

Remuneration report 2021



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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 members of the Supervisory Board of Schaeffler AG. It also describes the main features of the current remuneration systems for the Board of Managing Directors and the Supervisory Board.

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 December 16, 2019. This remuneration report will be submitted to the annual general meeting for approval on April 21, 2022.

Detailed descriptions of the remuneration systems for the Managing Directors and the members of the Supervisory Board of Schaeffler AG are available from the website.

# 1. Remuneration of Managing Directors

## 1.1 Review of 2021

### Financial performance

Despite the challenging market environment in the second half of the year, the Schaeffler Group did well overall in 2021. The considerable revenue growth of 9.7% excluding the impact of currency translation considerably exceeded the prior year. The Automotive Technologies division generated considerable revenue growth of 7.4% excluding the impact of currency translation which was attributable to the vigorous first half of 2021. In the second half of the year, growing bottlenecks in global supply chains, particularly those for semiconductors, significantly reduced customers' call-offs and considerably lowered sales volumes, driven by the market. On the whole, the Automotive Technologies division once more considerably outperformed global automobile production which increased by 3.4% in 2021.

Unlike the Automotive Technologies division, the Automotive Aftermarket and Industrial divisions grew in the second half of the year as well, resulting in both divisions generating strong double-digit full-year growth rates of 13.0% and 13.6%, respectively.

The recovery of the business has significantly improved earnings in 2021. A strong EBIT margin before special items of 9.1% considerably exceeded the prior year. Volume decreases at the Automotive Technologies division and rising cost of materials due to the worldwide shortage of raw materials in the second half of 2021 were partly mitigated by the encouraging earnings trend of the Industrial division. The year-on-year decline in the Automotive Aftermarket division's EBIT margin before special items was primarily due to higher product expenses.

Free cash flow before cash in- and outflows for M&A activities of EUR 523 m was ahead of the prior-year level in spite of restructuring expenditures.

### Changes to the Board of Managing Directors

Dr. Klaus Patzak resigned from his position on Schaeffler AG's Board of Managing Directors – Finance & IT – by mutual agreement effective August 1, 2021. The Supervisory Board agreed to Dr. Klaus Patzak's resignation from his position on the Board of Managing Directors effective August 1, 2021, at its extraordinary meeting held on July 30, 2021.

At its meeting on August 27, 2021, the Supervisory Board of Schaeffler AG appointed Claus Bauer as Managing Director of Schaeffler AG responsible for Finance and IT for a two-year term of office effective September 1, 2021.

At its extraordinary meeting on April 21, 2021, the Supervisory Board of Schaeffler AG appointed Jens Schüler as the new CEO of the Automotive Aftermarket division and as a member of the Board of Managing Directors of Schaeffler AG effective January 1, 2022. Jens Schüler succeeds Michael Söding who has stepped down from his position and retired by mutual agreement effective December 31, 2021.

### 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 26, 2021, the Supervisory Board of Schaeffler AG decided to selectively amend the remuneration system approved by the annual general meeting on May 8, 2020.

The amendment consisted of adding a clause that permits additional benefits to be granted to new Managing Directors upon joining the Board of Managing Directors (“sign-on bonus”). This type of payment or other benefit can serve to offset financial disadvantages a Managing Director incurs at a previous employer as a result of joining Schaeffler AG – particularly due to variable remuneration forfeited. This addition is intended to contribute to Schaeffler AG’s continued ability to attract appropriate and qualified candidates for a position on its Board of Managing Directors in the future.

All other aspects of the remuneration system 2021 are unchanged from the prior year.

## 1.2 Remuneration principles

The full 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, sustainability 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 obligated to purchase a set amount of Schaeffler AG’s common non-voting shares and to hold them until the end of their term of service with Schaeffler AG (obligation to purchase and hold shares).

The current remuneration system for Managing Directors was approved by the annual general meeting of Schaeffler AG on April 23, 2021, and is effective from January 1, 2021.

## Overview of remuneration of Managing Directors for 2021 and changes planned 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.

At its meeting on December 17, 2021, Schaeffler AG's Supervisory Board passed a resolution to enhance the company's remuneration policy for the Board of Managing Directors. In order to reflect the growing importance of sustainability within the company's strategy, the Supervisory Board has decided to embed sustainability targets in the short-term bonus (STB) as well as in the long-term bonus (LTB). For the STB, a maximum of two environmental, social, and governance (ESG) targets are defined each year; 20% of the STB is subject to achievement of these targets. Implementation of the Path to Climate Neutrality will be embedded in the LTB with a weight of 25% starting with the plan's 2022–2025 tranche.

### Overview of remuneration system

Component	Objective	Structure 2021	Planned changes 2022
<b>Non-performance-based components</b>			
		<b>Target amount</b> (in € thousands)	<b>Description</b>
Fixed annual salary	• Reflects the role and area of responsibility within the Board of Managing Directors	CEO: 1,200 Managing Director: 600	• Annual base remuneration • Payout in twelve monthly installments
Fringe benefits	• Secures an appropriate basic income and prevents inappropriate risk-taking	CEO/Managing Director: up to 42	• Company car (including for private use) • Insurance benefits incl. pecuniary damage liability insurance (D&O insurance)
Retirement benefits	Ensures adequate retirement benefits	CEO: 390 Managing Director: 195	• Defined contribution model
<b>Performance-based components</b>			
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 <sup>1)</sup>	<ul style="list-style-type: none"> <li>Financial targets <ul style="list-style-type: none"> <li>– CEO and Chief Officers of the functions <ul style="list-style-type: none"> <li>(1) SVA Group (vs. target value) (50%)</li> <li>(2) FCF Group (vs. target value) (50%)</li> </ul> </li> <li>– Divisional CEOs <ul style="list-style-type: none"> <li>(1) SVA Group (vs. target value) (25%)</li> <li>(2) SVA Division (vs. target value) (25%)</li> <li>(3) FCF Group (vs. target value) (25%)</li> <li>(4) DCF Division (vs. target value) (25%)</li> </ul> </li> </ul> </li> <li>Strategic targets <ul style="list-style-type: none"> <li>– Strategic sustainability target (multiplier 0.9–1.1) <ul style="list-style-type: none"> <li>(1) Improve energy efficiency</li> <li>(2) Improve occupational safety</li> </ul> </li> </ul> </li> </ul>
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 <sup>2)</sup>	<ul style="list-style-type: none"> <li>• Share-based remuneration instrument</li> <li>• Individual grant amount is converted to PSUs at the average closing price of Schaeffler shares on the last 60 trading days <ul style="list-style-type: none"> <li>– Service condition (50% PSUs) (target achievement rate 0–100%)</li> <li>– TSR outperformance (25% PSUs) (target achievement rate 0–200%)</li> <li>– EPS growth (25% PSUs) (target achievement rate 0–200%)</li> </ul> </li> <li>• Payout after a four-year performance period (number of PSUs x share price at payout)</li> <li>• Share price at payout is the average closing price of Schaeffler shares on the last 60 trading days of the relevant performance period</li> <li>• Share price at payout capped at 200% of share price at grant date, equaling a cap of 300% of the target LTB amount</li> </ul>
<b>Further remuneration arrangements</b>			
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"> <li>• Obligation to invest in Schaeffler common non-voting shares <ul style="list-style-type: none"> <li>– CEO: 200% of annual fixed remuneration</li> <li>– Ordinary Managing Director: 100% of annual fixed remuneration</li> </ul> </li> <li>• Obligation to hold throughout period of service as Managing Director</li> <li>• Prerequisite for payout of LTB starting with 2020–2023 tranche</li> </ul>
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

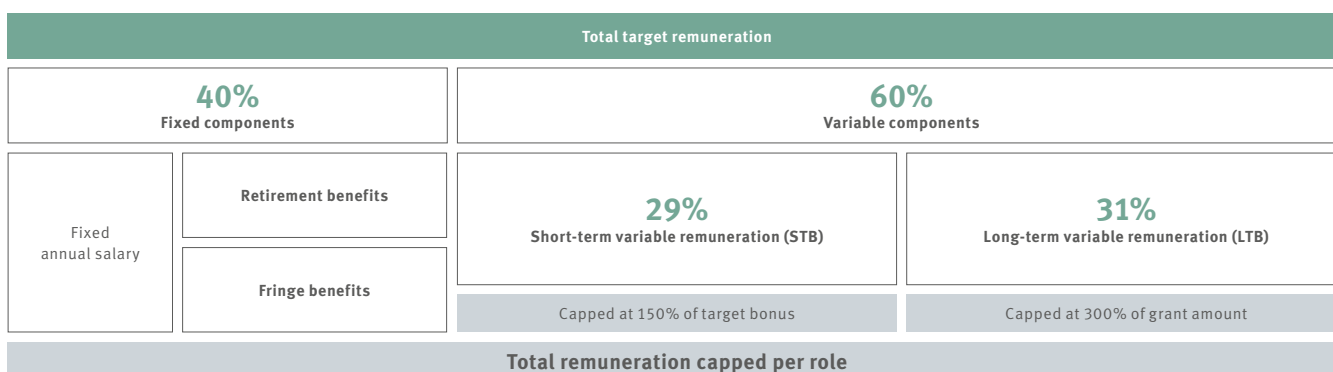
<sup>1)</sup> Individual contractual agreement for Dr. Spindler: EUR 750 thousand.

<sup>2)</sup> Individual contractual agreement for Dr. Spindler: EUR 800 thousand.

## Remuneration structure

The diagram illustrates the general structure of the total target remuneration. 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 differ 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 2021. The relative share each remuneration component represents of the benefits awarded and due can differ from this as a result of actual target achievement for 2021 for the variable remuneration (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 of the remuneration are regularly reviewed for appropriateness.

To ensure that the total remuneration is appropriate, the Supervisory Board takes into account customary levels of remuneration both in 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 Ernst & Young Wirtschaftsprüfungsgesellschaft (EY) to review the appropriateness of the remuneration of the Board of Managing Directors. In a report issued in 2020, EY concluded that the total 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 both the various components and the total target remuneration of the CEO and the ordinary Managing Directors were compared to remuneration market data of peer companies. For the comparison performed in 2020, appropriateness of the remuneration of the CEO and the ordinary Managing Directors was assessed based on companies included in the MDAX as at December 31, 2019, as well as an individually defined peer group. The individual peer group comprised the following publicly listed international companies: Continental AG, Copart Inc., Deutz AG, ElringKlinger AG, Gestamp Automoción S.A., Goodyear Tire & Rubber Co., KAP AG, Leoni AG, Michelin AG & Co. KGaA, Plastic Omnium S.A., Rheinmetall AG, SGL Carbon SE, TI Fluid Systems plc., and The Timken Company.

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 companies.

## Cap on remuneration

In accordance with the new legal requirements of section 87a AktG, the Supervisory Board caps the total remuneration per year per Managing Director (cap on remuneration). The cap on remuneration for the relevant year is calculated based on the maximum amounts of the various components of remuneration (base remuneration for the year, STB, LTB) as well as retirement benefits and other fringe benefits. The cap on remuneration limits the total amount of remuneration that can be granted to a Managing Director for a given year, regardless of whether this remuneration is paid during that year or at a later date.

The cap on remuneration for 2021 amounts to EUR 7,390 thousand for the Chief Executive Officer and EUR 3,745 thousand for each ordinary Managing Director. The amount for Dr. Spindler differs due to existing contractual commitments: The cap on his remuneration for 2021 is EUR 4,420 thousand.

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 2020–2024 tranche of the long-term bonus will not be determined until the end of 2024. Compliance with the cap on remuneration for 2021 will be finally reported on in the 2024 remuneration report.

## Malus clause and claw-back provision

With a view to the requirements of the GCGC, the company has 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, cancel, 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 2021, this clause has not been applied.

## 1.3 Remuneration for 2021

### 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 2021 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. 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 2021.

### Short-term variable component – short-term bonus

The short-term bonus is linked to the key indicators of the Schaeffler Group's value creation – free cash flow of the Schaeffler Group (FCF Group) and Schaeffler Value Added of the Schaeffler Group (SVA Group). As a result, remuneration contributes significantly to successfully implementing the strategy and investing in growth areas while maintaining the focus on profitability and cash flow generation. The performance measures promote the Schaeffler Group's long-term growth by reflecting profitable growth as well as capital allocation and capital efficiency, which are part of the company's value-based management approach.

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 FCF Group and SVA Group performance targets which are weighted equally.

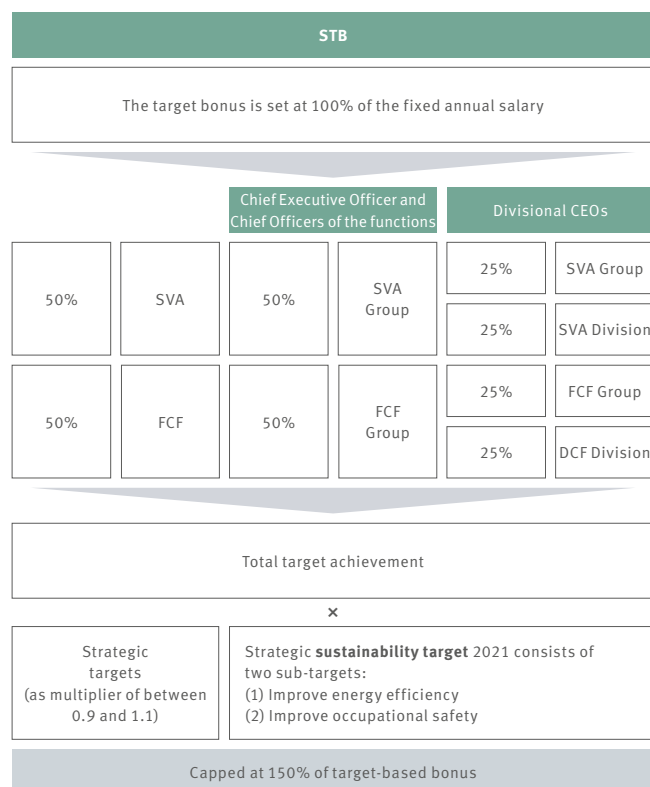
For the divisional CEOs, the target achievement rate is determined based on the FCF Group, SVA Group, divisional Schaeffler Value Added (SVA Division), and divisional cash flow (DCF Division) performance targets, again weighted equally.

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 2021) 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).

The Supervisory Board has availed itself of the option provided by the remuneration system to set a strategic target for 2021 in addition to the FCF, SVA, and DCF performance targets. Thus, a sustainability target was set that acts as an additional performance criterion.

This sustainability target is applied to the target achievement rate of each Managing Director in the form of a multiplier ranging from 0.9 to 1.1. However, the maximum payout is capped at 150% of the individual target bonus.

### Features of the short-term bonus (STB)



### Actual target achievement for the STB 2021

The target values (100%) for the various performance targets were derived from internal budgets. The following summary sets out the financial performance targets for 2021 and the related target achievement rates:

#### Actual target achievement for the STB 2021 – Schaeffler Group

Schaeffler Group (in € millions)	Performance scale			Target achievement rate for 2021	
	0%	100%	150%	absolute (in € millions)	relative (in %)
Free cash flow	≤ -324	100	≥ 312	512	150.0
Schaeffler Value Added	≤ -229	141	≥ 326	467	150.0

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 2021 were set in a similar manner. The performance scales relevant to 2021 and the resulting target achievement rates for the three divisions can be summarized as follows:

#### Actual target achievement for the STB 2021 – divisions

Automotive Technologies (in € millions)	Performance scale			Target achievement rate for 2021	
	0%	100%	150%	absolute (in € millions)	relative (in %)
Divisional cash flow	≤ 0	430	≥ 645	869	150.0
Schaeffler Value Added	≤ -241	-73	≥ 11	91	150.0

Automotive Aftermarket (in € millions)	Performance scale			Target achievement rate for 2021	
	0%	100%	150%	absolute (in € millions)	relative (in %)
Divisional cash flow	≤ 0	173	≥ 260	93	53.8
Schaeffler Value Added	≤ 58	142	≥ 184	177	141.7

Industrial (in € millions)	Performance scale			Target achievement rate for 2021	
	0%	100%	150%	absolute (in € millions)	relative (in %)
Divisional cash flow	≤ 0	173	≥ 260	242	139.7
Schaeffler Value Added	≤ -46	72	≥ 131	198	150.0



In order to continue to embed the sustainability strategy and the related company initiatives in remuneration, the Supervisory Board has again set a sustainability target for 2021.

The sustainability target consists of the following equally-weighted sub-targets that can be either achieved or not achieved:

- “Improve energy efficiency” by implementing measures to increase energy efficiency which, together with the measures implemented in 2020, result in cumulative energy savings of at least 45 GWh per year, and
- “Improve occupational safety” by reducing the occupational accident rate defined as a reduction in the lost-time injury rate (LTIR) to at least 4.1.

Similar to the prior year, the sub-target “Improve energy efficiency” calls for the Board of Managing Directors to implement energy efficiency measures that, in combination with the measures implemented in the prior year, increase energy efficiency by at least 45 GWh<sup>1</sup> annually on a cumulative basis. These measures prioritize promoting the energy efficiency of buildings and plants as well as machinery and equipment. The energy efficiency measures and their implementation were reviewed by an external and independent expert. 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 4.1 or less in 2021. The focus of implementation was on consistently raising awareness of safety issues across all hierarchical levels and holding workshops on occupational safety specifically at plants with high accident rates. Occupational accidents include accidents of employees, temporary staff, apprentices, or trainees (total workforce excluding leased workers) 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. Please refer to the sustainability report for further details.

104 measures aimed at increasing energy efficiency were taken worldwide, contributing a total of 19.39 GWh. In combination with the measures taken in 2020, which contributed 27.4 GWh, a total contribution of 46.82 GWh was achieved and the target of 45 GWh met as a result. Along with retrofitting further intelligent LED-based lighting systems, measures were also taken, for instance, to improve production equipment and central supply systems as well as heating, cooling, and compressed air systems.

With respect to improving occupational safety, the year 2021 closed with a group-level LTIR of 3.9. Hence, the second sub-target was met as well. In Germany alone, 47 workshops on occupational safety were held and 4 comprehensive safety assessments were performed at plants with high accident rates.

As a result, the target achievement multiplier for the sustainability target amounts to 1.1 in 2021.

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.

The Supervisory Board has set the individual performance factor for 2021 to 1.0.

<sup>1</sup> Estimated impact.

**Final target achievement rates for the STB 2021**

Total target achievement rates by performance target and final target achievement rates for the STB 2021 can be summarized by individual Managing Director as follows:

**Final target achievement rates for the STB 2021**

	Performance criteria	Weight	Target achievement rate	Strategic target multiplier	Final target achievement rate	Individual target amount, in € thousands	Time factor <sup>1)</sup>	Payout amount 2021, in € thousands
<b>Rosenfeld, Klaus</b> (Chief Executive Officer)	FCF	50%						
	SVA	50%	150.0%	1.1	150.0%	1,200	1	1,800
<b>Zink, Matthias</b> (CEO Automotive Technologies)	FCF	25%						
	SVA	25%						
	DCF	25%						
	DSVA	25%	150.0%	1.1	150.0%	600	1	900
<b>Söding, Michael</b> (CEO Automotive Aftermarket) <sup>2)</sup>	FCF	25%						
	SVA	25%						
	DCF	25%						
	DSVA	25%	123.9%	1.1	136.3%	600	1	818
<b>Spindler, Stefan Dr.</b> (CEO Industrial)	DCF	25%						
	DSVA	25%	147.4%	1.1	150.0%	750	1	1,125
<b>Bauer, Claus</b> (Chief Financial Officer)	FCF	50%						
	SVA	50%	150.0%	1.1	150.0%	600	4/12	300
<b>Schick, Andreas</b> (Chief Operating Officer)	FCF	50%						
	SVA	50%	150.0%	1.1	150.0%	600	1	900
<b>Schittenhelm, Corinna</b> (Chief Human Resources Officer)	FCF	50%						
	SVA	50%	150.0%	1.1	150.0%	600	1	900
<b>Wagner, Uwe</b> (Chief Technology Officer)	FCF	50%						
	SVA	50%	150.0%	1.1	150.0%	600	1	900
<b>Patzak, Klaus Dr.</b> (former Chief Financial Officer) <sup>3)</sup>	FCF	50%						
	SVA	50%	150.0%	1.1	150.0%	600	1	900

<sup>1)</sup> 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).

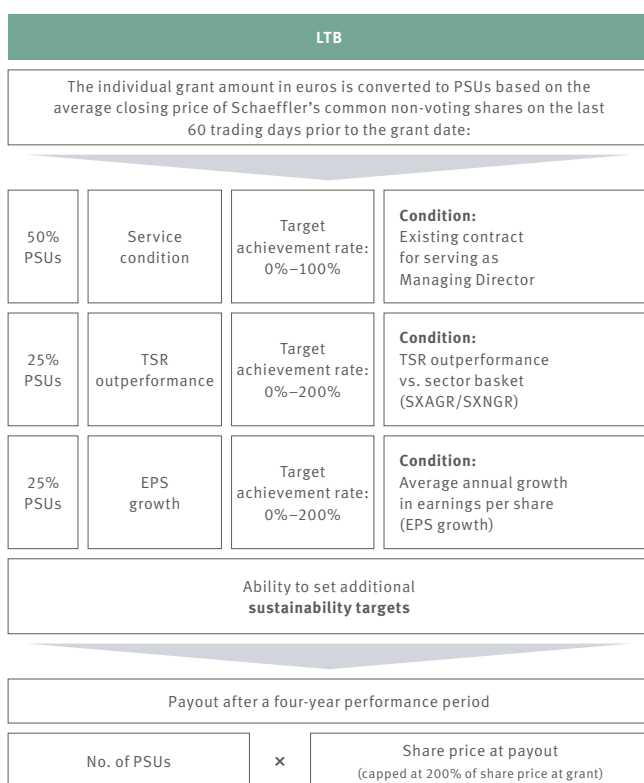
<sup>2)</sup> Michael Söding left the Board of Managing Directors as at December 31, 2021.

<sup>3)</sup> Dr. Klaus Patzak left the Board of Managing Directors as at July 31, 2021. No proration of STB pursuant to the termination agreement.

## 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 PSUP has been enhanced with the help of an external remuneration consultant and the enhancement was implemented as part of the new remuneration system in 2020.

### Features of the long-term bonus (LTB)



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.

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 2021 is linked to the three conditions below. Percentages of PSUs shown are based on an assumed target achievement rate of 100%:

- 50% 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.<sup>2</sup>
- 25% of PSUs granted are subject to a performance target based on TSR (total shareholder return) outperformance. TSR represents the share price performance of Schaeffler AG 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.
- 25% 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.

### PSUP performance targets 2021–2024 – 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 – EPS growth

EPS growth over the performance period	Number of EPS-growth PSUs vested
$EPS_{\text{growth}} \geq 0.488$	200%
$0.438 \leq EPS_{\text{growth}} < 0.488$	150%
$0.388 \leq EPS_{\text{growth}} < 0.438$	100%
$0.338 \leq EPS_{\text{growth}} < 0.388$	50%
$EPS_{\text{growth}} < 0.338$	0%

<sup>2</sup> Taking into account the rules applicable to leavers.

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<sup>3</sup> over the four-year performance period.

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 EUR at the end of the performance period at the average price of Schaeffler AG's common non-voting shares of the last 60 trading days of the performance period. Payout per PSU 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 obligation to hold shares at the end of the relevant performance period (see "Obligation to hold shares" below for a detailed description).

### LTB 2018–2021 – target achievement

The LTB 2018–2021 is based on the previous LTB plan. 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 2021 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 2018–2021 tranche are as follows:

### PSUP performance targets 2018–2021 – cumulative FCF

Cumulative FCF for the performance period	Number of FCF PSUs vested
Cumulative FCF compared to target FCF >~ 6.01%	100%
2.01% < cumulative FCF compared to target FCF < ~ 6.00%	75%
-2.00% < cumulative FCF compared to target FCF < ~ 2.00%	50%
-6.00% < cumulative FCF compared to target FCF < ~ -2.01%	25%

### PSUP performance targets 2018–2021 – 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 2018–2021 were the PSUs tied to meeting a service condition. Payout of the 2018–2021 tranche will be received in March 2022. The payout amount is calculated by multiplying the number of PSUs vested by the average share price of the last 60 trading days before the end of the performance period, which amounted to EUR 7.23.

### 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.

<sup>3</sup>  $EPS_{\text{growth}} = (EPS_{\text{year 4}} - EPS_{\text{year 0}}) / 4$ , 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.

## 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

<b>Rosenfeld, Klaus</b> (Chief Executive Officer)						
Remuneration instrument and tranche	Long-term bonus				One-off PSU grant 2020	
	2018/2021 <sup>3)</sup>	2019/2022	2020/2023	2021/2024 <sup>4)</sup>	Tranche 2 <sup>3)</sup>	Tranche 3
Performance period	01/01/18– 12/31/21	01/01/19– 12/31/22	01/01/20– 12/31/23	01/01/21– 12/31/24	01/01/20– 12/31/21	01/01/20– 12/31/22
Number of PSUs granted as at January 1, 2021	92,725	152,941	144,766	-	22,272	22,272
Grant date	January 1, 2018	January 1, 2019	February 4, 2020	February 26, 2021	February 4, 2020	February 4, 2020
Target value (pro rata), € thousands	1,300	1,300	1,300	1,300	200	200
Number of PSUs granted in 2021	-	-	-	214,168	-	-
Grant date fair value of PSUs granted in 2021, € thousands	-	-	-	1,418	-	-
Payout amount for 2021 <sup>1)</sup> , € thousands	335	-	-	-	161	-
PSUs forfeited in 2021 <sup>2)</sup>	46,362	-	-	-	-	-
Number of PSUs granted but unvested as at December 31, 2021	-	152,941	144,766	214,168	-	22,272

<b>Zink, Matthias</b> (CEO Automotive Technologies)						
Remuneration instrument and tranche	Long-term bonus				One-off PSU grant 2020	
	2018/2021 <sup>3)</sup>	2019/2022	2020/2023	2021/2024 <sup>4)</sup>	Tranche 2 <sup>3)</sup>	Tranche 3
Performance period	01/01/18– 12/31/21	01/01/19– 12/31/22	01/01/20– 12/31/23	01/01/21– 12/31/24	01/01/20– 12/31/21	01/01/20– 12/31/22
Number of PSUs granted as at January 1, 2021	46,362	76,471	72,383	-	11,136	11,136
Grant date	January 1, 2018	January 1, 2019	February 4, 2020	February 26, 2021	February 4, 2020	February 4, 2020
Target value (pro rata), € thousands	650	650	650	650	100	100
Number of PSUs granted in 2021	-	-	-	107,084	-	-
Grant date fair value of PSUs granted in 2021, € thousands	-	-	-	709	-	-
Payout amount for 2021 <sup>1)</sup> , € thousands	168	-	-	-	81	-
PSUs forfeited in 2021 <sup>2)</sup>	23,182	-	-	-	-	-
Number of PSUs granted but unvested as at December 31, 2021	-	76,471	72,383	107,084	-	11,136

<sup>1)</sup> Payout in March 2022.

<sup>2)</sup> PSUs for which targets were not achieved and PSUs forfeited due to holder leaving the Board of Managing Directors.

<sup>3)</sup> Share price at payout is EUR 7.23 (60-day average as at December 31, 2021).

<sup>4)</sup> Share price at grant date is EUR 6.07 (60-day average as at January 1, 2021).

Remuneration of Managing Directors  
Share-based payment – overview**Söding, Michael**

(CEO Automotive Aftermarket)

Remuneration instrument and tranche	Long-term bonus				One-off PSU grant 2020	
	2018/2021 <sup>3)</sup>	2019/2022 <sup>5)</sup>	2020/2023 <sup>5)</sup>	2021/2024 <sup>4)</sup> 5)	Tranche 2 <sup>3)</sup>	Tranche 3 <sup>5)</sup>
Performance period	01/01/18– 12/31/21	01/01/19– 12/31/22	01/01/20– 12/31/23	01/01/21– 12/31/24	01/01/20– 12/31/21	01/01/20– 12/31/22
Number of PSUs granted as at January 1, 2021	46,362	76,471	72,383	-	11,136	11,136
Grant date	January 1, 2018	January 1, 2019	February 4, 2020	February 26, 2021	February 4, 2020	February 4, 2020
Target value (pro rata), € thousands	650	650	650	650	100	100
Number of PSUs granted in 2021	-	-	-	107,084	-	-
Grant date fair value of PSUs granted in 2021, € thousands	-	-	-	709	-	-
Payout amount for 2021 <sup>1)</sup> , € thousands	168	-	-	-	81	-
PSUs forfeited in 2021 <sup>2)</sup>	23,182	19,118	36,191	80,313	-	11,136
Number of PSUs granted but unvested as at December 31, 2021	-	57,353	36,192	26,771	-	-

**Spindler, Stefan Dr.**

(CEO Industrial)

Remuneration instrument and tranche	Long-term bonus				One-off PSU grant 2020	
	2018/2021 <sup>3)</sup>	2019/2022	2020/2023	2021/2024 <sup>4)</sup>	Tranche 2 <sup>3)</sup>	Tranche 3
Performance period	01/01/18– 12/31/21	01/01/19– 12/31/22	01/01/20– 12/31/23	01/01/21– 12/31/24	01/01/20– 12/31/21	01/01/20– 12/31/22
Number of PSUs granted as at January 1, 2021	57,061	94,118	89,087	-	11,136	11,136
Grant date	January 1, 2018	January 1, 2019	February 4, 2020	February 26, 2021	February 4, 2020	February 4, 2020
Target value (pro rata), € thousands	800	800	800	800	100	100
Number of PSUs granted in 2021	-	-	-	131,796	-	-
Grant date fair value of PSUs granted in 2021, € thousands	-	-	-	873	-	-
Payout amount for 2021 <sup>1)</sup> , € thousands	206	-	-	-	81	-
PSUs forfeited in 2021 <sup>2)</sup>	28,530	-	-	-	-	-
Number of PSUs granted but unvested as at December 31, 2021	-	94,118	89,087	131,796	-	11,136

**Bauer, Claus**

(Chief Financial Officer)

Remuneration instrument and tranche	Long-term bonus				One-off PSU grant 2020	
	-	-	-	2021/2024 <sup>4)</sup>	-	-
Performance period	-	-	-	01/01/21– 12/31/24	-	-
Number of PSUs granted as at January 1, 2021	-	-	-	-	-	-
Grant date	-	-	-	September 1, 2021	-	-
Target value (pro rata), € thousands	-	-	-	217	-	-
Number of PSUs granted in 2021	-	-	-	35,695	-	-
Grant date fair value of PSUs granted in 2021, € thousands	-	-	-	224	-	-
Payout amount for 2021 <sup>1)</sup> , € thousands	-	-	-	-	-	-
PSUs forfeited in 2021 <sup>2)</sup>	-	-	-	-	-	-
Number of PSUs granted but unvested as at December 31, 2021	-	-	-	35,695	-	-

<sup>1)</sup> Payout in March 2022.<sup>2)</sup> PSUs for which targets were not achieved and PSUs forfeited due to holder leaving the Board of Managing Directors.<sup>3)</sup> Share price at payout is EUR 7.23 (60-day average as at December 31, 2021).<sup>4)</sup> Share price at grant date is EUR 6.07 (60-day average as at January 1, 2021).<sup>5)</sup> PSUs granted but unvested reduced on a pro-rata basis based on rules applicable to leavers. Leaving date is December 31, 2021.

Remuneration of Managing Directors  
Share-based payment – overview**Schick, Andreas**  
(Chief Operating Officer)

Remuneration instrument and tranche	Long-term bonus				One-off PSU grant 2020	
	2018/2021 <sup>3)</sup>	2019/2022	2020/2023	2021/2024 <sup>4)</sup>	Tranche 2 <sup>3)</sup>	Tranche 3
Performance period	01/01/18– 12/31/21	01/01/19– 12/31/22	01/01/20– 12/31/23	01/01/21– 12/31/24	01/01/20– 12/31/21	01/01/20– 12/31/22
Number of PSUs granted as at January 1, 2021	34,772	76,471	72,383	-	11,136	11,136
Grant date	April 1, 2018	January 1, 2019	February 4, 2020	February 26, 2021	February 4, 2020	February 4, 2020
Target value (pro rata), € thousands	488	650	650	650	100	100
Number of PSUs granted in 2021	-	-	-	107,084	-	-
Grant date fair value of PSUs granted in 2021, € thousands	-	-	-	709	-	-
Payout amount for 2021 <sup>1)</sup> , € thousands	126	-	-	-	81	-
PSUs forfeited in 2021 <sup>2)</sup>	17,386	-	-	-	-	-
Number of PSUs granted but unvested as at December 31, 2021	-	76,471	72,383	107,084	-	11,136

**Schittenhelm, Corinna**  
(Chief Human Resources Officer)

Remuneration instrument and tranche	Long-term bonus				One-off PSU grant 2020	
	2018/2021 <sup>3)</sup>	2019/2022	2020/2023	2021/2024 <sup>4)</sup>	Tranche 2 <sup>3)</sup>	Tranche 3
Performance period	01/01/18– 12/31/21	01/01/19– 12/31/22	01/01/20– 12/31/23	01/01/21– 12/31/24	01/01/20– 12/31/21	01/01/20– 12/31/22
Number of PSUs granted as at January 1, 2021	46,362	76,471	72,383	-	11,136	11,136
Grant date	January 1, 2018	January 1, 2019	February 4, 2020	February 26, 2021	February 4, 2020	February 4, 2020
Target value (pro rata), € thousands	650	650	650	650	100	100
Number of PSUs granted in 2021	-	-	-	107,084	-	-
Grant date fair value of PSUs granted in 2021, € thousands	-	-	-	709	-	-
Payout amount for 2021 <sup>1)</sup> , € thousands	168	-	-	-	81	-
PSUs forfeited in 2021 <sup>2)</sup>	23,182	-	-	-	-	-
Number of PSUs granted but unvested as at December 31, 2021	-	76,471	72,383	107,084	-	11,136

**Wagner, Uwe**  
(Chief Technology Officer)

Remuneration instrument and tranche	Long-term bonus				One-off PSU grant 2020	
	-	2019/2022	2020/2023	2021/2024 <sup>4)</sup>	Tranche 2 <sup>3)</sup>	Tranche 3
Performance period	-	01/01/19– 12/31/22	01/01/20– 12/31/23	01/01/21– 12/31/24	01/01/20– 12/31/21	01/01/20– 12/31/22
Number of PSUs granted as at January 1, 2021	-	19,118	72,383	-	11,136	11,136
Grant date	-	October 1, 2019	February 4, 2020	February 26, 2021	February 4, 2020	February 4, 2020
Target value (pro rata), € thousands	-	163	650	650	100	100
Number of PSUs granted in 2021	-	-	-	107,084	-	-
Grant date fair value of PSUs granted in 2021, € thousands	-	-	-	709	-	-
Payout amount for 2021 <sup>1)</sup> , € thousands	-	-	-	-	81	-
PSUs forfeited in 2021 <sup>2)</sup>	-	-	-	-	-	-
Number of PSUs granted but unvested as at December 31, 2021	-	-	72,383	107,084	-	11,136

<sup>1)</sup> Payout in March 2022.<sup>2)</sup> PSUs for which targets were not achieved and PSUs forfeited due to holder leaving the Board of Managing Directors.<sup>3)</sup> Share price at payout is EUR 7.23 (60-day average as at December 31, 2021).<sup>4)</sup> Share price at grant date is EUR 6.07 (60-day average as at January 1, 2021).

Remuneration of Managing Directors  
Share-based payment – overview

## Share-based payment – former Managing Directors

Remuneration instrument and tranche	Patzak, Klaus Dr.			
	Long-term bonus		One-off PSU grant 2020	
	2020/2023 <sup>3)</sup>	2021/2024 <sup>3) 4)</sup>	Tranche 2 <sup>5)</sup>	Tranche 3 <sup>5)</sup>
Performance period	01/01/20– 12/31/23	01/01/21– 12/31/24	01/01/20– 12/31/21	01/01/20– 12/31/22
Number of PSUs granted as at January 1, 2021	30,160	-	4,640	4,640
Grant date	August 1, 2020	February 26, 2021	August 1, 2020	August 1, 2020
Target value (pro rata), € thousands	271	650	42	42
Number of PSUs granted in 2021	-	107,084	-	-
Grant date fair value of PSUs granted in 2021, € thousands	-	709	-	-
Payout amount for 2021 <sup>1)</sup> , € thousands	-	-	34	-
PSUs forfeited in 2021 <sup>2)</sup>	12,567	71,389	-	-
Number of PSUs granted but unvested as at December 31, 2021	-	35,695	-	4,640

Remuneration instrument and tranche	Heinrich, Dietmar			Pleus, Peter Prof. Dr.
	Long-term bonus			Long-term bonus
	2018/2021 <sup>6)</sup>	2019/2022	2020/2023	2018/2021 <sup>6)</sup>
Performance period	01/01/18– 12/31/21	01/01/19– 12/31/22	01/01/20– 12/31/23	01/01/18– 12/31/21
Number of PSUs granted as at January 1, 2021	29,942	30,270	6,158	67,760
Grant date	January 1, 2018	January 1, 2019	February 4, 2020	January 1, 2018
Target value (pro rata), € thousands	650	650	379	950
Number of PSUs granted in 2021	-	-	-	-
Grant date fair value of PSUs granted in 2021, € thousands	-	-	-	-
Payout amount for 2021 <sup>1)</sup> , € thousands	108	-	-	245
PSUs forfeited in 2021 <sup>2)</sup>	14,972	-	-	33,880
Number of PSUs granted but unvested as at December 31, 2021	-	30,270	6,158	-

Remuneration instrument and tranche	Gutzmer, Peter Prof. Dr.-Ing.		Jung, Oliver	Hauck, Ulrich Dr.
	Long-term bonus		Long-term bonus	Long-term bonus
	2018/2021 <sup>6) 7)</sup>	2019/2022	2018/2021 <sup>6) 8)</sup>	2018/2021 <sup>6)</sup>
Performance period	01/01/18– 12/31/21	01/01/19– 12/31/22	01/01/18– 12/31/21	01/01/18– 12/31/21
Number of PSUs granted as at January 1, 2021	67,760	111,765	50,820	14,265
Grant date	January 1, 2018	January 1, 2019	January 1, 2018	January 1, 2018
Target value (pro rata), € thousands	950	950	713	200
Number of PSUs granted in 2021	-	-	-	-
Grant date fair value of PSUs granted in 2021, € thousands	-	-	-	-
Payout amount for 2021 <sup>1)</sup> , € thousands	245	-	184	52
PSUs forfeited in 2021 <sup>2)</sup>	33,880	-	25,410	7,132
Number of PSUs granted but unvested as at December 31, 2021	-	111,765	-	-

<sup>1)</sup> Payout in March 2022.<sup>2)</sup> PSUs for which targets were not achieved and PSUs forfeited due to holder leaving the Board of Managing Directors.<sup>3)</sup> PSUs granted but unvested reduced on a pro-rata basis based on rules applicable to leavers.<sup>4)</sup> Share price at grant date is EUR 6.07 (60-day average as at January 1, 2021).<sup>5)</sup> Based on an individual agreement with Dr. Patzak, the service condition of the one-off PSU grant 2020 is deemed met in full.<sup>6)</sup> Share price at payout is EUR 7.23 (60-day average as at December 31, 2021).<sup>7)</sup> The payout amount calculated is offset against the EUR 300 thousand advance paid in 2018.<sup>8)</sup> The payout amount calculated is offset against the EUR 225 thousand advance paid in 2018.



## 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 obligated to acquire common non-voting shares in the company and to hold them throughout the term of their service. These share ownership requirements are also aligned with the widespread practice of implementing shareholding guidelines for managing directors among international peers.

The number of shares Managing Directors are obligated to hold is based on their annual fixed remuneration and will be initially built up over the period to December 31, 2023 (or, for new Managing Directors, over the first four-year performance period of the LTB); common non-voting shares of the company already owned by a Managing Director count toward fulfillment of the requirement. Ordinary Managing Directors are obligated to hold an amount equivalent to their current annual fixed remuneration at any given time. The obligation of the CEO is equivalent to twice the current annual fixed remuneration at any given time. Meeting the obligation to hold shares is a prerequisite for payout of the 2020–2023 LTB tranche and of future LTB tranches.

## 1.6 Retirement benefits

### Retirement benefit commitment for 2020 and subsequent years

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. Effective January 1, 2020, a fixed contribution (benefit contribution) will be credited to a benefit account for each Managing Director each year and paid toward a reimbursement insurance policy<sup>4</sup> for the life of the Managing Director. The benefit contributions amount to EUR 195,000 per year for ordinary Managing Directors and EUR 390,000 for the CEO.

The Managing Director is then entitled to retirement or disability benefits in the form of a lump-sum payment in the amount of the balance in the benefit account, floored at no less than 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 early upon termination of their service starting at age 62. Managing Directors can opt to receive their retirement benefits – rather than 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 or 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 dependents. If cover for surviving dependents 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 dependents 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. This percentage amounts 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 dependents' 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.

<sup>4</sup> The reimbursement insurance policy covers 80% of benefit contributions paid.

**Managing Directors: Service cost for 2021 and defined benefit obligations as at December 31, 2021, in accordance with HGB**

in € thousands	Year	Annual contributions/ service cost	Defined benefit obligation
<b>Rosenfeld, Klaus (CEO)</b>	2021	390	11,993
<b>Zink, Matthias</b>	2021	195	722
<b>Söding, Michael</b>	2021	195	526
<b>Spindler, Stefan Dr.</b>	2021	195	1,006
<b>Bauer, Claus <sup>1)</sup></b>	2021	43	0
<b>Schick, Andreas</b>	2021	195	417
<b>Schittenhelm, Corinna</b>	2021	195	940
<b>Wagner, Uwe</b>	2021	195	63
Managing Directors who left the company in 2021			
<b>Patzak, Klaus Dr. <sup>2)</sup></b>	2021	0	0
<b>Total</b>		<b>1,603</b>	<b>15,668</b>

<sup>1)</sup> Claus Bauer has been a Managing Director of Schaeffler AG since September 1, 2021.

<sup>2)</sup> Dr. Klaus Patzak left the Board of Managing Directors of Schaeffler AG as at July 31, 2021.

## 1.7 Other information on the remuneration of Managing Directors

### Payments by third parties in view of service as a Managing Director of Schaeffler AG

Upon joining the Board of Managing Directors, Dr. Klaus Patzak was granted a sign-on bonus of EUR 775 thousand by INA-Holding Schaeffler GmbH & Co. KG, payable in two equal tranches, to offset financial disadvantages he incurred as a result of joining Schaeffler AG. The two tranches were paid on August 31, 2020, and March 31, 2021.

### 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 12 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 remains in effect until September 30, 2022 (termination date).

Until the termination date, Dr. Patzak receives the following benefits: 1) continued payment of his fixed remuneration, 2) the short-term bonus 2021 granted as well as 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 will be paid out on a pro-rata basis up to the termination date and in accordance with the "good leaver" conditions, and 4) tranches 2 and 3 of the one-off PSU grant 2020 for which the service condition is deemed met. All variable components of remuneration are paid out at the regular date. Additionally, Dr. Patzak is entitled to continue to use the company car provided to him until the termination date. The company waives any post-contract non-competition clause for the period starting after the termination date. Dr. Patzak is not entitled to payment of any non-compete-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.

The service contract of Claus Bauer, who was appointed to the Board of Managing Directors in 2021, includes a post-contract non-competition clause calling for corresponding compensation.

### 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

Remuneration of Managing Directors  
Amounts of remuneration of the Board of Managing Directors

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 "Governing bodies of the company" of the "Corporate governance" chapter in the annual report 2021.

## 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 2020 and 2021.

### Benefits awarded and due – 2021 and 2020: Managing Directors

	<b>Rosenfeld, Klaus</b> (Chief Executive Officer)		<b>Zink, Matthias</b> (CEO Automotive Technologies)		<b>Söding, Michael</b> (CEO Automotive Aftermarket)		<b>Spindler, Stefan Dr.</b> (CEO Industrial)		<b>Bauer, Claus</b> (Chief Financial Officer)	
	since October 24, 2014	2020	since January 1, 2017	2020	from January 1, 2018 to December 31, 2021	2020	since May 1, 2015	2020	since September 1, 2021	2020
in € thousands	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
<b>Fixed remuneration</b>										
Fixed remuneration	1,200	1,200	600	600	600	600	600	600	160 <sup>5)</sup>	-
• in % of total remuneration	31%	37%	30%	40%	32%	38%	27%	34%	31%	-
Fringe benefits	20	29	42	31	30	30	27	27	7	-
• in % of total remuneration	1%	1%	2%	2%	2%	2%	1%	2%	1%	-
Pensions <sup>1)</sup>	390	390	195	195	195	195	195	195	43	-
• in % of total remuneration	10%	12%	10%	13%	10%	12%	9%	11%	9%	-
<b>Variable remuneration</b>										
Short-term variable remuneration (STB) <sup>2)</sup>	1,800	1,220	900	459	818	680	1,125	695	300	-
• in % of total remuneration	46%	37%	45%	31%	43%	43%	50%	39%	59%	-
Long-term variable remuneration (LTB) <sup>3)</sup>	335	299	168	150	168	-	206	184	-	-
• in % of total remuneration	9%	9%	8%	10%	9%	-	9%	10%	-	-
One-off PSU grant 2020 <sup>4)</sup>	161	135	81	68	81	68	81	68	-	-
• in % of total remuneration	4%	4%	4%	4%	4%	4%	4%	4%	-	-
<b>Total remuneration</b>	<b>3,906</b>	<b>3,273</b>	<b>1,985</b>	<b>1,503</b>	<b>1,891</b>	<b>1,573</b>	<b>2,234</b>	<b>1,768</b>	<b>510</b>	<b>-</b>

	<b>Schick, Andreas</b> (Chief Operating Officer)		<b>Schittenhelm, Corinna</b> (Chief Human Resources Officer)		<b>Wagner, Uwe</b> (Chief Technology Officer)		<b>Patzak, Klaus Dr.</b> (former Chief Financial Officer)		<b>Total</b>	
	since May 1, 2018	2020	since January 1, 2016	2020	since October 1, 2019	2020	from August 1, 2020 to July 31, 2021	2020	2021	2020
in € thousands	2021	2020	2021	2020	2021	2020	2021 <sup>6)</sup>	2020	2021	2020
<b>Fixed remuneration</b>										
Fixed remuneration	600	600	600	600	600	600	600	250	5,560	5,050
• in % of total remuneration	31%	40%	31%	36%	33%	40%	39%	40%	31%	38%
Fringe benefits	20	29	24	24	19	22	22	9	212	201
• in % of total remuneration	1%	2%	1%	1%	1%	2%	1%	1%	1%	2%
Pensions <sup>1)</sup>	195	195	195	195	195	195	-	81	1,603	1,641
• in % of total remuneration	10%	13%	10%	12%	11%	13%	-	13%	9%	12%
<b>Variable remuneration</b>										
Short-term variable remuneration (STB) <sup>2)</sup>	900	610	900	610	900	610	900	254	8,543	5,137
• in % of total remuneration	47%	41%	46%	37%	50%	41%	58%	41%	48%	38%
Long-term variable remuneration (LTB) <sup>3)</sup>	126	-	168	150	-	-	-	-	1,170	783
• in % of total remuneration	7%	-	9%	9%	-	-	-	-	7%	6%
One-off PSU grant 2020 <sup>4)</sup>	81	68	81	68	81	68	34	28	678	569
• in % of total remuneration	4%	5%	4%	4%	4%	5%	2%	5%	4%	4%
<b>Total remuneration</b>	<b>1,921</b>	<b>1,501</b>	<b>1,967</b>	<b>1,646</b>	<b>1,795</b>	<b>1,495</b>	<b>1,556</b>	<b>622</b>	<b>17,765</b>	<b>13,381</b>

<sup>1)</sup> Contributions in the relevant year.

<sup>2)</sup> Benefits awarded in accordance with section 162 AktG: Variable remuneration for 2021 is shown as the variable remuneration paid out in March 2022. Same approach used for prior year.

<sup>3)</sup> The amount under LTB 2021 represents the payout amount of the LTB tranche 2018–2021. Same approach used for prior year.

<sup>4)</sup> The one-off PSU grant 2020 for 2021 represents the payout amount of the second tranche of the one-off PSU grant 2020.

<sup>5)</sup> The pro-rata base remuneration of EUR 200 thousand was reduced by the remuneration for service as CFO Americas.

<sup>6)</sup> Dr. Patzak left the Board of Managing Directors as at July 31, 2021. His service agreement remains in effect until September 30, 2022. 7/12 of the amounts disclosed represent the active phase of his service as a Managing Director in 2021. The remaining 5/12 represent the remuneration under his termination agreement.

Remuneration of Managing Directors  
Amounts of remuneration of the Board of Managing Directors

## Benefits awarded and due – 2021 and 2020: Former Managing Directors

in € thousands EUR	Heinrich, Dietmar		Pleus, Peter Prof. Dr.		Gutzmer, Peter Prof. Dr.-Ing.		Jung, Oliver	
	2021	2020	2021	2020	2021	2020	2021	2020
<b>Fixed remuneration</b>								
Fixed remuneration	-	350	-	-	-	-	-	-
• in % of total remuneration	-	45%	-	-	-	-	-	-
Fringe benefits	-	16	-	-	-	-	-	-
• in % of total remuneration	-	2%	-	-	-	-	-	-
Pensions <sup>1)</sup>	-	-	287	284	247	244	-	-
• in % of total remuneration	-	-	54%	56%	n.a.	n.a.	-	-
Compensation payment	-	-	-	-	1,140	1,140	65	-
• in % of total remuneration	-	-	-	-	n.a.	n.a.	n.a.	-
<b>Variable remuneration</b>								
Short-term variable remuneration (STB) <sup>2)</sup>	-	356	-	-	-	-	-	-
• in % of total remuneration	-	46%	-	-	-	-	-	-
Long-term variable remuneration (LTB) <sup>3)</sup>	108	56	245	219	-55 <sup>5)</sup>	-81 <sup>6)</sup>	-41 <sup>7)</sup>	-81 <sup>6)</sup>
• in % of total remuneration	100%	7%	46%	44%	n.a.	n.a.	n.a.	n.a.
One-off PSU grant 2020 <sup>4)</sup>	-	-	-	-	-	-	-	-
• in % of total remuneration	-	-	-	-	-	-	-	-
<b>Total remuneration</b>	<b>108</b>	<b>778</b>	<b>532</b>	<b>503</b>	<b>1,332</b>	<b>1,303</b>	<b>24</b>	<b>-81</b>

in € thousands EUR	Hauck, Ulrich Dr.		Mirlach, Kurt		Schuff, Gerhard Dr.		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
<b>Fixed remuneration</b>								
Fixed remuneration	-	-	-	-	-	-	-	350
• in % of total remuneration	-	-	-	-	-	-	-	12%
Fringe benefits	-	-	-	-	-	-	-	16
• in % of total remuneration	-	-	-	-	-	-	-	1%
Pensions <sup>1)</sup>	-	-	226	224	47	46	806	798
• in % of total remuneration	-	-	100%	100%	100%	100%	35%	27%
Compensation payment	-	-	-	-	-	-	1,205	1,140
• in % of total remuneration	-	-	-	-	-	-	52%	39%
<b>Variable remuneration</b>								
Short-term variable remuneration (STB) <sup>2)</sup>	-	-	-	-	-	-	-	355.74
• in % of total remuneration	-	-	-	-	-	-	-	12%
Long-term variable remuneration (LTB) <sup>3)</sup>	52	184	-	-	-	-	308	296
• in % of total remuneration	100%	100%	-	-	-	-	13%	10%
One-off PSU grant 2020 <sup>4)</sup>	-	-	-	-	-	-	-	-
• in % of total remuneration	-	-	-	-	-	-	-	-
<b>Total remuneration</b>	<b>52</b>	<b>184</b>	<b>226</b>	<b>224</b>	<b>47</b>	<b>46</b>	<b>2,320</b>	<b>2,956</b>

<sup>1)</sup> Pension benefits paid in the relevant year.

<sup>2)</sup> Benefits awarded in accordance with section 162 AktG: Variable remuneration for 2021 is shown as the variable remuneration paid out in March 2022. Same approach used for prior year.

<sup>3)</sup> The amount under LTB 2021 represents the payout amount of the LTB tranche 2018–2021. Same approach used for prior year.

<sup>4)</sup> The one-off PSU grant 2020 for 2021 represents the payout amount of the second tranche of the one-off PSU grant 2020.

<sup>5)</sup> The payout amount calculated is offset against the EUR 300 thousand advance paid in 2018.

<sup>6)</sup> The payout amount calculated is offset against the EUR 300 thousand advance paid in 2017.

<sup>7)</sup> The payout amount calculated is offset against the EUR 225 thousand advance paid in 2018.

## 2. Remuneration of members of the Supervisory Board

The description of the remuneration of the Supervisory Board includes the disclosures required by German stock corporation law and is consistent with the recommendations of the GCGC. The remuneration of the Supervisory Board was reviewed and selectively amended in 2021. The amended remuneration system was approved by the general meeting on April 23, 2021.

### 2.1 Overview of remuneration of the Supervisory Board in 2021

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

Remuneration of members of the Supervisory Board  
Amounts of remuneration of the Supervisory Board

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 member of the Supervisory Board 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.

Members of the Supervisory Board 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 members of the Supervisory Board that includes a deductible provision.

No advances or loans were granted to members of the Supervisory Board in 2020 or 2021. The following tables summarize the amount of remuneration of each member of the Supervisory Board.

## 2.2 Amounts of remuneration of the Supervisory Board

### Benefits awarded and due – 2020 and 2021: Members of the Supervisory Board

in € thousands	Year	Fixed remuneration	In % of total remuneration	Remuneration for committee membership	In % of total remuneration	Attendance fees <sup>1)</sup>	In % of total remuneration	Total remuneration <sup>2)</sup>
	2021	50	79%	-	-	14	21%	64
<b>Sabine Bendiek</b>	2020	50	89%	-	-	6	11%	56
	2021	50	56%	20	22%	20	22%	90
<b>Prof. Dr. Hans-Jörg Bullinger</b>	2020	50	87%	-	-	8	13%	58
	2021	50	57%	20	23%	18	20%	88
<b>Dr. Holger Engelmann</b>	2020	50	67%	20	27%	5	6%	75
	2021	50	75%	-	-	17	25%	67
<b>Prof. Dr. Bernd Gottschalk</b>	2020	50	92%	-	-	5	8%	55
	2021	50	53%	20	21%	24	26%	94
<b>Andrea Grimm <sup>3)</sup></b>	2020	50	72%	13	19%	6	9%	69
<b>Ulrike Hasbargen</b> (since April 23, 2021)	2021	35	74%	-	-	12	26%	47
	2020	-	-	-	-	-	-	0
	2021	50	54%	20	22%	23	24%	93
<b>Thomas Höhn <sup>3)</sup></b>	2020	33	65%	13	26%	5	9%	50
	2021	50	75%	-	-	17	25%	67
<b>Susanne Lau <sup>3)</sup></b>	2020	50	92%	-	-	5	8%	55
	2021	50	53%	20	21%	24	26%	94
<b>Barbara Resch <sup>3)</sup></b>	2020	50	62%	20	25%	11	13%	81
	2021	50	75%	-	-	17	25%	67
<b>Jutta Rost</b>	2020	33	88%	-	-	5	12%	37
<b>Georg F. W. Schaeffler</b> (Chair SB)	2021	100	54%	50	27%	35	19%	185
	2020	100	64%	40	26%	17	11%	157
<b>Maria-Elisabeth Schaeffler-Thumann</b> (Dep. Chair SB)	2021	75	64%	20	17%	23	19%	118
	2020	75	79%	20	21%	-	-	95

<sup>1)</sup> In 2020, no attendance fees were paid where meetings of the Supervisory Board or its committees were attended via telephone/remotely.

<sup>2)</sup> 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 2021.

<sup>3)</sup> These employee representatives 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.

Remuneration of members of the Supervisory Board  
Amounts of remuneration of the Supervisory Board

in € thousands	Year	Fixed remuneration	In % of total remuneration	Remuneration for committee membership	In % of total remuneration	Attendance fees <sup>1)</sup>	In % of total remuneration	Total remuneration <sup>2)</sup>
	2021	50	63%	10	13%	20	25%	80
<b>Jürgen Schenk <sup>3)</sup></b>	2020	33	84%	-	-	6	16%	39
	2021	50	75%	-	-	17	25%	67
<b>Helga Schönhoff</b>	2020	33	88%	-	-	5	12%	37
<b>Sabrina Soussan</b> (until April 23, 2021)	2021	15	91%	-	-	2	9%	17
	2020	50	92%	-	-	5	8%	55
	2021	50	44%	40	36%	23	20%	113
<b>Robin Stalker</b>	2020	50	51%	40	40%	9	9%	99
	2021	50	49%	30	29%	23	22%	103
<b>Salvatore Vicari <sup>3)</sup></b>	2020	50	60%	20	24%	14	16%	84
<b>Jürgen Wechsler <sup>3)</sup></b> (Dep. Chair SB)	2021	75	47%	50	31%	35	22%	160
	2020	75	62%	33	27%	14	11%	122
<b>Prof. TU Graz e.h. KR Ing. Siegfried Wolf</b>	2021	50	47%	30	28%	26	24%	106
	2020	50	68%	20	27%	3	4%	73
<b>Prof. Dr.-Ing. Tong Zhang</b>	2021	50	63%	10	13%	20	25%	80
	2020	50	100%	-	-	-	-	50
	2021	50	63%	10	13%	20	25%	80
<b>Markus Zirkel <sup>3)</sup></b>	2020	33	84%	-	-	6	16%	39
<b>Norbert Lenhard <sup>3)</sup></b> (until May 8, 2020)	2021	-	-	-	-	-	-	0
	2020	18	64%	7	25%	3	11%	28
<b>Dr. Reinold Mittag <sup>3)</sup></b> (until May 8, 2020)	2021	-	-	-	-	-	-	0
	2020	18	60%	7	24%	5	15%	29
<b>Dirk Spindler</b> (until May 8, 2020)	2021	-	-	-	-	-	-	0
	2020	18	92%	-	-	2	8%	19
<b>Jürgen Stolz <sup>3)</sup></b> (until May 8, 2020)	2021	-	-	-	-	-	-	0
	2020	18	92%	-	-	2	8%	19
<b>Jürgen Worrich <sup>3)</sup></b> (until May 8, 2020)	2021	-	-	-	-	-	-	0
	2020	18	60%	7	24%	5	15%	29
<b>Total</b>	2021	1,100	59%	350	19%	422	23%	1,872
	2020	1,101	73%	260	17%	144	10%	1,505

<sup>1)</sup> In 2020, no attendance fees were paid where meetings of the Supervisory Board or its committees were attended via telephone/remotely.

<sup>2)</sup> 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 2021.

<sup>3)</sup> These employee representatives 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 members of the Supervisory Board 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 (incl. STB, profit sharing, other bonuses, and LTB), fringe-benefits (including non-cash benefits), allowances under collective agreements, vacation pay, flextime pay.

The increase in the remuneration of the Managing Directors in 2021 compared to 2020 is the result of significantly higher target achievement rates for variable remuneration. The corresponding increase in total remuneration is lower for employees due to a higher proportion of fixed remuneration in their pay structure.

The increases for Supervisory Board members are attributable to the change in the policy regarding attendance fees. Starting in 2021, attendance fees are paid for attending meetings of the Supervisory Board or its committees via telephone/remotely as well. Previously, attendance by telephone/remotely was unpaid.

#### Change in employee remuneration and company performance

	Change 2021 vs. 2020
Net income of Schaeffler AG under HGB	193%
Schaeffler Group EBIT before special items	59%
FCF before cash in- and outflows for M&A activities	-3%
Annual change in employee remuneration	10%

#### Change in Managing Directors' remuneration (current Managing Directors)

<b>Rosenfeld, Klaus</b> (Chief Executive Officer)	19%
<b>Zink, Matthias</b> (CEO Automotive Technologies)	32%
<b>Söding, Michael</b> (CEO Automotive Aftermarket)	20%
<b>Spindler, Stefan Dr.</b> (CEO Industrial)	26%
<b>Bauer, Claus</b> (Chief Financial Officer)	.1)
<b>Schick, Andreas</b> (Chief Operating Officer)	28%
<b>Schittenhelm, Corinna</b> (Chief Human Resources Officer)	20%
<b>Wagner, Uwe</b> (Chief Technology Officer)	20%

<sup>1)</sup> According to mathematical rules, the change cannot be calculated.



### Change in Managing Directors' remuneration (former Managing Directors)

	Change 2021 vs. 2020
<b>Patzak, Klaus Dr.</b>	150%
<b>Heinrich, Dietmar</b>	-86%
<b>Pleus, Peter Prof. Dr.</b>	6%
<b>Gutzmer, Peter Prof. Dr.-Ing.</b>	2%
<b>Jung, Oliver</b>	- 1)
<b>Hauck, Ulrich Dr.</b>	-72%
<b>Mirlach, Kurt</b>	1%
<b>Schuff, Gerhard Dr.</b>	1%

<sup>1)</sup> According to mathematical rules, the change cannot be calculated.

### Change in remuneration of Supervisory Board members

	Change 2021 vs. 2020
<b>Sabine Bendiek</b>	13%
<b>Prof. Dr. Hans-Jörg Bullinger</b>	56%
<b>Dr. Holger Engelmann</b>	18%
<b>Prof. Dr. Bernd Gottschalk</b>	22%
<b>Andrea Grimm</b>	36%
<b>Ulrike Hasbargen</b>	- 1)
<b>Thomas Höhn</b>	85%
<b>Susanne Lau</b>	22%
<b>Barbara Resch</b>	17%
<b>Jutta Rost</b>	80%
<b>Georg F. W. Schaeffler</b> (Chair SB)	18%
<b>Maria-Elisabeth Schaeffler-Thumann</b> (Dep. Chair SB)	24%
<b>Jürgen Schenk</b>	106%
<b>Helga Schönhoff</b>	80%
<b>Sabrina Soussan</b>	-69%
<b>Robin Stalker</b>	14%
<b>Salvatore Vicari</b>	23%
<b>Jürgen Wechsler</b> (Dep. Chair SB)	31%
<b>Prof. TU Graz e.h. KR Ing. Siegfried Wolf</b>	45%
<b>Prof. Dr.-Ing. Tong Zhang</b>	59%
<b>Markus Zirkel</b>	106%

<sup>1)</sup> 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 for the financial year from January 1, 2021, to December 31, 2021, prepared to comply with section 162 German Stock Corporations Act (Aktiengesetz – AktG), including the related disclosures.

#### 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, 2021, to December 31, 2021, including the related disclosures, complies, in all material respects, with the requirements of section 162 AktG.

### **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 million for negligence in item 9 of the GET) and acknowledges their validity in his or her relationship with us.

Nuremberg, February 25, 2022

KPMG AG  
Wirtschaftsprüfungsgesellschaft  
[Original German version signed by:]

Koeplin	Schieler
Wirtschaftsprüfer	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]