



**Invitation
to the Annual General Meeting of
Schaeffler AG on April 20, 2023**

This is a convenience translation of the German language invitation to the annual 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.

Agenda

1. Presentation of the adopted separate financial statements and the approved consolidated financial statements as of December 31, 2022, and the combined management report for the company and the group, as well as the report of the Supervisory Board for the financial year 2022
2. Resolution on the appropriation of the retained earnings available for distribution for the financial year 2022
3. Resolution on the approval of the acts of the members of the Board of Managing Directors for the financial year 2022
4. Resolution on the approval of the acts of the members of the Supervisory Board for the financial year 2022
5. Resolution on the appointment of the auditor for the audit of the separate financial statements and the consolidated financial statements and for the review of the condensed financial statements and the interim management report as well as for any review of additional interim financial information
6. Resolution on the approval of the remuneration report
7. Resolution on the election of a Supervisory Board member
8. Resolution on the amendment to section 17 of the Articles of Association authorizing the Board of Managing Directors to allow for a virtual general meeting to be held
9. Resolution on the amendment to section 17 of the Articles of Association enabling members of the Supervisory Board to participate in the general meeting by means of audio and video transmission
10. Resolution on the amendment of the heading of section 17 of the Articles of Association

Schaeffler AG
Herzogenaurach

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

We hereby invite our shareholders to the annual general meeting on

Thursday, April 20, 2023, 10:00 (CEST)

to be held as virtual event without physical presence of the shareholders or their proxies at www.schaeffler.com/agm ("**Virtual Annual General Meeting**"). The location of the meeting within the meaning of the German Stock Corporation Act (*Aktiengesetz* – AktG) is Schaeffler Conference Center, Industriestraße 1-3, 91074 Herzogenaurach, Germany.

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 the annual general meeting of the company for the financial year 2021 as a virtual general meeting without the physical presence of the company's shareholders or their proxies (with the exception of designated proxies of the company).

These resolutions were made based on section 26n para. 1 of the Introductory Act to the German Stock Corporation Act (*Einführungsgesetzes zum Aktiengesetz* – EGAktG) and section 118a para. 1 sentence 1 AktG.

There is no right for shareholders or their proxies to physically participate in the general meeting with the exception of designated proxies of the company.

The members of the Board of Managing Directors, the members of the Supervisory Board, the designated proxies of the company and the notary public taking the minutes of the general meeting will be present at the location of the chairman of the meeting.

Agenda

1. Presentation of the adopted separate financial statements and the approved consolidated financial statements as at December 31, 2022, and the combined management report for the company and the group, as well as the report of the Supervisory Board for the financial year 2022

The Supervisory Board approved the separate financial statements and the consolidated financial statements prepared by the Board of Managing Directors. The separate financial statements have thus been adopted pursuant to section 172 sentence 1 AktG. The general meeting therefore does not need to adopt a resolution on this agenda item 1. The abovementioned documents are available on the company's website at www.schaeffler.com/agm. In addition, the documents will be available and explained in detail at the general meeting.

2. Resolution on the appropriation of the retained earnings available for distribution for the financial year 2022

The Board of Managing Directors and the Supervisory Board propose to appropriate the retained earnings for financial year 2022 of EUR 540,265,444.23 reported in the separate financial statements of Schaeffler AG as follows:

Distribution of a dividend of EUR 0.45 per common non-voting share entitled to a dividend, at 166,000,000 common non-voting shares this comes to:	EUR 74,700,000.00
Distribution of a dividend of EUR 0.44 per common share entitled to a dividend, at 500,000.00 common shares this comes to:	EUR 220,000,000.00
Transfer to the revenue reserves:	EUR 245,565,444.23

In case of a corresponding resolution of the general meeting, the dividend is due in accordance with section 58 para. 4 sentence 2 AktG on the third business day following the resolution adopted by the general meeting, i.e., on April 25, 2023.

3. Resolution on the approval of the acts of the members of the Board of Managing Directors for the financial year 2022

The Board of Managing Directors and the Supervisory Board propose to approve the acts of the members of the Board of Managing Directors holding office in the financial year 2022 for this period.

4. Resolution on the approval of the acts of the members of the Supervisory Board for the financial year 2022

The Board of Managing Directors and the Supervisory Board propose to approve the acts of the members of the Supervisory Board holding office in the financial year 2022 for this period.

5. Resolution on the appointment of the auditor for the audit of the separate financial statements and the consolidated financial statements and for the review of the condensed financial statements and the interim management report as well as for any review of additional interim financial information

The Supervisory Board – based on the recommendation of the audit committee – proposes to appoint KPMG AG Wirtschaftsprüfungsgesellschaft, Munich,

- a) as auditor for the audit of the separate financial statements and the consolidated financial statements for the financial year 2023;
- b) as auditor for the review of the condensed financial statements and the interim management report (sections 115 para. 5 and 117 no. 2 Securities Trading Act (*Wertpapierhandelsgesetz* – WpHG) for the first six months of the financial year 2023; and

- c) as auditor for any review of additional interim financial information (section 115 para. 7 WpHG) for the first and/or third quarter of the financial year 2023 and/or for the first quarter of the financial year 2024.

6. Resolution on the approval of the remuneration report

Pursuant to section 162 AktG, the Board of Managing Directors and the Supervisory Board of a listed company must prepare an annual remuneration report on the remuneration of the board members.

The remuneration report was audited by the auditor in accordance with section 162 para. 3 AktG to determine whether the legally required disclosures pursuant to section 162 para. 1 and 2 AktG were made. In addition to the legal requirements, the auditor also examined the content of the report. The auditor's report on the remuneration report is attached to the remuneration report.

According to section 120a para. 4 sentence 1 AktG the general meeting of a listed company has to resolve on the approval of the remuneration report for the previous financial year prepared and audited in accordance with section 162 AktG.

The Board of Managing Directors and the Supervisory Board propose to the general meeting to approve the remuneration report for the financial year 2022 sited after the agenda in section II. "Reports and further information on items on the agenda".

The remuneration report for the financial year 2022 for the members of the Board of Managing Directors is sited after the agenda in section II. "Reports and further information on items on the agenda" and can be accessed from the convening of the general meeting onwards at the internet address.

7. Resolution on the Election of a Supervisory Board member

The member Ms. Maria Elisabeth Schaeffler-Thumann, appointed by the general meeting, has resigned her Supervisory Board mandate with effect from the end of this general meeting and will leave the Supervisory Board at the end of today's general meeting, so that the by-election of a Supervisory Board member is necessary.

The term of office of the other shareholder representatives on the Supervisory Board elected by the general meeting on April 24, 2019, ends at the close of the general meeting that resolves on the formal approval of the acts of the Supervisory Board for the financial year 2023.

Pursuant to sections 96 paras. 1 and 2, 101 para. 1 AktG in conjunction with section 7 para. 1 sentence 1 no. 3 MitbestG, the Supervisory Board of Schaeffler AG is composed of ten shareholder representatives and ten employee representatives.

In addition, pursuant to section 96 para. 2 sentence 1 AktG, the Supervisory Board must be composed of at least 30% women and at least 30% men. The statutory minimum quota applies to the Supervisory Board as a whole (cumulative compliance). However, both the shareholder representatives and the employee representatives are entitled to object to the cumulative compliance by majority resolution. The employee representatives on the Supervisory Board unanimously objected to the cumulative compliance on December 10, 2015, and confirmed their decision to object on September 30, 2019. The minimum quota must therefore be fulfilled separately by the shareholder representatives and the employee representatives. The Supervisory Board must therefore propose a female candidate so that, once elected, the statutory quota continues to be met on the shareholder side.

The nomination proposal of the Supervisory Board is based on the recommendation of its Nomination Committee, takes into account the objectives resolved by the Supervisory Board for its composition, and aims to fulfill the competence profile developed by the Supervisory Board for the entire board. The diversity scheme developed by the Supervisory Board for its composition is thereby realized as well.

The appointment of the following proposed candidate shall be for the remainder of Ms. Schaeffler-Thumann's term of office, i.e., for a term of office of approximately one year.

On the recommendation of its Nomination Committee, the Supervisory Board proposes that the following candidate be elected to the Supervisory Board as a shareholder representative for the period until the end of the general meeting resolving on the formal approval of the acts of the Supervisory Board for the financial year 2023:

Ms. Katherina Reiche, residing in Essen, Germany
Chairwoman of the Board of Managing Directors of Westenergie AG

The proposed candidate has agreed in advance to accept the office in the event of her election.

Further information on the nominated candidate is set forth in the annex to the agenda.

8. Resolution on the amendment to section 17 of the Articles of Association authorizing the Board of Managing Directors to allow for a virtual general meeting to be held

The German Act on the Introduction of Virtual General Meetings at Stock Corporations and Amendment of Cooperative and Insolvency and Restructuring Regulations (*Gesetz zur Einführung virtueller Hauptversammlungen von Aktiengesellschaften und Änderung genossenschafts-, sowie insolvenz- und restrukturierungsrechtlicher Vorschriften*) (Federal Law Gazette I No. 27 2022, p. 1166 et seq.) has permanently enshrined the option of holding a virtual general meeting in the German Stock Corporation Act. Pursuant to section 118a para. 1 sentence 1 AktG, the Articles of Association may provide or authorize the Board of Managing Directors to provide that the general meeting is held as a virtual general meeting, i.e. without the physical presence of the shareholders or their proxies at the location of the general meeting. Such an authorization of the Board of Managing Directors shall be included in the Articles of Association of Schaeffler AG, utilizing the maximum possible term of five years provided for by law. For future general meetings, a separate decision on whether to utilize the authorization and hold a general meeting as a virtual general meeting is to be made in each case, taking into account the circumstances of the individual case. The Board of Managing Directors Board will make its decisions with due regard to the interests of the company and its shareholders and, in doing so, will pay particular attention to safeguarding shareholders' rights as well as to aspects related to protecting the health of those involved, cost and effort, and sustainability considerations.

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

The following new para. 7 shall be added to section 17 of the Articles of Association of Schaeffler AG:

"17.7. The Board of Managing Directors shall be authorized to allow for the general meeting to be held without the shareholders or their proxies being physically present at the location of the general meeting (virtual general meeting). The authorization shall apply until April 20, 2028."

The currently applicable Articles of Association are available on the company's website at www.schaeffler.com/agm. They will also be available there during the general meeting.

9. Resolution on the amendment to section 17 of the Articles of Association enabling members of the Supervisory Board to participate in the general meeting by means of audio and video transmission

In principle, members of the Supervisory Board participate in the general meeting in person. Pursuant to section 118 para. 3 sentence 2 AktG, however, the Articles of Association can specify certain cases in which Supervisory Board members are allowed to attend the general meeting by means of audio and video transmission. This option is to be utilized in order to enable members to attend even in situations in which their physical presence at the location of the general meeting would not be possible or would be possible only with considerable effort. Should

it be necessary for all or individual members of the Supervisory Board to interact directly with the general meeting, this shall be made possible by connecting these Supervisory Board members via a two-way direct connection.

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

The following new para. 8 shall be added to section 17 of the Articles of Association of Schaeffler AG:

“17.8 Members of the Supervisory Board shall be permitted, in agreement with the Chairman of the Supervisory Board, to participate in the general meeting by means of video and audio transmission in cases where their physical presence at the location of the general meeting would not be possible or would be possible only with considerable effort due to legal restrictions, their stay abroad, their necessary stay at another location in Germany or due to other circumstances that make travel appear unreasonable, or if the general meeting is held as a virtual general meeting without the physical presence of the shareholders or their proxies at the location of the general meeting.”

The currently applicable Articles of Association are available on the company's website at www.schaeffler.com/agm. They will also be available there during the general meeting

10. Resolution on the amendment of the heading of section 17 of the Articles of Association

Section 17 of the company's Articles of Association, which is in Chapter V of the Articles of Association relating to the general meeting, is currently headed “Place, Convening”. This heading mirrors the content of the current paragraphs 1 to 4. The current paragraphs 5 to 6 allow for excerpts or complete video and audio transmission of the general meeting and online participation of shareholders in the general meeting, respectively, and thus relate to the conduct of and participation in the general meeting. The amendments to the Articles of Association proposed under agenda items 7 and 8 of this invitation to the general meeting also relate to the holding of the general meeting as a virtual general meeting or participation in the general meeting by members of the Supervisory Board. In order to continue to reflect the content of section 17 of the Articles of Association by the heading, the words “Conduct, Participation” are to be added to the heading.

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

The words “Conduct, Participation” are to be added to the heading of section 17 of the Articles of Association of the company.

II. Reports and further information

Remuneration report 2022

(Concerning item 6 of the agenda)

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 - 1.7 Other information on the remuneration of Managing Directors
 - 1.8 Amounts of remuneration of the Board of Managing Directors
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2. Remuneration of Supervisory Board members

- 2.1 Overview of remuneration of the Supervisory Board in 2022
 - 2.2 Amounts of remuneration of the Supervisory Board
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3. Comparative information on remuneration

4. Auditor's report

This remuneration report sets out detailed information about the benefits awarded and due as well as compensation granted to current and former Managing Directors and Supervisory Board members of Schaeffler AG in 2022. It also describes the specific application to and features of the remuneration for 2022, which is in line with the main features and guidelines stipulated in the current remuneration systems for the Managing Directors and the Supervisory Board and approved by the annual general meeting on April 21, 2022. The remuneration report complies with the requirements of section 162 German Stock Corporations Act (Aktiengesetz – AktG) and reflects the recommendations of the German Corporate Governance Code (GCGC) dated April 28, 2022 (published in the Federal Gazette on June 27, 2022). This remuneration report will be submitted to the annual general meeting for approval on April 20, 2023.

The detailed descriptions of the remuneration systems for the Managing Directors and Supervisory Board members of Schaeffler AG are available on the website.

1. Remuneration of Managing Directors

1.1 Review of 2022

Financial performance

The Schaeffler Group did well overall in 2022 despite the challenging environment. The revenue growth of 9.4%, excluding the impact of currency translation, considerably exceeded the prior year. The increase in revenue, excluding the impact of currency translation, during the year was largely attributable to higher volumes in the Automotive Technologies and Industrial divisions. A favorable impact from sales prices in all three divisions further bolstered the revenue trend, especially since considerable rises in factor input costs were increasingly passed on to the market. In the Automotive Technologies division, a market-driven increase in demand and a lower basis for comparison that was marked by supply shortages were the main drivers of revenue growth of 7.7% compared to the prior year, excluding the impact of currency translation. The 7.0% in additional revenue in 2022 compared to the prior year, excluding the impact of currency translation, in the Automotive Aftermarket division was primarily the result of a favorable impact from sales prices. Additionally, the considerable decline in volumes in the Central & Eastern Europe subregion attributable to the war in Ukraine was more than offset by volume growth in other markets. Revenue growth of 14.7% over the prior year, excluding the impact of currency translation, in the Industrial division resulted mainly from higher volumes in Industrial Distribution and the Industrial Automation sector cluster in the Europe region as well as globally.

The Schaeffler Group generated an EBIT margin before special items of 6.6% in 2022, again benefiting from its diversified stature, which supported the margin trend in a volatile environment. Especially the Industrial and Automotive Aftermarket divisions contributed significantly to group-level EBIT before special items. The decline compared to prior year was predominantly due to the lower gross margin. The primary reason for this decrease was considerably higher factor input costs that were not fully offset by adjustments to sales prices. The main additional adverse impact on the EBIT margin before special items came from high freight and logistics costs.

Changes regarding the Board of Managing Directors

Effective January 1, 2022, Jens Schüler joined the Board of Managing Directors of Schaeffler AG, assuming responsibility for the Automotive Aftermarket division. At its meeting on May 20, 2022, the Supervisory Board of Schaeffler AG decided to extend the contract with Claus Bauer, Chief Financial Officer (CFO) with responsibility for Finance and IT, until August 31, 2025. Claus Bauer had originally been appointed for two years. Also at its meeting on May 20, the Supervisory Board decided to extend the contract with Dr. Stefan Spindler, CEO of the Industrial division, until April 30, 2024. The extension of Dr. Stefan Spindler's contract has no impact on the amount of his current remuneration.

Amendments to the remuneration system

As part of the periodic review of the remuneration system for the Managing Directors of Schaeffler AG at its meeting on February 25, 2022, the Supervisory Board of Schaeffler AG decided to selectively amend the remuneration system approved by the annual general meeting on April 23, 2021.

In order to more strongly emphasize the importance the Schaeffler Group attaches to sustainability, ESG targets have been embedded as separate measures in – and hence as a component of – both the short-term (short-term bonus) and the long-term variable remuneration (long-term bonus). Additionally, the definition of the relevant peer group for the horizontal benchmarking of the Managing Directors' remuneration, the definition of financial performance criteria relevant to remuneration, and the cap on Managing Directors' remuneration were amended, and the weighting of the service condition was reduced and made more flexible for future years. Moreover, the date by which the share purchase requirement has to be met was specified further.

All other aspects of the remuneration system 2022 remain unchanged from the prior year.

The current remuneration system for Managing Directors was approved by the annual general meeting of Schaeffler AG on April 21, 2022, and is effective retroactively from January 1, 2022, for Managing Directors currently appointed and for all Managing Directors whose service contracts are newly entered into or renewed.

1.2 Remuneration principles

The entire Supervisory Board determines the system and amount of remuneration of individual Managing Directors including the cap on remuneration. The executive committee prepares the Supervisory Board's decisions regarding the system and remuneration of individual Managing Directors.

The current remuneration system was developed with the support of independent external consultants. The total remuneration of the Board of Managing Directors is performance- and success-based and supports the Schaeffler Group's operational and strategic objectives in a dynamic and international environment. Remuneration was set based on the following principles:

Linking performance and remuneration:
The variable performance-based remuneration components should exceed the fixed remuneration components relative to total target remuneration in order to ensure remuneration is performance-based.
Value creation and free cash flow:
Remuneration should promote the achievement of Schaeffler AG's overarching objectives of creating value sustainably and generating free cash flow. The related strategic and operating performance indicators should serve as performance criteria embedded in the variable remuneration of the Managing Directors.
Variable remuneration focused on long-term and sustainable appreciation of shareholder value:
Variable remuneration should be largely long-term in nature and linked to appreciation of shareholder value. In order to reflect the growing importance of sustainability within the company's strategy, ESG targets should be addressed in variable remuneration.
Strengthening orientation toward the capital markets and more extensively aligning interests with those of shareholders:
Managing Directors are required to purchase a set amount of Schaeffler AG's common non-voting shares and to own them until the end of their term of service with Schaeffler AG (share purchase and ownership requirement).

Overview of remuneration of Managing Directors for 2022

The remuneration of all Managing Directors consists of fixed remuneration as well as short- and long-term variable components. The variable component is largely long-term in nature. In addition, Managing Directors receive pension commitments and the customary fringe benefits.

Along with financial targets, the short-term variable remuneration – the short-term bonus (STB) – is also based on non-financial targets. A maximum of two ESG targets are defined as non-financial targets each year; 20% of the STB is subject to achievement of these targets. Additionally, a climate neutrality target with a weighting of 25% was embedded in the long-term variable remuneration – the long-term bonus (LTB) – starting with the 2022–2025 tranche.

Overview of remuneration system			
Component	Objective	Structure 2022	
Non-performance-based components		Target amount (in € thousands)	Description
Fixed annual salary		CEO: 1,200 Managing Director: 600	<ul style="list-style-type: none"> Annual base remuneration Payout in twelve monthly installments
Fringe benefits	<ul style="list-style-type: none"> Reflects the role and area of responsibility within the Board of Managing Directors Secures an appropriate basic income and prevents inappropriate risk-taking 	CEO/Managing Director: up to 42	<ul style="list-style-type: none"> Company car (including for private use) Insurance benefits incl. pecuniary damage liability insurance (D&O insurance)
Retirement benefits	Ensure adequate retirement benefits	CEO: 390 Managing Director: 195	<ul style="list-style-type: none"> Defined contribution model
Performance-based components			
Short-term variable remuneration (STB)	Promotes profitable growth taking into account the overall responsibility of the Board of Managing Directors and individual performance of Managing Directors	CEO: 1,200 Managing Director: 600 ¹⁾	<ul style="list-style-type: none"> Financial targets (80%) <ul style="list-style-type: none"> CEO and Chief Officers of the functions (1) SVA Group (vs. target value) (40%) (2) FCF Group (vs. target value) (40%) Divisional CEOs (1) SVA Group (vs. target value) (20%) (2) SVA Division (vs. target value) (20%) (3) FCF Group (vs. target value) (20%) (4) DCF Division (vs. target value) (20%) Non-financial targets (20%) <ul style="list-style-type: none"> (1) Reduce fresh water withdrawal (vs. target value) (10%) (2) Improve occupational safety (vs. target value) (10%)

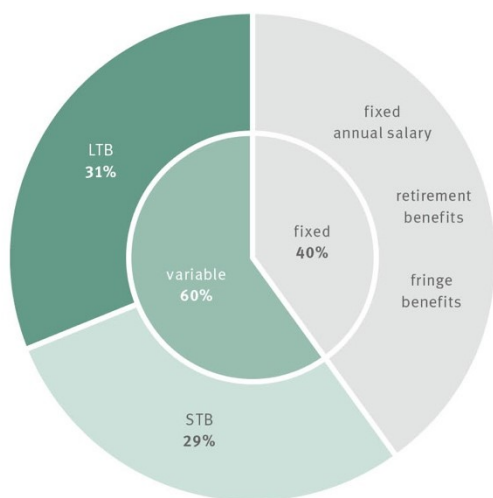
			<ul style="list-style-type: none"> – Individual performance (multiplier 0.8–1.2) • Capped at 150% of target bonus
Long-term variable remuneration (LTB)	Promotes the sustainable development of shareholder value – while simultaneously aligning the interests of the Managing Directors and shareholders	CEO: 1,300 Managing Director: 650 ²⁾	<ul style="list-style-type: none"> • Share-based remuneration instrument • Individual grant amount is converted to PSUs at the average closing price of Schaeffler shares on the last 60 trading days (1) Service condition (40% PSUs) (target achievement rate 0–100%) (2) TSR outperformance (17.5% PSUs) (target achievement rate 0–200%) (3) EPS growth (17.5% PSUs) (target achievement rate 0–200%) (4) CO2 reduction (25% PSUs) (target achievement rate 0–200%) • Payout after a four-year performance period (number of PSUs × share price at payout) • Share price at payout is the average closing price of Schaeffler shares on the last 60 trading days of the relevant performance period • Share price at payout capped at 200% of share price at grant date
Further remuneration arrangements			
Share ownership requirements	Promotes an equity culture and ensures close alignment of the interests of the Managing Directors with shareholders' interests	CEO: 2,400 Managing Director: 600	<ul style="list-style-type: none"> • Requirement to invest in Schaeffler common non-voting shares <ul style="list-style-type: none"> – CEO: 200% of annual fixed remuneration – Ordinary Managing Director: 100% of annual fixed remuneration • Requirement to own throughout period of service as Managing Director • Prerequisite for payout of LTB starting with 2020–2023 tranche
Compliance- and performance clawback	Ensures the sustainable development of the company and reflects the duty of care of Managing Directors		Ability of Supervisory Board to reduce, withhold, or claw back the variable remuneration in the event of a severe violation of the duty of care

1) Individual contractual commitment for Dr. Spindler: EUR 750 thousand.
2) Individual contractual commitment for Dr. Spindler: EUR 800 thousand.

Remuneration structure

The diagram illustrates the general structure of the total target remuneration. The share represented by the fixed remuneration component comprises the fixed annual salary as well as retirement benefits and additional fringe benefits granted. The share of the total target remuneration represented by each of the various components can vary by a few percentage points between Managing Directors since amounts of fringe benefits vary between individuals.

Structure of total target remuneration



The relative share of the target remuneration represented by each component was within the defined ranges for all Managing Directors in 2022. The relative share each remuneration component represents of the benefits awarded and due can differ as a result of actual target achievement for the variable remuneration in 2022 (and the inclusion of the “One-off PSU grant 2020”).

Appropriateness of the remuneration

The Supervisory Board ensures that the current remuneration system and the amount and structure of the remuneration are regularly reviewed for appropriateness.

To ensure that the total remuneration is appropriate, the Supervisory Board takes into account customary levels and structures of remuneration both at other companies of comparable size within the same industry and country (horizontal comparison) and the wage and salary structure within the enterprise itself (vertical comparison of remuneration of Board of Managing Directors to the company’s workforce).

The Supervisory Board of Schaeffler AG has engaged an independent remuneration expert, Ernst & Young Wirtschaftsprüfungsgesellschaft (EY), to review the appropriateness of the remuneration of the Board of Managing Directors. In a report issued in 2022, EY confirmed that the remuneration of the Managing Directors is customary and appropriate in comparison to that of other companies of comparable size within the same industry and country with respect to the amount, structure, and features of remuneration instruments.

For the horizontal comparison, the amount and structure of the total target remuneration of the CEO and the ordinary Managing Directors as well as their individual components were compared to remuneration market data of peer companies. For the comparison performed in 2022, appropriateness of the remuneration of the CEO and the ordinary Managing Directors was assessed based on companies included in the MDAX and SDAX as at December 31, 2021, as well as an individually defined peer group. The individual peer group comprised the following publicly listed international companies: BorgWarner Inc., Continental AG, Cummins Inc., Deutz AG, Dürr AG, Faurecia SE, Gestamp Automoción S.A., Knorr-Bremse AG, Leoni AG, Magna International Inc., Norma Group SE, Plastic Omnium S.A., RBC Bearings Inc., Siemens AG, Stabilus SE, The Timken Company, Valeo S.A., and Vitesco Technologies Group AG.

The vertical comparison was based on the average remuneration of the Schaeffler Group's employees (total workforce), which reflects the company's international nature. The ratio of the amount of remuneration of the Managing Directors to average employee remuneration was compared to the corresponding ratios of MDAX and SDAX companies.

Cap on remuneration

In accordance with the legal requirements of section 87a AktG, the Supervisory Board caps the total remuneration per year per Managing Director (cap on remuneration). The total amount of remuneration that can be granted to Managing Directors for a given year (sum of all amounts of remuneration incurred for the relevant year including fixed annual salary, variable components of remuneration, benefit contributions, fringe benefits, as well as payments and other benefits) – regardless of whether it is paid out during that year or at a later date – is capped at a maximum amount for each Managing Director ("cap on remuneration").

The cap on remuneration amounts to EUR 7,650,000 for the Chief Executive Officer and, in principle, EUR 3,875,000 for each ordinary Managing Director. In deviation from this principle, the remuneration for Dr. Spindler is capped at EUR 4,580,000 as a result of individual contractual commitments. The above caps on remuneration apply to the amounts actually incurred for the short-term bonus and the long-term bonus, regardless of whether they are paid out during the year or at a later date. The final amount incurred (payout amount) for the 2022–2025 tranche of the long-term bonus will not be determined until the end of 2025. Compliance with the cap on remuneration for 2022 will be finally reported on in the 2025 remuneration report.

Malus clause and claw-back provision

With a view to the requirements of the German Corporate Governance Code, the company introduced a malus clause and claw-back provision for variable remuneration. Especially in the event of a severe violation of the duty of care in managing the company, the Supervisory Board can decide to reduce, withhold, or reclaim the variable remuneration. Should a violation be discovered or become known, variable components previously paid can be clawed back within five years of payment. As the Supervisory Board is not aware of any matters triggering a malus clause that would impede payment of the variable remuneration for 2022, this clause has not been applied.

1.3 Remuneration for 2022

Fixed remuneration

Each ordinary Managing Director received an identical amount of fixed remuneration (EUR 600 thousand); the Chief Executive Officer received twice this amount (EUR 1,200 thousand). Fixed remuneration was paid in twelve equal installments each month. No separate remuneration was paid for positions held on supervisory or similar boards of group companies.

Fringe benefits

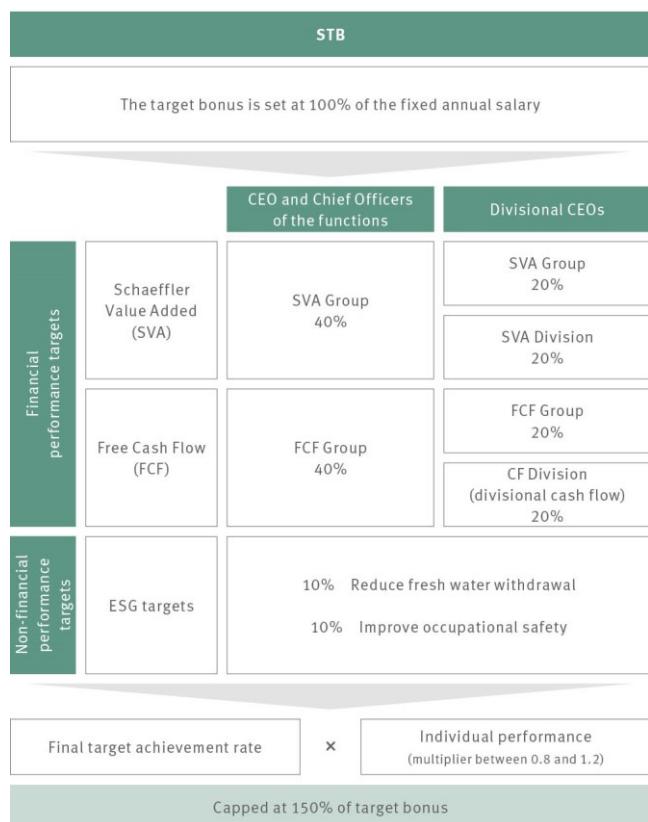
Fringe benefits granted in 2022 include the use of a company car, including for private purposes, and customary insurance benefits such as directors' and officers' liability insurance (D&O insurance). This D&O insurance policy includes a deductible provision that is in accordance with section 93 (2) (3) AktG. Additionally, Managing Directors receive a contribution to their health and long-term care insurance and an allowance to be contributed to their personal retirement plan, as well as coverage under the company's group personal accident insurance. Tax on the pecuniary advantage related to fringe benefits granted is paid individually by each Managing Director. No loans were granted to members of the Board of Managing Directors in 2022.

Short-term variable component – short-term bonus

The short-term bonus is linked to the key financial and non-financial performance targets for the Schaeffler Group's value creation. The financial performance targets are free cash flow of the Schaeffler Group (FCF Group) and Schaeffler Value Added of the Schaeffler Group (SVA Group). The non-financial performance targets comprise up to two targets reflecting indicators relevant to the Schaeffler Group that relate to the fields of environment, social, or governance (ESG targets). As a result, remuneration contributes significantly to successfully executing the strategy and

investing in growth areas while maintaining the focus on profitability, cash flow generation, and sustainability. The financial targets are weighted at 80% and the non-financial targets at 20%. The maximum payout of the STB is capped at 150% of the individual target bonus.

Features of the Short-Term Bonus (STB)



The short-term bonus paid out to the CEO and to the Chief Officers of the functions is determined based on the target achievement rate for the equally weighted financial performance targets – FCF Group and SVA Group – and on target achievement for the non-financial targets.

For the divisional CEOs, the target achievement rate is determined based on the equally weighted financial performance targets – FCF Group, SVA Group, divisional Schaeffler Value Added (SVA Division), and Divisional Cash Flow (DCF Division) – as well as target achievement for the non-financial targets.

FCF Group is calculated based on the sum of (1) cash flows from operating activities and (2) cash flows from investing activities as well as (3) principal repayments on lease liabilities (4) adjusted for cash in- and outflows for M&A activities. SVA Group is generally determined as the Schaeffler Group's EBIT before special items for the relevant period less its cost of capital for the relevant period. Cost of capital is calculated by applying the cost of capital set by the Supervisory Board (10% for 2022) to the Schaeffler Group's average capital employed. SVA Division is determined in the same manner as SVA Group based on measures segmented in accordance with IFRS 8. The DCF Division performance criterion is derived from Schaeffler's standard internal divisional management reports for the relevant year and follows the same logic as that of the FCF Group (excluding payments of tax and interest).

In order to continue embedding the sustainability strategy and the related company initiatives in remuneration, the Supervisory Board has set a non-financial target in the form of an ESG target for 2022. The ESG target 2022 is derived from the Schaeffler Group's sustainability targets. The ESG target 2022 is weighted at 20% within the short-term bonus and comprises the following two equally-weighted sub-targets:

- "Reduce fresh water withdrawal" by implementing water-related measures in 2022 that result in an annual reduction of fresh water withdrawal by 150,000 m³, and
- "Improve occupational safety" by reducing the occupational accident rate, measured as a reduction in the lost-time injury rate (LTIR) to at most 3.5 per one million man hours worked.

Achievement of the ESG targets is reviewed by an external independent expert.

Actual target achievement for the STB 2022

The target values (100%) for the various performance targets were derived from internal budgets. The following summary sets out the financial performance targets for 2022 and the related target achievement rates:

Actual target achievement for the STB 2022 – Schaeffler Group

Schaeffler Group (in € millions)	Performance scale			Target achievement rate for 2022	
	0%	100%	150%	absolute (in € millions)	relative (in %)
Free Cash Flow	≤ 0	330	≥ 495	280	84.8
Schaeffler Value Added	≤ -186	234	≥ 444	206	93.3

The financial indicators underlying the performance targets have been adjusted for certain items in order to ensure that these financial indicators reflect operating performance. These items include, inter alia, the impact of acquisitions and disposals and the impact of certain restructuring programs.

The performance scales for DCF Division and SVA Division for 2022 were set in a similar manner. The performance scales relevant to 2022 and the resulting target achievement rates for the three divisions can be summarized as follows:

Actual target achievement for the STB 2022 – divisions					
Automotive Technologies (in € millions)	Performance scale			Target achievement rate for 2022	
	0%	100%	150%	absolute (in € millions)	relative (in %)
Divisional Cash Flow	≤ 0	471	≥ 707	462	98.1
Divisional Schaeffler Value Added	≤ -252	-87	≥ -4	-228	14.5
Automotive Aftermarket (in € millions)	Performance scale			Target achievement rate for 2022	
	0%	100%	150%	absolute (in € millions)	relative (in %)
Divisional Cash Flow	≤ 0	266	≥ 399	268	100.8
Divisional Schaeffler Value Added	≤ 74	171	≥ 220	187	116.3
Industrial (in € millions)	Performance scale			Target achievement rate for 2022	
	0%	100%	150%	absolute (in € millions)	relative (in %)
Divisional Cash Flow	≤ 0	238	≥ 357	203	85.3
Divisional Schaeffler Value Added	≤ 14	186	≥ 272	245	134.3

The non-financial performance targets are measured using a binary logic (achieved/not achieved). For 2022, the following sub-targets of the ESG target were achieved:

Actual target achievement for the STB 2022 – ESG targets		
Schaeffler Group (in € millions)	Performance scale	Target achievement rate for 2022

	not achieved	achieved	absolute	Target achievement
Reduce fresh water withdrawal	< 150,000 m³	≥ 150,000 m³	192,686 m³	achieved
Improve occupational safety	LTIR > 3.5	LTIR ≤ 3.5	2.9	achieved

The sub-target “Reduce fresh water withdrawal” calls for the Board of Managing Directors to implement water conservation measures that result in saving at least 150,000 m³ annually starting in 2023. The 29 measures implemented in 2022 resulted in a reduction of fresh water withdrawal by 192,686 m³ annually. The water conservation measures and their implementation were reviewed by an external independent expert. Thus, the first sub-target was achieved.

For the second sub-target, “Improve occupational safety”, the Supervisory Board established a reduction in the Schaeffler Group’s occupational accident rate to a lost-time injury rate (LTIR) of 3.5 or less in 2022. The relevant measures were developed and implemented as part of the “Safe Work@Schaeffler” project. The project is designed to increase the necessary awareness of occupational safety on the part of all employees and managers. The group-level accident rate was reduced to an LTIR (Lost Time Injury Rate) of 2.9 in 2022. Occupational accidents include accidents of employees, temporary staff, apprentices, or trainees (total workforce excluding leased workers, contractors, and commuting accidents) resulting in the loss of at least one working day that occur while working at one of the plant locations or while traveling on business. Hence, the second sub-target was achieved as well. Please refer to the sustainability report for further details.

ESG targets 2022 – target achievement logic			
		Improve occupational safety	
		achieved	not achieved
Reduce fresh water withdrawal	achieved	150%	75%
	not achieved	75%	0%

As a result, the target achievement rate for the ESG target amounts to 150% in 2022.

Additionally, the Supervisory Board is entitled to adjust, using equitable discretion, any specific Managing Director’s total STB target achievement rate by applying a multiplier ranging from 0.8 to 1.2 to reflect that Managing Director’s individual performance. In exercising its equitable discretion, the Supervisory Board particularly takes into account whether the Managing Director has temporarily assumed additional responsibilities. Additional special targets can be agreed for Managing Directors. The Supervisory Board has chosen not to apply any individual performance factors or special individual targets in 2022.

Therefore, the Supervisory Board has set the individual performance factor for 2022 to 1.0.

Final target achievement rates for the STB 2022

Final target achievement rates for the STB 2022 can be summarized by individual Managing Director as follows:

Final target achievement rates for the STB 2022							
	Performance criteria	Weight	Target achievement rate	Final target achievement rate	Individual target amount, in € thousands	Time factor ¹⁾	Payout amount 2022, in € thousands
Rosenfeld, Klaus (Chief Executive Officer)	FCF	40%	84.8%	101.2%	1,200	1	1,215
	SVA	40%	93.3%				
	ESG targets	20%	150%				
Zink, Matthias (CEO Automotive Technologies)	FCF	20%	84.8%	88.1%	600	1	529
	SVA	20%	93.3%				

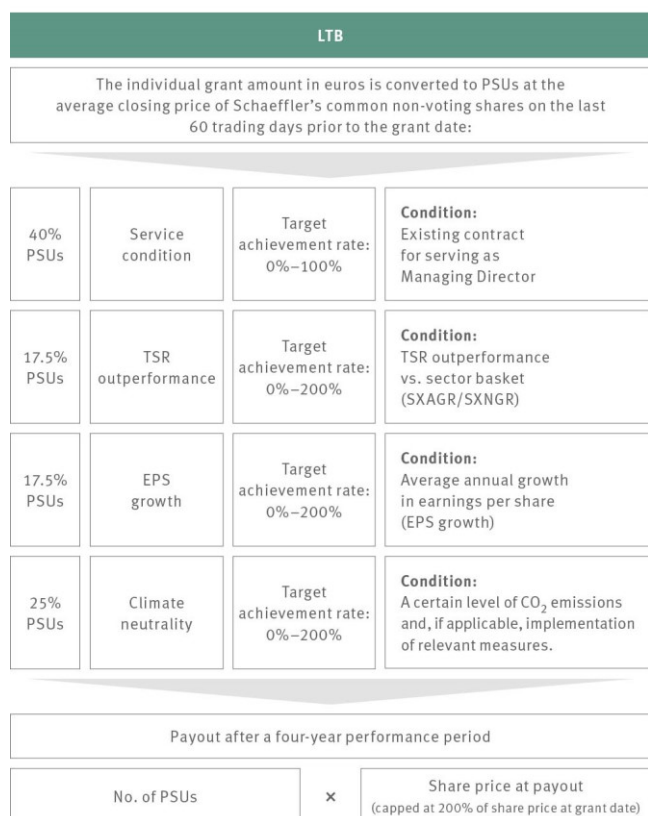
	DCF	20%	98.1%				
	DSVA	20%	14.5%				
	ESG targets	20%	150%				
Schüler, Jens (CEO Automotive Aftermarket)	FCF	20%	84.8%	109.0%	600	1	654
	SVA	20%	93.3%				
	DCF	20%	100.8%				
	DSVA	20%	116.3%				
	ESG targets	20%	150%				
Spindler, Stefan Dr. (CEO Industrial)	FCF	20%	84.8%	109.5%	750	1	822
	SVA	20%	93.3%				
	DCF	20%	85.3%				
	DSVA	20%	134.3%				
	ESG targets	20%	150%				
Bauer, Claus (Chief Financial Officer)	FCF	40%	84.8%	101.2%	600	1	607
	SVA	40%	93.3%				
	ESG targets	20%	150%				
Schick, Andreas (Chief Operating Officer)	FCF	40%	84.8%	101.2%	600	1	607
	SVA	40%	93.3%				
	ESG targets	20%	150%				
Schittenhelm, Corinna (Chief Human Resources Officer)	FCF	40%	84.8%	101.2%	600	1	607
	SVA	40%	93.3%				
	ESG targets	20%	150%				
Wagner, Uwe (Chief Technology Officer)	FCF	40%	84.8%	101.2%	600	1	607
	SVA	40%	93.3%				
	ESG targets	20%	150%				
1) Represents the portion of the year relevant to achieving the bonus (e.g. 1.0 if the Managing Director concerned held the relevant position throughout the year).							

Long-term variable component – long-term bonus (Performance Share Unit Plan, PSUP)

The long-term bonus in the form of a Performance Share Unit Plan (PSUP) is a share-based remuneration instrument that contributes to the alignment of interests between the Board of Managing Directors and the shareholders and promotes the sustainable development of the Schaeffler Group.

The service contracts of the Managing Directors set out a grant amount in euros that is based on each Managing Director's duties and responsibilities. To reflect the requirement that the remuneration structure be largely oriented toward the long term, this grant amount exceeds the individual target bonus under the variable short-term remuneration. The grant amount is calculated in Performance Share Units (PSUs) at the average price of Schaeffler's common non-voting shares of the last 60 trading days before the beginning of the performance period (share price at grant date). For Managing Directors appointed during the year, PSUs are granted on a pro-rata basis.

Features of the Long-Term Bonus (LTB)



Each PSUP tranche has a performance period of four years beginning on January 1 of the year it is granted. Vesting of PSUs granted in 2022 is linked to the four conditions below. Percentages of PSUs shown are based on an assumed target achievement rate of 100%:

- 40% of PSUs (base number) granted are subject to a service condition. The base number is only paid out if the Managing Director remains a Managing Director of Schaeffler AG and is not under notice of termination at the end of the performance period. ¹
- 17.5% of PSUs granted are subject to a performance target based on TSR outperformance. TSR represents the share price performance of Schaeffler AG's common non-voting shares including dividends. Vesting is based on the extent to which the TSR for Schaeffler AG's common non-voting shares exceeds or falls short of the TSR of companies in the benchmark group over the performance period. In order to reflect the company's sector-specific market environment – Automotive Technologies, Automotive Aftermarket, and Industrial – the peer group consists of a sector basket. This sector basket replicates the performance of the STOXX Europe 600 Automobiles and Parts Gross Return (SXAGR) and STOXX Europe 600 Industrial Goods and Services Gross Return (SXNGR), weighted 75% and 25%, respectively. These weights represent the revenue structure of the various business areas within the Schaeffler Group.
- 17.5% of PSUs granted are subject to a long-term EPS-based performance target based on average annual growth in earnings per share during the four-year performance period.
- 25% of PSUs granted are subject to a CO₂ reduction target designed to contribute to the Schaeffler Group's long-term climate neutrality. For the 2022–2025 tranche, Scope 1+2 emissions are measured and compared to the base year, 2019. Achievement of this target is then measured in terms of Levels set out in the performance scale. The milestone target in the 2022–2025 LTB tranche is a reduction of emissions by 75%. This represents an essential contribution to achieving the Schaeffler Group's long-term sustainability target – climate neutrality by 2040.

¹ Taking into account the rules applicable to leavers.

PSUP performance targets 2022–2025 – TSR outperformance	
TSR outperformance over the performance period	Number of TSR PSUs vested
> +25%	200%
+5% < TSR outperformance ≤ +25%	150%

-5% < TSR outperformance ≤ +5%	100%
-25% < TSR outperformance ≤ -5%	50%
≤ -25%	0%

PSUP performance targets 2022–2025 – EPS growth	
Average EPS growth p.a. (in €) over the performance period	Number of EPS-growth PSUs vested
$\text{EPS}_{\text{growth}} \geq 0.09$	200%
$0.03 \leq \text{EPS}_{\text{growth}} < 0.09$	150%
$-0.03 \leq \text{EPS}_{\text{growth}} < 0.03$	100%
$-0.08 \leq \text{EPS}_{\text{growth}} < -0.03$	50%
$\text{EPS}_{\text{growth}} < -0.08$	0%

Climate neutrality component 2022–2025	
Reduction Scope 1+2 emissions ¹⁾ (2022–2025)	Number of climate neutrality PSUs vested
Scope 1+2 ¹⁾ ≥ 85%	200%
$80\% \leq \text{Scope } 1+2^{1)} < 85\%$	150%
$75\% \leq \text{Scope } 1+2^{1)} < 80\%$	100%
$70\% \leq \text{Scope } 1+2^{1)} < 75\%$	50%
Scope 1+2 ¹⁾ < 70%	0%
1) Reduction Scope 1+2 emissions compared to 2019. Scope 1 comprises emissions from main sources of emissions: natural gas, fuel oil, propane, and methanol. Scope 2 comprises indirect emissions from purchased electricity and district heating. Emissions at the end of the performance period and emissions for the base year (2019) are calculated using the methodology in effect as at of the measurement date.	

Target achievement for the TSR performance target is calculated as the absolute difference between the TSR of Schaeffler AG and the TSR of the sector basket. Target achievement for the EPS growth target is calculated as the arithmetic mean ² over the four-year performance period. Target achievement for the climate neutrality component is determined as the difference between the base amount and the actual amount at the end of the performance period and is measured in terms of levels set out in the performance scale.

Embedding the targets set out above in the remuneration system ensures that the interests of the Managing Directors are congruent with those of the shareholders and that the Managing Directors support the company's long-term growth strategy. Additionally, it incentivizes the Managing Directors to commit to the company on a long-term basis, which provides planning reliability. Implementing a relative performance measure creates an additional incentive to remain competitive in the market environment and compared to relevant competitors in the long term through sustainable organic growth.

PSUs vested are calculated in euros at the end of the performance period at the average price of Schaeffler AG's common non-voting shares on the last 60 trading days of the performance period. Payout per PSU tranche is capped at twice the share price at the grant date. Starting with the PSUP's 2020–2023 tranche, payout of the LTB is conditional on providing proof of compliance with the share ownership requirements at the end of the relevant performance period (see "Share ownership requirements" for a detailed description).

LTB 2019–2022 – target achievement

The LTB 2019–2022 is based on the LTB plan with the previous plan terms. Vesting of PSUs is subject to the following three conditions: 50% of PSUs granted (base number) are subject to a service condition (identical to the 2022 plan), 25% of PSUs granted are subject to a long-term FCF-based performance target, and 25% of PSUs granted are subject to a performance target based on TSR outperformance compared to the MDAX. The

performance scales relevant to the 2019–2022 tranche are as follows:

PSUP performance targets 2019–2022 – cumulative FCF		
Cumulative FCF (2019–2022/ in € millions)	Deviation from target amount	Number of FCF PSUs vested
≥ 2,285	~ 6% < cumulative FCF compared to target FCF	100%
2,199 – 2,284	~ 2% < cumulative FCF compared to target FCF < ~ 6%	75%
2,114 – 2,198	~ -2% < cumulative FCF compared to target FCF < ~ 2%	50%
2,028 – 2,113	~ -6% < cumulative FCF compared to target FCF < ~ -2%	25%
≤ 2,027	Cumulative FCF compared to target FCF < ~ -6%	0%

PSUP performance targets 2019–2022 – TSR outperformance	
TSR outperformance over the performance period	Number of TSR PSUs vested
> +25%	100%
+5% < TSR outperformance ≤ +25%	75%
-5% < TSR outperformance ≤ +5%	50%
-25% < TSR outperformance ≤ -5%	25%
≤ -25%	0%

The only PSUs that vested upon the end of the performance period 2019–2022 were tied to meeting a service condition. Payout of the 2019–2022 tranche will be received in March 2023. The payout amount is calculated by multiplying the number of PSUs vested by the average share price of Schaeffler AG common non-voting shares on the last 60 trading days before the end of the performance period, which amounted to EUR 5.93.

2 $EPS_{\text{growth}} = (EPS_{\text{year 4}} - EPS_{\text{year 0}})/4$, with $EPS_{\text{year 0}}$ equaling EPS for the year immediately preceding the relevant performance period and $EPS_{\text{year 4}}$ equaling EPS for the final year of the relevant performance period.

One-off PSU grant 2020

In 2020, additional PSUs were granted on a one-off basis as compensation for the reduction in retirement benefits. The amount determined based on the PSUs granted is payable in three equal tranches after one, two, and three years. The third tranche will be paid out in March 2023.

The payout amount depends on the trend in the price of Schaeffler AG common non-voting shares, further strengthening the focus of the remuneration of Managing Directors on the company's sustainable and long-term development. The share price at the time of payout is capped at twice the share price at the grant date. Further, cash settlement of a given tranche is conditional on the service condition being met.

1.4 Share-based payment – overview

The table shows all current tranches of share-based remuneration instruments granted (representing a target achievement rate of 100%) to current and former Managing Directors.

Share-based payment – current Managing Directors

	Rosenfeld, Klaus (Chief Executive Officer)				
	Long-Term Bonus				One-off PSU grant 2020
Remuneration instrument and tranche	2019/2022 ³⁾	2020/2023	2021/2024	2022/2025 ⁴⁾	Tranche 3 ³⁾
Performance period	01/01/2019–12/31/2022	01/01/2020–12/31/2023	01/01/2021–12/31/2024	01/01/2022–12/31/2025	01/01/2020–12/31/2022
Number of PSUs granted as at January 1, 2022	152,941	144,766	214,168	-	22,272
Grant date	Jan. 1, 2019	Feb. 4, 2020	Feb. 26, 2021	Feb. 25, 2022	Feb. 4, 2020
Target value (pro rata), € thousands	1,300	1,300	1,300	1,300	200
Number of PSUs granted in 2022	-	-	-	179,806	-
Grant date fair value of PSUs granted in 2022, € thousands	-	-	-	751	-
Payout amount for 2022 ¹⁾ , € thousands	453	-	-	-	132
PSUs forfeited in 2022 ²⁾	76,470	-	-	-	-
Number of PSUs granted but unvested as at December 31, 2022	-	144,766	214,168	179,806	-
	Zink, Matthias (CEO Automotive Technologies)				
	Long-Term Bonus				One-off PSU grant 2020
Remuneration instrument and tranche	2019/2022 ³⁾	2020/2023	2021/2024	2022/2025 ⁴⁾	Tranche 3 ³⁾
Performance period	01/01/2019–12/31/2022	01/01/2020–12/31/2023	01/01/2021–12/31/2024	01/01/2022–12/31/2025	01/01/2020–12/31/2022
Number of PSUs granted as at January 1, 2022	76,471	72,383	107,084	-	11,136
Grant date	Jan. 1, 2019	Feb. 4, 2020	Feb. 26, 2021	Feb. 25, 2022	Feb. 4, 2020
Target value (pro rata), € thousands	650	650	650	650	100
Number of PSUs granted in 2022	-	-	-	89,903	-
Grant date fair value of PSUs granted in 2022, € thousands	-	-	-	376	-
Payout amount for 2022 ¹⁾ , € thousands	227	-	-	-	66
PSUs forfeited in 2022 ²⁾	38,236	-	-	-	-
Number of PSUs granted but unvested as at December 31, 2022	-	72,383	107,084	89,903	-
¹⁾ Payout in March 2023. ²⁾ PSUs for which targets were not achieved and PSUs forfeited due to holder leaving the Board of Managing Directors. ³⁾ The share price at payout is EUR 5.93 (60-day average as at December 31, 2022). ⁴⁾ The share price at grant date is EUR 7.23 (60-day average as at January 1, 2022).					

	Schüler, Jens (CEO Automotive Aftermarket)				
	Long-Term Bonus				One-off PSU grant 2020

Remuneration instrument and tranche	-	-	-	2022/2025 ⁴⁾	-
Performance period	-	-	-	01/01/2022– 12/31/2025	-
Number of PSUs granted as at January 1, 2022	-	-	-	-	-
Grant date	-	-	-	Jan. 1, 2022	-
Target value (pro rata), € thousands	-	-	-	650	-
Number of PSUs granted in 2022	-	-	-	89,903	-
Grant date fair value of PSUs granted in 2022, € thousands	-	-	-	376	-
Payout amount for 2022 ¹⁾ , € thousands	-	-	-	-	-
PSUs forfeited in 2022 ²⁾	-	-	-	-	-
Number of PSUs granted but unvested as at December 31, 2022	-	-	-	89,903	-
	Spindler, Stefan Dr. (CEO Industrial)				
	Long-Term Bonus				One-off PSU grant 2020
Remuneration instrument and tranche	2019/2022 ³⁾	2020/2023	2021/2024	2022/2025 ⁴⁾	Tranche 3 ³⁾
Performance period	01/01/2019– 12/31/2022	01/01/2020– 12/31/2023	01/01/2021– 12/31/2024	01/01/2022– 12/31/2025	01/01/2020– 12/31/2022
Number of PSUs granted as at January 1, 2022	94,118	89,087	131,796	-	11,136
Grant date	Jan. 1, 2019	Feb. 4, 2020	Feb. 26, 2021	Feb. 25, 2022	Feb. 4, 2020
Target value (pro rata), € thousands	800	800	800	800	100
Number of PSUs granted in 2022	-	-	-	110,650	-
Grant date fair value of PSUs granted in 2022, € thousands	-	-	-	462	-
Payout amount for 2022 ¹⁾ , € thousands	279	-	-	-	66
PSUs forfeited in 2022 ²⁾	47,060	-	-	-	-
Number of PSUs granted but unvested as at December 31, 2022	-	89,087	131,796	110,650	-
	Bauer, Claus (Chief Financial Officer)				
	Long-Term Bonus				One-off PSU grant 2020
Remuneration instrument and tranche	-	-	2021/2024	2022/2025 ⁴⁾	-
Performance period	-	-	01/01/2021– 12/31/2024	01/01/2022– 12/31/2025	-
Number of PSUs granted as at January 1, 2022	-	-	35,695	-	-
Grant date	-	-	Sept. 1, 2021	Feb. 25, 2022	-
Target value (pro rata), € thousands	-	-	217	650	-
Number of PSUs granted in 2022	-	-	-	89,903	-

Grant date fair value of PSUs granted in 2022, € thousands	-	-	-	376	-
Payout amount for 2022 ¹⁾ , € thousands	-	-	-	-	-
PSUs forfeited in 2022 ²⁾	-	-	-	-	-
Number of PSUs granted but unvested as at December 31, 2022	-	-	35,695	89,903	-
1) Payout in March 2023. 2) PSUs for which targets were not achieved and PSUs forfeited due to holder leaving the Board of Managing Directors. 3) The share price at payout is EUR 5.93 (60-day average as at December 31, 2022). 4) The share price at grant date is EUR 7.23 (60-day average as at January 1, 2022).					

	Schick, Andreas (Chief Operating Officer)				
	Long-Term Bonus				One-off PSU grant 2020
Remuneration instrument and tranche	2019/2022 ³⁾	2020/2023	2021/2024	2022/2025 ⁴⁾	Tranche 3 ³⁾
Performance period	01/01/2019– 12/31/2022	01/01/2020– 12/31/2023	01/01/2021– 12/31/2024	01/01/2022– 12/31/2025	01/01/2020– 12/31/2022
Number of PSUs granted as at January 1, 2022	76,471	72,383	107,084	-	11,136
Grant date	Jan. 1, 2019	Feb. 4, 2020	Feb. 26, 2021	Feb. 25, 2022	Feb. 4, 2020
Target value (pro rata), € thousands	650	650	650	650	100
Number of PSUs granted in 2022	-	-	-	89,903	-
Grant date fair value of PSUs granted in 2022, € thousands	-	-	-	376	-
Payout amount for 2022 ¹⁾ , € thousands	227	-	-	-	66
PSUs forfeited in 2022 ²⁾	38,236	-	-	-	-
Number of PSUs granted but unvested as at December 31, 2022	-	72,383	107,084	89,903	-
	Schittenhelm, Corinna (Chief Human Resources Officer)				
	Long-Term Bonus				One-off PSU grant 2020
Remuneration instrument and tranche	2019/2022 ³⁾	2020/2023	2021/2024	2022/2025 ⁴⁾	Tranche 3 ³⁾
Performance period	01/01/2019– 12/31/2022	01/01/2020– 12/31/2023	01/01/2021– 12/31/2024	01/01/2022– 12/31/2025	01/01/2020– 12/31/2022
Number of PSUs granted as at January 1, 2022	76,471	72,383	107,084	-	11,136
Grant date	Jan. 1, 2019	Feb. 4, 2020	Feb. 26, 2021	Feb. 25, 2022	Feb. 4, 2020
Target value (pro rata), € thousands	650	650	650	650	100
Number of PSUs granted in 2022	-	-	-	89,903	-
Grant date fair value of PSUs granted in 2022, € thousands	-	-	-	376	-
Payout amount for 2022 ¹⁾ , € thousands	227	-	-	-	66
PSUs forfeited in 2022 ²⁾	38,236	-	-	-	-

Number of PSUs granted but unvested as at December 31, 2022	-	72,383	107,084	89,903	-
	Wagner, Uwe (Chief Technology Officer)				
	Long-Term Bonus				One-off PSU grant 2020
Remuneration instrument and tranche	2019/2022 ³⁾	2020/2023	2021/2024	2022/2025 ⁴⁾	Tranche 3 ³⁾
Performance period	01/01/2019–12/31/2022	01/01/2020–12/31/2023	01/01/2021–12/31/2024	01/01/2022–12/31/2025	01/01/2020–12/31/2022
Number of PSUs granted as at January 1, 2022	19,118	72,383	107,084	-	11,136
Grant date	Oct. 1, 2019	Feb. 4, 2020	Feb. 26, 2021	Feb. 25, 2022	Feb. 4, 2020
Target value (pro rata), € thousands	163	650	650	650	100
Number of PSUs granted in 2022	-	-	-	89,903	-
Grant date fair value of PSUs granted in 2022, € thousands	-	-	-	376	-
Payout amount for 2022 ¹⁾ , € thousands	57	-	-	-	66
PSUs forfeited in 2022 ²⁾	9,560	-	-	-	-
Number of PSUs granted but unvested as at December 31, 2022	-	72,383	107,084	89,903	-
1) Payout in March 2023. 2) PSUs for which targets were not achieved and PSUs forfeited due to holder leaving the Board of Managing Directors. 3) The share price at payout is EUR 5.93 (60-day average as at December 31, 2022). 4) The share price at grant date is EUR 7.23 (60-day average as at January 1, 2022).					

Share-based payment – former Managing Directors				
	Söding, Michael			
	Long-Term Bonus			
Remuneration instrument and tranche	2019/2022 ⁵⁾	2020/2023	2021/2024	
Performance period	01/01/2019–12/31/2022	01/01/2020–12/31/2023	01/01/2021–12/31/2024	
Number of PSUs granted as at January 1, 2022	57,353	36,192	26,771	
Grant date	Jan. 1, 2019	Feb. 4, 2020	Feb. 26, 2021	
Target value (pro rata), € thousands	650	650	650	
Number of PSUs granted in 2022	-	-	-	
Grant date fair value of PSUs granted in 2022, € thousands	-	-	-	
Payout amount for 2022 ¹⁾ , € thousands	170	-	-	
PSUs forfeited in 2022 ²⁾	28,677	-	-	
Number of PSUs granted but unvested as at December 31, 2022	-	36,192	26,771	
	Patzak, Klaus Dr.			

	Long-Term Bonus		One-off PSU grant 2020
Remuneration instrument and tranche	2020/2023 ³⁾	2021/2024 ³⁾	Tranche 3 ⁴⁾ 5)
Performance period	01/01/2020–12/31/2023	01/01/2021–12/31/2024	01/01/2020–12/31/2022
Number of PSUs granted as at January 1, 2022	20,735	46,849	4,640
Grant date	01/01/2020–12/31/2023	01/01/2021–12/31/2024	-
Target value (pro rata), € thousands	271	650	42
Number of PSUs granted in 2022	-	-	-
Grant date fair value of PSUs granted in 2022, € thousands	-	-	-
Payout amount for 2022 ¹⁾ , € thousands	-	-	28
PSUs forfeited in 2022 ²⁾	-	-	-
Number of PSUs granted but unvested as at December 31, 2022	20,735	46,849	-
	Heinrich, Dietmar		Gutzmer, Peter Prof. Dr.-Ing.
	Long-Term Bonus		Long-Term Bonus
Remuneration instrument and tranche	2019/2022 ⁵⁾	2020/2023	2019/2022 ⁵⁾ 6)
Performance period	01/01/2019–12/31/2022	01/01/2020–12/31/2023	01/01/2019–12/31/2022
Number of PSUs granted as at January 1, 2022	30,270	6,158	111,765
Grant date	Jan. 1, 2019	Feb. 4, 2020	Jan. 1, 2019
Target value (pro rata), € thousands	650	379	950
Number of PSUs granted in 2022	-	-	-
Grant date fair value of PSUs granted in 2022, € thousands	-	-	-
Payout amount for 2022 ¹⁾ , € thousands	90	-	331
PSUs forfeited in 2022 ²⁾	15,135	-	55,882
Number of PSUs granted but unvested as at December 31, 2022	-	6,158	-
¹⁾ Payout in March 2023. ²⁾ PSUs for which targets were not achieved and PSUs forfeited due to holder leaving the Board of Managing Directors. ³⁾ PSUs granted but unvested reduced pro rata temporis based on rules applicable to leavers. ⁴⁾ Based on an individual agreement with Dr. Patzak, the service condition of the one-off PSU grant 2020 is deemed met in full. ⁵⁾ The share price at payout is EUR 5.93 (60-day average as at December 31, 2022). ⁶⁾ The payout amount calculated is offset against the EUR 300 thousand advance paid in 2019.			

1.5 Share ownership requirements

To increase orientation toward the capital markets and to more extensively align the interests of the Board of Managing Directors and the shareholders of Schaeffler AG, Managing Directors are required to purchase common non-voting shares in the company and to own them throughout the term of their service. These share ownership requirements are also aligned with the wide-spread practice of implementing share ownership requirements for managing directors among international peers.

The number of shares Managing Directors are required to own is based on their annual fixed remuneration and Managing Directors in office on January 1, 2020, have to first meet the requirement by December 31, 2023; common non-voting shares of the company already owned by a Managing Director count toward meeting the requirement. All other Managing Directors are required to meet the requirement by the end of the first

LTB performance period. Where the term of office commences during the year, the requirement needs to be met by the end of the first four-year LTB performance period starting in the calendar year following the beginning of the service contract. Ordinary Managing Directors are required to own an amount equivalent to their current annual fixed remuneration at any given time. The requirement for the CEO is equivalent to twice the current annual fixed remuneration at any given time based on the share price of the common non-voting shares at acquisition. Payout of the LTB is conditional on proof of compliance with the share purchase and ownership requirement, and such proof is first required to be supplied for the payout of the 2020–2023 LTB tranche. If a Managing Director's service contract ends before the end of the first performance period, the share ownership requirement is reduced pro rata temporis based on the duration of the service contract in proportion to the four-year LTB performance period.

1.6 Retirement benefits

Retirement benefit commitment since 2020

All current Managing Directors hold retirement benefit commitments. Until 2019, retirement benefits were granted to Managing Directors in the form of final-pay-based defined benefit commitments. These defined benefit commitments were replaced with defined contribution commitments effective January 1, 2020. The defined benefits earned by each Managing Director as at December 31, 2019, were fixed and deemed vested. Since January 1, 2020, a fixed contribution (benefit contribution) is credited to a benefit account for each Managing Director each year and paid toward a reimbursement insurance policy for the life of the Managing Director. In the case of Jens Schüler, the benefit contribution is contributed to the trust for the retirement benefit scheme for Schaeffler AG employees. The benefit contributions amount to EUR 195,000 per year for ordinary Managing Directors and EUR 390,000 for the CEO. As a result of the extension of Claus Bauer's contract, the retirement benefit contribution was adjusted to the level customary for an ordinary Managing Director of Schaeffler AG retroactively to September 1, 2021.

The Managing Director is then entitled to retirement or disability benefits in the amount of the balance in the benefit account. This benefit balance represents the balance in the benefit account, floored at no less than the sum of the benefit contributions made or, in the case of Jens Schüler, at no less than 80% of the sum of the benefit contributions made. Retirement benefits are paid if the service ends upon attainment of the age of 65. Disability benefits are paid if the service ends due to disability. Beneficiaries are entitled to claim retirement benefits after termination of their service starting at age 62. Managing Directors can opt to receive their retirement benefits in a lump sum, in installments, or in the form of a life annuity with monthly payments (annuity option).

In the event that a Managing Director passes away before becoming eligible to receive benefits due to age or disability, his/her survivors including children eligible for family allowance are entitled to the balance on hand in the benefit account. If the Managing Director passes away while receiving an annuity, the survivor receives a life annuity of 60% of the most recent annuity payments, provided the Managing Director had chosen the annuity option including cover for surviving dependants. If cover for surviving dependants has been chosen, such cover is subject to a minimum 15-year period of receiving retirement benefits. If both the Managing Director and the survivor who is the beneficiary of the cover for surviving dependants pass away earlier, any children of the Managing Director that are eligible for family allowance receive a lump-sum payment of 15 times the annual amount of the annuity, less total annuity payments already paid.

Installment payments and life annuities are increased by 1.0% each year beginning at retirement.

Retirement benefit commitment for years until 2019

Under the system in place until 2019, the pension was calculated as a percentage of pensionable remuneration based on the duration of the individual's service as a Managing Director. These percentages amount to 2.5% per year of serving on the Board of Managing Directors, and, for one Managing Director, between 1.5% and 3%, gradually increasing over time. Pension commitments were tailored individually for each Managing Director.

Under the previous system, pension payments commenced in the form of retirement benefits if the Managing Director's service ended before or upon attainment of the age of 65, and in the form of disability benefits if service ended due to disability. Beneficiaries were entitled to claim a reduced pension early as a retirement benefit beginning at age 60. Upon the death of the Managing Director, the spouse was entitled to between 50% and 60% of the pension as a surviving dependants' pension. Surviving dependent children were entitled to 10% or 20% of the pension as a half- or full-orphan's pension, respectively.

The pension increased by 1.0% each year beginning at retirement. This also applied to disability, widows', and orphans' pensions.

As a result of the change in the company's retirement benefits for the Managing Directors with a term of office extending beyond July 31, 2020, the benefits earned by each Managing Director under the pension commitments in effect until 2019 were fixed as at December 31, 2019, and deemed vested. No further benefits will be earned in relation to any service period beyond December 31, 2019..

Managing Directors: Service cost for 2022 and defined benefit obligations as at December 31, 2022, in accordance with HGB			
in € thousands	Year	Annual contribution s/ service cost	Defined benefit obligation

Rosenfeld, Klaus (CEO)	2022	390	12,273
Zink, Matthias	2022	195	749
Schüler, Jens	2022	195	0
Spindler, Stefan Dr.	2022	195	1,040
Bauer, Claus	2022	217	0
Schick, Andreas	2022	195	433
Schittenhelm, Corinna	2022	195	973
Wagner, Uwe	2022	195	66
Total		1,777	15,534

1.7 Other information on the remuneration of Managing Directors

Benefits granted in connection with the termination of membership on the Board of Managing Directors

Payments made to a Managing Director upon early termination of his or her service contract without due cause are limited to two years' remuneration (severance cap) and must not represent compensation for more than the remaining term of the service contract. The severance cap is generally calculated based on the total remuneration for the last full financial year and, where applicable, also on the expected total remuneration for the current year.

In the event the service contract is terminated for due cause, no severance benefits are paid to the Managing Director.

Once their service ends, Managing Directors are generally subject to a non-competition clause for the two-year period following termination of their service contract. During this period, they are entitled to compensation in the amount of 50% of the fixed annual salary most recently agreed plus 50% of the last STB paid out before termination of the service contract. The amount for certain Managing Directors differs due to existing contractual commitments. These Managing Directors receive compensation in the amount of 50% of the average contractual remuneration granted to the relevant Managing Director for the last twelve months before their departure. Such contractual remuneration includes both performance-based and non-performance-based remuneration components. Income from other employment or service of the Managing Director is deducted from the compensation payment in accordance with section 74c German Commercial Code ("Handelsgesetzbuch" – HGB).

Dr. Patzak left the Board of Managing Directors of Schaeffler AG effective July 31, 2021. His service contract remained in effect until September 30, 2022 (termination date).

Until the termination date, Dr. Patzak received the following benefits: 1) continued payment of his fixed remuneration, 2) a pro-rata share of the short-term bonus 2022 up to the termination date, 3) the long-term bonus granted for 2020 and 2021 which was paid out on a pro-rata basis up to the termination date and in accordance with the "good leaver" conditions, and 4) tranche 3 of the one-off PSU grant 2020 for which the service condition has been deemed met. All variable components of remuneration were paid out at the regular date. Additionally, Dr. Patzak was entitled to continue to use the company car provided to him until the termination date. The company has waived any post-contract non-competition clause for the period starting after the termination date. Dr. Patzak is not entitled to payment of any non-competition-clause-related compensation.

Michael Söding stepped down from his position as Managing Director of Schaeffler AG effective December 31, 2021. His compensation payment is based on his fixed annual salary and short-term bonus as described above. The monthly compensation of EUR 51 thousand is expected to be paid until the end of December 2023.

External activities of Managing Directors

The Managing Directors have agreed to work exclusively for the company. External activities, whether paid or unpaid, require prior approval by the executive committee of the Supervisory Board. This ensures that neither the time commitment involved nor the related remuneration conflict with the individual's responsibilities toward Schaeffler AG. External activities representing a position on legally required supervisory boards or similar supervisory bodies of commercial enterprises are listed in section 4 of the Corporate Governance report, "Governing bodies of the company".

1.8 Amounts of remuneration of the Board of Managing Directors

The following tables show the benefits awarded and due for the Managing Directors in accordance with section 162 AktG for 2021 and 2022. The Schaeffler Group applies the vesting-oriented interpretation. Under the vesting-oriented interpretation of section 162 AktG, benefits awarded are

interpreted as those benefits for which the underlying service (over one or more years) has been rendered in full by the end of the year, regardless of when the benefits are actually received by the Managing Directors. Benefits due are interpreted as those benefits that are due, but have in fact not yet been received by the Managing Directors.

Benefits awarded and due – 2022 and 2021: Managing Directors										
	Rosenfeld, Klaus (Chief Executive Officer)		Zink, Matthias (CEO Automotive Technologies)		Schüler, Jens (CEO Automotive Aftermarket)		Spindler, Stefan Dr. (CEO Industrial)		Bauer, Claus (Chief Financial Officer)	
	since October 24, 2014		since January 1, 2017		since January 1, 2022		since May 1, 2015		since September 1, 2021	
in € thousands	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Fixed remuneration										
Fixed remuneration	1,200	1,200	600	600	600	-	600	600	600	160 ³⁾
• in % of total remuneration	35%	31%	36%	30%	40%	-	30%	27%	42%	31%
Fringe benefits	19	20	28	42	33	-	26	27	20	7
• in % of total remuneration	1%	1%	2%	2%	2%	-	1%	1%	1%	1%
Pensions ¹⁾	390	390	195	195	195	-	195	195	217	43 ⁴⁾
• in % of total remuneration	11%	10%	12%	10%	13%	-	10%	9%	15%	9%
Variable remuneration										
Short-term variable remuneration (STB)	1,215	1,800	529	900	654	-	822	1,125	607	300
• in % of total remuneration	36%	46%	32%	45%	44%	-	41%	50%	42%	59%
Long-term variable remuneration (LTB)	453	335	227	168	-	-	279	206	-	-
• in % of total remuneration	13%	9%	14%	8%	-	-	14%	9%	-	-
One-off PSU grant 2020 ²⁾	132	161	66	81	-	-	66	81	-	-
• in % of total remuneration	4%	4%	4%	4%	-	-	3%	4%	-	-
Total remuneration	3,409	3,906	1,645	1,985	1,483	-	1,988	2,234	1,445	510
			Schick, Andreas (Chief Operating Officer)		Schittenhelm, Corinna (Chief Human Resources Officer)		Wagner, Uwe (Chief Technology Officer)		Total	
			since April 1, 2018		since January 1, 2022		since October 1, 2019			
in € thousands			2022	2021	2022	2021	2022	2021	2022	2021 ⁵⁾
Fixed remuneration										
Fixed remuneration			600	600	600	600	600	600	5,400	4,360
• in % of total remuneration			35%	31%	35%	31%	39%	33%	36%	30%
Fringe benefits			20	20	24	24	17	19	188	159
• in % of total remuneration			1%	1%	1%	1%	1%	1%	1%	1%
Pensions ¹⁾			195	195	195	195	195	195	1,777	1,408
• in % of total remuneration			11%	10%	11%	10%	13%	11%	12%	10%
Variable remuneration										
Short-term variable remuneration (STB)			607	900	607	900	607	900	5,649	6,825
• in % of total remuneration			35%	47%	35%	46%	39%	50%	38%	48%

Long-term variable remuneration (LTB)	227	126	227	168	57	-	1,469	1,002
• in % of total remuneration	13%	7%	13%	9%	4%	-	10%	7%
One-off PSU grant 2020 ²⁾	66	81	66	81	66	81	462	564
• in % of total remuneration	4%	4%	4%	4%	4%	4%	3%	4%
Total remuneration	1,715	1,921	1,719	1,967	1,542	1,795	14,946	14,318

1) Contributions in the relevant year.

2) The one-off PSU grant 2020 for 2021 and 2022 represents the payout amount of the second and third tranches of the one-off PSU grant 2020, respectively.

Benefits awarded and due – 2022 and 2021: Former Managing Directors

	Söding, Michael		Patzak, Klaus Dr.		Heinrich, Dietmar		Pleus, Peter Prof. Dr.	
in € thousands	2022	2021	2022 ⁵⁾	2021 ⁵⁾	2022	2021	2022	2021
Fixed remuneration								
Fixed remuneration	-	600	450	600	-	-	-	-
• in % of total remuneration	-	32%	50%	39%	-	-	-	-
Fringe benefits	-	30	16	22	-	-	-	-
• in % of total remuneration	-	2%	2%	1%	-	-	-	-
Pensions ¹⁾	-	195	-	-	-	-	290	287
• in % of total remuneration	-	10%	-	-	-	-	100%	54%
Compensation payment	614	-	-	-	-	-	-	-
• in % of total remuneration	78%	-	-	-	-	-	-	-
Variable remuneration								
Short-term variable remuneration (STB)	-	818	401	900	-	-	-	-
• in % of total remuneration	-	43%	45%	58%	-	-	-	-
Long-term variable remuneration (LTB)	170	168	-	-	90	108	-	245
• in % of total remuneration	22%	9%	-	-	100%	100%	-	46%
One-off PSU grant 2020 ²⁾	-	81	28	34	-	-	-	-
• in % of total remuneration	-	4%	3%	2%	-	-	-	-
Total remuneration	784	1,891	894	1,556	90	108	290	532
	Gutzmer, Peter Prof. Dr.-Ing.		Jung, Oliver		Hauck, Ulrich Dr.		Mirlach, Kurt	
in € thousands	2022	2021	2022	2021	2022	2021	2022	2021
Fixed remuneration								
Fixed remuneration	-	-	-	-	-	-	-	-
• in % of total remuneration	-	-	-	-	-	-	-	-
Fringe benefits	-	-	-	-	-	-	-	-
• in % of total remuneration	-	-	-	-	-	-	-	-

Pensions ¹⁾	249	247	-	-	-	-	228	226
• in % of total remuneration	89%	n. a.	-	-	-	-	100%	100%
Compensation payment	-	1,140	-	65	-67 ⁶⁾	-	-	-
• in % of total remuneration	-	n. a.	-	n. a.	100%	-	-	-
Variable remuneration								
Short-term variable remuneration (STB)	-	-	-	-	-	-	-	-
• in % of total remuneration	-	-	-	-	-	-	-	-
Long-term variable remuneration (LTB)	31 ³⁾	-55 ³⁾	-	-41 ⁴⁾	-	52	-	-
• in % of total remuneration	11%	n. a.	-	n. a.	-	100%	-	-
One-off PSU grant 2020 ²⁾	-	-	-	-	-	-	-	-
• in % of total remuneration	-	-	-	-	-	-	-	-
Total remuneration	281	1,332	0	24	-67	52	228	226

1) Pension benefits paid in the relevant year.

2) The one-off PSU grant 2020 for 2021 and 2022 represents the payout amount of the second and third tranches of the one-off PSU grant 2020, respectively.

3) The LTB payout amount calculated is offset against the EUR 300 thousand advance paid in 2018 and 2019.

4) The LTB payout amount calculated is offset against the EUR 225 thousand advance paid in 2018.

5) The appointment of Dr. Patzak as an ordinary Managing Director of the company ended on July 31, 2021, the date Dr. Patzak stepped down from his position. His contract for serving as a Managing Director ended on September 30, 2022 (termination date) and, hence, so did both parties' obligations under the contract for serving as a Managing Director. Under the service agreement, he receives the STB 2021 and STB 2022 granted, but on a pro-rata basis until the termination date. The STB 2022 is calculated based on the performance targets stipulated in the contract for serving as a Managing Director, 50% SVA and % FCF. The Supervisory Board has determined the following target achievement rates for 2022: SVA: 93.3% and FCF: 84.8%. The multiplier for individual performance for Dr. Patzak was set to 1.0. The LTB tranches granted in 2020 and 2021 were treated on a pro-rata basis up to the termination date in accordance with the good leaver conditions. Dr. Patzak is not entitled to any (pro-rata) LTB for 2022. The service condition of the third tranche of the one-off PSU grant 2020 is deemed met.

6) Final calculation of the compensation payment paid in advance, which lead to a refund to Schaeffler AG.

Benefits awarded and due – 2022 and 2021: Former Managing Directors

	Schuff, Gerhard Dr.		Hundsdoerfer, Rainer		Total	
in € thousands	2022	2021	2022	2021	2022	2021 ³⁾
Fixed remuneration						
Fixed remuneration	-	-	-	-	450	1,200
• in % of total remuneration	-	-	-	-	18%	21%
Fringe benefits	-	-	-	-	16	53
• in % of total remuneration	-	-	-	-	1%	1%
Pensions ¹⁾	47	47	13	-	827	1,001
• in % of total remuneration	100%	100%	100%	-	32%	17%
Compensation payment	-	-	-	-	547	1,205
• in % of total remuneration	-	-	-	-	21%	21%
Variable remuneration						
Short-term variable remuneration (STB)	-	-	-	-	401	1,718
• in % of total remuneration	-	-	-	-	16%	30%
Long-term variable remuneration (LTB)	-	-	-	-	291	476

• in % of total remuneration	-	-	-	-	11%	8%
One-off PSU grant 2020 ²⁾	-	-	-	-	28	114
• in % of total remuneration	-	-	-	-	1%	2%
Total remuneration	47	47	13	0	2,560	5,767

1) Pension benefits paid in the relevant year.

2) The one-off PSU grant 2020 for 2021 and 2022 represents the payout amount of the second and third tranches of the one-off PSU grant 2020, respectively.

3) Changes from prior year are due to Managing Directors that left in 2022.

2. Remuneration of Supervisory Board members

The description of the remuneration of Supervisory Board members includes the disclosures required by German stock corporation law and is consistent with the recommendations of the German Corporate Governance Code. The remuneration of the Supervisory Board was reviewed and selectively amended in 2022. The amended remuneration system was approved by the annual general meeting on April 21, 2022.

2.1 Overview of remuneration of the Supervisory Board in 2022

The members of the Supervisory Board of Schaeffler AG receive fixed remuneration of EUR 50,000 per year. The Chairman of the Supervisory Board receives twice this amount, his deputies 1.5 times this amount. In addition, membership on committees is remunerated as follows:

- Executive committee: committee remuneration of EUR 20,000 for each ordinary member, twice this amount for the chairman.
- Audit committee: committee remuneration of EUR 20,000 for each ordinary member, twice this amount for the chairman.
- Technology committee: committee remuneration of EUR 10,000 for each ordinary member, twice this amount for the chairman.

Overview of remuneration of the Supervisory Board

Base remuneration Supervisory Board		
Chairman EUR 100,000	Deputy EUR 75,000	Member EUR 50,000
Additional remuneration for committee membership		
Executive committee	Audit committee	Technology committee
Chairman EUR 40,000	Chairman EUR 40,000	Chairman EUR 20,000
Member EUR 20,000	Member EUR 20,000	Member EUR 10,000
Additional attendance fee for Supervisory Board and committee meetings		
EUR 1,500 per meeting		

Where a member of the Supervisory Board chairs several committees or chairs both the Supervisory Board and one or more committees, no remuneration is paid for the additional chairmanship. Where the term of office of a Supervisory Board member or the position entitling the Supervisory Board member to increased remuneration begins or ends during the year, the remuneration or increased remuneration paid to the Supervisory Board member is prorated.

In addition, each member of the Supervisory Board receives an attendance fee of EUR 1,500 for each meeting of the Supervisory Board or its committees he or she attends in person or remotely/by phone.

Supervisory Board members are reimbursed for expenses incurred in connection with the performance of their duties and for any value-added tax on their remuneration and expenses.

The company has obtained directors' and officers' liability insurance (D&O insurance) for all Supervisory Board members (together with the Managing Directors) that includes a deductible provision.

No advances or loans were granted to members of the Supervisory Board in 2021 or 2022. The following tables summarize the amount of remuneration of each Supervisory Board member.

2.2 Amounts of remuneration of the Supervisory Board

Benefits awarded and due – 2021 and 2022: Members of the Supervisory Board
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in € thousands	Year	Fixed remuneration	in % of total remuneration	Remuneration for committee membership	in % of total remuneration	Attendance fees	in % of total remuneration	Total remuneration ¹⁾
Bendiek, Sabine	2022	50	85%	-	-	9	15%	59
	2021	50	79%	-	-	14	21%	64
Bullinger, Hans-Jörg, Prof. Dr.	2022	50	59%	20	24%	15	18%	85
	2021	50	56%	20	22%	20	22%	90
Engelmann, Holger, Dr.	2022	50	60%	20	24%	14	16%	84
	2021	50	57%	20	23%	18	20%	88
Gottschalk, Bernd, Prof. Dr.	2022	50	81%	-	-	12	19%	62
	2021	50	75%	-	-	17	25%	67
Grimm, Andrea ²⁾	2022	50	57%	20	23%	18	20%	88
	2021	50	53%	20	21%	24	26%	94
Hasbargen, Ulrike	2022	50	81%	-	-	12	19%	62
	2021	35	74%	-	-	12	26%	47
Höhn, Thomas ²⁾	2022	50	57%	20	23%	18	20%	88
	2021	50	54%	20	22%	23	24%	93
Lau, Susanne ²⁾	2022	50	81%	-	-	12	19%	62
	2021	50	75%	-	-	17	25%	67
Resch, Barbara ²⁾	2022	50	54%	20	22%	23	24%	93
	2021	50	53%	20	21%	24	26%	94
Rost, Jutta (until September 30, 2022)	2022	37	83%	-	-	8	17%	45
	2021	50	75%	-	-	17	25%	67
Schaeffler, Georg F. W. (Chair SB)	2022	100	54%	50	27%	35	19%	185
	2021	100	54%	50	27%	35	19%	185
Schaeffler-Thumann, Maria- Elisabeth (Dep. Chair SB)	2022	75	64%	20	17%	23	19%	118
	2021	75	64%	20	17%	23	19%	118
1) All amounts shown exclude any value-added tax applicable on remuneration. Positions held by Supervisory Board members are listed in section 4 "Governing bodies of the company" of the "Corporate Governance" chapter in the annual report 2022. 2) These employee representatives – except for Jutta Rost and Dr. Alexander Putz – have declared that their board remuneration is transferred to the Hans Böckler Foundation in accordance with the guidelines issued by the German Federation of Trade Unions.								
Schenk, Jürgen ²⁾	2022	50	67%	10	13%	15	20%	75
	2021	50	63%	10	13%	20	25%	80
Putz, Alexander, Dr. (since October 1, 2022)	2022	13	74%	-	-	5	26%	17
	2021	-	-	-	-	-	-	-
Schönhoff, Helga	2022	50	81%	-	-	12	19%	62
	2021	50	75%	-	-	17	25%	67
Stalker, Robin	2022	50	47%	40	38%	17	15%	107

in € thousands	Year	Fixed remuneration	in % of total remuneration	Remuneration for committee membership	in % of total remuneration	Attendance fees	in % of total remuneration	Total remuneration ¹⁾
	2021	50	44%	40	36%	23	20%	113
Vicari, Salvatore ²⁾	2022	50	47%	30	28%	27	25%	107
	2021	50	49%	30	29%	23	22%	103
Wechsler, Jürgen ²⁾ (Dep. Chair SB)	2022	75	48%	50	32%	32	20%	157
	2021	75	47%	50	31%	35	22%	160
Wolf, Siegfried, Prof. TU Graz e.h. KR Ing.	2022	50	49%	30	29%	23	22%	103
	2021	50	47%	30	28%	26	24%	106
Zhang, Tong, Prof. Dr.-Ing.	2022	50	67%	10	13%	15	20%	75
	2021	50	63%	10	13%	20	25%	80
Zirkel, Markus ²⁾	2022	50	67%	10	13%	15	20%	75
	2021	50	63%	10	13%	20	25%	80
Soussan, Sabrina (until April 23, 2021)	2022	-	-	-	-	-	-	-
	2021	15	91%	-	-	2	9%	17
Total	2022	1,100	61%	350	19%	356	20%	1,806
	2021	1,100	59%	350	19%	422	23%	1,872

1) All amounts shown exclude any value-added tax applicable on remuneration. Positions held by Supervisory Board members are listed in section 4 "Governing bodies of the company" of the "Corporate Governance" chapter in the annual report 2022.

2) These employee representatives – except for Jutta Rost and Dr. Alexander Putz – have declared that their board remuneration is transferred to the Hans Böckler Foundation in accordance with the guidelines issued by the German Federation of Trade Unions.

3. Comparative information on remuneration

The following overview compares the relative year-on-year changes in the benefits awarded and due to current and former Managing Directors and Supervisory Board members to the relative year-on-year changes in the remuneration of the remaining employees and in selected measures of the Schaeffler Group's earnings.

Please refer to the overview of benefits awarded and due for information on the Managing Directors' remuneration. The company's performance is shown using the following measures: Schaeffler AG's net income in accordance with HGB, the Schaeffler Group's EBIT before special items, and the Schaeffler Group's FCF before cash in- and outflows for M&A activities.

The relative change in average employee remuneration on a full-time equivalents basis is calculated with reference to the employees of Schaeffler AG. The following components of remuneration are included in the calculation of employee remuneration: fixed remuneration, variable remuneration (including STB, profit sharing, other bonuses, and LTB), fringe benefits (including non-cash benefits), allowances under collective agreements, vacation pay, flextime pay.

The decrease in the remuneration of the Managing Directors in 2022 compared to 2021 is attributable to lower target achievement rates for the short-term variable remuneration (STB). As a result, the direction of the change in the Managing Directors' remuneration is the same as that of the annual change in employee remuneration.

The decrease in remuneration for Supervisory Board members compared to the prior year is attributable to the change in the number of meetings and, therefore, in the amount of attendance fees. Since 2021, attendance fees have been paid for attending meetings of the Supervisory Board or its committees via telephone or remotely as well. Prior to that, no attendance fees were paid where meetings of the Supervisory Board or its committees were attended via telephone or remotely via video conference.

Change in employee remuneration and company performance		
	Change 2022 vs. 2021	Change 2021 vs. 2020
Net income of Schaeffler AG under HGB	-7%	193%
Schaeffler Group EBIT before special items	-17%	59%
FCF before cash in- and outflows for M&A activities	-46%	-3%
Annual change in employee remuneration	-7%	10%
Change in Managing Directors' remuneration (current Managing Directors)		
Rosenfeld, Klaus (Chief Executive Officer)	-13%	19%
Zink, Matthias (CEO Automotive Technologies)	- 17%	32%
Schüler, Jens (CEO Automotive Aftermarket)	- 1)	-
Spindler, Stefan Dr. (CEO Industrial)	- 11%	26%
Bauer, Claus (Chief Financial Officer)	183% 2)	- 1)
Schick, Andreas (Chief Operating Officer)	-11%	28%
Schittenhelm, Corinna (Chief Human Resources Officer)	-13%	20%
Wagner, Uwe (Chief Technology Officer)	-14%	20%
1) According to mathematical rules, the change cannot be calculated.		
2) The change is based on a comparison of the pro-rated total remuneration for 2021 to total remuneration for 2022.		

Change in Managing Directors' remuneration (former Managing Directors)		
	Change 2022 vs. 2021	Change 2021 vs. 2020
Söding, Michael	-59%	20%
Patzak, Klaus Dr.	-43%	150%
Heinrich, Dietmar	-17%	-86%
Pleus, Peter Prof. Dr.	-46%	6%
Gutzmer, Peter Prof. Dr.-Ing.	-79%	2%
Jung, Oliver	-100%	- 1)
Hauck, Ulrich Dr.	-229%	-72%
Mirlach, Kurt	1%	1%
Schuff, Gerhard Dr.	1%	1%
Hundsörfer, Rainer	- 1)	-
1) According to mathematical rules, the change cannot be calculated.		

Change in remuneration of Supervisory Board members		
	Change 2022 vs. 2021	Change 2021 vs. 2020
Bendiek, Sabine	-7%	13%
Bullinger, Hans-Jörg, Prof. Dr.	-5%	56%
Engelmann, Holger, Dr.	-5%	18%
Gottschalk, Bernd, Prof. Dr.	-7%	22%
Grimm, Andrea	-6%	36%
Hasbargen, Ulrike	33%	- 1)
Höhn, Thomas	-5%	85%
Lau, Susanne	-7%	22%
Resch, Barbara	-2%	17%
Rost, Jutta (until September 30, 2022)	-32%	80%
Putz, Alexander, Dr. (since October 1, 2022)	- 1)	-
Schaeffler, Georg F. W. (Chair SB)	0%	18%
Schaeffler-Thumann, Maria-Elisabeth (Dep. Chair SB)	0%	24%
Schenk, Jürgen	-6%	106%

Schönhoff, Helga	-7%	80%
Stalker, Robin	-5%	14%
Vicari, Salvatore	4%	23%
Wechsler, Jürgen (Dep. Chair SB)	-2%	31%
Wolf, Siegfried, Prof. TU Graz e.h. KR Ing.	-3%	45%
Zhang, Tong, Prof. Dr.-Ing.	-6%	59%
Zirkel, Markus	-6%	106%
1) According to mathematical rules, the change cannot be calculated.		

For the Board of Managing Directors

Klaus Rosenfeld

Chairman of the Board of Managing Directors
of Schaeffler AG

For the Supervisory Board

Georg F. W. Schaeffler

Chairman of the Supervisory Board
of Schaeffler AG

4. Auditor's report

To Schaeffler AG, Herzogenaurach

Report on the audit of the remuneration report

We have audited the remuneration report of Schaeffler AG, Herzogenaurach, for the financial year from January 1 to December 31, 2022, prepared to comply with section 162 German Stock Corporations Act ("Aktiengesetz" – AktG), including the related disclosures. We have not audited the content of the agreed sustainability targets.

Responsibilities of Management and the Supervisory Board

Management and the Supervisory Board of Schaeffler AG are responsible for the preparation of the remuneration report, including the related disclosures, that complies with the requirements of section 162 AktG. Management is responsible for such internal controls as they consider necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from materially misstated disclosures, whether due to fraud or error.

Auditor's responsibilities

Our responsibility is to issue an opinion on the remuneration report, including the related disclosures, based on our audit. We conducted our audit in compliance with German generally accepted standards for financial statement audits promulgated by the Institute of Public Auditors in Germany ("Institut der Wirtschaftsprüfer" – IDW). Those standards require that we comply with our professional responsibilities and plan and perform the audit so that we obtain reasonable assurance about whether the remuneration report, including the related disclosures, is free from materially misstated disclosures.

An audit includes performing audit procedures to obtain audit evidence for the amounts included in the remuneration report, including the related disclosures. Selecting audit procedures is subject to the auditor's professional judgment. This includes assessing the risk of materially misstated disclosures in the remuneration report, including the related disclosures, based on our audit.

In assessing these risks, the auditor takes into account the internal control system relevant to the preparation of the remuneration report, including the related disclosures, for the purpose of designing and performing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control system of the Company.

An audit also includes evaluating the appropriateness of accounting policies used, the reasonableness of estimates made by management and the Supervisory Board in financial reporting, as well as evaluating the overall presentation of the remuneration report, including the related disclosures.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, on the basis of the knowledge obtained in the audit, the remuneration report for the financial year from January 1 to December 31, 2022, including the related disclosures, complies, in all material respects, with the requirements of section 162 AktG. Our opinion on the remuneration report does not cover the content of the agreed sustainability targets.

Other matter – audit of whether the remuneration report includes the required disclosures

The audit of the remuneration report described in this audit report includes the audit – including the issuance of a report on this audit – required by section 162 (3) AktG of whether the remuneration report includes the required disclosures. Since we are issuing an unqualified opinion on the audit of the contents of the remuneration report, this opinion applies to the inclusion of the disclosures required by section 162 (1) and (2) AktG, in all material respects, in the remuneration report.

Note on limitation of liability

The engagement, in the performance of which we have rendered the above-mentioned services to Schaeffler AG, was governed by the General Engagement Terms (GET) for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (German Public Auditors and Public Audit Firms) as of January 1, 2017. By taking note of and using the information included in this audit report, each recipient confirms that he or she has taken note of the provisions made therein (including the limitation of liability to EUR 4 m for negligence in item 9 of the GET) and acknowledges their validity in his or her relationship with us.

Nuremberg, March 3, 2023

KPMG AG
Wirtschaftsprüfungsgesellschaft
[Original German version signed by:]

Prof. Dr. Grottel
Wirtschaftsprüfer
[German Public Auditor]

Schieler
Wirtschaftsprüfer
[German Public Auditor]

III. Further information and notes

Total number of shares and voting rights

At the time of the convocation of the 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 just as many voting rights and 166,000,000 shares are common non-voting shares. The common non-voting shares (also) have no voting rights in the general meeting 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 Schaeffler AG has resolved, with the consent of the Supervisory Board, to hold the general meeting as a virtual general meeting without the physical presence of the shareholders or their proxies (with the exception of the proxies designated by the company) at the location of the general meeting. These resolutions were made based on section 26n para. 1 EGAktG, under which the Board of Managing Directors may decide, with the approval of the Supervisory Board, that general meetings convened up to and including on August 31, 2023, will be held as a virtual general meeting in accordance with section 118a AktG. Section 118a AktG and the other corresponding new statutory provisions on holding a virtual general meeting were introduced by the German Act on the Introduction of Virtual General Meetings at Stock Corporations and Amendment of Cooperative and Insolvency and Restructuring Regulations (*Gesetz zur Einführung virtueller Hauptversammlungen von Aktiengesellschaften und Änderung genossenschafts- sowie insolvenzund restrukturierungsrechtlicher Vorschriften*) (Federal Law Gazette I No. 27 2022, p. 1166 et seq.) and came into force on July 27, 2022.

Holding the annual general meeting on April 20, 2023 as a virtual meeting within the new legal framework requires several modifications with respect to the conduct of the meeting and the exercise of shareholders' rights both compared with a physical general meeting and compared with the last virtual general meeting held in accordance with the special legislation in connection with the COVID-19 pandemic. We therefore ask that particular attention be paid to the following information, especially regarding the possibility of following the general meeting through sound and vision, the exercise of shareholders' rights and the registration to the general meeting.

For duly registered shareholders and their proxies, an internet-based and access-protected general meeting system, the InvestorPortal, is expected to be available from March 30, 2023 at the internet address

www.schaeffler.com/agm

and will also be available to them on the day of the general meeting and for its entire duration.

Requirements for participating in the virtual general meeting and exercising shareholders' rights

Shareholders who register in due time and provide proof of their right to virtual participation are entitled to participate in the virtual general meeting and to exercise their shareholders' rights in connection with the virtual general meeting (see below).

Registration and proof of right to participate 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
Email: wp.hv@db-is.com

at least six days before the general meeting, excluding the day of the general meeting and the day of receipt, that is by **April 13, 2023 (24:00 CEST)**. Proof of share ownership shall be provided by submitting a special proof of share ownership issued by the ultimate intermediary in text form (section 126b of the German Civil Code (*Bürgerliches Gesetzbuch* – BGB)) in German or English; proof in accordance with section 67c para. 3 AktG shall suffice in any case. Proof of shareholding must be as of the beginning of **March 30, 2023 (00:00 CEST)** (“record date”).

Upon due registration and proper proof of share ownership, access cards including the required access credentials for the InvestorPortal will be automatically sent to the shareholders entitled to participate or their proxies. 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. Participation in the virtual general meeting takes place by electronic connection via the InvestorPortal. Properly registered shareholders or their proxies may exercise their shareholders’ rights via the InvestorPortal.

Relevance of the record date

In relation to the company, only someone who has provided the specific proof of entitlement to virtual participation in the general meeting via the internet or to exercise shareholders’ rights shall be deemed to be a shareholder for the purpose of participating in the virtual general meeting and exercising shareholders’ rights. Therefore, shareholders who only acquire their shares after 00:00 (CEST) on the record date may not exercise shareholders’ rights. Shareholders who hold shares on the record date and sell them after the record date but before the virtual general meeting are, in relation to the company, nevertheless entitled to exercise their shareholders’ rights, provided that they have registered and submitted the proof of share ownership in due time.

The record date does not affect the saleability of shares. Shareholders who sell all or any 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 statements as well as to exercise other rights associated with the virtual general meeting and to participate in the virtual general meeting and – if they are holders of common shares – to exercise their voting rights.

Electronic connection of shareholders and their proxies to the virtual general meeting

Shareholders who have duly registered for the virtual general meeting or their proxies can join the meeting electronically via the InvestorPortal and follow the meeting live in sound and vision. The InvestorPortal is expected to be accessible from March 30, 2023 and can be accessed via the company’s website at

www.schaeffler.com/agm

The registration to the InvestorPortal is done with the access credentials that the duly registered shareholders or their proxies receive together with the access cards.

Video and audio transmission of the entire general meeting

Shareholders who have duly registered for the virtual general meeting or their proxies may follow the entire virtual general meeting (including the general debate and the vote) live in picture and sound on April 20, 2023, starting 10:00 (CEST) via the InvestorPortal, which is accessible via

www.schaeffler.com/agm

Please retrieve the required access credentials for the InvestorPortal from your access card.

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 Chairman of the Board of Managing Directors will be broadcast for the interested public at www.schaeffler.com/agm and will remain available after the virtual general meeting as an online recording at the aforementioned address.

Procedure for absentee voting

Holders of common shares may cast their votes by means of electronic communication (absentee vote) or by granting proxy. Only those holders of common shares duly registered no later than by April 13, 2023 (24:00 CEST) and having duly provided proof of shareholding (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.

Absentee votes can be cast electronically via the company's InvestorPortal. Voting by absentee voting, its revocation or amendment is also possible via the InvestorPortal during the virtual general meeting, but must be completed at the latest by the time specified by the chairman of the meeting in the context of voting.

Absentee votes may also be cast, revoked or amended by e-mail, for organizational purposes at the latest by April 19, 2023, 18:00 (CEST) (receipt is decisive), at the following e-mail address:

anmeldestelle@computershare.de

Shareholders who wish to exercise their voting rights by e-mail are requested to use the form provided by the company for this purpose. Common shareholders will receive this form together with the confirmation of registration (access card). Use of the form is not mandatory. 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 access card number as indicated on the access card when casting their votes not via the InvestorPortal.

Authorization of proxies for exercising voting rights, exercising the right to information or other shareholders' rights or the virtual participation

The shareholder may also exercise his voting rights (holders of common shares) or other shareholders' rights, in particular the right to speak and the right to obtain information (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 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.

The power of attorney can be issued via the InvestorPortal from the time the InvestorPortal is activated and also during the virtual general meeting up to the time specified by the chairman of the meeting in the context of the voting, using the data of the registration confirmation.

The authorization 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) until the day of the virtual general meeting. Shareholders are kindly requested to use the proxy form provided by the company for this purpose. The use of the proxy form is not mandatory. For organizational reasons, corresponding text submissions can be made by April 19, 2023, 18:00 (CEST) (receipt is decisive) to the following address:

anmeldestelle@computershare.de

After the aforementioned date as well as on the day of the virtual general meeting, the aforementioned actions with respect to the proxies in text form (section 126b BGB) can only be submitted via the InvestorPortal.

With regard to the exercise of the shareholders' rights, the deadlines specified in this invitation apply equally to 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 them 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 by the general meeting or for the exercise of the right to obtain information under the requirements set out in this invitation. Furthermore, the proxies will not accept any instructions to submit statements, to exercise the right to speak, to submit motions or proposals of election.

Authorizations and voting instructions to the proxies designated by the company can be issued electronically via the company's InvestorPortal. Authorizations and voting instructions can also be issued via the das InvestorPortal during the virtual general meeting by no later than the time specified by the chairman of the meeting in the context of the voting. Up to this point in time, authorizations and voting instructions already issued can also be amended or revoked at any time.

For organizational reasons, authorizations of the proxies designated by the company and voting instructions to them can also be made by April 19, 2023 18:00 (CEST) (receipt is decisive) to the following address:

anmeldestelle@computershare.de

To issue authorizations and voting instructions to the proxies designated by the company and bound by instructions for the holders of common shares by e-mail, the form can be used which the holders of common shares receive with the confirmation of registration (access card) for the general meeting if they register and provide proof of shareholding in a timely manner. The use of the form is not mandatory.

If the company receives divergent, formally correct declarations on the exercise of voting rights for one and the same share portfolio via the InvestorPortal and by e-mail, only the declarations received via the InvestorPortal will be considered. In the case of divergent, formally correct declarations received via the same medium (InvestorPortal or e-mail), the most recent declaration received will be considered.

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. Furthermore, the general meeting may, pursuant to section 87 para. 4 AktG upon motion pursuant to section 122 para. 2 sentence 1 AktG,

reduce the amount of the maximum remuneration for the Board of Managing Directors determined pursuant to section 87a para. 1 sentence 2 no. 1 AktG. Motions to supplement the agenda must be received by the company in writing at least 30 days prior to the 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 March 20, 2023 (24:00 CET). 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 prior to 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 and communicated to the shareholders.

Countermotions and proposals for election by shareholders pursuant to sections 126 para. 1 and 127 AktG

Each shareholder is entitled to send countermotions to proposals from the Board of Managing Directors and/or the Supervisory Board for specific items on the agenda and make proposal for election for elections included as part of the agenda (sections 126 para. 1, 127 AktG). Countermotions and proposals for election submitted by shareholders that are required to be disclosed under section 126 para. 1 sentence 1 AktG or section 127 sentence 1 AktG will at the time of disclosure be deemed to have been submitted to the general meeting, this however applies only if the shareholder submitting the countermotion or the proposal for election is duly authorized and has registered for participation in the general meeting. If the shareholder who has submitted the motion is not duly registered to the general meeting, the motion does not have to be considered at the general meeting.

If countermotions or proposals of election are put to the vote, voting rights can only be exercised via the InvestorPortal. This does not affect the right of the chairman of the meeting to have the proposals of the Board of Managing Directors voted on first. Should the proposals put forward by the Board of Managing Directors be accepted with the necessary majority, the countermotions or (differing) proposals for election are thus deemed to have been settled.

Countermotions, subject to section 126 para. 2 and 3 AktG, and proposals for election, subject to sections 127 sentence 1, 126 para. 2 and 3, section 127 sentence 3 AktG, by shareholders will only be made available on the internet at www.schaeffler.com/agm if the requirements described below are fulfilled. The publication will include the shareholders' name, the statement of reason and any comment by the administration.

Countermotions so to be made available must oppose a resolution proposal by the Board of Managing Directors and/or Supervisory Board and refer to a specific item on the agenda and be submitted including a statement of reason. Proposals for election to be made available must refer to the elections included as part of the agenda; they need not to be submitted together with a statement of reason.

Countermotions together with a statement of reason to be made available against a proposal by the Board of Managing Directors and/or the Supervisory Board regarding a specific item of the agenda and the proposals for election by shareholders for elections included as part of the agenda must be received by the company at the following address by no later than April 5, 2023, (24:00 CEST):

Schaeffler AG
Rechtsabteilung
Industriestr. 1–3
91074 Herzogenaurach
Email: OR-HZA-Legal-Team-DE-HZA@schaeffler.com

Countermotions and election proposals as well as other motions may also be submitted during the general meeting by means of video communication, i.e. within the scope of the right to speak.

Right to submit statements pursuant to section 130a para. 1 to 4 AktG

Shareholders who are duly registered for the general meeting have the right, pursuant to section 130a para. 1 to 4 AktG, to submit statements on the agenda items in text form prior to the general meeting by means of electronic communication via the access-protected InvestorPortal at

www.schaeffler.com/agm

Statements must be submitted in text form as a file in PDF format and may not exceed 10,000 characters (including spaces). By submitting a statement, the shareholder or his proxy agrees that the statement may be made available on the access-protected InvestorPortal with reference to his name.

The statements must be submitted no later than five days before the meeting, i.e. no later than April 14, 2023, (24:00 CEST). Statements submitted will be made available on the access-protected InvestorPortal no later than four days prior to the general meeting, i.e. no later than April 15, 2023, (24:00 CEST), unless, in exceptional cases, it is permissible to refrain from making them available pursuant to section 130a para. 3 sentence 4 AktG. Any statements by the company's management will also be published on the InvestorPortal.

Questions and objections as well as countermotions and proposals for election, on the other hand, are subject to the procedure described separately in this invitation. It is pointed out that questions, objections, countermotions or proposals for election included in a statement but not submitted as described in this invitation will not be considered.

Right to speak pursuant to section 130a para. 5 and 6 AktG

Shareholders who have duly registered for the general meeting or their proxies who are connected electronically to the virtual general meeting have the right to speak at the general meeting, which is exercised by means of video communication. From the start of the general meeting, the function for requesting to speak and submitting motions will be activated via the access-protected InvestorPortal, which can be accessed at

www.schaeffler.com/agm

allowing duly registered shareholders or their proxies to register their speech or motion. The right to speak includes in particular also the right to submit motions and proposals for election in accordance with section 118a para. 1 sentence 2 no. 3 AktG and to exercise the right to obtain information at the general meeting (as described below under "Right to obtain information").

The right to speak may also be exercised by authorized third parties of a shareholder. The proxies designated by the company do not exercise the right to speak on behalf of the shareholders authorizing them.

For electronic access by means of video communication, shareholders or their proxies require Internet access and an appropriate device (e.g., laptop, PC, smartphone or tablet, each with a camera and microphone that can be accessed from the browser). Further information on the technical requirements for electronic access to the general meeting can be found at www.schaeffler.com/agm.

Persons who have registered via the InvestorPortal to make a speech or submit a motion will be enabled to make their speech or submit their motion in the access-protected InvestorPortal. The company reserves the right to check the functionality of the video communication between the shareholder or proxy and the company during the meeting and prior to the speech or the submission of the motion and to reject it if the functionality is not ensured.

Pursuant to section 18 para. 2 of the company's Articles of Association, the chairman of the meeting may determine the order in which speeches are made and is authorized to impose reasonable time limits on the right to speak. In particular, he is authorized to set a reasonable time limit for speeches at the beginning of the general meeting or during its course.

Right to obtain information pursuant to section 131 para. 1 AktG

Shareholders who have duly registered for the meeting have a right to obtain information at the general meeting. On request, the Board of Managing Directors shall provide each shareholder with information on the company's affairs pursuant to section 131 para. 1 AktG insofar as such information is necessary to permit a proper evaluation of the items on the agenda. The duty to provide information also extends to the legal and business relations of the company with an affiliated company.

It is not possible to submit questions in advance of the general meeting. Requests for information may be part of a speech as defined above. It is intended that the chairman of the meeting will determine pursuant to section 131 para. 1f AktG that the right to obtain information is to be exercised exclusively by means of the video communication offered by the company on the InvestorPortal, meaning that electronic access of the shareholders to the general meeting is required in order to exercise this right. To exercise this right, each shareholder or his proxy must first submit a request to speak using the request to speak function provided on the InvestorPortal. This is only possible on the day of the general meeting from 10:00 (CEST) up to the time specified by the chairman of the meeting. No other submission of questions by electronic or other means of communication is intended either before or during the general meeting. The right to obtain information may also be exercised by authorized third parties of a shareholder. The proxies designated by the company do not exercise the right to obtain information on behalf of the shareholders authorizing them.

The company reserves the right to check the functionality of the video communication between the shareholder or proxy and the company at the meeting beforehand and to reject the request to speak if the functionality is not ensured.

Pursuant to section 18 para. 2 of the company's Articles of Association, the chairman of the meeting is authorized to impose reasonable time limits on the right to obtain information. In particular, he is authorized to set a reasonable time limit for questions at the beginning of the general meeting or during its course.

On all answers given by the Board of Managing Directors, the shareholders have the right to ask further questions at the meeting pursuant to section 131 para. 1d AktG. The above statements apply accordingly to this right to ask further questions, in particular with regard to the reasonable time limit imposed by the chairman of the meeting.

Right of objection

Duly registered shareholders or their proxies have the right to object to resolutions of the general meeting by means of electronic communication. The objection can be submitted for the entire duration of the virtual general meeting until its end by way of electronic communication via the InvestorPortal for the record of the notary public. The notary has authorized the company to receive objections via the InvestorPortal and will receive the objections via the InvestorPortal.

The proxies designated by the company will not be able to submit any objections to resolutions of the general meeting for the record of the notary public certifying the general meeting.

Information pursuant to section 124a AktG on the company's website

The content of the convocation of the virtual general meeting, any documents to be made available, motions from shareholders that are to be made available as well as further information relating to the virtual general meeting (including the rights of shareholders) are available on the company's website at www.schaeffler.com/agm. The documents to be made available will also be available during the virtual general meeting on April 20, 2023.

The convocation of the virtual general meeting is published in the Federal Gazette dated March [9], 2023 and was submitted for publication to such media for which it may be expected that they will disseminate the information across the European Union.

Herzogenaurach, March 2023

The Board of Managing Directors

Information pursuant to Table 3 of the Implementing Regulation (EU) 2018/1212 for the notification pursuant to section 125 AktG of Schaeffler AG

A. Specification of the message

1. Unique identifier of the event: Virtual Annual General Meeting of Schaeffler AG April 20, 2023
(Formal information acc. to EU-IR 2018/1212: 148244c4ebb0ed118142005056888925)
2. Type of message: Convocation of the Annual General Meeting
(Formal information acc. to EU-IR 2018/1212: NEWM)

B. Specification of the issuer

1. ISIN:

Common shares	DE000SHA0019
Common non-voting shares	DE000SHA0159
2. Name of issuer: Schaeffler AG

C. Specification of the meeting

1. Date of the General Meeting: April 20, 2023
(Formal information acc. to EU-IR 2018/1212: 20230420)
2. Time of the General Meeting: 10:00 CEST (8:00 UTC)
3. Type of General Meeting: Virtual Annual General Meeting without the without physical presence of the shareholders or their proxies
(Formal information acc. to EU-IR 2018/1212: GMET)
4. Location of the General Meeting: www.schaeffler.com/hv
Location of the General Meeting within the meaning of the German Stock Corporation Act:
Schaeffler Conference Center, Industriestraße 1-3, 91074 Herzogenaurach, Germany **(Formal information acc. to EU-IR 2018/1212: www.schaeffler.com/hv)**
5. Record Date: March 29, 2023
(Formal information acc. to EU-IR 2018/1212: 20230329)
6. Uniform Resource Locator (URL): www.schaeffler.com/hv

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 (surname, last name, address, email address, number of shares, class of shares, type of ownership of shares, number of the access card, granting of proxies and access data for the InvestorPortal) of the shareholder or of any proxy authorized by a shareholder on the basis of the applicable data protection laws. If a shareholder or proxy holder 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).

The virtual general meeting of the company will be broadcast on the Internet via the InvestorPortal for all duly registered shareholders of the company and their proxies. Shareholders have the opportunity to exercise their shareholders' rights via the InvestorPortal. Further personal data such as IP addresses are processed in this context. For details, please refer to the data protection information linked on the InvestorPortal.

Depending on individual cases, this may also apply to additional personal data. For example, the company processes information on questions and requests from shareholders at the general meeting. In the event of counter motions 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.

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 annual 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 the 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 lit. 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 lit. 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. The company may be obliged to transfer personal data to further recipients who process the personal data under their own responsibility (Article 4 no. 7 of the General Data Protection Regulation), in particular to public bodies such as the competent supervisory authority.

The personal data of shareholders or representatives who participate in the virtual general meeting (including, if applicable, image and sound recordings) may be viewed by other shareholders and shareholder representatives within the framework of the statutory provisions. In addition, all employees of the company and the employees of contracted service providers who need to access and/or process personal data in order to perform their duties are obliged to treat such data confidentially.

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, extrajudicial disputes or official proceedings 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 or their proxies 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 request the deletion of their personal data at any time, unless the company is legally obliged or entitled to continue processing their data. Furthermore, shareholders or their proxies have a right to data portability pursuant to Article 20 of the General Data Protection Regulation. In addition, there is the possibility of revoking consent once it has been given in accordance with Article 7 para. 3 of the General Data Protection Regulation with effect for the future.

Shareholders or their proxies may object to the processing of their personal data pursuant to Article 21 of the General Data Protection Regulation if such data is processed on the basis of legitimate interests. In the event of an objection, the company shall no longer process the personal data concerned, unless compelling legitimate grounds for the processing can be demonstrated which override the interests, rights and freedoms, or if the processing serves the purpose of asserting, exercising or defending legal claims.

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
attn. Data Protection Officer
Industriestraße 1-3
91074 Herzogenaurach
Tel.: +49 9132 82-1430
Email: 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

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

Schaeffler AG
Data Protection Officer

Industriestraße 1-3
91074 Herzogenaurach

Additional information on Agenda item 7

Katherina Reiche

Chairwomen of the Board of Managing Directors at Westenergie AG

Personal information:

Year of birth: 1973

Nationality: German

Education: Chemistry Studies at the University of Potsdam
Diploma in Chemistry

Professional career:

1997 - 1998 Research Assistant at the University of Potsdam

1998 - 2015 Member of the German Bundestag

2002 Participant in the 110th Baden-Baden
Entrepreneur Talks (BBUG)

2005 - 2009 Deputy Chair of the CDU/CSU parliamentary
group, responsible for policy on education and
research, as well as the environment, nature
conservation and nuclear safety

2009- 2013 Parliamentary State Secretary at the Federal
Ministry for the Environment, Nature
Conservation, Nuclear Safety and Consumer
Protection

2013 - 2015 Parliamentary State Secretary at the Federal
Ministry of Transport and Digital Infrastructure

2013 - 2015 Chairwoman of the Advisory Board at Deutsche
Flugsicherung DFS GmbH, the German National
Air Traffic Control

2013 - 2019 Managing Director and Executive Member of
the Management Board of Verband
kommunaler Unternehmen (VKU), the German
Association of Local Public Utilities

since January 2020 Chairwomen of the Board of Managing
Directors at Westenergie AG

Information on memberships in other statutory supervisory boards and comparable domestic and foreign supervisory bodies of businesses

Member of the Supervisory Board at VGP NV

Vice-Chair of the Supervisory Board at NEW AG

Member of the Supervisory Board at
RheinEnergie AG

Member of the Supervisory Board at DEW21
GmbH

No further material activities.

Independence (Recommendation C.13 DCGK)

There are no personal or business relationships with the company, the governing bodies of Schaeffler AG, or a significant shareholder of Schaeffler AG.