwide. Regular assessments and the reporting of SKF's impact/influence in its operations with regards to its various stakeholders are taken seriously at SKF. Stakeholder inclusiveness: Many stakeholders namely shareholders, investors, customers, analysts, employees, suppliers, national and local authorities and communities have interests in SKF's sustainability performance. SKF takes a proactive approach in communicating its sustainability initiatives and performance to the stakeholders via various communication means. Sustainability context: Sustainability at SKF centres on SKF Care approach to business, the environment, employees and community. In each of these sections, SKF has established key focus areas and targets to drive continuous performance improvement. Completeness: All information and data that has significant materiality in relation to SKF's sustainability performance is included in the Sustainability Report.	107, 108, 124, 114
3.6	Boundary of the report	
3.7	State any specific limitations on the scope or boundary of the report	
3.8	Basis for reporting on joint venture, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations. The reporting of SKF's environmental and social performances (labour, human rights principles, and community) covers the activities of the Group's manufacturing and distribution sites plus technical and research centres. Sales units are included when they are on the same site as a manufacturing or distribution site. Separate sales offices are excluded due to their minor environmental impact. Joint ventures are included where SKF has management control. The scope of reporting key performance indicators has also changed due to acquisitions and divestment activities during the year.	122
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Data reported in the Key Performance section of the Sustainability Report was collected by using a web-based reporting tool. Environmental performance indicators and health and safety data were collected quarterly whereas employee performance data was collected annually. All information is reported at local operating unit level, aggregated to site, country/Division, and Group level. Data verification is performed at each level before submitting to external auditors for external review. For the reporting of greenhouse gas emissions, SKF adopts the Greenhouse Gas Reporting (GHG) protocol published by the World Business Council on Sustainable Development and World Resource Institute. SKF adopts the US Occupational Safety and Health Administration's (OSHA) standard for defining recordable accidents and its formula for calculating accident rates.	114, 118, 122-123
3.10	Explanation of the effect of any restatements of information provided in either reports, and the reasons for such restatement. In order to provide improved accuracy of the CO ₂ emissions data reported, SKF adopted the GHG protocol. This has resulted in CO ₂ emissions factors revision due to the better availability of emissions factors published by supplier or regional authority. The 2006 CO ₂ emissions data has been restated to provide a comparable evaluation to the 2007 data. SKF has also broadens the reporting scope in reference to the GHG protocol.	115, 123 (table 3)
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report. SKF's reporting scope has changed in 2007 in comparison to 2006 due to the establishment of a new factory in China, acquisitions in Austria, Finland, France, Italy, closures of operations in South Africa, and the selling off of forging operations in Germany.	122
3.12	Table identifying the location of the Standard Discloses in the report. The SKF 2007 Sustainability Report G3 Guidelines Index Table is available on www.skf.com under Topics related to Annual Report.	Inside back cover
3.13	Policy and current practice with regard to seeking external assurance for the report. The financial data of the 2007 Annual Report (including Sustainability Report) has been verified externally and subject to a full external audit. The Sustainability data has been subject to a review by independent external auditors, in accordance with FAR SRS' (the institute for the accounting profession in Sweden) standard RevR 6 Independent limited review of voluntary separate sustainability reports and AccountAbility's AA1000 Assurance Standard.	92, 124

4. Governance, Commitments, and Engagement

4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	
4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	
4.4	Mechanism for shareholders and employees to provide recommendations or direction to the highest governance body.	
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives and the organizations performance.	
4.6	Process in place for the highest governance body to ensure conflicts of interests are avoided.	
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics.	
4.8	Internally developed statement of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance. SKF applies the principles of sound corporate governance as an instrument for increased competitiveness and to promote capital market confidence in SKF. The corporate governance principles applied by SKF are based on Swedish law, in particular the Swedish Companies Act, and the regulatory system of the OMX Nordic Exchange Stockholm ("Stockholm Stock Exchange"). The SKF Board of Directors consists of two board members and two deputy board members appointed by the employees. All shareholders have the right to provide recommendations at the shareholder meeting. Further information on the governance structure, the composition of the Board, members of the Board of Directors, independence requirements, activities of the Board of Directors, remuneration committee, audit committee, assessment of the Board, etc. can be found in the SKF Corporate Governance Report.	26-32 (Corporate Governance Report) 132 (Annual General Meeting) 108 (organization) 108-109 (policies and management systems)
4.11	Explanation of whether and how the precautionary approach or principles is assessed by the organization.	
4.12	Externally developed economic, environmental, and social charters, principles or other initiatives to which the organization subscribes or endorses. SKF adheres to the Ten Principles defined in the Global Compact framework by the United Nations. SKF also endorses the Business Charter for Sustainable Development issued by the International Chamber of Commerce (ICC). In addition, SKF adheres to the OECD Guidelines for Multinational Companies and the ILO Declaration on Fundamental Principles and Rights at Work.	108 (External principles and charters)
4.13	Memberships in associations. SKF participates in various business organizations/associations enabling SKF to enter talks with other stakeholders on how to contribute to ecologically- balanced and socially-sound economic development.	109-110
4.14	List of stakeholder groups engaged by the organization	
4.15	Basis for identification and selection of stakeholders with whom to engage	
4.16	Approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. Many stakeholders namely shareholders, investors, customers, analysts, employees, suppliers, national and local authorities and communities have interests in SKF's sustainability performance. Feedback from these dialogues in the form of meeting discussions, visits, questionnaires, and emails/website, are vital in to provide feedback about SKF's sustainability performance and reporting and for continual improvement.	109-110, 111, 118-119 employees 119-121 community

5. Management Approach and Performance Indicators.

Economic performance indicators

Disclosure on management approach		2-3, 6-10, 16, 26
Core	EC1 Direct economic value generated and distributed Net sales..... 58,559 MSEK Cost of goods sold, selling and administrative expenses 51,036 MSEK - whereof salaries, wages and social charges 34% Cash dividends to AB SKF's and minority shareholders 2,103 MSEK Taxes 2,371 MSEK Community investments information not available	34-40 34 34 55 (note 6) 38 34
Core	EC2 Financial implications and other risks and opportunities and for the organization's activities due to climate change.	69 (note 21), 111-113, 116
Core	EC3 Coverage of the organization's defined benefit plan obligations.	65 (note 20)
Core	EC4 Significant financial assistance received from government. SKF has not received any significant financial assistance from any authorities.	-
Add	EC5 Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operations. SKF audit on Code of Conduct compliance also covers minimum wage monitoring at the local units. No non-compliance has been identified in the 2007 Code of Conduct audits on minimum wage.	118
Core	EC6 Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operations. SKF has many manufacturing units located around the world and source materials and components from both global and local suppliers. All suppliers are subject to SKF's requirement on business ethics, quality and environmental performance. This is defined in the SKF Quality Standard for Suppliers.	111, SKF Quality Standard for Suppliers
Core	EC7 Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operations. Job openings at SKF worldwide are posted on both the intranet and SKF News database. Employees are entitled to fair and open application to the openings.	
Core	EC8 Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement. All SKF local management are encouraged to be actively involved in Community Care activities through sports, education, vocational training, sponsorships, in-kind giving or donations. This is defined in the SKF Code of Conduct – Responsibility towards society	119-121, The SKF Code of Conduct
Add	EC9 Understanding and describing significant indirect economic impacts, including the extent of impacts.	-

Environmental performance indicators

Disclosure on management approach		
Organizational responsibility		108
Policy and ISO 14001 Management System		109, 113-114
Goals and performance		116-117, 122-123
Core	EN1 Materials used by weight or volume	117,122, TRAR
Core	EN2 Percentage of materials used that are recycled input materials.	TRAR
Core	EN3 Direct energy consumption by primary energy source.	123 (table 3)
Core	EN4 Indirect energy consumption by primary source	
Add	EN5 Energy saved due to conservation and efficiency improvements.	115
Add	EN6 Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	
Add	EN7 Initiatives to reduce indirect energy consumption and reductions achieved.	
Core	EN8 Total water withdrawal by source.	117, TRAR
Add	EN9 Water sources significantly affected by withdrawal of water	
Add	EN10 Percentage and total volume of water recycled and reused. SKF units are encouraged to implement initiatives on water conservation and closed-circuit water management.	117
Core	EN11 Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	117, TRAR
Core	EN12 Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	
Add	EN13 Habitat protected or restored.	
Add	EN14 Strategies, current actions, and future plans for managing impacts on biodiversity.	
Add	EN15 Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risks. SKF does not operate in protected areas, nor areas of high biodiversity. Nonetheless, SKF carries out various schemes locally for biodiversity protection.	
Core	EN16 Total direct and indirect greenhouse gas emissions by weight	114-117, 123 (table3)
Core	EN17 Other relevant indirect greenhouse gas emissions by weight.	
Add	EN18 Initiatives to reduce greenhouse gas emissions and reductions achieved.	
Core	EN19 Emissions of ozone-depleting substances by weight.	TRAR
Core	EN20 NO, SO, and other significant air emissions by type and weight. SKF has established that carbon dioxide is by far the most significant greenhouse gas produced as a result of its operations. SKF's contribution to the emissions of other greenhouse gases is relatively small, thus only carbon dioxide emission is monitored and reported.	
Core	EN21 Total water discharge by quality and destination SKF has a stringent process in managing waste-water handling, as part of its global ISO 14001 management system. Meeting local legislation standard is the minimum requirement.	
Core	EN22 Total weight of waste by type and disposal method.	TRAR
Core	EN23 Total number and volume of significant spills	TRAR
Add	EN24 Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of Basel Convention Annex I, II, III, and VII, and percentage of transported waste shipped internationally. Grinding sludge is considered hazardous waste in certain country and SKF reports annually its grinding sludge wastes worldwide.	TRAR
Add	EN25 Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff. SKF has a stringent process in managing waste-water handling, as part of its global ISO 14001 management system. Meeting local legislation standard is the minimum requirement.	
Core	EN26 Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	
Core	EN27 Percentage of products sold and their packaging materials that are reclaimed by category. SKF adopts the Business Charter for Sustainable Development issued by the International Charter of Commerce. As required by the charter, SKF applies the precautionary approach to the provision of products and services. Regular assessments of environmental risks and programmes for preventive action are a feature of the Group's environmental management system. In addition to upholding principles and deploying good corporate citizenship practices, SKF provides range of products and services aimed at achieving energy efficiency for the customers	108, 110 111-113
Core	EN28 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	113-114, 69 (note 21)
Add	EN29 Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	116
Add	EN30 Total environmental protection expenditures and investment by type.	10

Labour practices and decent work performance indicators		
	Disclosure on management approach	118-119
	Organizational responsibility	108
	Policy and OHSAS management system	108-109
	Goals and performance	118-119, 123
Core	LA1 Total workforce by employment type, employment contract, and region. SKF workforce, in terms of number of employees, is reported in accordance with the SKF Accounting Principles for Reporting 2007. The SKF Group discloses total workforce by region, operation, and employment type.	Inside front cover, 10, 75 (note 29), 118
Core	LA2 Total number and rate of employee turnover by age group, gender, and region. The SKF Group average retention rate for 2007 was 94%. Retention rate by region: Africa: 86% Asia: 87% Latin America: 94% Central & Eastern Europe: 95% North America: 90% Sweden: 96% Western Europe: 96% SKF does not report employee turnover by age group or gender.	118
Add	LA3 Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations. SKF's policy is for all employees to be treated fairly and equally. All employees are entitled to their rights as defined in local laws and legislations.	
Core	LA4 Percentage of employees covered by collective bargaining agreements.	123 (table 5)
Core	LA5 Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements.	118
Add	LA6 Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	118
Core	LA7 Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	118, 123 (table 6), 90 (note 16)
Core	LA8 Education, training, counselling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases. 24% of SKF units worldwide have HIV/Aids programs in place. Various health and fitness programs are in place to support employees' wellbeing.	118-119, 123 (table 6)
Add	LA9 Health and safety topics covered in formal agreements with trade unions. As required in certification according to OHSAS 18001, all SKF units must have health and safety committees established with management and employee representation.	118
Core	LA10 Average hours of training per year per employee by employee category. All SKF employees are entitled to Individual Development Plan (IDP) where the individual's skills profile is assessed according to job profile and subsequent training plans are listed in the IDP. SKF does not monitor average hours of training per employee because employee's training development should be based on the need or opportunity for further development and not by the number of hours.	119
Add	LA11 Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	119
Add	LA12 Percentage of employees receiving regular performance and career development reviews.	119
Core	LA13 Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	27-29, 126, 10, 75 (note 29), 79 (note 31)
Core	LA14 Ratio of basic salary of men to women by employee category. Ratio of salary of to women can be obtained by local level not aggregated to Group level. SKF's salary scheme is based on a fair and equal calculation model.	

Human rights performance indicators		
	Disclosure on management approach	108
	Organizational responsibility	108-109
	Policy and OHSAS management system	108-109
	Goals and performance	118-119, 123
Core	HR1 Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening. Any issues relating to significant changes in SKF, be it acquiring or divesting operations, are always discussed through the World and European Works Councils. Issues related to labour standard are discussed during acquisitions. All newly acquired companies are also subject to SKF policies, namely the SKF Code of Conduct, ISO 14001, OHSAS 18001 certification processes.	118
Core	HR2 Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken. To be enlisted as a supplier to SKF, suppliers are required to formally agree to the SKF Quality Standard for Suppliers, where requirements on business ethics, environmental and quality performance are specified. This is followed by an audit performed by SKF audit teams, verifying the supplier's compliance to the standard.	108-109, 111, SKF Quality Standard for Suppliers (www.skf.com)
Add	HR3 Total hours of employees training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained. The communication of the SKF Code of Conduct is audited by SKF audit teams. The SKF Code of Conduct is also covered in the new document called the SKF Commitment, where it was launched at the Group Management Conference. A training package of the SKF Commitment is being rolled out in 2008 to all employees worldwide.	118 108-109
Core	HR4 Total number of incidents of discrimination and actions taken. SKF has a strictly confidential whistle-blowing procedure where employees can report behaviour or actions breaching the Code of Conduct by sending an email to the company's ethics helpline. Complaints have been sent to the attention and actions were taken accordingly by SKF. For confidentiality reason and respect to employees who have utilised the tool, SKF does not disclose the number of complaints received and the nature of these complaints.	118
Core	HR5 Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	108,
Core	HR6 Operations identified as having significant risk for incidents of child labour, and measures taken to contribute to the elimination of child labour.	The SKF Code of Conduct,
Core	HR7 Operations identified as having significant risk for incidents of forced labour, and measures taken to contribute to the elimination of forced or compulsory labour. SKF adopts and adheres to various external charters and principles, enforcing human rights principles and business ethics. SKF's responsibilities toward employees and society are defined in the SKF Code of Conduct. As a monitoring procedure, SKF integrate verification of all units' compliance with Code of Conduct into the ISO 14001 and OHSAS 18001 audit processes and units are inspected at two-yearly intervals by the corporate audit teams. There were 9 non-compliances with legislation on working hours at SKF units in 2007.	123 (table 5) 108-109 118
Add	HR8 Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations	-
Add	HR9 Total number of incidents of violations involving rights of indigenous people and actions taken.	-

Society performance indicators		
	Disclosure on management approach Organizational responsibility Policy Goals and performance	108 108-109, 110, 118 118, 119-121
Core	SO1 Nature, scope and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting. Any issues related to significant operational changes in SKF, be it acquiring or divesting operations, are always discussed and resolved in an open and constructive discussions in for instance World Works Council and European Works Council meetings.	118
Core	SO2 Percentage and total number of business units analyzed for risks related to corruption. Risk for corruption is included in the SKF Code of Conduct compliance audits and SKF applies the corporate governance principles based on Swedish law, in particular the Swedish Companies Act and the regulatory system of the OMX Nordic Exchange Stockholm.	25-32, 110, 118
Core	SO3 Percentage of employees trained in organization's anti-corruption policies and procedures. The communication of the SKF Code of Conduct is audited by SKF audit teams. The SKF Code of Conduct is also covered in the new document called the SKF Commitment, where it was launched at the Group Management Conference. A training package of the SKF Commitment is being rolled out in 2008 to all employees worldwide.	
Core	SO4 Actions taken in response to incidents of corruption. SKF's Code of Conduct audit covers also Policy on anti-corruption and bribery. No incidents of corruption have been reported in 2007.	
Core Add	SO5 Public policy positions and participation in public policy development and lobbying. SO6 Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country. SKF's policy on its involvement in political issues is defined in the SKF Code of Conduct. SKF does not interfere in the political life of the countries where it operates, and thus it is forbidden to contribute financially to political parties or politicians, or to take part in party politics.	The SKF Code of Conduct
Add	SO7 Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes. SKF advocates free and fair trade, striving for competition and ethical conditions within the rules of the legal framework. This is defined in the SKF Antitrust Policy, governed by SKF Group Legal department.	
Core	SO8 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations. SKF is not involved in any fines or non-monetary sanctions for non-compliance with laws and regulations.	
Product responsibility performance indicators		
	Disclosure on management approach Organizational responsibility Policy Goals and performance	108 108, 110-111 111-113
Core	PR1 Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures. SKF adheres to the Business Charter for Sustainable Development and applies the precautionary approach to the provision of products and services. Regular assessments and programmes for preventive action are a feature of the Group's environmental management system. SKF has conducted several LCA studies on its core products such as its new bearing family of energy-efficient tapered roller bearing and deep groove ball bearing. LCA on other products are ongoing and is conducted by SKF Manufacturing Development Centre and SKF Corporate Sustainability. The SKF Sustainable Manufacturing project also looks into reducing the consumption of process media during manufacturing processes and substituting media with environmentally-sound alternatives. Waste management is also part of the project scope.	114, SKF Bearing Maintenance Handbook
Add	PR2 Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	-
Core	PR3 Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirement. SKF is subject to the new European Community Regulation on chemicals and their safe use (EC 1907/2006) – REACH. SKF is working towards gathering information on the properties and the safe handling of the chemical substances used.	SKF Bearing Maintenance Handbook
Add	PR4 Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes.	-
Add	PR5 Practices related to customer satisfaction, including results of surveys measuring customer satisfaction. SKF Group Quality department performs regular survey / assessments on customer satisfaction. This is done via electronic questionnaires.	
Core	PR6 Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship. SKF is subject to local laws and regulations defined in the countries where it operates. It is the minimum requirement, as defined in the SKF Code of Conduct, to respect the legal requirements and local customs. In addition, all SKF operations are subject to SKF Brand Identity audit, incorporated in SKF's internal audit on ISO 14001, OHSAS 18001 and Code of Conduct.	
Add	PR7 Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes	-
Add	PR8 Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	-
Core	PR9 Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services. No incidents have been reported in 2007.	

[i] TRAR = Topics Related to Annual Report including Sustainability Report (www.skf.com)