



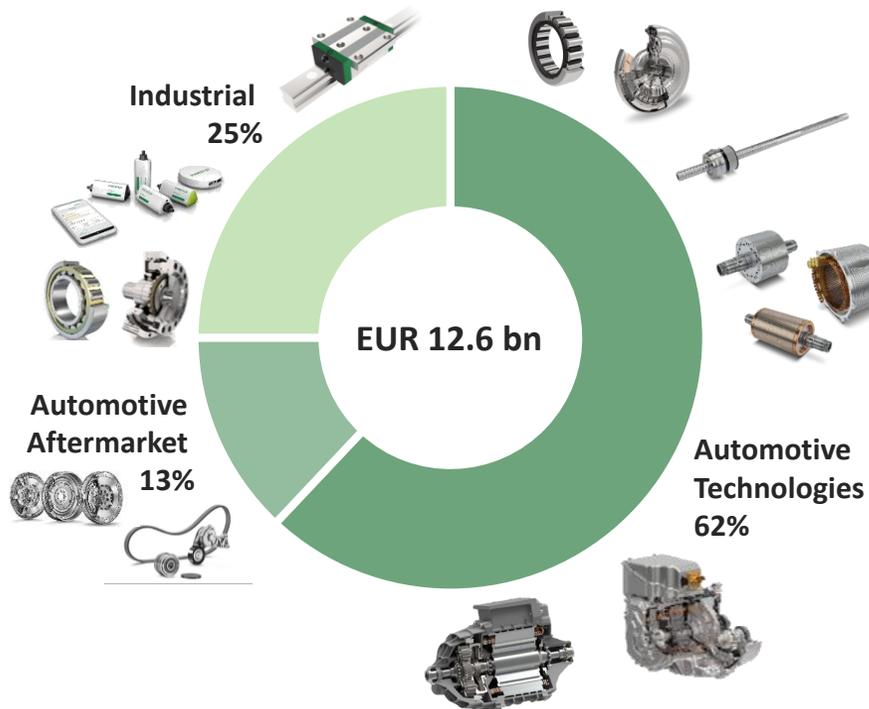
Schaeffler Automotive Technologies 9th Annual J.P. Morgan EU Auto Field (virtual)

Matthias Zink
CEO Automotive Technologies
March 17, 2021

Schaeffler Group at a glance – We are an Automotive and Industrial supplier

3 Divisions

In % of FY 2020

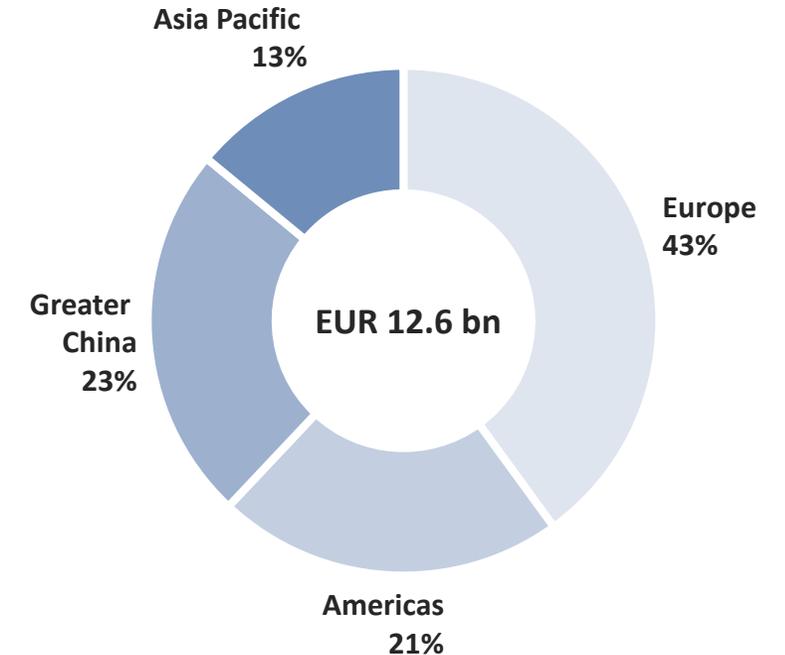


Schaeffler Group

- Leading position in technology and innovation
- Diversified customer base serving 10 customer sectors
- Market leading product offering from components, systems to services
- Global footprint with 75 plants and 20 R&D centers
- ~83,000 employees in more than 50 countries
- Highly experienced leadership team with focus on execution

4 Regions

In % of FY 2020



Well-diversified Automotive and Industrial supplier with global reach and synergistic businesses

Schaeffler Group – Sustainability Targets address the requirements of our customers

Achievements



Climate Rating: A-



50 CLIMATE LEADERS
SUSTAINABILITY A RACE WE CAN WIN



CDP Rating

- Major improvement in CDP climate rating, moving up from B- to A-
- CDP target for 2021 already achieved in 2020

Energy efficiency

- In 2020, 100% of electricity in Germany was purchased from renewable sources
- Company-wide energy efficiency program with interdisciplinary team established

50 Sustainability & Climate Leaders

- Schaeffler selected as one of "50 Climate & Sustainability Leaders" by the United Nations
- Increases our commitment to deliver on sustainability at a sustained pace

Goals

Energy efficiency:

100 GWh cumulated annual efficiency gains through implementation of energy efficiency measures until 2024

Renewable energy:

100% purchased power from renewable sources until 2024

CDP rating:

"A-"-rating for CDP Climate Score 2021 ✓

Accident rate:

10% average annual reduction of accident rate until 2024

Sustainable suppliers:

90% of production material from suppliers with Sustainability self assessments until 2022

Carbon neutral production in 2030
Scope 1 and 2



20% reduction of fresh water supply until 2030

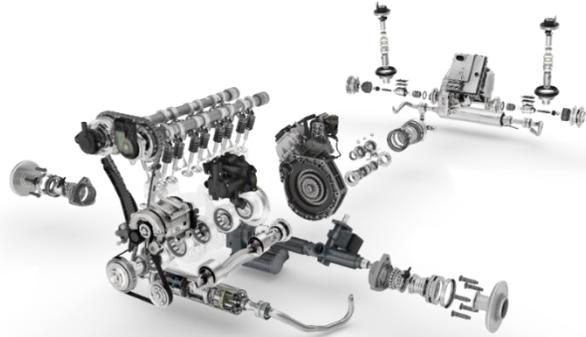
Automotive Technologies – Driving the transition to innovative propulsion and chassis technologies

Electric and Hybrid Propulsion

8% of sales in 2020

Engine Components and Systems

30% of sales in 2020



Transmission Components and Systems

45% of sales in 2020

Chassis Applications

17% of sales in 2020

Europe

37% of sales in 2020

Greater China

26% of sales in 2020



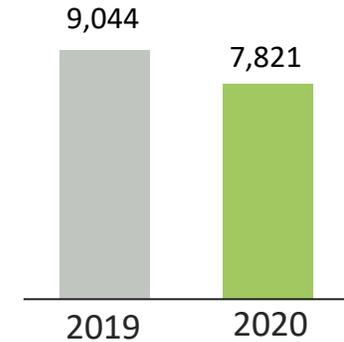
Americas

22% of sales in 2020

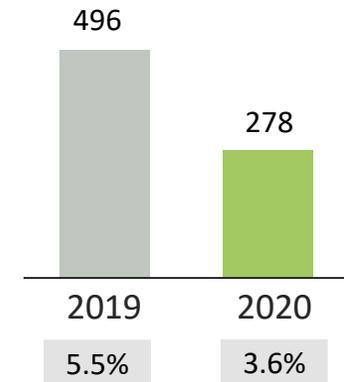
Asia / Pacific

15% of sales in 2020

Revenue
in EUR mn



EBIT¹
in EUR mn



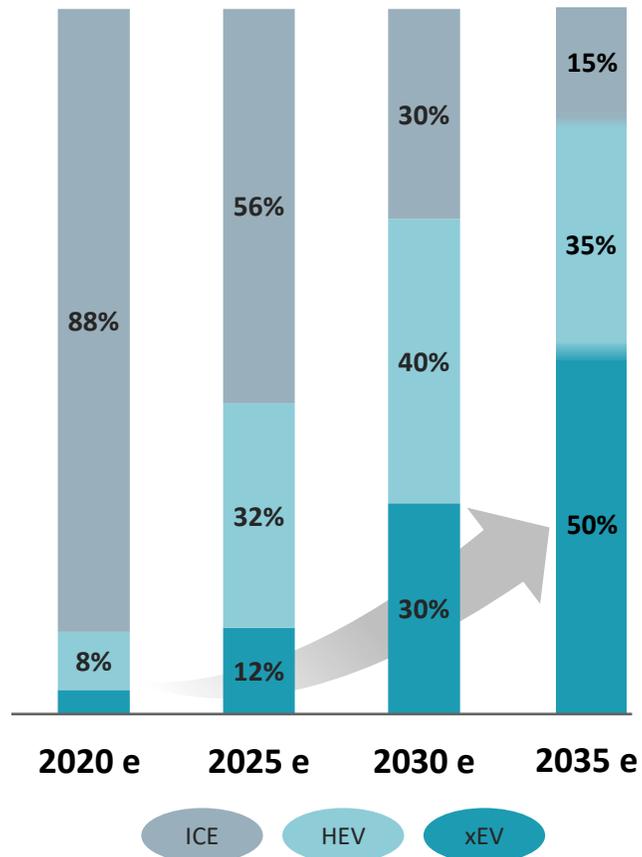
EBIT margin¹



Vision Powertrain 2035 – Electrification is further accelerating

Vision Powertrain 2035

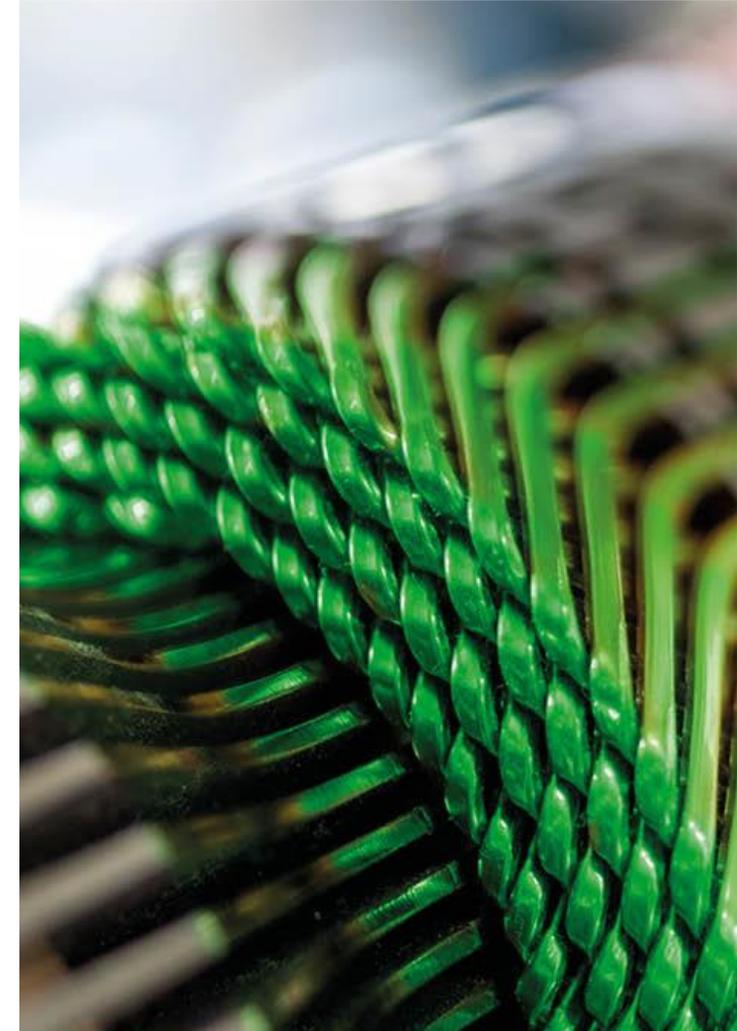
Global Light Vehicle Production



We drive the transition to innovative propulsion systems

HEV as transition technology will reach tipping point in 2030

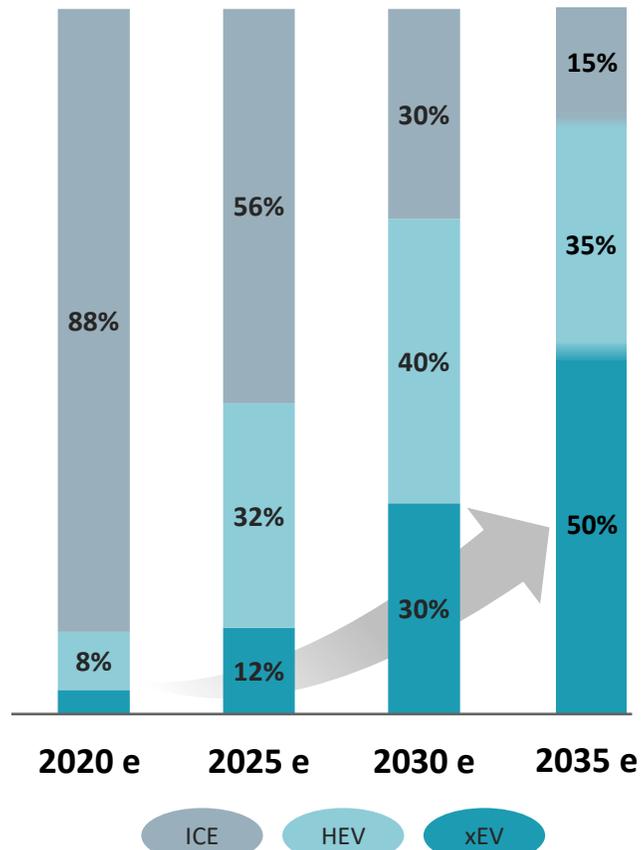
Electrification is further accelerating



We actively manage our Product Portfolio

Vision Powertrain 2035

Global Light Vehicle Production



	Mature Business		New Business	
	Products for ICE and HEV	Powertrain agnostic ¹ products	Powertrain agnostic ¹ products	Products for Electrified Powertrains
ICE	↘	↘	↗	
HEV	↗	↗	↗	↑
xEV		↑	↑	↑
Example		 <p>Ball Screw Drive for Steering</p>	 <p>Rear Wheel Steering</p>	 <p>3in1 e-Axle</p>

¹Independent from powertrain type

↘ Decreasing potential

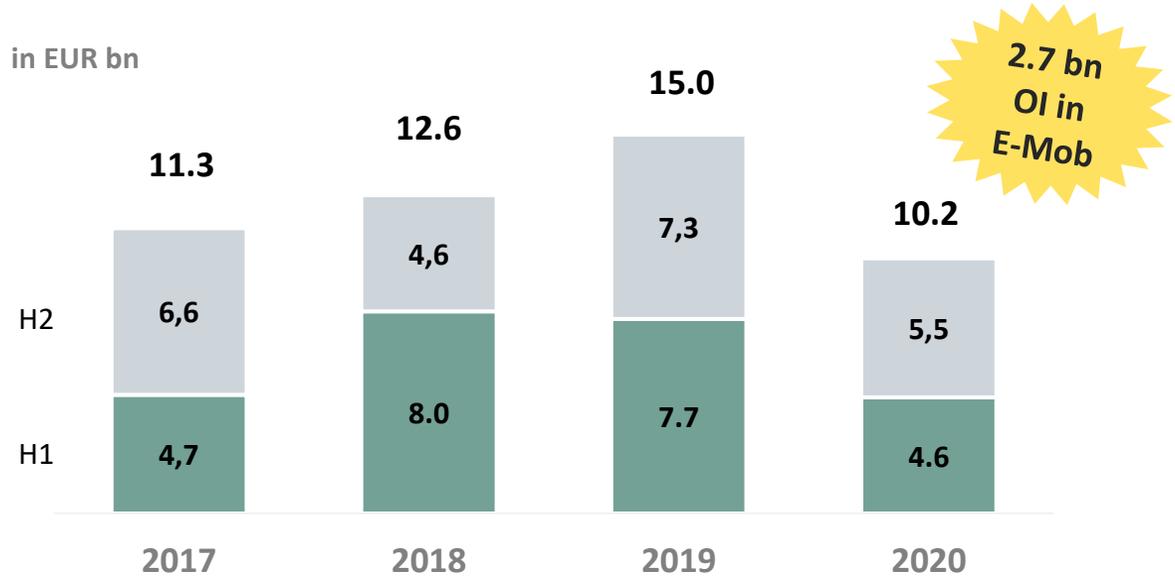
↗ Increasing potential

↑ Strongly increasing potential

How we win: e-Mobility Order Intake goal overachieved

Order Intake¹

in EUR bn



Book-to-bill-ratio²

H2	1.5x	1.1x	1.7x	1.2x
H1	1.1x	1.7x	1.8x	1.4x
FY	1.3x	1.4x	1.7x	1.3x

¹ Received orders in given time period | ² Lifetime Sales / Current period revenue



Business Highlights E-Mobility

GROW



Major Order Intakes in 3in1 System Business



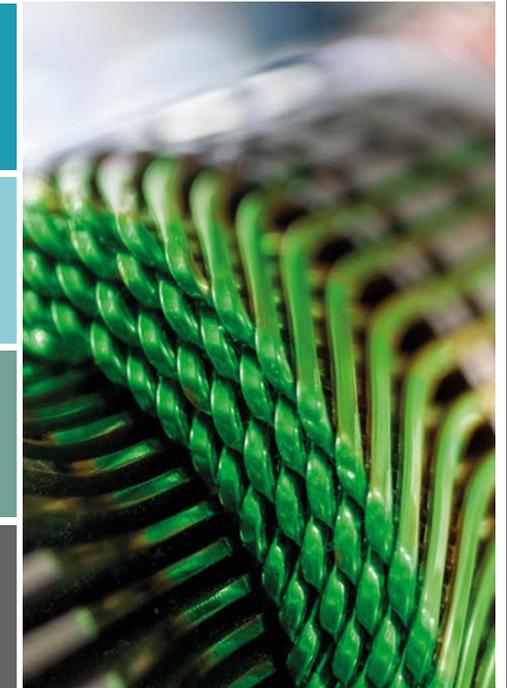
Number of E-Mobility projects increased by more than 30% vs. 2019



Product portfolio expanded and new market segments entered



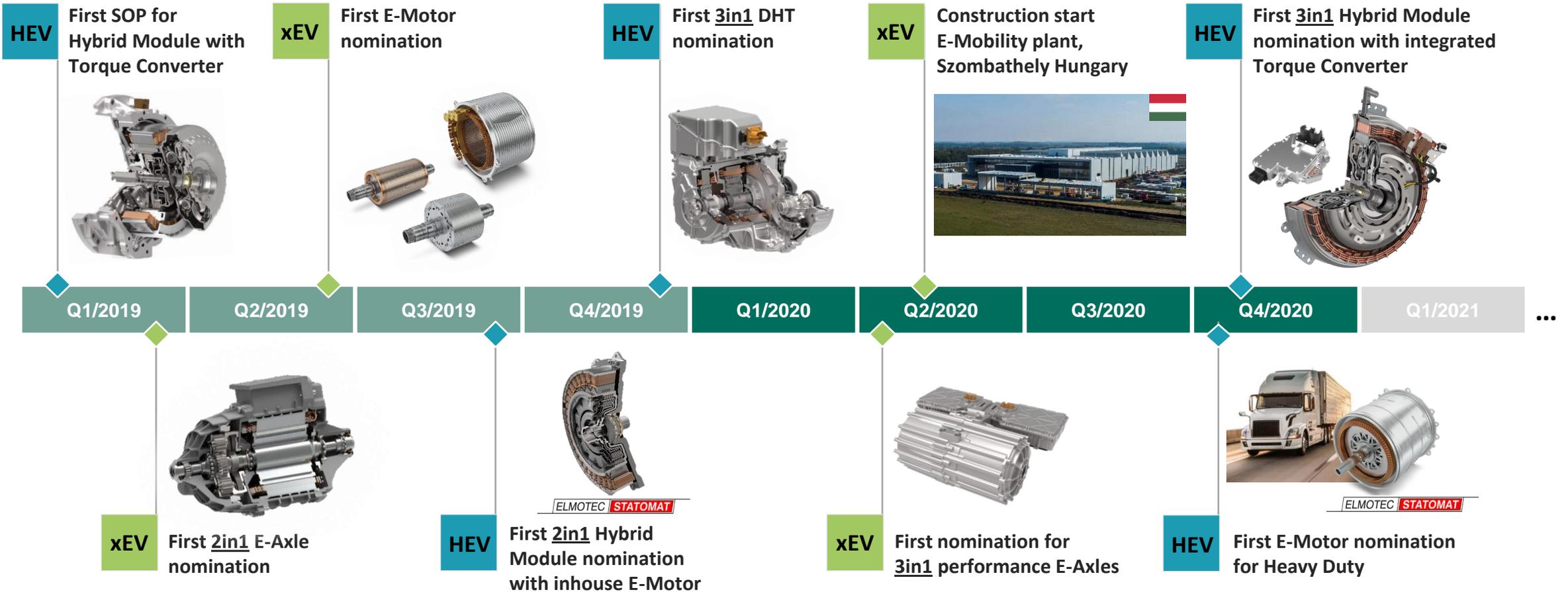
Mass production of E-Motors in preparation



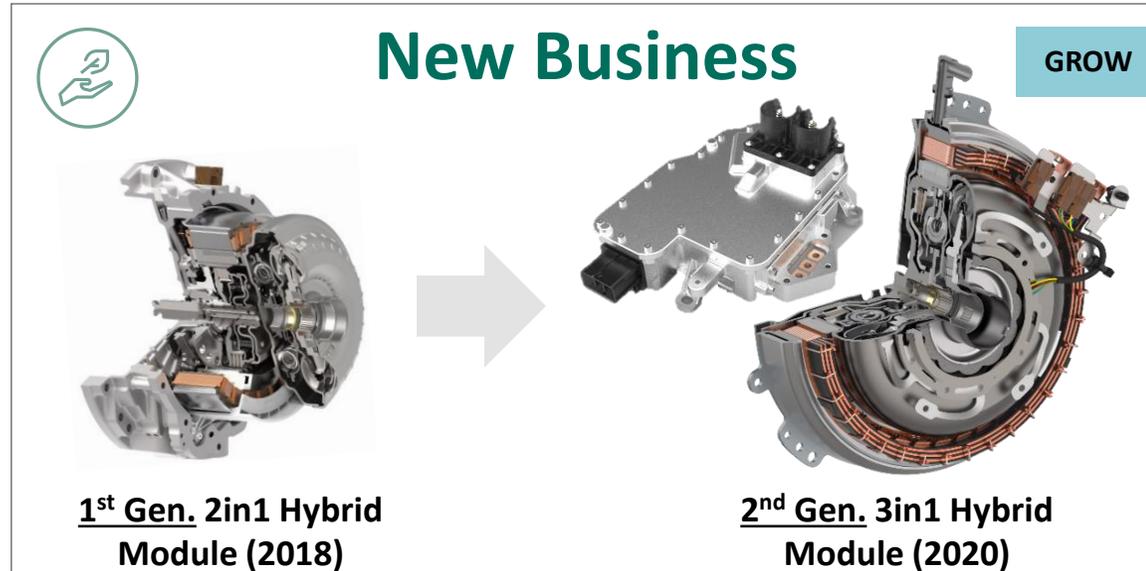
Targets for Order Intake E-Mobility

- until 2021: EUR 1.5-2 bn
- from 2022: EUR 2-3 bn

E-Mobility 2019 and 2020 overview - Our accelerated transformation to electrified powertrain solutions pays off



E-Mobility deep-dive – Our new Hybrid Module solution is extending our 3in1 powertrain portfolio



Key Aspects



Hybrid Module



Torque Converter

- Ground-breaking package with a Torque Converter
- Integration of E-Motor and Torque Converter greatly reduces the overall length
- Inhouse E-Motor and Torque Converter
- Efficient 48V PEU integrated

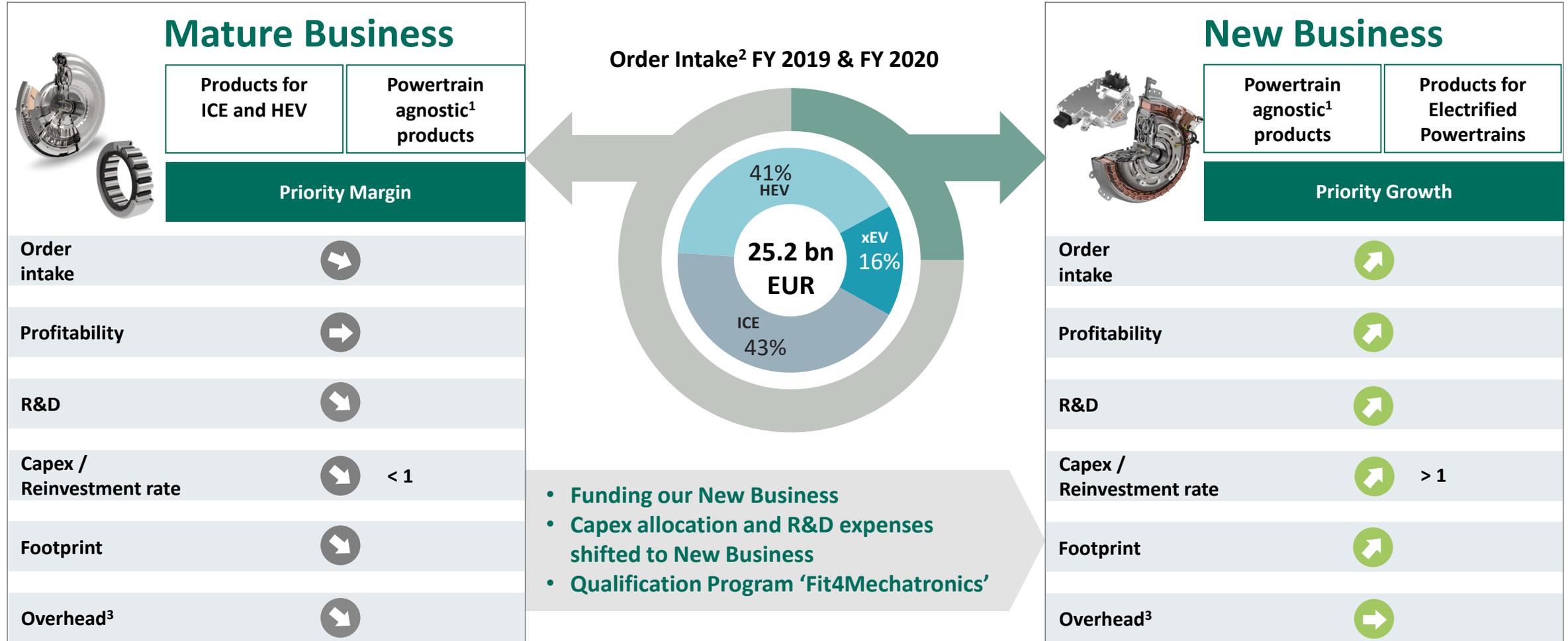
**Integrated
Micro Torque
Converter**

**First 48V
application for
3in1 Systems**

**Improved
Power density**

Our innovative strength makes us a qualified partner for modular and highly integrated 3in1 systems

How we fund our own growth and create value



¹ Independent from powertrain type | ² Powertrain split of Order Intake without Heavy Duty | ³ Selling & Admin expenses

4 How we create value

SCHAEFFLER

We turn business opportunities into award-winning partnerships



We drive the transition to innovative propulsion and chassis technologies, to conquer leadership positions in New Business

- 1 We plan conservatively with a disciplined view on costs in a highly uncertain market environment

- 2 We aim to outperform the market thanks to our system understanding and our excellence in industrialization

- 3 We actively manage the transition by ensuring profitability in Mature Business and fostering strong growth in New Business

- 4 We implement our efficiency measures, reduce complexity and manage our portfolio to fund our own growth while securing a dependable margin range

- 5 We prioritize growth and aim for leadership positions in our New Business, leveraging both our organic capabilities and external growth



Conquer leadership positions in New Business for electrified Powertrains and Chassis applications

We pioneer motion



Backup

We will capture further market potential with high quality components and systems

Mature Business HARVEST

Hybrid Module with Torque Converter

Damper

New + Mature

CVT Chain

We deliver **Components and Systems** to OEMs and Tiers

Significant **Content** of Mature Business Products in all Powertrain types

We benefit from our **Production- and Process** Know-How

System understanding at vehicle level

Mechatronic and Electrical Systems

Mechanical Components and Systems

Components

Outstanding Production- and Process Know-how

By complexity reduction and active portfolio management we will harvest our mature business

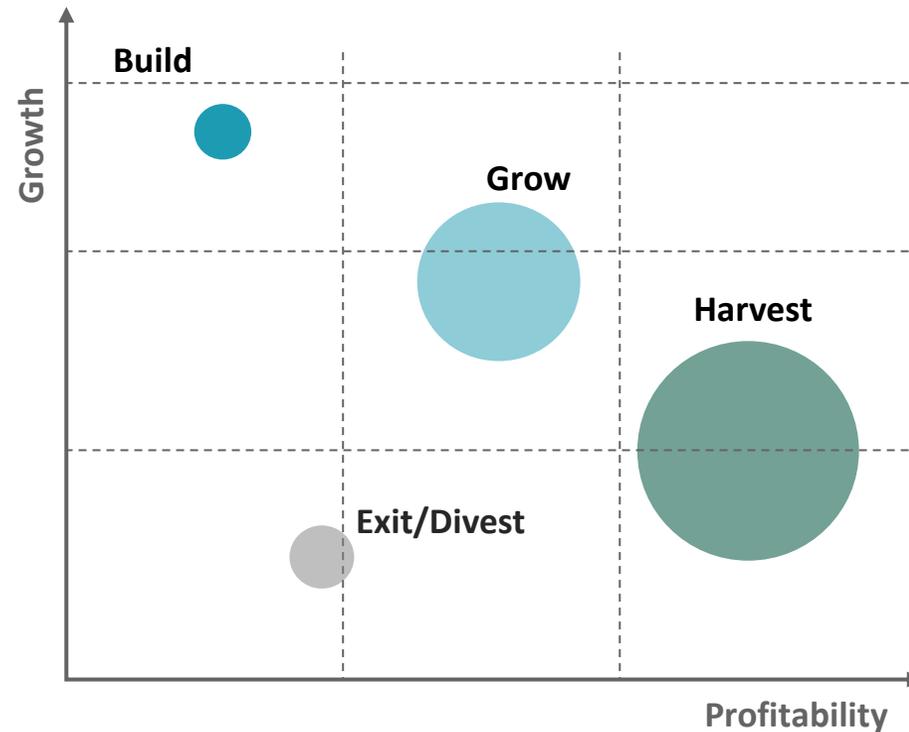
We actively manage the transition by ensuring profitability in Mature Business and a strong growth in New Business

Mature Business

We **HARVEST** with our Enabler-Technologies

We **EXIT/DIVEST** expiring businesses & consolidate our footprint

Automotive Technologies – Driving the transition to innovative propulsion and chassis technologies



New Business

We **BUILD** Competencies in Power Electronics & Hydrogen

We **GROW** in Electrified Powertrains