Guidelines for remuneration to senior executives

Scope

These guidelines apply to remuneration to SKF Vertevo's President and the other members of the Executive Management Team (collectively the "Executive Management Team"). The guidelines shall apply to remuneration agreed after the adoption of the guidelines by the Extraordinary General Meeting held 17 July 2026, as well as to amendments to existing agreements thereafter. These guidelines do not apply to any remuneration resolved by the Shareholders' Meeting.

The guidelines' promotion of SKF Vertevo's business strategy and long-term interests, including its sustainability

The successful execution of SKF Vertevo's business strategy and the safeguarding of its long-term interests, including its sustainability, require the ability to attract and retain qualified personnel. Competitive remuneration is therefore essential. These guidelines enable SKF Vertevo to offer the Executive Management Team a competitive total remuneration package while safeguarding shareholders' interests. Variable salary covered by these guidelines shall be linked to predetermined, measurable criteria that promote the SKF Vertevo Group's business strategy and long-term, sustainable development. Further information on the SKF Vertevo Group's strategy is available at skfvertevo.com and in the Annual Report.

Types of remuneration

The total remuneration for Executive Management Team members shall comprise fixed salary, variable salary, pension benefits, and other benefits, such as for example a company car. These components shall together provide a well-balanced remuneration reflecting individual performance and responsibility, as well as the overall performance of the SKF Vertevo Group. The Shareholders' Meeting may also—irrespective of these guidelines—resolve on additional remuneration components, including share-based or share-related programmes.

For employments governed by rules other than Swedish, remuneration may be adjusted as necessary to comply with mandatory requirements or established local practice, while taking into account, to the extent possible, the overall purpose of these guidelines.

Fixed salary

The fixed salary for an Executive Management Team member shall be market-competitive and based on competence, responsibility, experience, and performance. The SKF Vertevo Group shall apply an internationally recognised evaluation system to assess the scope and responsibilities of each position. Annual market benchmarks shall be conducted, and the performance of the Executive Management

Team members shall be continuously monitored throughout the year and form the basis for annual salary reviews.

Variable salary

The variable salary for Executive Management Team members shall be designed to incentivise and reward value-creating results that advance SKF Vertevo's operational, financial, or sustainability objectives and thereby reinforce the SKF Vertevo Group's business strategy and long term, sustainable development.

Following pay for performance principles, variable salary shall represent a significant portion of the total compensation opportunity and variable salary shall be governed by predetermined, measurable financial and non-financial criteria that support SKF Vertevo's long-term and sustainable development. These criteria shall primarily reflect the SKF Vertevo Group's financial performance—such as results, growth, and capital efficiency—or advance the Group's sustainability objectives.

Variable compensation consists of both short-term and long-term incentive programmes. Short-term Incentive (STI) programmes shall be cash-based. Long-term incentives (LTI) programmes can be cash-based, share-based or share-related.

Share-based and share-related LTI programmes are resolved upon by the Shareholders' Meeting and are therefore excluded from these guidelines. Each year, the Board of Directors will evaluate whether or not an LTI programme shall be adopted or, in case of a share-based or share-related LTI programme, proposed to the Shareholders' Meeting. The maximum long-term variable cash salary shall not exceed 100 percent of the annual fixed salary.

For further information on SKF Vertevo's share-based and share-related programmes (if any), including the applicable performance criteria, please refer to the Board of Directors' proposals for each Annual General Meeting and SKF Vertevo's remuneration reports.

The fulfilment of the criteria for short-term incentive shall be assessed over a one-year period, with the final outcome determined upon the conclusion of the measurement period. The Board of Directors is responsible for evaluating the variable salary of the President, while the President evaluates variable salary for other Executive Management Team members. Assessments of financial targets shall be based on financial information publicly disclosed by SKF Vertevo. The maximum short-term variable cash salary shall not exceed 100 percent of the annual fixed salary.

Further variable salary may be granted in exceptional circumstances, provided such arrangements are time-limited and awarded solely on an individual basis for recruitment or retention purposes, or as compensation for performance beyond ordinary duties. Any such remuneration may not exceed 100 percent of the annual fixed salary and may be granted no more than once per individual per year. Decisions regarding such remuneration for the President shall be made by the Board of Directors based on a

proposal from the People Committee, while corresponding decisions for other members of the Executive Management Team shall be made by the Chairman of the Board based on a proposal from the President.

The Board of Directors may, subject to applicable law or contractual provisions,

i. reduce, in whole or in part, variable remuneration if an employee has committed a material breach of the SKF Vertevo Code of Conduct or any other significant policy document (malus); and
ii. reclaim, in whole or in part, variable remuneration paid on incorrect grounds or if an employee has committed a material breach of the SKF Vertevo Code of Conduct or any other significant policy document (claw-back).

Pension

Pension plans, including permanent health or disability insurance, shall be based on defined-contribution models unless a defined-benefit plan is required by mandatory law or collective agreements. Variable salary shall qualify for pension benefits only to the extent required by such rules.

In addition to the base pension plan (typically the ITP plan for Swedish members), Executive Management Team members shall generally be covered by a supplementary defined-contribution pension plan, ensuring pension accrual on annual fixed salary above the base pension threshold.

The total cost of premiums for an Executive Management Team member's defined-contribution pension plan (including permanent health or disability insurance) and any supplementary pension plan may not exceed 40 percent of the annual fixed salary.

Other benefits

The SKF Vertevo Group may provide additional benefits to Executive Management Team members in accordance with local practice. Such benefits may include, for example, a company car or medical health care insurance. Premiums and other related costs shall reflect local conditions and practice, remain limited in value, and may not exceed 10 percent of the annual fixed salary.

Executive Management Team members who are expatriates and are relocating from or back to their home country, or who work in multiple countries, may receive additional remuneration and benefits, where justified by the specific circumstances of cross border assignments, provided such arrangements remain consistent with the overall purpose of these guidelines. If applicable, they shall also align with the SKF Vertevo Group's general policies and practices for cross border work. Such remuneration and benefits may not in total exceed 80 percent of the fixed cash salary.

Notice of termination and severance pay

The notice period may not exceed six months if notice of termination of employment is given by SKF Vertevo. Fixed salary during the notice period, together with any severance pay, may not in total exceed the equivalent of two years' fixed salary. When termination is initiated by the Executive Management Team member, the notice period may not exceed six months and no severance pay shall be payable.

Remuneration for a non-compete undertaking may be provided to compensate for lost income, but not for any period during which severance pay is paid. Unless required by mandatory law or collective agreement, such remuneration may not exceed 60 percent of the fixed monthly salary at the time of the termination and shall be limited to 18 months for the President and 12 months for other Executive Management Team members.

Salary and terms of employment for employees

When preparing these guidelines, the Board of Directors has taken into account the salary levels and terms of employment of SKF Vertevo's employees. Information regarding employees' total remuneration, its components, and their development over time has formed part of the basis for the Board of Directors' and the People Committee's assessment of the fairness and implications of these remuneration guidelines. The Board of Directors has also considered SKF Vertevo's People Policy.

The decision-making process to determine, review and implement the guidelines

The Board of Directors has established a People Committee, which prepares all matters relating to the remuneration guidelines for senior executives and the terms of employment for the President. The Board of Directors shall approve the President's terms of employment.

The People Committee presents the remuneration guidelines for senior executives to the Board of Directors, which shall, at least every fourth year, submit a proposal for such guidelines to the Shareholders' Meeting for approval. The guidelines remain in force until new guidelines are adopted by the Shareholders' Meeting. The People Committee shall also monitor and evaluate variable remuneration programmes for the Executive Management Team, the application of the remuneration guidelines, and the remuneration structures and levels within the SKF Vertevo Group.

The members of the People Committee are independent of the SKF Vertevo Group and the Executive Management Team. The President and other members of the Executive Management Team shall not participate in the Board of Directors' deliberations or decisions on remuneration matters that affect them.

The Board of Directors' right to derogate from the guidelines for remuneration

The Board of Directors may temporarily derogate from these guidelines, in whole or in part, where special circumstances justify such deviation and where it is necessary to safeguard SKF Vertevo's long-term interests, including its sustainability, or to ensure its financial viability. As noted above, the People Committee is responsible for preparing the Board of Directors' resolutions on remuneration matters, including any decisions to derogate from these guidelines.