Schaeffler AG – CEO update

Kepler Cheuvreux German Corporate Conference
January 17, 2024
Disclaimer regarding information on the voluntary public tender offer - This presentation is with regard to the voluntary public tender offer (the "Offer") of Schaeffler AG ("Schaeffler") for all shares of Vitesco Technologies Group AG ("Vitesco" or the "Company") for information purposes only. The final terms and conditions and other provisions relating to the Offer are communicated in the offer document ("Offer Document") that has been approved for publication by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht).

Investors and holders of securities of Vitesco are strongly advised to read the Offer Document and all other announcements relating to the Offer as soon as they have been made public, as they contain or will contain important information.

The Offer is being implemented solely in accordance with the applicable laws of the Federal Republic of Germany, in particular the German Securities Acquisition and Trading Act (Wertpapiererwerbs- und Übernahmegesetz ("WpÜG") in conjunction with the German regulation on the contents of offer documents, considerations related to tender offers and compulsory offers, and exemptions from the obligation to publish and submit an offer (WpÜG-Angebotsverordnung), and with certain provisions of the securities laws of the United States of America applicable to cross-border tender offers.

The Offer is not made or intended to be made pursuant to the provisions of any other jurisdiction. Accordingly, no notifications, registrations admissions or approvals of the Offer or of the Offer Document have been or will be applied for or initiated by Schaeffler or the persons acting in conjunction with Schaeffler outside of the Federal Republic of Germany. Schaeffler and the persons acting in conjunction with Schaeffler therefore do not assume any responsibility for compliance with law other than the laws of the Federal Republic of Germany or applicable securities laws of the United States of America.

The Offer will not be filed, published or publicly advertised pursuant to the laws of any jurisdiction other than the Federal Republic of Germany and the United States of America, to the extent applicable. Schaeffler and the persons acting in conjunction with Schaeffler assume no responsibility for the publication, dispatch, distribution or dissemination of any documents connected with the Offer outside the Federal Republic of Germany being compatible with the applicable requirements of jurisdictions other than those of the Federal Republic of Germany. Furthermore, Schaeffler and the persons acting in conjunction with Schaeffler assume no responsibility for the non-compliance of third parties with any laws.

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Insofar as this document contains forward-looking statements, such statements do not represent facts and are characterized by the words "expect", "believe", "estimate", "intend", "aim", "assume" or similar expressions. Such statements express the intentions, opinions or current expectations and assumptions of Schaeffler and the persons acting in conjunction with Schaeffler, for example with regard to the potential consequences of the Offer for the Company, for those shareholders of the Company who choose not to accept the Offer or for future financial results of the Company. Such forward-looking statements are based on current plans, estimates and forecasts which Schaeffler and the persons acting in conjunction with Schaeffler have made to the best of their knowledge, but which do not claim to be correct in the future.

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AGENDA

1 Overview

2 Transaction Update Vitesco

3 Q3 2023 results, Guidance, Current trading
Schaeffler Group at a glance – The Motion Technology Company

- 3 Divisions serving attractive, sizeable Automotive and Industrial markets with secular growth
- Diversified customer base across 10 sectors
- Market leading product offering across components, systems, services
- Global footprint, in the region for the region, high customer proximity
- Experienced leadership team with focus on execution
- Family owned and listed (25% non-voting)

Diversified exposure in attractive markets, synergistic businesses and global reach
Our Evolution – From our heritage as a Bearings Manufacturer to “The Motion Technology Company”

We are proud of our heritage in bearings and prepared for the future as The Motion Technology Company.
AGENDA

1 Overview

2 Transaction Update Vitesco

3 Q3 2023 results, Guidance, Current trading
Public tender offer to Vitesco shareholders – The story in six highlights

Public tender offer

- Schaeffler AG Cash Offer¹ to acquire outstanding Vitesco Technologies Group AG shares (Step 1): Until the end of the acceptance period on December 15, 2023, 29.88% of the share capital and voting rights in Vitesco, have been tendered
- Around 23% premium on 3M VWAP

A 3-step transaction

- Schaeffler AG non-voting shares become voting common shares² (Step 2)
- Merger of Vitesco Technologies Group AG into Schaeffler AG (Step 3)

Simplified shareholding structure

- 30% Free Float envisaged post-transaction
- Higher liquidity, voting rights and more transparency

Significant value creation potential

- EUR 600 mn p.a. positive EBIT impact from revenue and cost synergies
- Leading E-Mobility offering across all dimensions

Leading Motion Technology Company

- Pro-forma Combined Revenues of EUR 25 bn
- 4 focused ‘pure play’ divisions

Stronger together

- Business combination agreement signed with Vitesco Technologies Group AG
- Strong cultural fit

¹“Erwerbsangebot” | ²Conversion subject to merger completion

Jan 17, 2024

Schaeffler | Kepler Cheuvreux German Corporate Conference
Next steps – Towards becoming a leading Motion Technology Company

- November 27, 2023: Publication of BCA and Offer Price Increase
- December 15, 2023: End of Acceptance Period
- December 20, 2023: Invitation EGM and Publication of Tender Offer Result
- January 5, 2024: Closing Tender Offer
- January 8, 2024: Bond Issuance to finance the acquisition of Vitesco Shares
- February 2, 2024: EGM – Conversion of Schaeffler Non-voting Common Shares
- April 24 & 25, 2024: AGMs Statutory Merger
- Q4 2024: Closing Merger
Simplified shareholding structure – Intention to achieve post-transaction free float of around 30%

Shareholding structure pre-transaction

- SDAX
- Low liquidity
- Two share classes

Shareholding structure post-transaction

- MDAX
- High liquidity
- Common Shares

MDAX/MSCI Europe inclusion expected
- Improved liquidity
- “One share, one vote”
### Shareholding structure as of December 20, 2023

<table>
<thead>
<tr>
<th>Entity</th>
<th>Shareholding Structure</th>
</tr>
</thead>
<tbody>
<tr>
<td>IHO Holding</td>
<td>3.0% of share capital (Non-voting common shares)</td>
</tr>
<tr>
<td></td>
<td>49.9% Common Shares</td>
</tr>
<tr>
<td>Free Float S AG</td>
<td>21.9% of share capital (Non-voting common shares)</td>
</tr>
<tr>
<td></td>
<td>75.1% of share capital (common shares)</td>
</tr>
<tr>
<td>Schaeffler</td>
<td>29.88% Common Shares</td>
</tr>
<tr>
<td>Vitesco</td>
<td>20.22% Common Shares</td>
</tr>
<tr>
<td>Free Float V AG</td>
<td>3.0% of share capital (Non-voting common shares)</td>
</tr>
<tr>
<td></td>
<td>75.1% of share capital (common shares)</td>
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</table>

**Key Aspects**

1. On December 12, IHO Beteiligungs GmbH, a subsidiary company of IHO Holding, acquired a package of Schaeffler non-voting shares representing 3.0 percent of the outstanding non-voting common shares.

2. The acquisition provides a stronger starting point for the planned business combination between Schaeffler AG and Vitesco Technologies Group AG.

3. Until the end of the acceptance period of the public tender offer on December 15, 2023, 11,957,629 Vitesco shares have been tendered to Schaeffler.

4. This corresponds to 29.88 percent of the share capital and voting rights in Vitesco.
Four focused, ‘pure play’ divisions – Creating a leading Motion Technology Company

**SCHAEFFLER New**

### Divisions

<table>
<thead>
<tr>
<th>Division</th>
<th>Business units</th>
<th>Value proposition</th>
</tr>
</thead>
<tbody>
<tr>
<td>E-Mobility</td>
<td>E-Mobility, Electrification</td>
<td>High-growth business supported by large orderbook, Managed for profitable growth with margin improvement</td>
</tr>
<tr>
<td>Powertrain &amp; Chassis</td>
<td>Engine &amp; Transmission, Chassis, Powertrain</td>
<td>Mature powertrain business with declining market growth, plus chassis growth opportunities, Managed for value generation, margin and free cash flow</td>
</tr>
<tr>
<td>Vehicle Lifetime Solutions</td>
<td>Automotive Aftermarket, Aftermarket²</td>
<td>Growth business with high margins and low capital intensity, Managed for profitable growth and free cash flow</td>
</tr>
<tr>
<td>Bearings &amp; Industrial Solutions</td>
<td>Industrial, Automotive Bearings</td>
<td>Growth business with clear margin improvement pathway, Managed for value generation, margin and free cash flow</td>
</tr>
</tbody>
</table>

### Sales Development

- **E-Mobility**: 2.4 EUR bn in 2022, 6.9 EUR bn in 2030
- **Powertrain & Chassis**: 13.1 EUR bn in 2022, 28% growth from 2022 to 2030
- **Vehicle Lifetime Solutions**: 2.5 EUR bn in 2022, 29% growth from 2022 to 2030
- **Bearings & Industrial Solutions**: 6.9 EUR bn in 2022, 28% growth from 2022 to 2030

### Ambition

- **E-Mobility**: Establish leader in E-Mobility with best-in-class technologies and strong product portfolio
- **Powertrain & Chassis**: Maximize value with conventional Powertrain and capture profitable Chassis growth
- **Vehicle Lifetime Solutions**: Develop a global integrated platform provider addressing customer needs along the vehicle lifecycle
- **Bearings & Industrial Solutions**: Build the leading global Bearings & Industrial Solutions company operating in four market clusters

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1 Division names are illustrative | 2 Currently included in Powertrain division | 3 Includes Vitesco Powertrain non-core business but excludes contract manufacturing | 4 Group sales share | 5 For illustrative purposes only, not to scale, excluding any potential revenue synergies; FX-adjusted, based on outside analysis
### Board of Managing Directors of Schaeffler AG

<table>
<thead>
<tr>
<th>#</th>
<th>Role</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>CEO</td>
<td>Klaus Rosenfeld</td>
</tr>
<tr>
<td>2</td>
<td>CFO</td>
<td>Claus Bauer</td>
</tr>
<tr>
<td>3</td>
<td>CHRO</td>
<td>Dr. Astrid Fontaine</td>
</tr>
<tr>
<td>4</td>
<td>CTO</td>
<td>Uwe Wagner</td>
</tr>
<tr>
<td>5</td>
<td>COO</td>
<td>Andreas Schick</td>
</tr>
<tr>
<td>6</td>
<td>CEO E-Mobility</td>
<td>Thomas Stierle</td>
</tr>
<tr>
<td>7</td>
<td>CEO Powertrain &amp; Chassis</td>
<td>Matthias Zink</td>
</tr>
<tr>
<td>8</td>
<td>CEO Vehicle Lifetime Solutions</td>
<td>Jens Schüler</td>
</tr>
<tr>
<td>9</td>
<td>CEO Bearings &amp; Industrial Solutions</td>
<td>Sascha Zaps</td>
</tr>
</tbody>
</table>

### Regional CEOs

<table>
<thead>
<tr>
<th>#</th>
<th>Region</th>
<th>Name</th>
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</thead>
<tbody>
<tr>
<td>10</td>
<td>CEO Europe</td>
<td>N.N.</td>
</tr>
<tr>
<td>11</td>
<td>CEO Americas</td>
<td>Marc McGrath</td>
</tr>
<tr>
<td>12</td>
<td>CEO Greater China</td>
<td>Dr. Yilin Zhang</td>
</tr>
<tr>
<td>13</td>
<td>CEO Asia Pacific</td>
<td>Dharmesh Arora</td>
</tr>
</tbody>
</table>

### Key Aspects
- Executive Board of Schaeffler AG New with 13 members, 4 divisional, 5 functional and 4 regional to come into place with closing of the merger (envisaged for Q4 2024)
- Of the 13 members of the Executive Board, 9 will be part of the Board of Managing Directors (“Vorstand”) of Schaeffler AG and 4 Regional CEOs
- Thomas Stierle from Vitesco will lead the E-Mobility Division
- Agreement on the composition of the Executive Board as a key prerequisite to start the integration preparation

**Composition of the Executive Board of the future combined entity agreed**
Transaction Highlights

- Well-executed deal roadshow on January 05, 2024 in which we engaged with 80+ investor accounts
- Announcement of dual tranche bond transaction on January 08, 2024 on the back of constructive market open
- Transaction was the first senior bond transaction in over 3 years since our October 2020 transaction
- Strong investor participation across European key investors, bookbuilding characterized by outstanding momentum from the very beginning
- High quality orderbook with multiple EUR 100mn+ orders
- Also, shares in Schaeffler rose as much as 4% that day

Selected investor/analyst feedback

- „We saw your transaction at really great terms for you!“
- „Very good demand for the bonds with final pricing below initial pricing which should be seen positive“
- „Great and smart transaction, also timing-wise“
1 Overview

2 Transaction Update Vitesco

3 Q3 2023 results, Guidance, Current trading
Schaeffler Group – Strong Q3 results driven by Automotive divisions

### 9M 2023 Financial Results

<table>
<thead>
<tr>
<th>Schaeffler Group</th>
<th>Automotive Technologies</th>
<th>Automotive Aftermarket</th>
<th>Industrial</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>9M 2023</strong></td>
<td><strong>9M 2023</strong></td>
<td><strong>9M 2023</strong></td>
<td><strong>9M 2023</strong></td>
</tr>
<tr>
<td>Sales growth²</td>
<td>+6.6%</td>
<td>+5.4%</td>
<td>+14.5%</td>
</tr>
<tr>
<td>EBIT margin³</td>
<td>7.9%</td>
<td>4.8%</td>
<td>16.9%</td>
</tr>
<tr>
<td>Free Cash Flow⁴</td>
<td>EUR 211 mn</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1 Please refer to the Interim Statement for further details | ² FX-adjusted | ³ Before special items | ⁴ Before cash in- and outflows for M&A activities
### FY 2023 Guidance

<table>
<thead>
<tr>
<th>Schaeffler Group</th>
<th>Automotive Technologies</th>
<th>Automotive Aftermarket</th>
<th>Industrial</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Guidance FY 2023</strong></td>
<td><strong>Outperformance 0 – 300 bps</strong></td>
<td><strong>Guidance FY 2023</strong></td>
<td><strong>Guidance FY 2023</strong></td>
</tr>
<tr>
<td>Sales growth</td>
<td>5 – 8%</td>
<td>10 – 12%</td>
<td>4.5 – 5.5% (prior: 6 – 8%)</td>
</tr>
<tr>
<td>EBIT margin</td>
<td>6 – 8%</td>
<td>3 – 5%</td>
<td>14 – 16%</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>EUR 300 – 400 mn</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Market assumptions for 2023**

- **Automotive Technologies**: Updated to LVP growth of 5 - 7% vs. 7.5% in latest S&P estimate for 2023
- **Automotive Aftermarket**: Growth of Global LV Parc of around 2%
- **Industrial**: Slight increase of relevant industrial production

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1 Please refer to the Interim Statement for further details | 2 + FX-adjusted | 3 before special items | 4 before cash in- and outflows for M&A activities | 5 Moderate Sales growth | 6 Includes content supplied by S&P Global Mobility© [IHS Markit Light Vehicle Production Forecast (Base), October 2023]. All rights reserved | 7 Includes content supplied by S&P Global Mobility © [IHS Markit Vehicles in Operation (VIO) Forecast, July 2023]. All rights reserved. | 8 Includes content supplied by S&P Global Market Intelligence © [Comparative Industry Service Forecast, October 2023]. All rights reserved. Sectors considered: Mechanical Engineering (ISIC 28), Transport Equipment (ISIC 30), Electrical Equipment (ISIC 271).
Current Trading Update – Q4 in line with expectations

1 **Automotive Technologies** – Solid market demand in specific Regions (Europe and Greater China). Q4 EBIT margin expected to be seasonally weaker, but FY EBIT margin trending comfortably within FY guidance range.

2 **Automotive Aftermarket** – Ongoing favorable market conditions - We are harnessing it by further enhancing our product offerings and improving our logistical capabilities. We are confident in comfortably achieving our guidance.

3 **Industrial** – Market uncertainties and risks remain on increased level, specifically in China. Most sectors with reduced demand, positive development in rail and aerospace. Our goal is to safeguard the floor of our EBIT margin guidance.

On track to achieve our FY 2023 Guidance
Business Update – We keep on delivering on Commercial Success Wins

Automotive Technologies – Presenting innovative solutions at CES 2024

- Under the theme “Making Next Possible” Schaeffler presents innovations to drive, energize and generate motion ranging from wheel bearings to e-axles and rear wheel steerings for electrified vehicles
- Over 450 registered contacts and more than 50 customer meetings with both established OEMs and New Mobility Players

Automotive Aftermarket – Customer-centricity well acknowledged in the market

- ATR International, one of the leading global trading groups in the Automotive Aftermarket, honors Schaeffler with the ‘Excellence in Marketing’ award for pioneering customer engagement and exceptional marketing competencies
- Customer proximity and customer service as key differentiators for Schaeffler Automotive Aftermarket

Industrial – Ramp-up of high-growth business fields

- Strategic orders received on Ewellix products in linear motion. The market for electrified components is expected to grow at a CAGR of >6% in the mid-term
- Lifetime Solutions trending with double-digit growth in 2023. Continued strong growth expected, along with ECO-Adapt portfolio expansion opportunity
Conclusion & Outlook – Transaction on track, while keeping our strong focus on the business

1. **Transaction Update** – We are proceeding with diligence and momentum in our transaction. BCA signed and Integration Committee set up to prepare a smooth integration. Tender offer closed on January 5, Schaeffler owns ~30% of Vitesco.

2. **Financing** – Successful issuance of bonds to finance the acquisition of Vitesco shares; strong vote of confidence in Schaeffler’s financial stability and support of corporate merger with Vitesco.

3. **Business Update** – Strong focus by our Teams on driving purposefully our businesses in our Regions with strong innovation spirit, offering compelling solutions to our Customers.

4. **Current Trading and Outlook** – Guidance confirmed for FY 2023 on Group and divisional level; we will provide Guidance for 2024 at the FY Release in March.

Strong basis for further building the leading Motion Technology company.
Thank you

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Email ir@schaeffler.com
Web www.schaeffler.com.ir
- Transaction Update Vitesco -
Key Transaction Steps – Clear path to business combination

1. Announcement Tender Offer (9 Oct 2023)
   - Tender Offer to Vitesco’s shareholders
     - Public cash tender offer\(^1\) at EUR 91 per Vitesco share launched on November 15 with four-week offer period, offer price increased to EUR 94 on November 27
     - Until the end of the acceptance period on December 15, 2023, 29.88% of the share capital and voting rights in Vitesco have been tendered to Schaeffler
     - IHO Holding (owning 49.9% of Vitesco) has signed a Non-Tender commitment

2. Closing Tender Offer (January 2024)
   - Schaeffler Non-voting Common Share Conversion
     - Resolution on the conversion of Schaeffler Non-voting Common Shares\(^2\) into Common Shares
     - 75% Non-voting Common shareholder approval required; conversion at ratio of 1:1
     - Establishing one share class with enhanced liquidity and commitment to increased free float

3. AGMs Statutory Merger (April 2024)
   - Merger of Vitesco into Schaeffler
     - Merger of Vitesco into Schaeffler AG (no DPLTA\(^3\), no squeeze-out envisaged)
     - No anti-trust clearance necessary for completion of the offer in the EU
     - Final merger exchange ratio to be agreed between Schaeffler and Vitesco based on a statutory valuation process

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\(^1\) “Erwerbsangebot” \(^2\) Conversion subject to merger completion \(^3\) DPLTA: Domination and Profit and Loss Transfer Agreement
E-Mobility – Combining highly complementary strengths and capabilities for future growth

Complementary strengths

- Enlarged product portfolio
- Coverage of all mission critical capabilities
- Increasing relevance for global OEMs
- Joint scale funds required investments in R&D to capture overall market growth

Significant market growth potential

EUR 190 bn
EUR 70 bn
EUR 2.4 bn
E-Mobility revenues 2022-30
EUR 10 bn
Total addressable market 2022-30

Key characteristics

- Joint procurement and supply chain management
- Cross-selling opportunities and enhanced cost competitiveness

Outlook

- Combined orderbook of >EUR 40 bn²
- Revenue expected to grow ~4x by 2030e
- Reaching solid profitability in the medium term

Key Peers

- BORGWARNER
- Valeo
- BOSCH
Combining complementary strengths – Leading E-Mobility offering across all dimensions

Strong mechanical capabilities and systems understanding

Strong complementary portfolio as clear technology leader in Power Electronics

Combining the “best of both worlds” with complementary technological strengths
Powertrain & Chassis – Maximize value with a broad Powertrain portfolio and grow Chassis

**Mature**

Powertrain

- Efficiently adapt the ICE business to shrinking market and provide foundation and funding for the growth of the Chassis business

**Growth**

Chassis

- Diversify portfolio through innovations/products in the chassis/steering segment

### Transformation

<table>
<thead>
<tr>
<th>Transformation</th>
<th>Market share</th>
<th>SG&amp;A</th>
<th>Margins</th>
<th>FCF</th>
</tr>
</thead>
</table>

**Key characteristics**

- Leveraging joint scale to optimize profitability with capacity consolidation
- Broad product portfolio through combination
- Sharing of best practice and joint R&D
- Value-accrative ramp-down of components offering

**Combinational synergies**

- High profitability strengthened by combination
- Synergies from procurement, rationalisation of production footprint and SG&A

**Outlook**

- Market share gains and growth businesses help mitigate conventional powertrain gradual decline
- Chassis with strong growth potential in new products
- Manage for stable margin & high cash generation

**Key Peers**

- AISIN
- MAGNA
- BOSCH
- Mando

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Vehicle Lifetime Solutions – Becoming a leading integrated platform

### Growth drivers

| **Share of Wallet** | • Increased relevance due to enlarged future-ready product portfolio  
|                     | • Further transition from parts to solutions provider |
| **Solutions & Service Offer** | • Increased electronics and sensor capabilities  
|                     | • Additional scale for lifecycle solutions |
| **Way to Market** | • Higher relevance and scale for new distributors and digital sales channels  
|                     | • Joint expansion in Americas and Asia |

### Growth enablers

| **Digital Competence** | • Best-in-class practice sharing  
|                       | • Increased scale allows for accelerated investment |
| **Operational Excellence** | • State of the art global operations  
|                       | • Efficient and scalable structures |

### Key characteristics

- Integrated multi-vendor service platform enhanced by Vitesco
- Future-relevant portfolio irrespective of drive technology
- Resilient, counter-cyclical growth
- Low capital intensity

### Combinational synergies

- Combined scale drives revenue synergies and enhances competitiveness
- Enlarged product range and sales volume allows for further logistics optimization

### Outlook

- Growth driven by aging car parc
- Margin expansion potential
- Strong free cash flow

### Key Peers

- Bosch
- Forvia
- Valeo
- SKF
- Tenneco
- T
e
- LKQ
- GPC

### Suppliers

- Distributors
4 Bearings & Industrial Solutions – Building a global market leader

Well-diversified portfolio focused on 4 market clusters

<table>
<thead>
<tr>
<th>%</th>
<th>Market Cluster</th>
<th>Sub-sectors</th>
</tr>
</thead>
<tbody>
<tr>
<td>56%</td>
<td>Transportation &amp; Mobility</td>
<td>Two-Wheeler, Cars &amp; LCVs, Truck &amp; Bus, Offroad, Rail, Aerospace</td>
</tr>
<tr>
<td>21%</td>
<td>Machinery &amp; Materials</td>
<td>Raw Materials, Power Transmission</td>
</tr>
<tr>
<td>12%</td>
<td>Industrial Automation</td>
<td>Industrial Automation</td>
</tr>
<tr>
<td>11%</td>
<td>Renewables</td>
<td>Wind, Hydrogen as strategic business field</td>
</tr>
</tbody>
</table>

Key characteristics
- Secular growth markets
- Addressing full spectrum of bearings and linear motion solutions
- Over-proportional growth with service solutions
- Entering emerging hydrogen business

Transformational impact
- Sizable benefits from economies of scale
- Strengthening technology and innovation power in bearings across all sectors

Outlook
- Revenue growth potential ahead of market
- Further accelerated growth through M&A

Key Peers
- SKF
- TIMKEN
- NSK
- JTEKT
- NTN
- C&U
- THK (Global)
Strong combined portfolio – Positioned for maximum value with enlarged global footprint in key markets

### Sales FY 2022

**EUR 16 bn**

<table>
<thead>
<tr>
<th>Division</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Automotive Aftermarket</td>
<td>13%</td>
</tr>
<tr>
<td>Automotive Technologies</td>
<td>60%</td>
</tr>
<tr>
<td>Industrial</td>
<td>27%</td>
</tr>
<tr>
<td>Greater China</td>
<td>23%</td>
</tr>
<tr>
<td>Asia/Pacific</td>
<td>13%</td>
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<tr>
<td>Europe</td>
<td>42%</td>
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<tr>
<td>Americas</td>
<td>22%</td>
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### Sales by divisions FY 2022

<table>
<thead>
<tr>
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</tr>
<tr>
<td>Asia/Pacific</td>
<td>13%</td>
</tr>
<tr>
<td>Europe</td>
<td>42%</td>
</tr>
<tr>
<td>Americas</td>
<td>22%</td>
</tr>
</tbody>
</table>

### Sales by regions FY 2022

<table>
<thead>
<tr>
<th>Region</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Americas</td>
<td>26%</td>
</tr>
<tr>
<td>Asia/Pacific</td>
<td>28%</td>
</tr>
<tr>
<td>Europe</td>
<td>42%</td>
</tr>
<tr>
<td>Americas</td>
<td>22%</td>
</tr>
<tr>
<td>Europe</td>
<td>42%</td>
</tr>
<tr>
<td>Asia/Pacific</td>
<td>28%</td>
</tr>
<tr>
<td>Americas</td>
<td>22%</td>
</tr>
</tbody>
</table>

### Production plants

- 83
- 20
- ~84,000

### R&D sites

- 20
- 24
- ~38,000

### Employees

- ~84,000
- ~38,000
- ~122,000

### Pro-forma SCHAEFFLER New

**EUR 25 bn**

<table>
<thead>
<tr>
<th>Segment</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bearings &amp; Industrial Solutions</td>
<td>28%</td>
</tr>
<tr>
<td>E-Mobility</td>
<td>9%</td>
</tr>
<tr>
<td>Vehicle Lifetime Solutions</td>
<td>10%</td>
</tr>
<tr>
<td>Powertrain &amp; Chassis</td>
<td>53%</td>
</tr>
<tr>
<td>Greater China</td>
<td>20%</td>
</tr>
<tr>
<td>Europe</td>
<td>43%</td>
</tr>
<tr>
<td>Asia/Pacific</td>
<td>14%</td>
</tr>
<tr>
<td>Americas</td>
<td>23%</td>
</tr>
</tbody>
</table>

### Sales FY 2022

- EUR 16 bn
- EUR 9 bn
- EUR 25 bn

### jan 17, 2024

Schaeffler | Kepler Cheuvreux German Corporate Conference
Significant synergy potential – EUR 600 mn p.a. revenue and cost synergies identified

Revenue and cost synergies¹
FCF impact in EUR mn

Key cost levers
- Economies of scale in procurement
- R&D and SG&A efficiencies
- Supply chain efficiencies
- Best practice sharing

Synergy breakdown
EBIT impact
- Revenue synergies EUR 100 mn
- Cost synergies EUR 500 mn
- Integration costs EUR 665 mn

Driving long-term value creation
Financial impact – Earnings per share accretive in 2026 and leverage positive in 2025

**Development of Leverage ratio over transaction**

<table>
<thead>
<tr>
<th>Year</th>
<th>Leverage ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 2023</td>
<td>1.5x</td>
</tr>
<tr>
<td>Transaction impact 2024</td>
<td>&lt;2.0x</td>
</tr>
<tr>
<td>Schaeffler Free Cash flow</td>
<td></td>
</tr>
<tr>
<td>Schaeffler Dividends</td>
<td></td>
</tr>
<tr>
<td>2024 Leverage ratio</td>
<td></td>
</tr>
<tr>
<td>Transaction Impact 2025</td>
<td></td>
</tr>
<tr>
<td>Pro-forma 2025 Leverage ratio</td>
<td>&lt;1.5x</td>
</tr>
<tr>
<td>Medium-term Leverage target</td>
<td>1.75x</td>
</tr>
<tr>
<td>2025</td>
<td>&lt;2.0x</td>
</tr>
</tbody>
</table>

- **Earnings per share**
  - Only marginally dilutive in 2025 and increasingly accretive from 2026
  - Accelerating EPS growth from 2025

- **Leverage ratio**
  - Acquisition financing increases leverage in 2024 above 1.5x
  - Consolidation of Vitesco reduces leverage to a level below 1.5x in 2025

**Financial strength and flexibility**
**Strong Cash Flow**
- Rigorous financial discipline, throughout the transformation phase and beyond
- Efficient working capital management
- Strong resilience through the cycle with steady improvement in FCF expected

**Disciplined Capital Allocation**
- Clear Portfolio Steering based on Build/Grow/Harvest/Exit-logic
- Focused investment in strategic growth areas
- Strengthening of Digitalization and Sustainability

**Operational Excellence**
- Operational efficiency driving optimized production costs
- Leveraging economies of scale in procurement
- Harmonization of supply chains

**Dividends**
- Maintaining medium-term leverage target
- Significant FCF improvement
- Unchanged dividend policy: 30-50% payout ratio
Summary – Creating a leading Motion Technology Company

Key highlights

- Attractive Public Tender Offer for all outstanding shares of Vitesco Technologies Group AG
- Clear 3-step overall transaction to merge Vitesco Technologies Group AG into Schaeffler AG
- Compelling strategic rationale for creating a leading Motion Technology company with 4 focused, ‘pure play’ divisions
- Simplified shareholding structure post transaction with envisaged free float of 30% and higher liquidity, voting shares
- Significant value creation potential through high level of revenue and cost synergies
- Stronger together cultural fit and friendly business combination envisaged
- Financials -
Schaeffler Group – Strong Q3 results driven by Automotive divisions

Key messages Q3 2023

1. Q3 Sales\(^1\) +0.5% – Good growth in Europe and Asia/Pacific. Greater China declining on very high comps

2. Q3 Gross margin 22.3% – Very strong contribution from Automotive Aftermarket

3. Q3 EBIT margin\(^2\) 8.4% – Strong and growing yoy in both Automotive divisions, decreasing in Industrial

4. Q3 FCF\(^3\) EUR 182 mn – Continued strong cash flow generation and effective Working Capital Management

5. FY 2023 Group Guidance confirmed – Top line reduction in Industrial, Automotive divisions confirmed and on track

Sales growth\(^1\) Q3

\(+0.5%\)

EUR 4,062 mn

Gross Margin Q3

22.3%

Q3 2022: 23.2%

EBIT margin\(^2\) Q3

8.4%

Q3 2022: 8.4%

Free Cash Flow\(^3\) Q3

EUR 182 mn

Q3 2022: EUR 240 mn

---

\(^1\) FX-adjusted, yoy | \(^2\) Before special items | \(^3\) Before cash in- and outflows for M&A activities
Automotive Technologies – Q3 with continued strong EBIT momentum

**Sales in EUR mn**

<table>
<thead>
<tr>
<th></th>
<th>Q3 2022</th>
<th>Q3 2023</th>
<th>9M 2022</th>
<th>9M 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2.554</td>
<td>2.440</td>
<td>7.068</td>
<td>7.280</td>
</tr>
</tbody>
</table>

**Gross margin**

|        | 18.2%   | 17.8%   | 17.8%   | 17.6%   |

**EBIT² in EUR mn**

<table>
<thead>
<tr>
<th></th>
<th>Q3 2022</th>
<th>Q3 2023</th>
<th>9M 2022</th>
<th>9M 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>122</td>
<td>142</td>
<td>214</td>
<td>349</td>
</tr>
</tbody>
</table>

**EBIT margin²**

|        | 4.8%    | 5.8%    | 3.0%    | 4.8%    |

**KEY ASPECTS**

- Flat sales yoy¹ on very strong comps (+25%). In 2022 our Q3 included also retroactive price compensation
- Chassis systems and Bearings with continued good growth
- Strong Q3 EBIT margin of 5.8%²
- Strong EBIT margin contribution in mature businesses driven by volumes
- E-Mobility EUR 2-3 bn Order Intake annual target already achieved

¹ FX-adjusted | ² Before special items
**Automotive Technologies – E-Mobility EUR 2-3 bn Order Intake annual target already achieved**

### Order Intake

<table>
<thead>
<tr>
<th>Year</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>9M 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>4.6</td>
<td>5.4</td>
<td>6.6</td>
<td>4.1</td>
</tr>
<tr>
<td>H2</td>
<td>5.5</td>
<td>4.8</td>
<td>5.7</td>
<td>3.8</td>
</tr>
<tr>
<td>YTD</td>
<td>10.2</td>
<td>12.3</td>
<td>7.9</td>
<td></td>
</tr>
</tbody>
</table>

### Thereof E-Mobility

<table>
<thead>
<tr>
<th>Year</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>9M 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>4.6</td>
<td>5.4</td>
<td>6.6</td>
<td>4.1</td>
</tr>
<tr>
<td>H2</td>
<td>5.5</td>
<td>4.8</td>
<td>5.7</td>
<td>3.8</td>
</tr>
<tr>
<td>YTD</td>
<td>10.2</td>
<td>12.3</td>
<td>7.9</td>
<td></td>
</tr>
</tbody>
</table>

### Book-to-Bill Ratio

<table>
<thead>
<tr>
<th>Period</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>9M 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>H2</td>
<td>1.2x</td>
<td>1.2x</td>
<td>1.2x</td>
<td>Q3: 1.6x</td>
</tr>
<tr>
<td>H1</td>
<td>1.4x</td>
<td>1.3x</td>
<td>1.6x</td>
<td>0.9x</td>
</tr>
<tr>
<td>FY</td>
<td>1.3x</td>
<td>1.3x</td>
<td>1.4x</td>
<td>YTD: 1.1x</td>
</tr>
</tbody>
</table>

### Business Highlights

- **Winning in the US Pick-Up market:**
  - Extension of business with innovative powertrain solutions for electrified Pick-Ups with e-axles & range extenders

- **Innovation and commercial push in high-performance e-powertrains:**
  - Q3 with significant order intake increase from high-ranking global performance car manufacturers

- **Strong book-to-bill ratio of 1.6x in Q3 vs 1.3x comps**
  - YTD Order intake of EUR 7.9 bn, of which EUR 2.9 bn in E-Mob
### Automotive Aftermarket – Q3 with strong sales growth\(^1\) and very strong EBIT margin\(^2\)

**Sales**

<table>
<thead>
<tr>
<th></th>
<th>Q3 2022</th>
<th>Q3 2023</th>
<th>9M 2022</th>
<th>9M 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross margin</td>
<td>548</td>
<td>584</td>
<td>1.518</td>
<td>1.716</td>
</tr>
<tr>
<td></td>
<td>31.8%</td>
<td>35.7%</td>
<td>31.2%</td>
<td>34.5%</td>
</tr>
</tbody>
</table>

**EBIT**

<table>
<thead>
<tr>
<th></th>
<th>Q3 2022</th>
<th>Q3 2023</th>
<th>9M 2022</th>
<th>9M 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBIT margin</td>
<td>73</td>
<td>98</td>
<td>202</td>
<td>290</td>
</tr>
<tr>
<td>(^2)</td>
<td>13.4%</td>
<td>16.7%</td>
<td>13.3%</td>
<td>16.9%</td>
</tr>
</tbody>
</table>

**Key Aspects**

- **High single-digit sales growth\(^1\)** on strong comps, driven by continued strong demand, improved logistical performance, and favorable pricing.

- **Strong growth in Independent Aftermarket (+9.6%)\(^1\)**; All regions growing, double-digit in Americas; Europe the top contributor in absolute terms.

- **Very strong EBIT margin\(^2\)** improvement driven by favorable sales mix, continued price management.
Automotive Aftermarket – Acquisition in September of B2B e-commerce platform Koovers in India

**Compelling app-based B2B e-commerce platform**

- 7,000 Workshops
- 1.8 Million Product SKU
- 160K+ Orders Serviced
- 125+ Towns Presence in South India

**Sizable and attractive Indian Automotive Aftermarket**

- Indian automotive aftermarket expected to grow to 14bn EUR by 2030
- E-commerce penetration expected to grow to 10% by 2030

**E-commerce Market Penetration**

<table>
<thead>
<tr>
<th>Parts</th>
<th>Repairs &amp; Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td>4.900</td>
</tr>
<tr>
<td>2025</td>
<td>7.199</td>
</tr>
<tr>
<td>2030</td>
<td>9.795</td>
</tr>
</tbody>
</table>

- +15% growth by 2030

**Strategic rationale**

- Scalable platform business with highest customer focus through convenient digital interfaces
- Wide spectrum of high-quality automotive spare parts, ensuring access and availability to independent workshops
- Fast and reliable supply chain through regional and local presence, close to the customers’ doorstep and individual repair case

Further strengthening of Schaeffler’s platform business in the attractive and fast-growing Indian market

Source: Frost & Sullivan
Industrial – Q3 sales¹ and EBIT development driven by market downturn

**Sales** in EUR mn

- Q3 2022: 1.140
- Q3 2023: 1.038
- 9M 2022: 3.205
- 9M 2023: 3.274

**Gross margin**

- Q3 2022: 30.3%
- Q3 2023: 25.3%
- 9M 2022: 29.9%
- 9M 2023: 27.5%

**EBIT²** in EUR mn

- Q3 2022: 159
- Q3 2023: 100
- 9M 2022: 397
- 9M 2023: 326

**EBIT margin²**

- Q3 2022: 13.9%
- Q3 2023: 9.7%
- 9M 2022: 12.4%
- 9M 2023: 9.9%

**PPA impact**

- Q3 2023: -60 bps
- 9M 2023: -50 bps

---

**KEY ASPECTS**

- **Volumes in all regions below strong Q3 2022 due to weakening economic environment and destocking**

- **EBIT margin in Q3 driven by negative sales development in China (-22%)¹ and higher fixed cost due to investments in growth areas**

- **Tactical cost savings measures in execution**
Industrial – Orderbook reduction mainly due to downturn in China and Wind

**Business Highlights**

- **New order gains in Aerospace** by long-term agreements with key OEMs covering roller bearings for high volume applications.

- **Strong business development** including order intake in Rail supported by increased localization rate of production and even higher customer proximity.

**Aerospace and Rail sector clusters growing**

---

1 The orderbook 3M measures the value of customer orders which are due in the next three months. It is presented as a relative, FX-adjusted yoy growth indicator which reflects the short-term business expectations. Developments in the distribution business have typically a shorter reach and are therefore only partially reflected by this indicator. Excluding Ewellix orderbook |

**Orderbook 3-month**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2020 Q1</th>
<th>2020 Q2</th>
<th>2020 Q3</th>
<th>2021 Q1</th>
<th>2021 Q2</th>
<th>2021 Q3</th>
<th>2021 Q4</th>
<th>2022 Q1</th>
<th>2022 Q2</th>
<th>2022 Q3</th>
<th>2022 Q4</th>
<th>2023 Q1</th>
<th>2023 Q2</th>
<th>2023 Q3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orderbook 3M</td>
<td></td>
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</tr>
<tr>
<td>Sales</td>
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<td></td>
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</tr>
</tbody>
</table>

---

**Orderbook reduction mainly due to downturn in China and Wind**

Jan 17, 2024

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PUBLIC

SCHAEFFLER
### FCF – Strong Q3 FCF, effective Working Capital management

#### Free Cash Flow before M&A

<table>
<thead>
<tr>
<th>Quarter</th>
<th>FCF (EUR mn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 22</td>
<td>14</td>
</tr>
<tr>
<td>Q2 22</td>
<td>-219</td>
</tr>
<tr>
<td>Q3 22</td>
<td>240</td>
</tr>
<tr>
<td>Q4 22</td>
<td>244</td>
</tr>
</tbody>
</table>

#### FCF Before M&A

<table>
<thead>
<tr>
<th>Quarter</th>
<th>FCF (EUR mn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 23</td>
<td>103</td>
</tr>
<tr>
<td>Q2 23</td>
<td>182</td>
</tr>
</tbody>
</table>

#### Reconciliation Q3 2023

<table>
<thead>
<tr>
<th>Item</th>
<th>Q3 22</th>
<th>Q3 23</th>
<th>∆ Q2 23/22</th>
<th>Net Working Capital</th>
<th>Capex</th>
<th>Net Interest</th>
<th>Taxes</th>
<th>Others</th>
<th>FCF</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>567</td>
<td></td>
<td></td>
<td></td>
<td>-108</td>
<td>-247</td>
<td>-13</td>
<td>-76</td>
<td>+58</td>
</tr>
<tr>
<td>∆ Net Working Capital</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>182</td>
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<td>Capex</td>
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<tr>
<td>Net Interest</td>
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<tr>
<td>Taxes</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Others</td>
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<td></td>
<td></td>
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<tr>
<td>FCF</td>
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<td></td>
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<td></td>
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</tbody>
</table>

#### FCF Details

<table>
<thead>
<tr>
<th>Quarter</th>
<th>FCF as reported (EUR mn)</th>
<th>M&amp;A (EUR mn)</th>
<th>FCF before M&amp;A (EUR mn)</th>
<th>Legal Cases (EUR mn)</th>
<th>Restructuring (EUR mn)</th>
<th>Others (EUR mn)</th>
<th>FCF bef. M&amp;A and sp. Items (EUR mn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3 22</td>
<td>197</td>
<td>+43</td>
<td>240</td>
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<td>+45</td>
<td>0</td>
<td>276</td>
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<tr>
<td>Q3 23</td>
<td>156</td>
<td>+26</td>
<td>182</td>
<td>-12</td>
<td>+24</td>
<td>+1</td>
<td>195</td>
</tr>
<tr>
<td>∆ Q2 23/22</td>
<td>-41</td>
<td>-17</td>
<td>-58</td>
<td>-4</td>
<td>-19</td>
<td>+13</td>
<td>-81</td>
</tr>
<tr>
<td>9M 22</td>
<td>-68</td>
<td>+104</td>
<td>35</td>
<td>-17</td>
<td>+249</td>
<td>+10</td>
<td>-81</td>
</tr>
<tr>
<td>9M 23</td>
<td>-515</td>
<td>+726</td>
<td>211</td>
<td>-38</td>
<td>+181</td>
<td>+8</td>
<td>-81</td>
</tr>
<tr>
<td>∆ 9M 23/22</td>
<td>-447</td>
<td>+622</td>
<td>+176</td>
<td>-21</td>
<td>-68</td>
<td>+8</td>
<td>95</td>
</tr>
</tbody>
</table>

#### Key Ratios

<table>
<thead>
<tr>
<th>Ratio</th>
<th>Q3 22</th>
<th>Q3 23</th>
<th>∆ Q2 23/22</th>
<th>9M 22</th>
<th>9M 23</th>
<th>∆ 9M 23/22</th>
</tr>
</thead>
<tbody>
<tr>
<td>FCF Conversion ratio</td>
<td>0.1</td>
<td></td>
<td></td>
<td>-</td>
<td>0.4</td>
<td>0.6</td>
</tr>
<tr>
<td>Reinvestment rate</td>
<td>0.6</td>
<td>0.8</td>
<td></td>
<td>0.8</td>
<td>1.0</td>
<td>1.0</td>
</tr>
<tr>
<td>Capex ratio</td>
<td>4.2%</td>
<td>4.6%</td>
<td>5.2%</td>
<td>5.3%</td>
<td>4.9%</td>
<td>6.1%</td>
</tr>
</tbody>
</table>
Capital allocation – Continued prioritization of Capex for growth business

### Investment allocation

<table>
<thead>
<tr>
<th></th>
<th>FY 2021</th>
<th>FY 2022</th>
<th>Q3 2022</th>
<th>Q3 2023</th>
<th>9M 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automotive Technologies</td>
<td>430</td>
<td>545</td>
<td>146</td>
<td>155</td>
<td>402</td>
</tr>
<tr>
<td>Automotive Aftermarket</td>
<td>20</td>
<td>40</td>
<td>11</td>
<td>15</td>
<td>39</td>
</tr>
<tr>
<td>Industrial</td>
<td>220</td>
<td>229</td>
<td>62</td>
<td>66</td>
<td>200</td>
</tr>
</tbody>
</table>

**Schaeffler Group**

<table>
<thead>
<tr>
<th></th>
<th>670</th>
<th>814</th>
<th>219</th>
<th>237</th>
<th>641</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capex</td>
<td>671</td>
<td>791</td>
<td>219</td>
<td>247</td>
<td>665</td>
</tr>
<tr>
<td>Capex ratio²</td>
<td>4.8%</td>
<td>5.0%</td>
<td>5.2%</td>
<td>6.1%</td>
<td>5.4%</td>
</tr>
<tr>
<td>Reinvestment Rate</td>
<td>0.7</td>
<td>0.9</td>
<td>1.0</td>
<td>1.0</td>
<td>0.9</td>
</tr>
</tbody>
</table>

### Key Aspects

- **Automotive Technologies**: E-Motor production investments in the US and Eastern Europe as well as Chassis rear-wheel steering projects in Eastern Europe, Mexico and China
- **Industrial**: Further localization and capacity expansion of Roller Bearings for the Wind sector cluster in Nanjing, China

### Investments by region 9M 2023

- **Greater China**: 130 (-4)
  - **Asia/Pacific**: 72 (+9)
- **Americas**: 96 (+26)
  - **Europe**: 344 (+88)

1. Additions to intangible assets and property, plant and equipment
2. Capex in % of Sales
- Sustainability -
Path to Climate Neutrality – Ambitious Scope targets defined

**Long-Term Sustainability Targets**

<table>
<thead>
<tr>
<th>Year</th>
<th>Climate Neutral Production</th>
<th>Climate Neutral Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2025</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2030</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2035</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2040</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **Decarbonization as top priority**
- **Emissions occurring in the supply chain (Scope 3 upstream):**
  - Climate neutral from 2040
  - Emission reduction of 25% until 2030
  - From 2025, Schaeffler will source 100,000 tons of green steel on an annual basis from Swedish start-up H2greensteel
- **Production facilities (Scope 1+2):**
  - Climate neutral from 2030
  - Emission reduction of 75% until 2025
- **Clear strategy with specific measures being defined and implemented across the company**

*Residual emissions are to be compensated*
**Ten Action Fields:** In order to achieve the goal of climate neutrality by 2040, we have refined our sustainability strategy in a holistic approach and designed it along the three ESG* dimensions.

<table>
<thead>
<tr>
<th>ENVIRONMENT</th>
<th>SOCIAL</th>
<th>GOVERNANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Climate neutrality</td>
<td>5 Diversity, employees and people development</td>
<td>9 Corporate governance</td>
</tr>
<tr>
<td>2 Circularity</td>
<td>6 Occupational health and safety</td>
<td>10 Business integrity</td>
</tr>
<tr>
<td>3 Resource efficiency and environmental protection</td>
<td>7 Responsibility in society and supply chain</td>
<td></td>
</tr>
<tr>
<td>4 Green products</td>
<td>8 Product safety and integrity</td>
<td></td>
</tr>
</tbody>
</table>

**Key Aspects**
- Successful sustainability management through cross-functional and cross-divisional activities
- Structure of the sustainability management approach reflected in internal & external reporting

The online version of the Sustainability Report is available at: [https://www.schaeffler-sustainability-report.com](https://www.schaeffler-sustainability-report.com)

Some highlights of our global Climate Action Day can be viewed at: [https://youtu.be/Vf3pp-3fAYA](https://youtu.be/Vf3pp-3fAYA)
Sustainability Targets – We set clear ESG related targets

**Climate-neutral Production**
Achieve climate neutral production (Scope 1 and 2) by 2030

**Renewable Energy**
100 % purchased power from renewable sources by 2024

**Energy Efficiency**
100 GWh cumulated annual efficiency gains through implementation of energy efficiency measures by 2024

**Green Own Power Generation**
10 % of the electricity demand worldwide with self-generated renewable energy by 2025 and a total of 25% by 2030

**Women in Top Management**
Increase the percentage of women at top management level to 20 % by 2025

**Accident Rate**
10 % average annual reduction of accident rate (LTIR) by 2024

**Freshwater Supply**
20 % reduction of freshwater supply by 2030 compared to base year 2019

**Climate-neutral Supply Chain**
Achieve a climate-neutral supply chain (Scope 3 upstream) by 2040

**Climate-neutral Production**
Achieve climate neutral production (Scope 1 and 2) by 2030

**Renewable Energy**
100 % purchased power from renewable sources by 2024

**Energy Efficiency**
100 GWh cumulated annual efficiency gains through implementation of energy efficiency measures by 2024

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**Climate-neutral Supply Chain**
Achieve a climate-neutral supply chain (Scope 3 upstream) by 2040
Overview Sustainability Ratings – strong track record

- **ecovadis**
  - 2017: 43
  - 2018: 50
  - 2019: 60
  - 2020: 65
  - 2021: 75
  - 2022: 76
  - 2023: 79

- **Climate Change**
  - 2017: D
  - 2018: D
  - 2019: B-
  - 2020: A-
  - 2021: A
  - 2022: A

- **Water Security**
  - 2017: D
  - 2018: D
  - 2019: B
  - 2020: B-
  - 2021: A-
  - 2022: A

- **Sustainability Ratings Chart**

- **Risk Level**
  - Negligible
  - Low
  - Medium
  - High
  - Severe

- **S&P Global**
  - 2017: 27
  - 2018: 31
  - 2019: 31
  - 2020: 33
  - 2021: 41
  - 2022: 54

- **Water Security**
  - 2017: 9.3
  - 2018: 9.4
  - 2019: 8.8
  - 2020: 9.4
  - 2021: 8.8
  - 2022: 9.4

- **Sustainability Chart**
- Credit -
Schaeffler maintains prudent leverage metrics with stable leverage development despite global volatility – Moody’s upgraded Schaeffler’s ratings in March 2023 to Baa3

Key aspects

- Schaeffler’s leverage ratio stood solidly around 1.0x on a full year basis in recent years despite the ongoing transformation in the industry, the corona pandemic and the economic and geopolitical challenges of 2022.
- Leverage ratio increased to 1.4x in Q1 2023 due to the Ewellix acquisition. Schaeffler aims for a leverage ratio in a corridor of 1.25x – 1.75x in line with its Mid-term Targets.
- In its upgrade in March, Moody’s highlighted among others Schaeffler’s solid operating performance despite a challenging global environment as well as its consistently strong credit metrics and excellent liquidity.
- Schaeffler aims to regain investment grade ratings from all rating agencies in the medium to long term.

Current Ratings Schaeffler Group

<table>
<thead>
<tr>
<th>Rating</th>
<th>Fitch</th>
<th>Moody’s</th>
<th>Standard &amp; Poor’s</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate Rating</td>
<td>BB+</td>
<td>Baa3</td>
<td>BB+</td>
</tr>
<tr>
<td>Outlook</td>
<td>stable</td>
<td>stable</td>
<td>stable</td>
</tr>
<tr>
<td>Bond Rating</td>
<td>BB+</td>
<td>Baa3</td>
<td>BB+</td>
</tr>
</tbody>
</table>

1. Leverage ratio: Net financial debt to LTM EBITDA before special items

2. Rating based on combined Schaeffler Group and IHO Group metrics
Well balanced financing structure with diversified debt instruments and no maturity in 2023

<table>
<thead>
<tr>
<th>Finance structure Schaeffler AG</th>
<th>as of September 30, 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt Instrument</td>
<td>Nominal (EUR m)</td>
</tr>
<tr>
<td>Loans</td>
<td></td>
</tr>
<tr>
<td>RCF (EUR 2,000 m)</td>
<td>-</td>
</tr>
<tr>
<td>Term Loan (EUR)</td>
<td>500</td>
</tr>
<tr>
<td>Term Loan (EUR)</td>
<td>125</td>
</tr>
<tr>
<td>Schuldschein Loans (EUR)</td>
<td>293</td>
</tr>
<tr>
<td>CPs</td>
<td></td>
</tr>
<tr>
<td>Commercial Paper (EUR)</td>
<td>-</td>
</tr>
<tr>
<td>Bonds</td>
<td></td>
</tr>
<tr>
<td>1.875% SNs 2024 (EUR)</td>
<td>800</td>
</tr>
<tr>
<td>2.750% SNs 2025 (EUR)</td>
<td>750</td>
</tr>
<tr>
<td>2.875% SNs 2027 (EUR)</td>
<td>650</td>
</tr>
<tr>
<td>3.375% SNs 2028 (EUR)</td>
<td>750</td>
</tr>
<tr>
<td>Total Schaeffler Group</td>
<td>3,868</td>
</tr>
</tbody>
</table>

Maturity Profile Schaeffler AG | as of September 30, 2023 (EUR mn)

<table>
<thead>
<tr>
<th>Total gross debt (excl. RCF): EUR 3.868 mn</th>
</tr>
</thead>
<tbody>
<tr>
<td>2023</td>
</tr>
<tr>
<td>800</td>
</tr>
</tbody>
</table>

Key aspects

- Schaeffler AG maintains a strong liquidity position with no major maturities in 2023.
- In November 2022 executed early refinancing and increased RCF to EUR 2.0 bn to address maturity proactively and prepare liquidity for expected growth in the coming years.
- Signing of new EUR 500 mn Term Loan with 5-year maturity to refinance purchase price for Ewellix acquisition alongside November 2022 RCF refinancing as well as a new EUR 125 mn Term Loan in August 2023.
- All three facilities incorporate ESG-linkage of margin to underline Schaeffler’s ESG commitment.
- Schaeffler is regularly updating its EUR 7.5 bn Debt Issuance Program in order to be able to enter the bond markets quickly, flexibly and efficiently.
- Since its Green Schuldschein debut in 2020, Schaeffler maintained a Green Finance Framework and has published a new Green & Sustainability-Linked Financing Framework in August 2023. Schaeffler will continue to reflect its commitment to sustainability in upcoming financings where feasible.