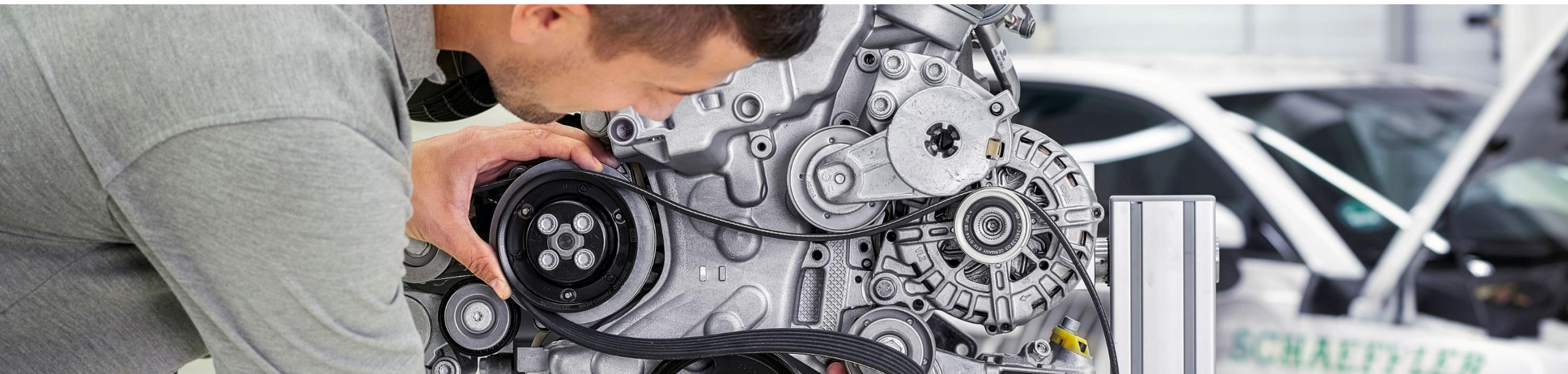




Automotive Aftermarket

Division presentation

Contents

- 1** **Schaeffler Group at a glance**
- 2** **Global vision and mission**
- 3** **Automotive Aftermarket division**
- 4** **Organization overview**
- 5** **Our customers**
- 6** **Our value proposition**

Schaeffler Group at a glance

SCHAEFFLER



Sustainable

A long-term view and continuity will foster the growth of the Schaeffler Group, thereby enabling a future worth living.

Innovative

For (nearly) every problem there is a solution. If not, we will create one!

SCHAEFFLER

Passionate

Our biggest driver is our passion for innovative technologies and joint success with our customers.

Excellent

We develop solutions that are of the highest quality based on our extensive expertise.

Schaeffler Group at a glance

"Guided by the values of a global family business, we work closely together with our customers as true partners to deliver a compelling value proposition through our best-in-class expertise in manufacturing technology and systems know-how. In doing so, we contribute to the success of our customers, the advancement of our employees, and the prosperity of our society."

MISSION

"As a leader in technology, we combine a passion for innovation with the highest standards of quality to shape the future of mobility – for a world that will be cleaner, safer, and smarter."

VISION

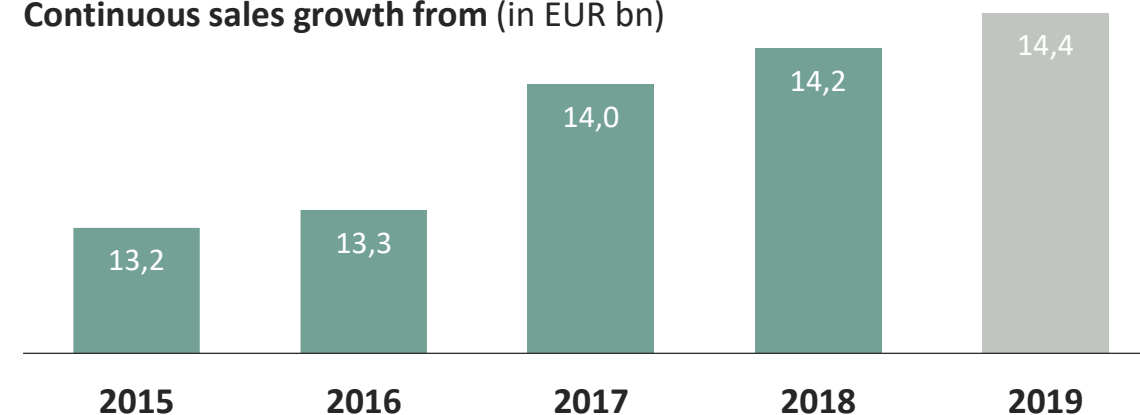


Schaeffler Group at a glance

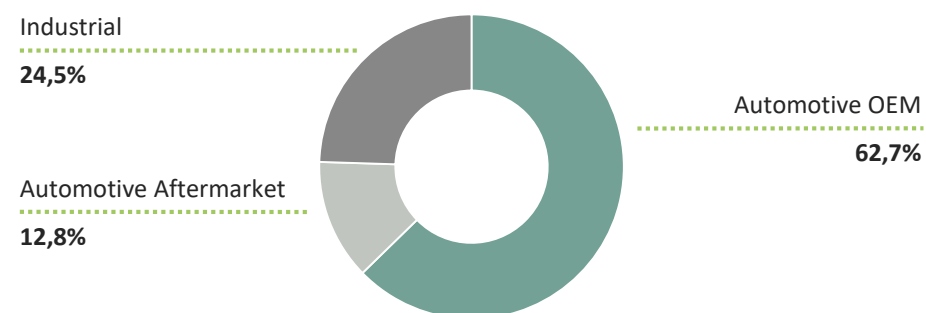
Key characteristics

- Global automotive and industrial supplier
- More than 84,200 employees in over 50 countries
- Above industry average profitability and revenue growth

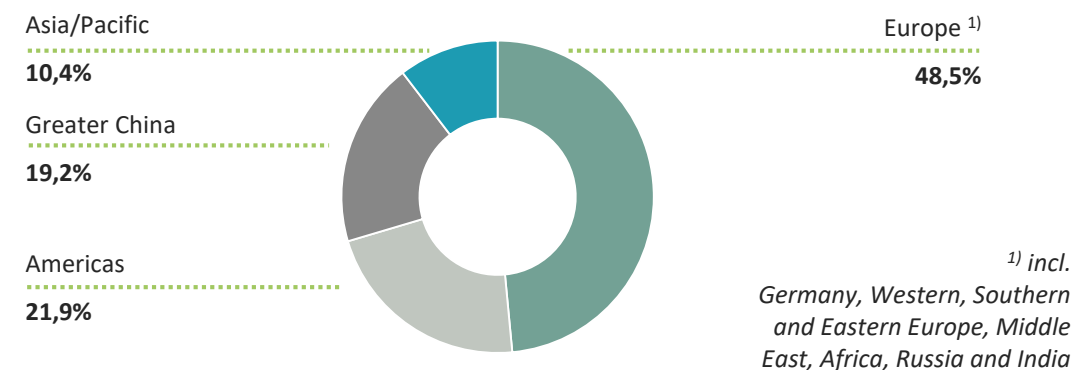
Continuous sales growth from (in EUR bn)



Sales by division in 2019

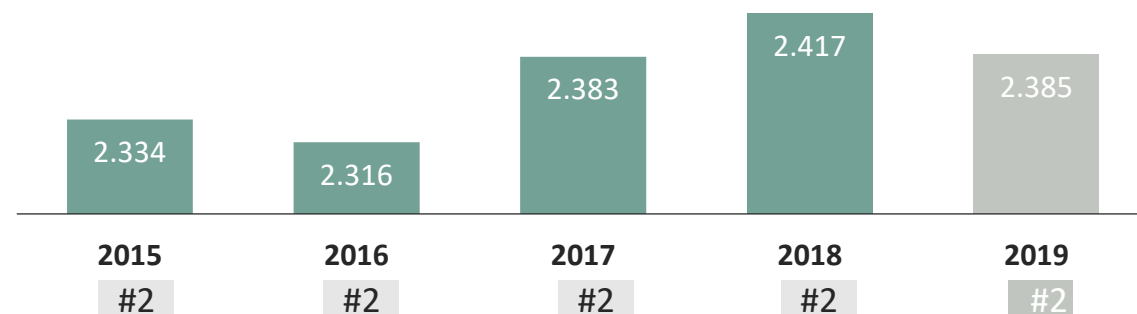


Sales by region in 2018



Schaeffler Group at a glance

Number of patent registrations in Germany¹⁾



¹⁾ Source: Deutsches Patent- und Markenamt (DPMA)

First class manufacturing technology

- State-of-the-art plants and testing facilities
- Outstanding know-how in
 - Surface treatment
 - Raw material processing
 - Tool Management & Prototyping / Special machinery building
 - Precision manufacturing

Selected Innovation and Quality Awards

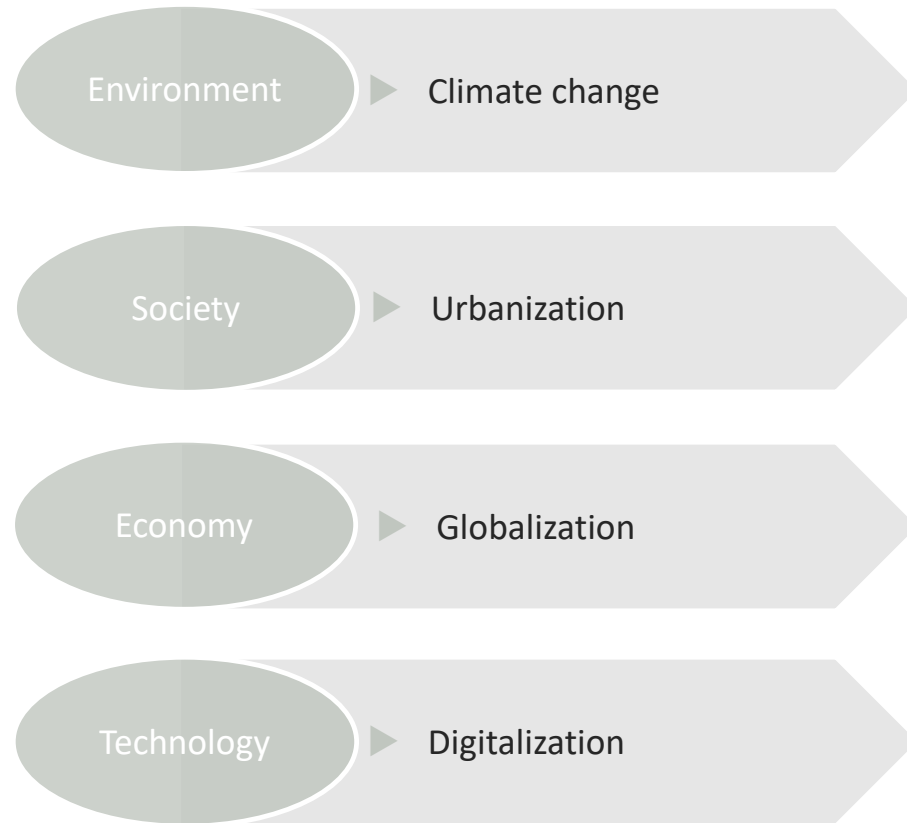
- German Mobility Prize by the Federal Ministry of Transport and Digital Infrastructure (Schaeffler Mover)
- „BEST OF mobility“ und „Red Dot“-Award (Bio-Hybrid)
- Fiat Chrysler Automobiles „Outstanding Quality Supplier Award“
- Honda „Excellence in Delivery and Quality Award“
- John Deere Supplier Innovation Award

Innovation Networks

- SHARE – Schaeffler Hubs for Advanced Research:
 - KIT Karlsruhe Institute for Technology, Germany
 - FAU Friedrich-Alexander University of Erlangen-Nuremberg, Germany
 - NTU Nanyang Technological University, Singapore
 - SWJTU Southwest Jiaotong University, Chengdu, China
- Silicon Valley Office, U.S. (intensive exchange with start-ups)
- Cooperation with Munich Network, Plug and Play, ZOLLHOF Tech Incubator Nuremberg

Schaeffler Group at a glance

Key mega trends



4 focus areas

1 Eco-friendly drives



2 Urban mobility



**Mobility
for tomorrow**



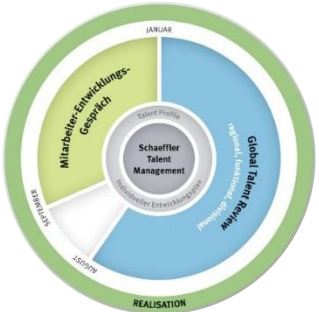
3 Interurban mobility



4 Energy chain

Schaeffler Group at a glance

Global Talent Management



- Employee development is a year-round focus
- Identify potential and use in a targeted manner
- Regular development dialogs
- Personnel development tools interact with each other and build on each other

Career perspectives

- For experts
- For project managers
- For managers



Development programs across Germany

- **Trainee program**
Corporate and division programs for graduates
- **Mentoring**
Partnership between Mentor and Mentee beyond department boundaries



Promoting and challenging: Individual developments

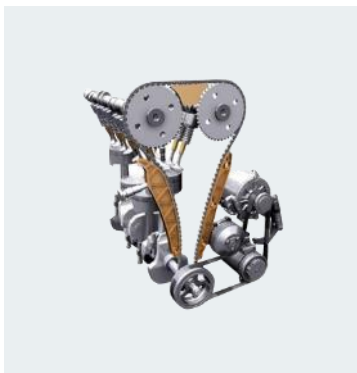
- Individual development plans for employees for achieving personal development goals
- 70:20:10 learning model – focus is on the optimum combination of various development measures (70 % practical experience, 20 % learning from others, 10 % theoretical knowledge)
- 360° Feedback: Evaluations of behavior from different interfaces
- Managers are the “talent managers” of their employees

Schaeffler Group at a glance

Automotive OEM | Systems



Transmission Systems



Engine Systems



Chassis Systems



Hybrid and Electrical
Drive Systems

Automotive Aftermarket | Segments



Passenger Cars



Light Commercial
Vehicles



Heavy Commercial
Vehicles



Tractors & Agricultural
Vehicles



Services

Industrial | Sector Clusters



Wind



Raw
Materials



Aerospace



Railway



Offroad



Two
Wheelers



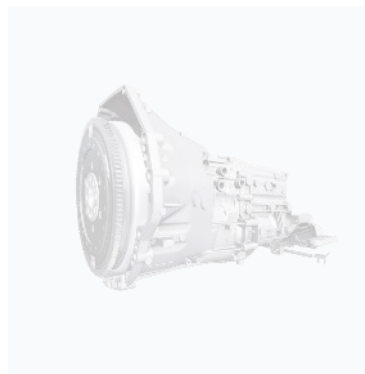
Power
Transmission



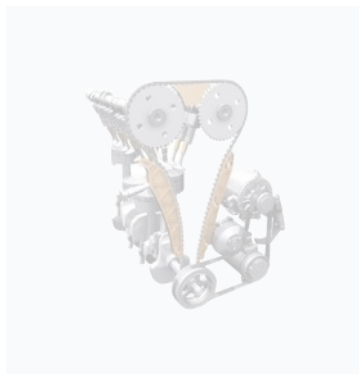
Industrial
Automation

Schaeffler Group at a glance

Automotive OEM | Systems



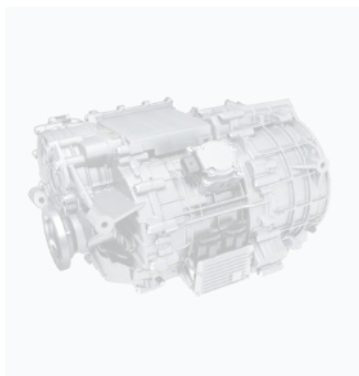
Transmission Systems



Engine Systems



Chassis Systems



Hybrid and Electrical
Drive Systems

Automotive Aftermarket | Segments



Passenger Cars



Light Commercial
Vehicles



Heavy Commercial
Vehicles



Tractors & Agricultural
Vehicles



Services

Industrial | Sector Clusters



Wind



Raw
Materials



Aerospace



Railway



Offroad



Two
Wheelers



Power
Transmission



Industrial
Automation

Automotive Aftermarket division

The Automotive Aftermarket division is responsible for Schaeffler's spare parts business worldwide

Passenger Cars



Light Commercial Vehicles



Heavy Commercial Vehicles



Tractors & Agricultural Vehicles



REXPERT bundles Schaeffler's technical services offer for garages under one roof; whether the online portal, service hotline, installation instructions and videos, training seminars, or events.



Original Equipment Services

Schaeffler supplies brand-derived garages (i.e. authorized by vehicle manufacturer = OEM) with original spare parts and services.

Independent Aftermarket

Schaeffler is the system specialist for transmission, engine, and chassis – and delivers repair solutions tailor-made to the needs of garages.



Automotive Aftermarket division

Everything from one source, everything of highest quality – this is Schaeffler in the Automotive Aftermarket.



CORE COMPETENCE

USP

WE OFFER: TECHNICAL EXCELLENCE

Products directly from the OE-supplier

WE DELIVER: INTELLIGENT SOLUTIONS

Integrated repair solutions due to systems competence

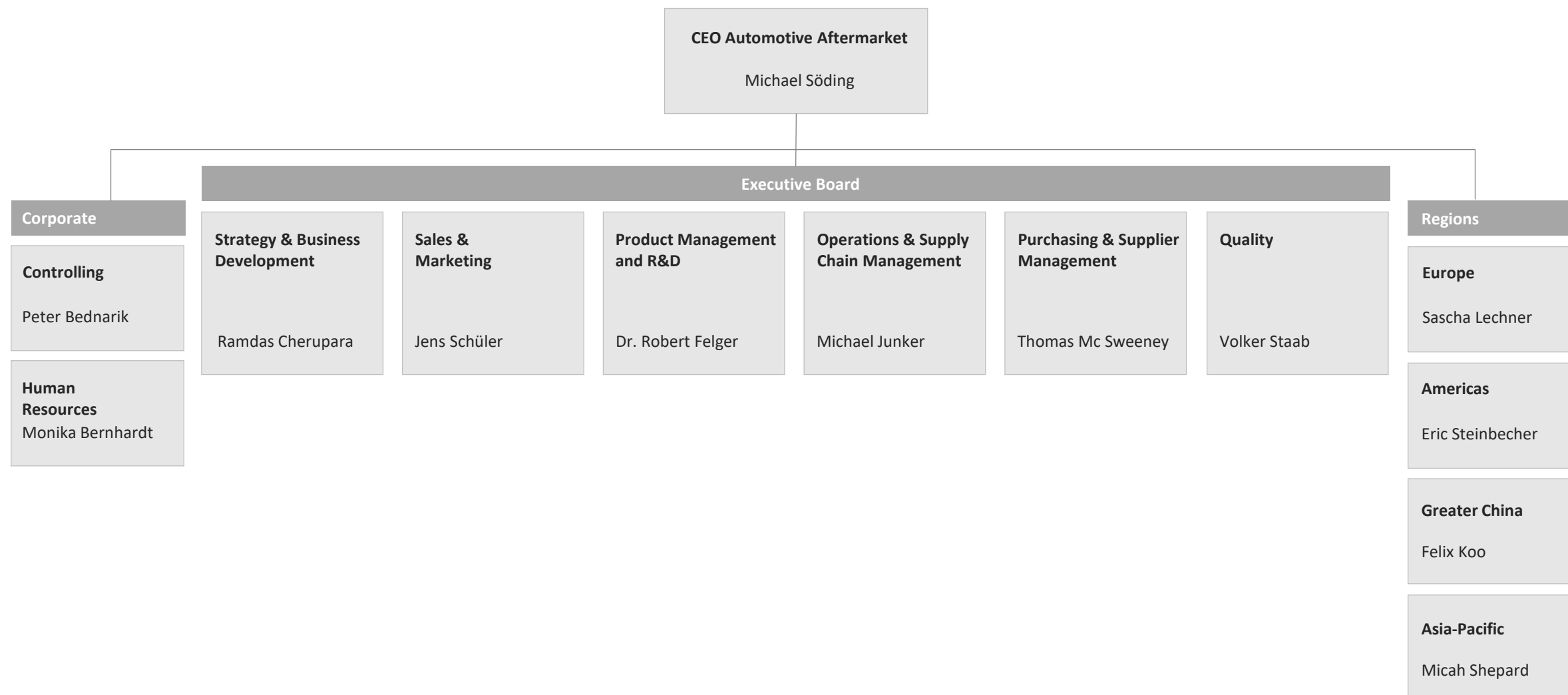
WE PROVIDE: OUTSTANDING SERVICES

Support and professional know-how for garages and trade

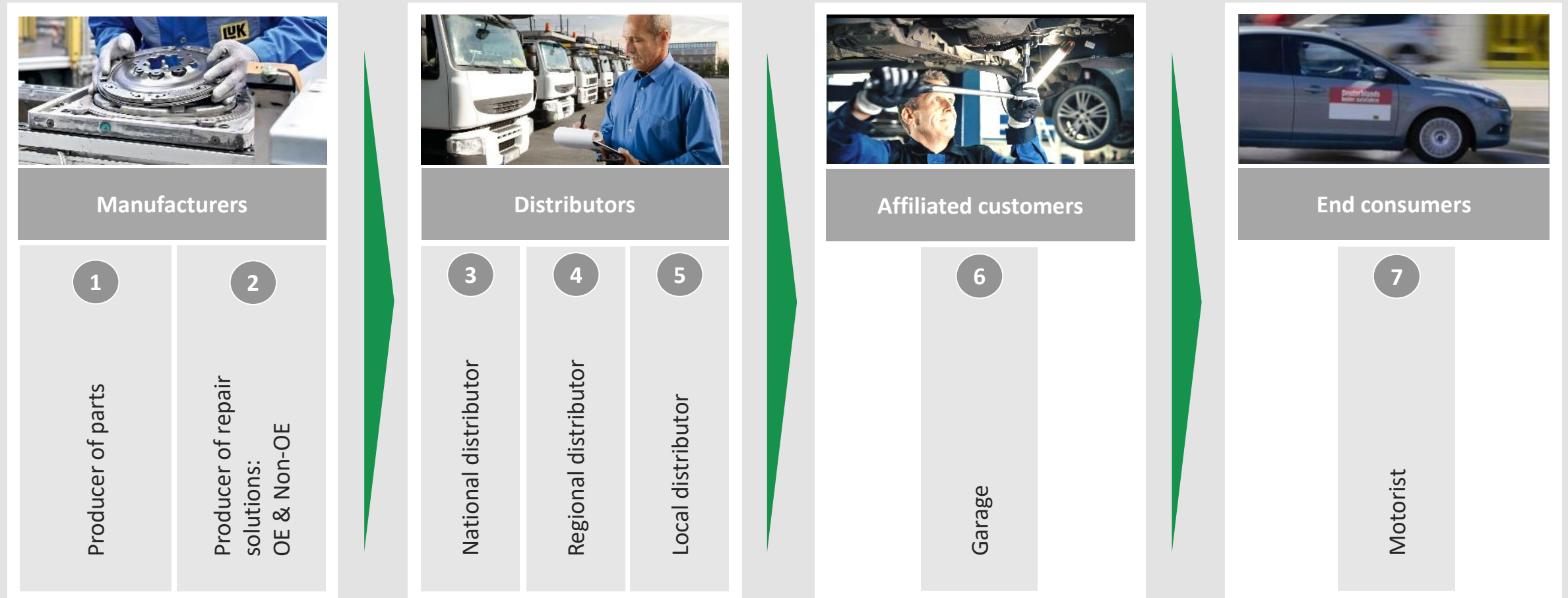
WE STAND FOR: GREAT CUSTOMER RELATION

Focus on customer needs and passion for what we do

Organization overview



Our customers



Our customers



Manufacturers

1

Producer of parts

2

Producer of repair
solutions:
OE & Non-OE



Distributors

3

National distributor

4

Regional distributor

5

Local distributor



Affiliated customers

6

Garage



End consumers

7

Motorist

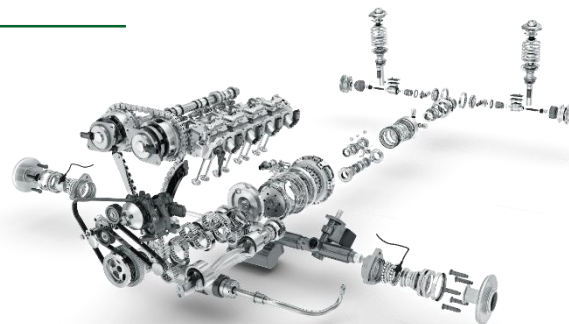
Original Equipment Services

Original Equipment Service comprises the spare parts business of the vehicle manufacturers

Schaeffler supplies OE branded spare parts equal to the serial production and offers customer specific packaging to the parts & services organization of the automotive industry.

Engine Systems

Engine components
Belt and chain drives



Transmission Systems

Transmission applications
Clutch systems
Transmission technologies

E-Mobility

Hybrid
eAxles
Anti-roll-stabilizer

Chassis Systems

Chassis applications
Accessory units



418

Customers
OES



58

Key accounts



320

Product
transfers OES

23%
EoP Parts

76%
Series Parts



17
EU members

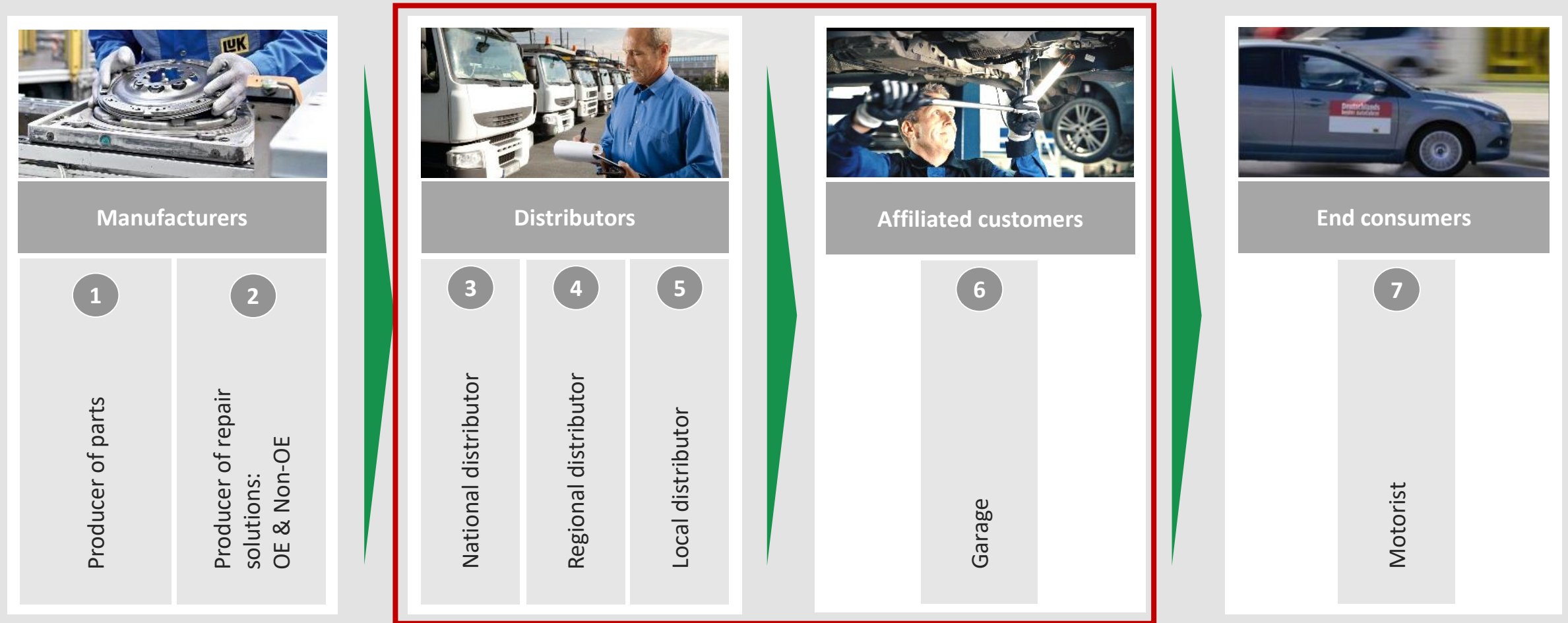


17
OES locations



56
employees

Our customers

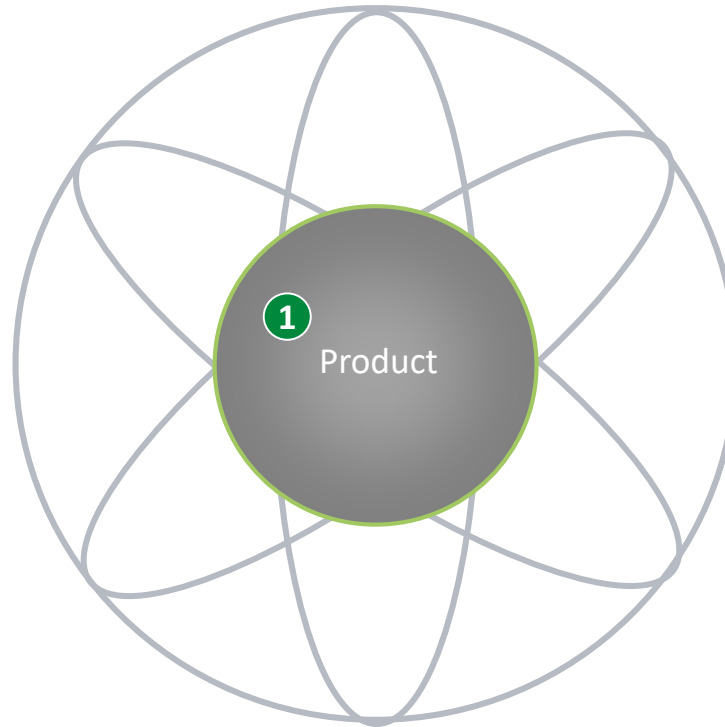


Our value proposition



Our value proposition: Product

Element 1



Global passion in innovation and OE-quality

Our value proposition: Product



- Clutch systems
- Clutch components
- Transmission components

More than 50 years as leading **transmission expert** for power transmission and vibration damping.
Innovation leader and global No.1 for DMF and double clutches.



- Timing drive components
- Auxiliary drive components
- Valve train components
- Cooling system

Leading OE partner for the engine key systems.
Aftermarkets No. 1 **full range provider**: from single products to innovative repair solutions.



- Wheel bearings
- Wheel modules
- Chassis Parts

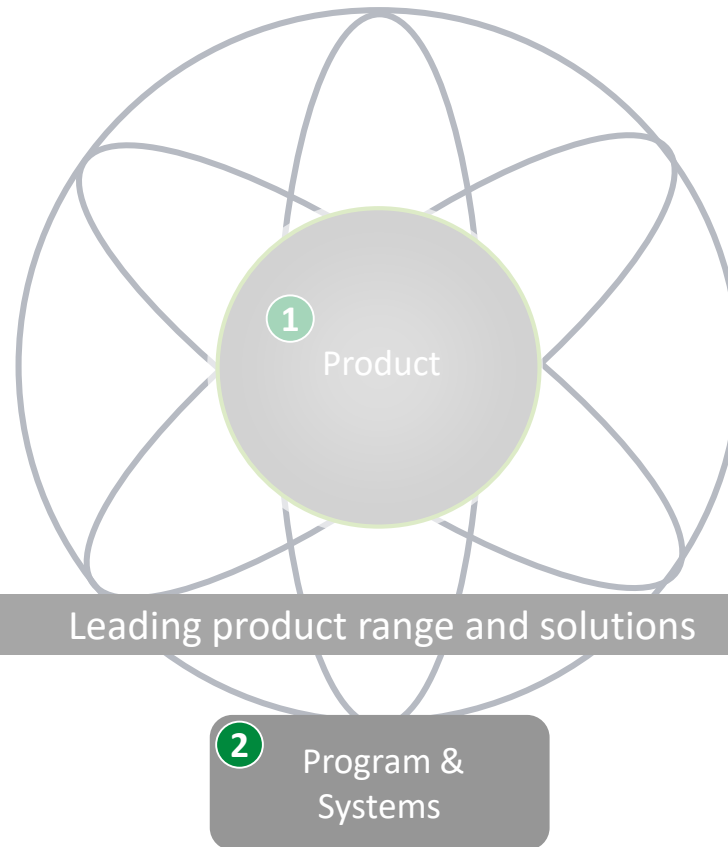
Famous for its innovative strength, **leading in bearing, sealing and coating technology**. OE-quality repair solutions throughout the entire range, from high-precision **wheel bearings** to durable **steering & suspension parts**.



Global passion in innovation and OE-quality

Our value proposition: Program & Systems

Element 2



Our value proposition: Program & Systems

Managing the portfolio in four segments to meet market needs

Passenger Cars



Passenger Cars

Commercial Vehicles



Light Commercial Vehicles



Heavy Commercial Vehicles



Tractors & Agricultural Vehicles

Our value proposition: Program & Systems

Managing the portfolio in four segments to meet market needs

Passenger Cars



Passenger Cars

Commercial Vehicles



Light Commercial Vehicles



Heavy Commercial Vehicles



Tractors & Agricultural Vehicles

Our value proposition: Program & Systems

Transmission



Ground-breaking innovation for the transmission system

Engine



Comprehensive system expertise in key engine systems

Chassis



A wide-ranging program for the safety-relevant chassis

Our value proposition: Program & Systems

Transmission	Manual clutch systems	- Market leading coverage (>95 %) for clutch systems esp. with self adjusting clutches (SAC) - The LuK hydraulic product portfolio is focusing on the entire clutch environment: CSC, master & slave cylinder, peak torque limiter, anti-vibration unit and pressure pipes	 LuK RepSet  LuK RepSet Pro  LuK hydraulic components
	Double clutch systems	- Unique repair solution for dry and wet double clutch systems in the IAM - Constantly growing car park and repair potential - Extensive service support with technical trainings, brochures, or installation videos	 LuK RepSet 2CT wet  LuK RepSet 2CT dry
	Transmission applications	- Essential for the professional automatic transmission repair: LuK TorCon - LuK RepSet CVT provides chains and corresponding gliding rails in OE quality - Each LuK GearBOX enables garages to perform gearbox repairs on their own	 LuK GearBOX  LuK TorCon  LuK RepSet CVT
	Vibration damping	- This product revolutionizes vibration damping since 1985 65 % of the car park equipped with DMF is from LuK - LuK offers evolution of the DMF with centrifugal pendulum-type absorber - Damper for all transmission types	 LuK DMF  LuK RepSet DMF

Our value proposition: Program & Systems

Engine	Timing drive	- The engine expert offering both: Belt- and chain drive - Best in class product coverage Intelligent repair solutions including all necessary accessory parts	 INA Timing Belt KIT with water pump  INA Timing Chain KIT
	Front end auxiliary drive	- Most complete FEAD product portfolio in IAM: Covering 97 % of the existing car park - From innovative repair solutions to full range of all single parts Leading partner for highly dynamic FEAD market	 INA FEAD KIT  INA FEAD belt  INA overrunning alternator pulley  INA pulley decoupler
	Valve train components	- Offers one of the most comprehensive portfolios for valve train components covering 85 % of the existing car park - OE quality – with the OEM expertise of Schaeffler, a global leader of valve train components - Intelligent valve train repair solution: INA Camshaft KIT	 INA valve train components  INA Camshaft KIT  INA camshaft phaser
	Cooling system	- Market leader with single water pump range covering 95 % of the European vehicle fleet - All water pump technologies: mechanical, vacuum-controlled, and electrical - Single supplier in IAM for thermal management	 INA mechanical water pump  INA vacuum-controlled water pump  INA electrical water pump  INA thermal management

Our value proposition: Program & Systems

Chassis	Wheel bearing	- Industry leading range coverage with more than 1,100 FAG repair solutions applicable to an European car park of 379 million vehicles - Necessary repair solutions contain all parts and accessories for a complete wheel bearing replacement	 FAG WheelSet
	Steering and suspension	- Comprehensive range of steering and suspension parts with focus on the European market - Made of the latest materials and market leading manufacturing technology	 FAG Track Control Arm
	Strut components	- Strut components & KITs as well as protection KITs including all necessary parts – for a proper repair job - Modern sealing concepts increase service life	 FAG Strut Mount KIT
	Drive shaft	- Extensive range for CVJ KITs, axle boots, propeller shaft, needle bearing for tripod joints and more - Innovative special tool for proper and efficient repair	 FAG CV Joint KIT FAG CV Joint Special Tool

Our value proposition: Program & Systems

Managing the portfolio in four segments to meet market needs

Passenger Cars



Passenger Cars

Commercial Vehicles



Light Commercial Vehicles



Heavy Commercial Vehicles



Tractors & Agricultural Vehicles

Our value proposition: Program & Systems

Increasing vehicle uptime



- Premium spare parts for trucks, trailers, buses, vans, and tractors
- Preventive maintenance
- Extending service intervals

OE parts and OE quality



- Schaeffler OE parts and quality standards in cooperation with vehicle manufacturers
- OE and IAM production on the same assembly line

Maximum service life for reduced total cost of ownership



- Optimally designed for high reliability and time-saving repair
- Providing maximum mobility every day under the toughest conditions

All in one box



- Strong brand in premium quality
- Easy to handle and ready-to-fit repair solutions, incl. all necessary accessory

Commercial Vehicles follow a common business to business (B2B) approach

Our value proposition: Program & Systems

Transmission

Competence for tough conditions

- Dual mass flywheel solutions with impact torque limiter for drivetrain protection
- LuK GearBOX containing all necessary components for professional transmission repair



LuK DMF



LuK RepSet DMF



LuK GearBOX

Engine

Increased wear resistance

- Outstanding vibration damping solutions to avoid consequential damages
- Complete timing chain repair solutions including chain protection additive



INA Timing Chain KIT



INA FEAD KIT

Chassis

Easy and fast repair solutions

- Uncompromising quality of steering and suspension parts for toughest requirements
- Wheel bearing fitting time reducing special tools



LCV Repair solution



FAG WheelSet



FAG Steering and suspension parts

Providing maximum operations for last mile transport

Our value proposition: Program & Systems

Transmission	Engineered for long service life • Developed in cooperation with vehicle manufacturers • High quality clutch repair solutions	 LuK RepSet	 LuK HD 30 PLUS	 LuK SmarTAC	 LuK RepSet SmarTAC
Engine	Reducing load peaks in the belt drive • Vibration damping belt drive components	 INA tensioning arms	 INA idler pulleys	 INA overrunning alternator pulley (OAP)	
Chassis	Innovative wheel bearing repair solutions • Full range of OE quality HCV wheel bearings • Simplify wheel bearing replacement and minimize downtime	 FAG Repair Insert Unit (RIU)	 FAG Truck Hub Unit (THU)	 FAG Truck Axle Module (TAM)	 FAG SmartSET

Unique repair solutions in OE quality

Our value proposition: Program & Systems

Transmission

Reliable field cultivation around the clock

- Single clutches
- Torsion dampers
- Double clutches
- Organic clutch discs
- Sintered clutch discs

LuK is global leader for tractor clutches
selling 350,000 each year.



LuK RepSet double clutch



LuK single clutch



LuK RepSet



LuK organic/sintered
clutch discs



LuK long travel damper



LuK single safety PTO clutch



LuK dual safety
PTO clutch



LuK axial spring damper



LuK clutch lever KIT

Engine

Front end auxiliary drive

- Complete FEAD repair solution in OE quality

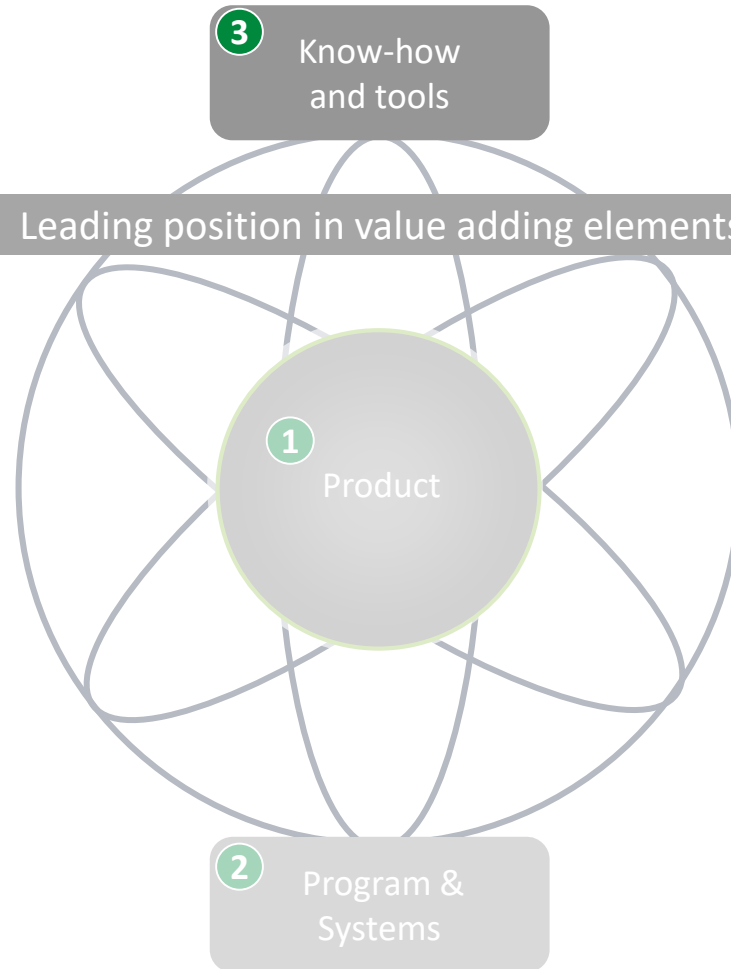


INA FEAD KIT

World's number one in the field

Our value proposition: Know-how and tools

Element 3



Our value proposition: Know-how and tools



Online Services

- Fast and easy access to all technical services and information
- Online portal available in 23 country versions
- REPERT App for Android and iOS available
- Complete TecDoc online spare parts catalog



Technical Training

- More than 70 technical trainers conduct the educational program in over 20 languages around the world
- Tailor-made knowledge transfer
- Using mobile training equipment on-site



Special Tools

- Tailor-made and specially designed for requirements in the garage
- Fast and easy repair: installing or removing parts, and conducting damage diagnosis



Technical Information

- Manufacturer-specific repair and maintenance information (TecRMI)
- Installation information and videos, technical brochures, and service information.
- Tips and tricks for damage diagnosis

REPERT – the global service brand for garage professionals



Our value proposition: Know-how and tools

Product Marketing

- Development of central marketing material in German and English language for international use (ads, flyer, brochures, banners, POS, ...)
- Consulting and monitoring of international marketing activities



Digital Marketing

- Websites
- Social media
- Search engine marketing
- Newsletter
- Online advertising



Fairs & Events

- Organization of (inter-)national fairs
- Global exhibit management
- Handling of German factory tours
- Development of marketing tools for overall Aftermarket purposes



Communications

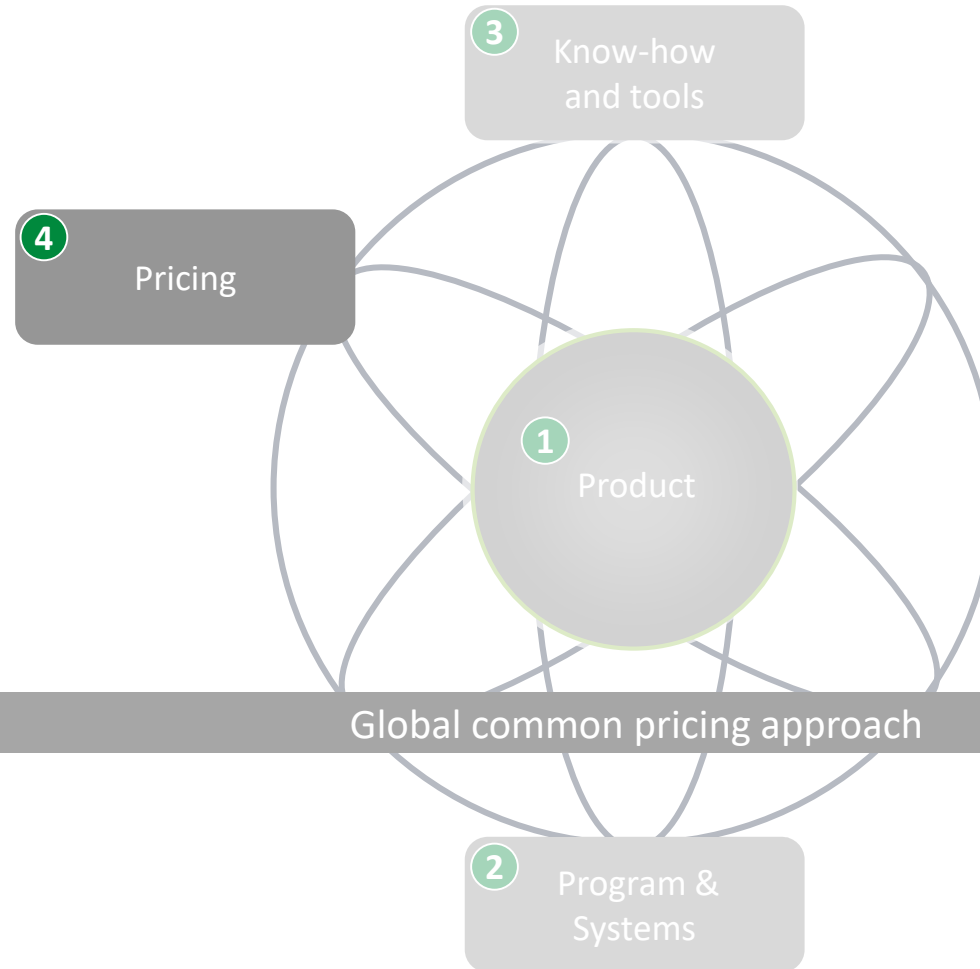
- Organization of press conferences, press visits, and press trips
- Creation of stories, texts, and press releases
- Handling of PR activities and media requests



Comprehensive marketing competence

Our value proposition: Pricing

Element 4



Our value proposition: Pricing

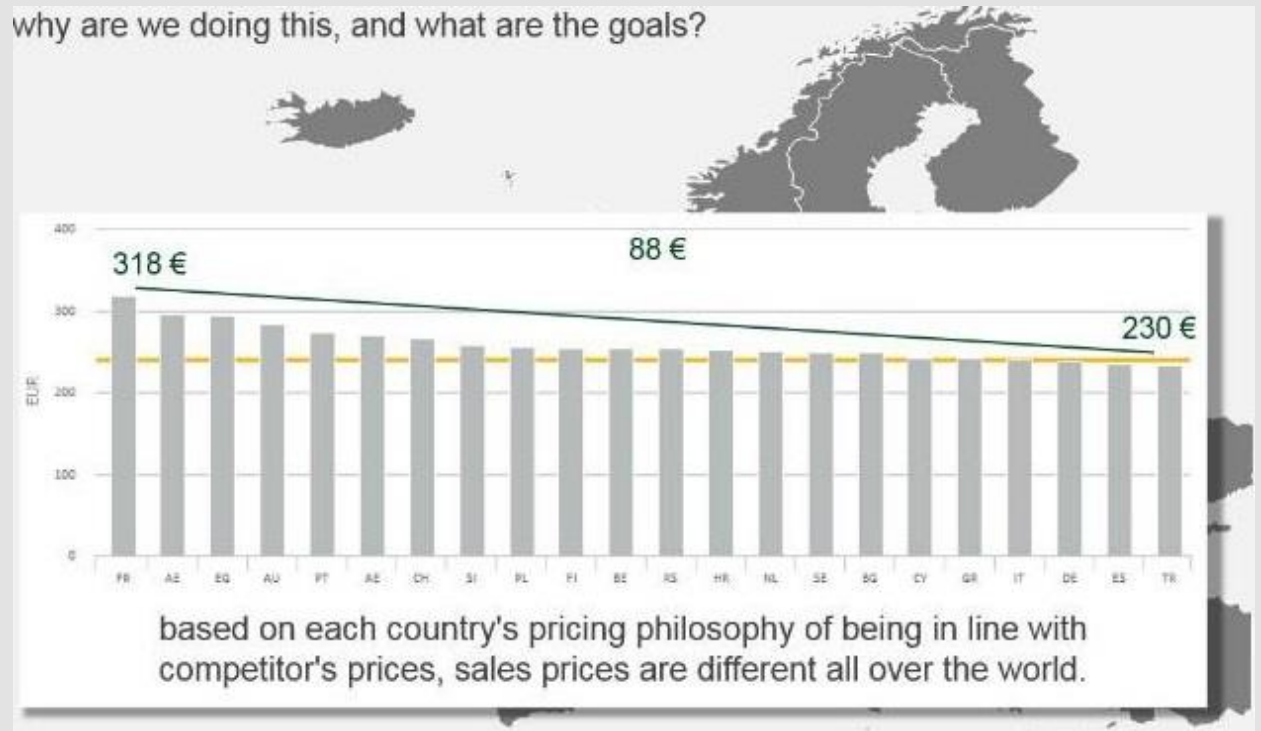
The challenge

- ▶ Strong price differences between a given market on article number level
- ▶ Cross boarder business & customer globalization
- ▶ The challenge: proactive pricing strategy and increase customer satisfaction

Our approach

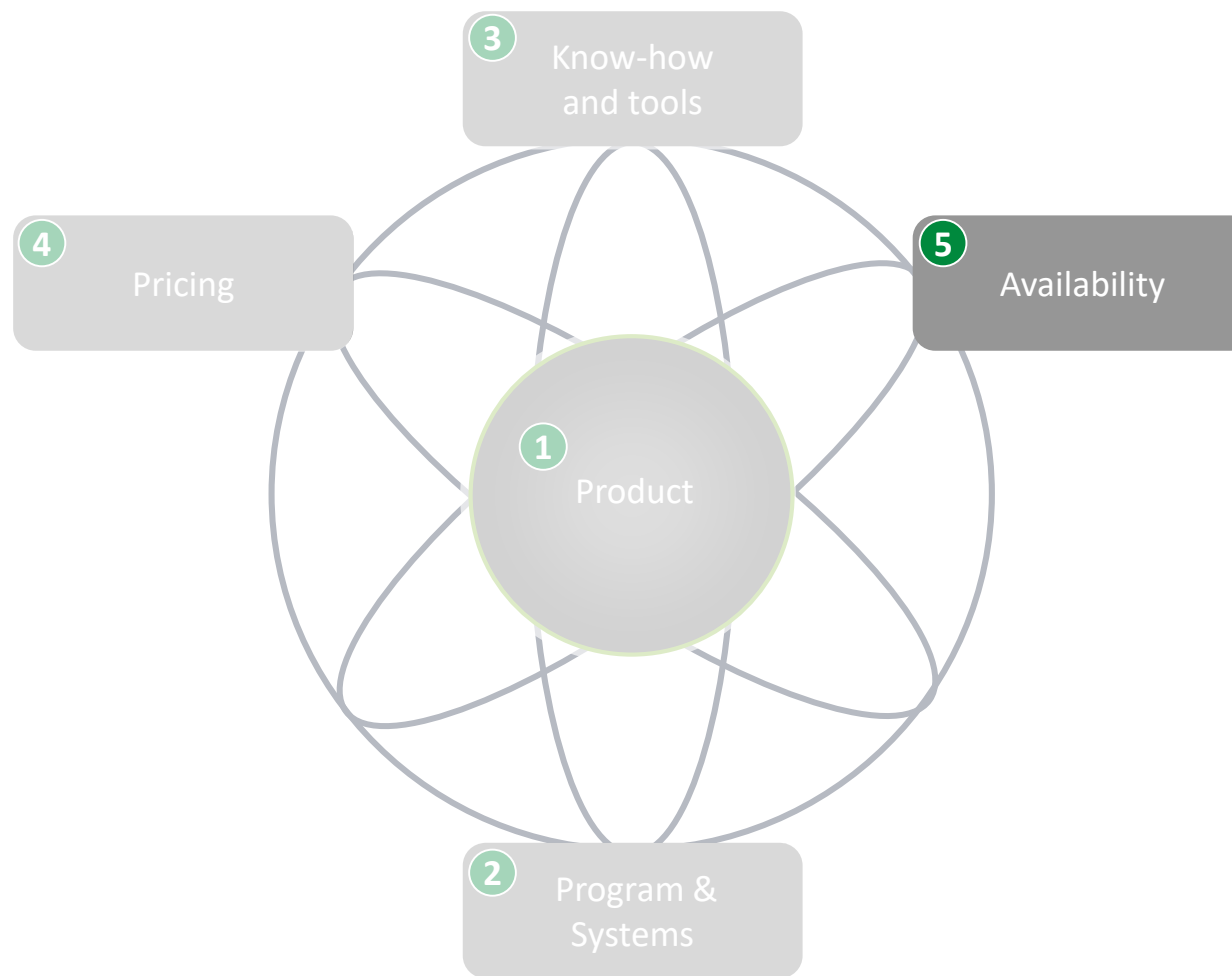
- ▶ Lead the price setting in the different markets
- ▶ Harmonize prices across countries
- ▶ Implement a "Consistent Pricing"

why are we doing this, and what are the goals?



Our value proposition: Availability

Element 5



Reliable supplier and partner to our customers

Our value proposition: Availability



1 In Europe

Germany

Hamburg
Hamburg/Fiege
Petersberg
Karlstein
Alzenau
Langen

France

Wissembourg
Satolas et Bonce

UK

Hereford

Italy

Carisio

Spain

Madrid

Poland

Warsaw

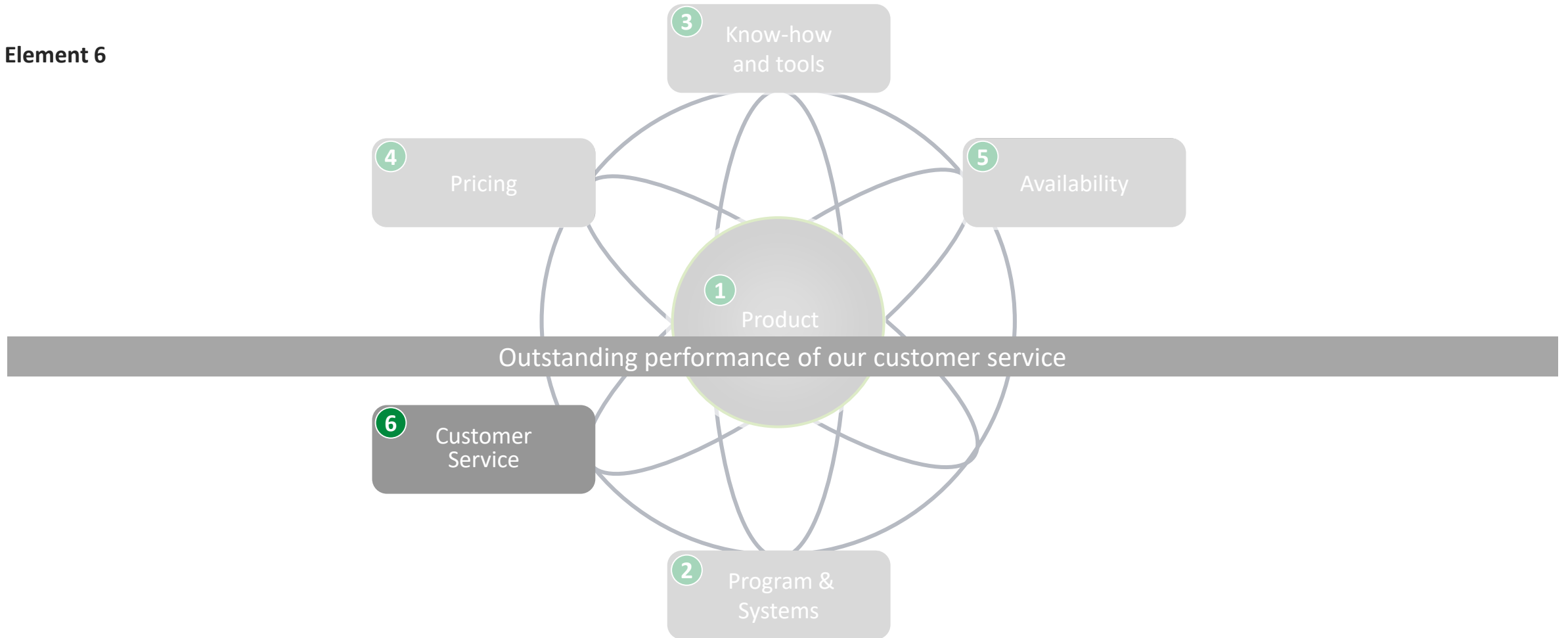
 Regional Distribution Center

 Aftermarket Kitting Operation

São Bernardo 2016
Mexiko City 2018
Singapur 2018
Shanghai 2018
Halle 2020

Our value proposition: Customer Service

Element 6



Our value proposition: Customer Service



Reliable services with customer focus

- Providing support beyond core operations
- Transparency of contact persons
- Flexible and short-term order taking
- Speaking the customer's language worldwide



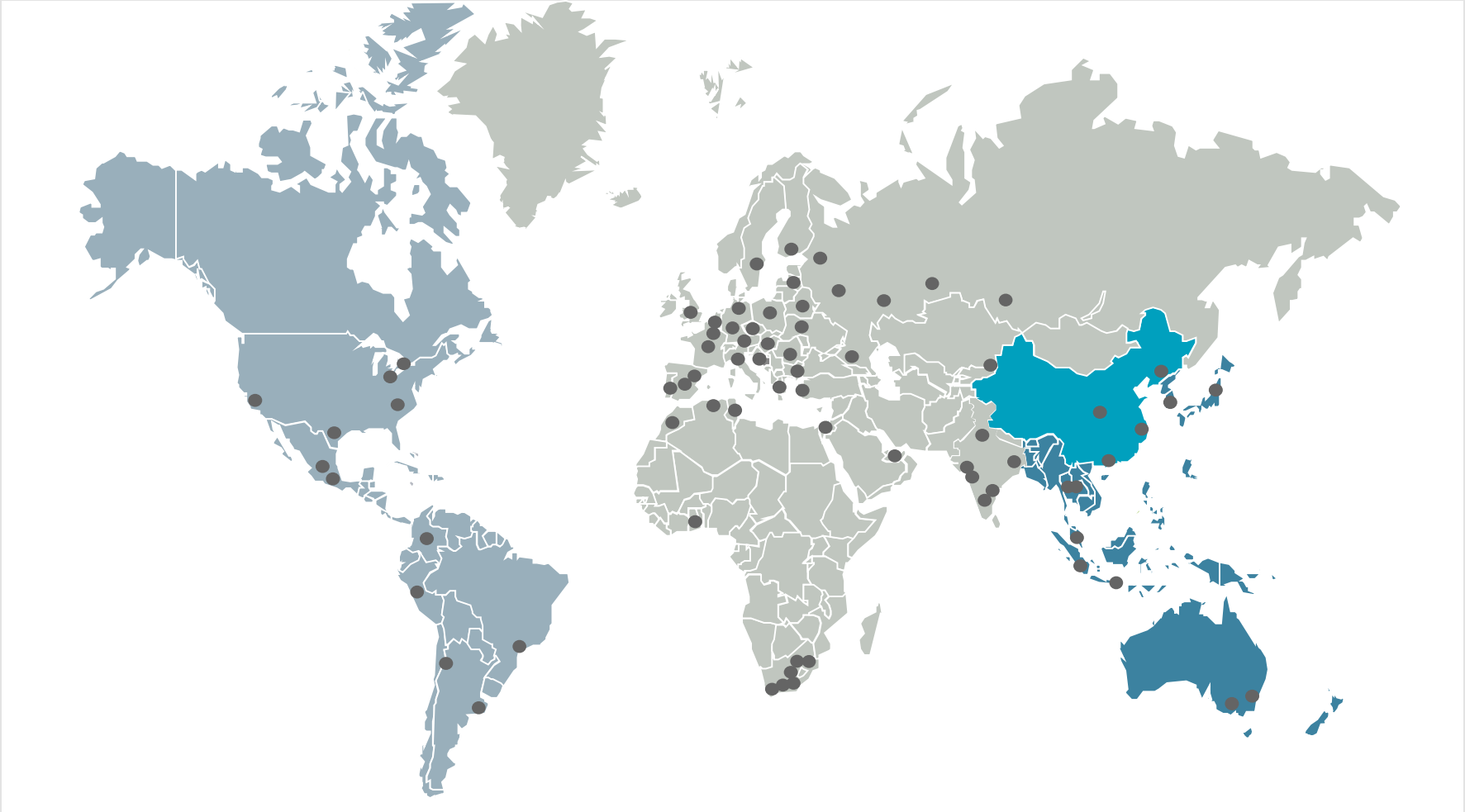
Software solutions to support order processing



Close proximity to customers regionally, culturally and linguistically

Proximity to our customers – locations and sales regions

Our value proposition: Customer Service



Sales regions

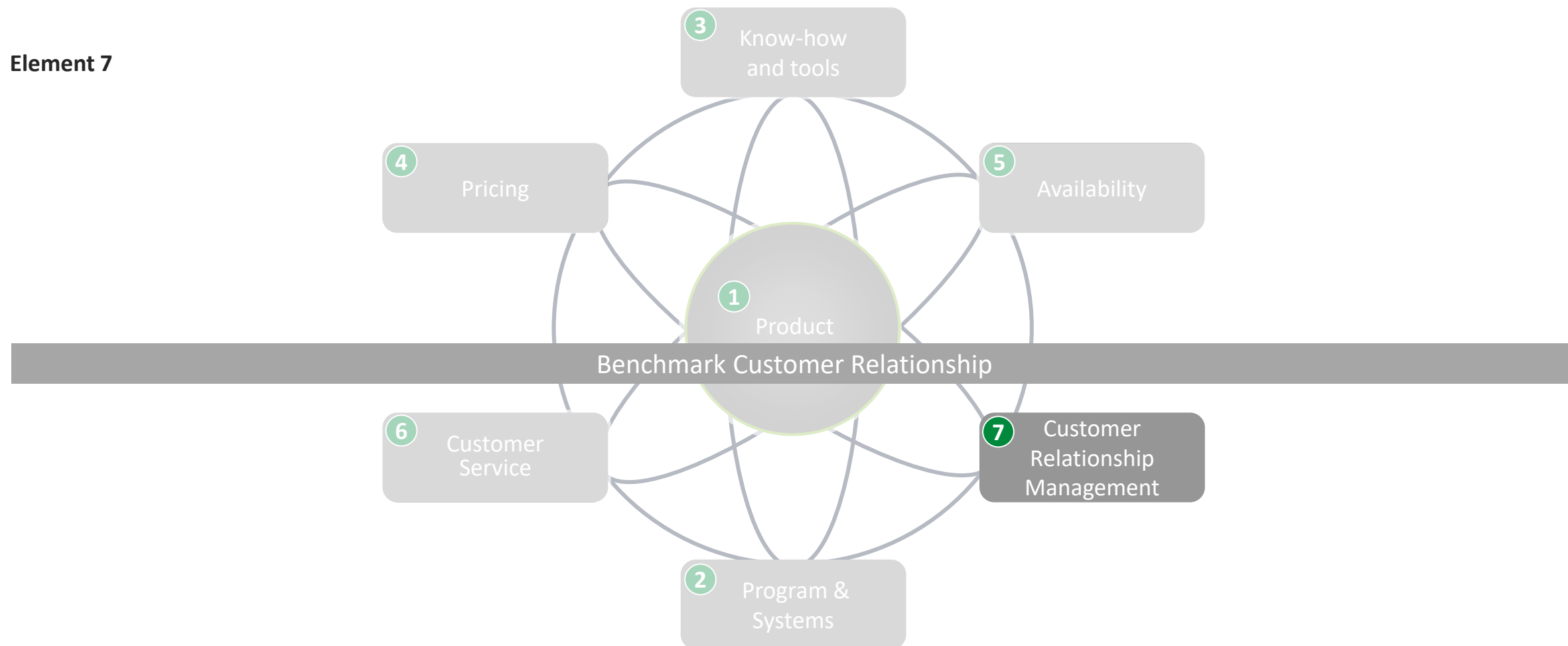
- Americas
- Europe
- Asia-Pacific
- Greater China

Sales locations

- 76 sales locations, sales offices and representations

Our value proposition: Customer Relationship Management

Element 7



Our value proposition: Customer Relationship Management



Our value proposition: Customer Relationship Management

Successful partnership with international trading groups



Numerous international awards

Our value proposition: Customer Relationship Management

SCHAEFFLER



Thank you.