

**Invitation  
to the Extraordinary General Meeting of  
Schaeffler AG on September 15, 2020**

*This is a convenience translation of the German language invitation to the extraordinary general meeting of Schaeffler AG, which is provided to English-speaking readers for informational purposes only. Only the German version of this document is legally binding on Schaeffler AG. No warranty is made as to the accuracy of this translation and Schaeffler AG assumes no liability with respect thereto.*

**Schaeffler AG**  
Herzogenaurach

ISIN (common shares): DE000SHA0019 (WKN SHA001)  
ISIN (common non-voting shares): DE000SHA0159 (WKN SHA015)

We hereby invite our shareholders to the extraordinary general meeting on

Tuesday, September 15, 2020, 10:00 (CEST)

to be held as virtual event without physical presence of the shareholders or their proxies at [www.schaeffler.com/agm](http://www.schaeffler.com/agm) ("**Virtual General Meeting**"). The chairman of the meeting is present at the Schaeffler Conference Center, Industriestrasse 1-3, 91074 Herzogenaurach.

**Holding as a Virtual General Meeting**

The Board of Managing Directors of the company has resolved, with the consent of the Supervisory Board, to hold an extraordinary general meeting of the company as Virtual General Meeting without the physical presence of the company's shareholders or their proxies. These resolutions were taken based on the act to mitigate the effects of the COVID-19-pandemic in the areas of civil, insolvency and criminal procedure law, which came into effect as of March 28, 2020 (BGBl I. pg. 570; the "**COVID-19-Mitigation Act**").

**There is no right for shareholders or their proxies to physically participate in the Virtual General Meeting.**

Members of the Board of Managing Directors, the proxies designated by the company and the notary public taking the minutes of the Virtual General Meeting will be present at the location of the chairman of the meeting. Pursuant to article 2 section 1 para. 1 COVID-19-Mitigation Act in connection with section 118 para. 3 sentence 2 German Stock Corporation Act (Aktiengesetz – AktG) the Board of Managing Directors of the company has resolved, with the consent of the Supervisory Board, that Supervisory Board members may participate in the Virtual General Meeting through video and audio transmission.

## Agenda

### **Creation of Authorized Capital and corresponding amendment to the Articles of Association**

The Board of Managing Directors and the Supervisory Board propose that the following resolution be adopted:

- a) The Board of Managing Directors is authorized, with the approval of the Supervisory Board, to increase the company's share capital by up to a total of EUR 200,000,000.00 (corresponding to up to 200,000,000 common non-voting bearer shares) against contributions in cash until August 31, 2025 by issuing, on one or more occasions, new common non-voting bearer shares which carry the same rights under the Articles of Association as the company's existing common non-voting bearer shares (cf. Sections 7, 19.1 and 22.2 of the Articles of Association of Schaeffler AG). Existing shareholders are to be granted statutory subscription rights.

The Board of Managing Directors shall, with the approval of the Supervisory Board, determine the issue price of the new common non-voting bearer shares. The Board of Managing Directors shall determine the further contents of the share rights and the terms of the issuance with the approval of the Supervisory Board.

- b) The following new authorization will be added as paragraph 3 (Section 6.3) of Section 6 (Share Capital) of the Articles of Association of Schaeffler AG:

“The Board of Managing Directors is authorized, with the approval of the Supervisory Board, to increase the share capital by up to a total of EUR 200,000,000.00 (in words: two hundred million euros) against contributions in cash until August 31, 2025 by issuing, on one or more occasions, new common non-voting bearer shares which carry the same rights under the Articles of Association as the existing common non-voting bearer shares. Existing shareholders are to be granted statutory subscription rights.

The Board of Managing Directors, with the approval of the Supervisory Board, determines the issue price of the new common non-voting bearer shares. The Board of Managing Directors, with the approval of the Supervisory Board, determines the further contents of the share rights and the terms of the issuance.”

- c) The Supervisory Board is authorized to amend paragraph 3 (Section 6.3) of Section 6 (Share Capital) of the Articles of Association of Schaeffler AG to reflect any utilization of the Authorized Capital or after expiry of the authorization period.

## **Further information and notes**

### **Total number of shares and voting rights**

At the time of the convocation of the extraordinary general meeting, the company's share capital amounts to EUR 666,000,000.00 and is divided into 666,000,000 no-par value shares, each representing a notional interest in the share capital of EUR 1.00. Of the 666,000,000 no-par value shares, 500,000,000 shares are common shares with the same number of voting rights and 166,000,000 shares are common non-voting shares. The common non-voting shares have no voting rights in the general meeting, including not pursuant to section 140 para. 2 sentence 1 AktG. At the time of the convocation the company holds no treasury shares.

### **Holding by way of a virtual general meeting**

The Board of Managing Directors of the company has resolved, with the consent of the Supervisory Board, to hold the extraordinary general meeting on September 15, 2020 as a virtual general meeting without the physical presence of the company's shareholders or their proxies. This resolution was taken based on the COVID-19-Mitigation Act, which came into effect as of March 28, 2020.

The shareholders' and their proxies' right to physically participate in the general meeting is excluded.

Holding the extraordinary general meeting on September 15, 2020 as a virtual meeting in accordance with the COVID-19-Mitigation Act requires the same modifications with respect to the general meeting as well as to rights of shareholders that were applied at the Annual General Meeting of Schaeffler AG on May 8, 2020. The shareholders and their proxies have the options described below to follow the entire Virtual General Meeting on the internet by way of video and audio transmission, to exercise their voting rights through electronic communication (absentee vote) and to grant proxies (holders of common shares), to ask questions by means of electronic communication, and shareholders, that have exercised their voting rights, can use electronic communication to raise objections against resolutions of the extraordinary general meeting.

### **Requirements for participating in the Virtual General Meeting and exercising voting rights and the right to ask questions**

Holders of common shares are entitled to participate (not in the meaning of the German Stock Corporation Act) in the Virtual General Meeting, to exercise their right to ask questions in connection with the Virtual General Meeting (see below), to exercise their voting rights via electronic communication (absentee vote) and to grant power of attorney if they register in a timely manner and provide proof of their right to participate.

Holders of common non-voting shares are entitled to participate (not in the meaning of the German Stock Corporation Act) in the Virtual General Meeting and to exercise their right to ask questions in connection with the Virtual General Meeting (see below) if they register in a timely manner and provide proof of their right to participate.

Registration must be received by the company at

Schaeffler AG  
c/o Deutsche Bank AG  
Securities Production  
General Meetings  
Post Box 20 01 07  
60605 Frankfurt am Main  
Germany  
Fax: +49 69 12012-86045  
Email: wp.hv@db-is.com

at least six days before the Virtual General Meeting, that is by **September 8, 2020 (24:00 CEST)**. Upon due registration and due provision of proof of shareholding, access cards including the access data will be automatically sent to shareholders. In order to ensure the timely receipt of the access cards, we kindly request that shareholders submit their registration and the proof of shareholding to the company sufficiently in advance.

The proof of shareholding must be received by the company at the same address no later than by the fourth day prior to the Virtual General Meeting, that is on **September 11, 2020 (24:00 CEST)**, if it has not already been sent together with the registration. For the purpose of proving the right to participate, a proof of shareholding issued by the custodian bank in text form (section 126b German Civil Code (Bürgerliches Gesetzbuch – BGB) in the German or English language is sufficient. Proof of shareholding must be as of the beginning of the twelfth day prior to the meeting, that is on **September 3, 2020 (00:00 CEST)** (“record date”).

#### **Relevance of the record date**

In relation to the company, only someone who has provided the specific proof of the right to participate (not in the meaning of the German Stock Corporation Act) in the Virtual General Meeting or to exercise voting rights and the right to ask questions may virtually participate in the extraordinary general meeting via the internet and exercise voting rights and the right to ask questions as a shareholder. This means that shareholders who have acquired their shares after 00:00 CEST on the record date have the right to virtually participate and exercise their voting rights (holders of common shares) and their right to ask questions with regard to these shares only if they have been appointed as a proxy or authorized to exercise these rights. The record date does not prevent a sale of shares. Shareholders who sell all or part of their shares after 00:00 CEST on the record date are therefore – subject to timely registration and submission of proof of shareholding – nevertheless entitled in relation to the company both to submit questions and to participate in the Virtual General Meeting and – if they are holders of common shares – to exercise their voting rights.

#### **Procedure for absentee voting**

Holders of common shares may cast their votes without being present at the meeting by means of electronic communication (absentee vote) or by granting proxy. Only common shareholders duly registered no later than by September 8, 2020 (24:00 CEST) and having duly provided proof of shareholding no later than by September 11, 2020 (24:00 CEST) (as specified above) are entitled to exercise their voting rights by means of electronic communication (absentee vote) or by granting proxy. The number of voting rights exercised by absentee vote is determined by the proof of shareholding as of the record date.

Votes cast by absentee vote are limited to the resolution proposals by the Board of Managing Directors and/or the Supervisory Board announced in the invitation to the Virtual General Meeting and resolution proposals by shareholders announced through a supplementation of the agenda pursuant to section 122 para. 2 AktG.

Absentee votes can be submitted by electronic communication at the following address:

Email: [schaeffler-HV2020@computershare.de](mailto:schaeffler-HV2020@computershare.de)

Absentee votes (via email) might be cast or changed until the end of the voting at the day of the Virtual General Meeting. In order to exercise their voting rights by absentee vote, holders of common shares are required to state their full name (and, in case of legal entities or partnerships, the full company name), their place of residence/registered office as well as the their voting card number as indicated on the access card.

#### **Authorization of proxies for exercising voting rights, the right to ask questions or the virtual participation**

The shareholder may also exercise his voting rights (holders of common shares) or other rights to participate, in particular the right to ask questions (holders of common shares and common non-voting shares), in connection with the Virtual General Meeting via proxy, e.g., via the custodian bank, an association of shareholders, the proxies designated by the company or another person of their choosing. Shareholders who would like to grant a power of attorney must also register for the extraordinary general meeting as described above in a timely manner and provide proof of their entitlement. Granting of the power of attorney, its revocation and proof of authorization vis-à-vis the

company must be in text form; section 135 AktG remains unaffected. Shareholders who wish to grant a power of attorney are kindly requested to use the proxy form for issuance, which the company provides for this purpose. The use of the proxy form is not mandatory.

The appointment of a proxy, its revocation and proof of a power of attorney vis-à-vis the company can also be submitted in text form (section 126b BGB) to the following address until the day of the Virtual General Meeting:

Schaeffler AG  
c/o Computershare Operations Center  
80249 München  
Fax: +49 89 30903-74675  
Email: [schaeffler-HV2020@computershare.de](mailto:schaeffler-HV2020@computershare.de)

On the day of the Virtual General Meeting, the aforementioned actions with respect to the proxies can be submitted to the following address only:

Email: [schaeffler-HV2020@computershare.de](mailto:schaeffler-HV2020@computershare.de)

With regard to the exercise of the right to ask questions, the deadline specified below applies equally to shareholders' proxies.

If powers of attorney for exercising voting rights are granted to intermediaries, as well as to associations of shareholders, proxy advisors or persons or institutions within the meaning of section 135 para. 8 AktG, the proxy holder must verifiably record the power of attorney. It must also be complete and may only contain declarations related to the exercise of voting rights. We therefore kindly ask shareholders who wish to grant power of attorney to an intermediary, an association of shareholders, a proxy advisor or an equivalent person or institution within the meaning of section 135 AktG to coordinate the form of the power of attorney with the proxy. These persons may also use absentee voting in accordance with the aforementioned deadline.

Holders of common shares have the possibility to have their voting rights exercised in accordance with their instructions in the Virtual General Meeting through proxies designated by the company for this purpose. In this case, a holder of common shares must, as described above, also register for the general meeting and provide proof of shareholding in a timely manner. If a holder of common shares wishes to grant power of attorney to the proxies designated by the company, he must give the instructions with respect to every item on the agenda that is being voted on as to how the voting right is to be exercised. The proxies designated by the company are obligated to vote in accordance with the instructions issued to them. The proxies designated by the company are not permitted to exercise voting rights at their own discretion.

Please note that the proxies designated by the company do not accept authorizations for the lodging of objections against resolutions of the general meeting or for the exercise of the right to ask questions under the requirements set out in this invitation.

The form that holders of common shares receive with the access card to the Virtual General Meeting when registering and providing proof in a timely manner can be used for granting power of attorney and instructions to the instruction-bound proxy designated by the company.

The appointment of the proxies designated by the company, its revocation and the issuance of instructions can also be submitted in text form to the following address before the general meeting until September 14, 2020 (24:00 CEST):

Schaeffler AG  
c/o Computershare Operations Center  
80249 München  
Fax: +49 89 30903-74675  
E-Mail: [schaeffler-HV2020@computershare.de](mailto:schaeffler-HV2020@computershare.de)

On the day of the Virtual General Meeting, the appointment of proxies designated by the company, its revocation and the issuance of instructions can be submitted until the end of the vote to the following address only:

Email: [schaeffler-HV2020@computershare.de](mailto:schaeffler-HV2020@computershare.de)

## **Rights of shareholders**

### **Motions by shareholders to supplement the agenda pursuant to section 122 para. 2 AktG**

Shareholders whose shares, alone or taken together, represent a one-twentieth part (5%) of the share capital or, alone or taken together, reach the proportionate amount of EUR 500,000.00 may demand items to be included on the agenda and announced. Each new item must be accompanied by a statement of reason or a draft resolution. Motions to supplement the agenda must be received by the company in writing at least 14 days before the Virtual General Meeting – the date of receipt and the date of the general meeting will not be counted –, i.e. no later than by the end of August 31, 2020 (24:00 CEST). Motions to supplement the agenda received later will not be taken into account. The shareholders are asked to direct such motions to supplement the agenda to the following address:

Schaeffler AG  
Board of Managing Directors  
attn.: Legal Department  
Industriestr. 1–3  
91074 Herzogenaurach

Persons submitting a motion must prove that they have held the shares for at least 90 days before the date the motion is received and that they hold the shares until the Board of Managing Directors decides on the motion, with section 70 AktG being applicable when calculating the time for which the shares have been held. A shift from a Sunday, Saturday or a public holiday to a preceding or subsequent business day shall not be possible. Sections 187 to 193 BGB shall not be applied accordingly.

Motions to supplement the agenda that are to be announced – if they were not announced with the convocation – will be announced promptly after receipt of the motion in the Federal Gazette and will be submitted for publication to such media for which it may be expected that they will disseminate the information across the European Union. They will also be announced on the internet at [www.schaeffler.com/agm](http://www.schaeffler.com/agm) and communicated to the shareholders.

### **Countermotions by shareholders pursuant to section 126 para. 1 AktG**

Each shareholder is entitled to send countermotions to proposals from the Board of Managing Directors and/or the Supervisory Board for the item on the agenda (section 126 para. 1 AktG).

Countermotions by shareholders will, subject to section 126 para. 2 and 3 AktG, only be made available on the internet at [www.schaeffler.com/agm](http://www.schaeffler.com/agm) if the requirements described below are fulfilled. The publication will include the shareholders' name, any statement of reason and any comment by the boards.

Countermotions to be so made available must oppose a resolution proposal by the Board of Managing Directors and/or Supervisory Board and be submitted referring to a specific item on the agenda.

Countermotions (together with a statement of reason) against a proposal by the Board of Managing Directors and/or the Supervisory Board regarding a specific item of the agenda must be received by the company at the following address by no later than August 31, 2020, 24:00 (CEST):

Schaeffler AG  
Legal Department  
Industriestr. 1–3  
91074 Herzogenaurach  
Fax: +49 9132 82-4963  
Email: [OR-HZA-Legal-Team-DE-HZA@schaeffler.com](mailto:OR-HZA-Legal-Team-DE-HZA@schaeffler.com)

During the Virtual General Meeting counter motions cannot be made.

### **Right to ask questions pursuant to article 2 section 1 para. 2 no. 3 COVID-19-Mitigation Act**

According to the provisions of the COVID-19-Mitigation Act shareholders duly registered by September 8, 2020 (24:00 CEST) who have duly submitted proof of shareholding by September 11, 2020 (24:00 CEST) (as set out above) have, in connection with the general meeting, the opportunity to ask questions by means of electronic communication, it being understood that this right to ask questions does not constitute a right to information.

The Board of Managing Directors has resolved, with the consent of the Supervisory Board, that all questions are to be submitted in German electronically at **SchaefflerHV2020-Fragen@computershare.de** ahead of the general meeting and by no later than **September 13, 2020 (24:00 CEST)**. With respect to the transmission of questions to the company, shareholders are encouraged to provide their full names (and, in case of legal entities or partnerships, the full company name), their place of residence/registered office, as well as their access card number as provided on the access card. In case of missing or incomplete information, questions from shareholders may not be considered.

It is not envisaged for the shareholders to ask questions after expiration of the deadline and during the Virtual General Meeting. Questions will be answered “in” the general meeting – to the extent FAQs have not been answered on the company’s website in advance.

The Board of Managing Directors decides at its own due discretion which questions are to be answered and in which manner.

The administration does not have to answer all questions, but may summarize and choose meaningful questions in the interest of the other shareholders. It may give preference to shareholder associations and institutional investors with significant voting interest.

### **Information pursuant to section 124a AktG on the company’s website**

The content of the convocation of the extraordinary general meeting to be held via internet, any documents to be made available, motions that are to be made available as well as further information relating to the extraordinary general meeting (including the rights of shareholders) are available on the company’s website at [www.schaeffler.com/agm](http://www.schaeffler.com/agm). The documents to be made available will also be available during the Virtual General Meeting on September 15, 2020.

The convocation of the Virtual General Meeting is published in the Federal Gazette dated August 20, 2020 and was submitted for publication to such media for which it may be expected that they will disseminate the information across the European Union.

### **Video and audio transmission of the entire extraordinary general meeting**

The shareholders of Schaeffler AG may follow the entire general meeting (including the answers to questions submitted electronically in due time and vote) on September 15, 2020 starting 10:00 (CEST) on the internet ([www.schaeffler.com/agm](http://www.schaeffler.com/agm)) upon entering their access credentials.

In addition to a password, the required access credentials include the surname, first name and place of residency of the person (and in case of legal entities or partnerships, the full company name and registered office) for whom the access card is issued, in each case, as printed on the access card. The password is printed on the access card which will be sent to all holders of common voting shares and common non-voting shares, that have duly registered their participation in Virtual General Meeting, in due time before the general meeting.

The opening of the general meeting by the chairman of the meeting, the speech of the chairman of the Supervisory Board and the speech of the Chief Executive Officer will be broadcast for the interested public at [www.schaeffler.com/agm](http://www.schaeffler.com/agm) and will remain available after the Virtual General Meeting as an online recording at the aforementioned address.

**Shareholders' right to lodge objections**

Shareholders who have exercised their voting rights by absentee vote or proxy are afforded the opportunity to object to a resolution of the general meeting, waiving any requirement to physically participate in the general meeting. The objection is to be lodged until the end of the Virtual General Meeting by means of electronic communication.

For this purpose, shareholders that exercised their voting rights as described above may submit their objections until the end of the meeting by means of electronic communication at the following email address:

**SchaefflerHV2020-Widerspruch-beim-Notar@computershare.de**

Herzogenaurach, August 2020

The Board of Managing Directors

## Information on data protection for shareholders

The company, as the responsible body within the meaning of Article 4 no. 7 of the General Data Protection Regulation, processes personal data (last name, address, email address, number of shares, class of shares, type of ownership of shares and access card number) based on applicable data protection laws. In addition, the company also processes personal data of a proxy holder authorized by a shareholder, if any (in particular, such proxy holder's name and place of residence). If a shareholder or proxy holder makes use of the opportunity to ask questions pursuant to article 2 section 1 para. 2 no. 3 COVID-19-Mitigation Act or otherwise contacts the company, the company also processes the personal data required or conducive to respond to any inquiries (such as the contact information provided by the shareholder or proxy holder, e.g., telephone numbers).

Depending on individual cases, this may also apply to additional personal data. For example, the company processes information on questions and motions to supplement the agenda from shareholders at the general meeting. In the event of countermotions or motions to supplement the agenda, which must be made available, the company will also publish such proposals together with the shareholder's name, online at [www.schaeffler.com/agm](http://www.schaeffler.com/agm).

The processing of personal data of shareholders is required pursuant to Sections 118 et seq. AktG in order to prepare, carry out and perform follow-up work on the virtual extraordinary general meeting, as well as to enable shareholders to exercise their rights in connection with the general meeting. Without the provision of such personal data, a participation of shareholders in Virtual General Meeting and the exercise of voting rights and other rights would not be possible. The AktG in conjunction with Article 6 para. 1 c) of the General Data Protection Regulation, form the legal basis for the processing. Given that all shares in the company are bearer shares, the company does, however, point out that shareholders may be represented by an intermediary (Section 135 para. 5 AktG), a shareholders' association, a proxy advisor or any other equivalent person or institution pursuant to Section 135 AktG, while maintaining their anonymity and without providing personal data, respectively. The company may also process personal data to fulfil other legal obligations, such as regulatory requirements as well as obligations to retain data under stock corporation laws, securities laws, commercial laws and tax laws. The relevant statutory provisions in conjunction with Article 6 para. 1 sentence 1 c) of the General Data Protection Regulation form the legal basis for such processing.

The company's service providers that are commissioned for the purpose of holding the general meeting receive personal data from the company only to the extent such data is required to provide the requested services and only process the data in accordance with instructions from the company.

Furthermore, personal data is made available to the shareholders and shareholder representatives in accordance with applicable laws, notably in the form of the list of participants. Shareholders and shareholder representatives may inspect the list of participants for a period of up to two years after the Virtual General Meeting (Section 129 para. 4 sentence 2 AktG). The company does not use personal data recorded in connection with the general meeting for any decision based on automated processing and does not engage in any profiling.

The company and its service providers, respectively, generally receive personal data of shareholders via the registration office of the financial institutions such shareholders have commissioned to hold their shares in the company (so-called custodian banks).

The storage period for the data recorded in connection with the general meeting regularly amounts to up to three years, unless the company is legally required to provide evidence and retain data for a longer period of time or where the company has a legitimate interest in further retention, for example in case of judicial and extrajudicial disputes in connection with the general meeting. After the expiration of the relevant period, personal data will be deleted.

If certain statutory requirements are met, shareholders have information, correction, limitation, objection and deletion rights with respect to their personal data and the processing thereof. If personal data of shareholders is inaccurate or incomplete, such shareholders have the right to request a correction and supplement. Shareholders may at any time request the deletion of their personal data, unless the company is legally required or entitled to further process their data. Furthermore, shareholders have a right to data portability pursuant to Article 20 of the General Data Protection Regulation.

Shareholders can assert these rights vis-à-vis the company free of charge via the following contact details, which also allow shareholders to contact the company with respect to questions on data protection:

Schaeffler AG  
Industriestraße 1-3  
91074 Herzogenaurach  
Fax: +49 9132 82-5901  
Email: [Datenschutz@schaeffler.com](mailto:Datenschutz@schaeffler.com)

Moreover, shareholders have the right to file a complaint with the data protection supervisory authorities pursuant to Article 77 of the General Data Protection Regulation.

The data protection supervisory authority responsible for the company is:

Bayerisches Landesamt für Datenschutzaufsicht  
Promenade 27  
91522 Ansbach  
Tel.: +49 981 53-1300  
Fax: + 49 981 53-5300  
Email: [poststelle@lda.bayern.de](mailto:poststelle@lda.bayern.de)

The company's data protection officer can be contacted at:

Schaeffler AG  
Data Protection Officer  
Industriestraße 1-3  
91074 Herzogenaurach  
Fax: +49 9132 82-5901