

Schaeffler India Limited · Pune · Maharashtra

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001

Company Code: 505790

National Stock Exchange of India Limited

Exchange Plaza, C – 1, Block G,
Bandra-Kurla Complex, Bandra (E),
Mumbai-400051

Company Code: SCHAEFFLER

Sub: Presentation made at the 60th Annual General Meeting

20/04/2023

Dear Sir / Madam,

With reference to our letter dated April 18, 2023 regarding the proceedings of the 60th Annual General Meeting (AGM) of the Company, this is to inform that the enclosed presentation was made by Mr. Harsha Kadam, Managing Director and CEO at the AGM held on April 18, 2023. Kindly take the same on your records.

Phone: +912068198464

Thanking you,

Yours faithfully,

For **Schaeffler India Limited**

Ashish Tiwari,

VP - Legal & Company Secretary
ICSI Membership No.: A17735

Encl.: As above

An aerial, long-exposure photograph of a winding road at night. The road is illuminated by streetlights, creating a series of bright, curved light trails that follow the path of the road. The surrounding landscape is dark and textured, possibly a forest or a rugged terrain. The overall mood is mysterious and dynamic.

SCHAEFFLER

Schaeffler India Limited **60th Annual General Meeting**

April 18, 2023
Harsha Kadam
Managing Director

We pioneer motion

Our robust foundation




Over six decades of presence in India, **'One Schaeffler India'** entity in 2018, leveraging synergies

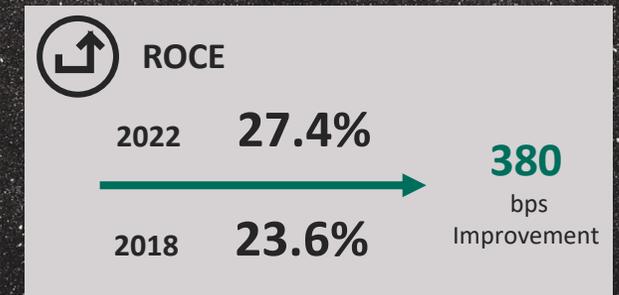
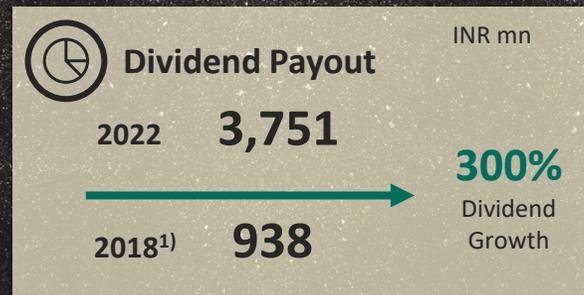
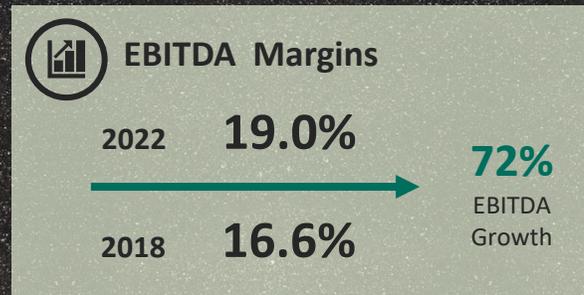
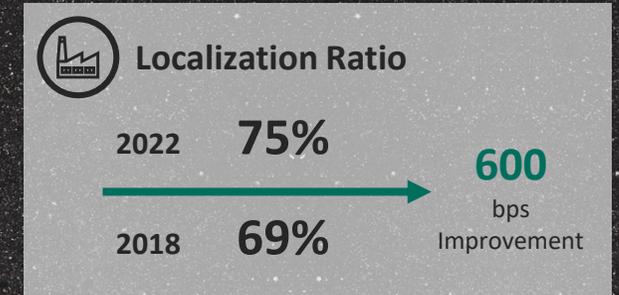

Diverse **high-precision** products, **strong network** across divisions


Balanced business portfolio between Industrial and Automotive divisions


Pioneering Innovation
Robust technology and cutting-edge innovation


FAG, INA, LUK, REPEXPERT, TruPower
Renowned product brands with prominent positioning

Leading ahead



Our footprint and pan India presence

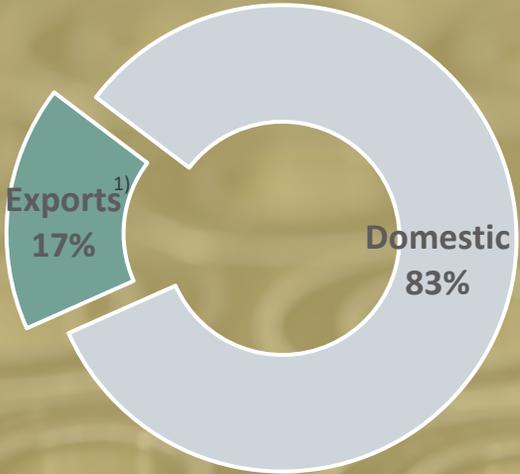


1) CDCs – Central Distribution Centers

De-risked business model

REVENUE BREAK-UP

% to sales



AUTOMOTIVE TECHNOLOGIES

Groundbreaking solutions for various drive concepts

INR 27,065 mn

Sales in 2022

47%

Percentage of domestic sales



AUTOMOTIVE AFTERMARKET

Intelligent solutions for complex repairs

INR 5,936 mn

Sales in 2022

10%

Percentage of domestic sales



INDUSTRIAL

Products and solutions for the industry of the future

INR 24,247 mn

Sales in 2022

43%

Percentage of domestic sales

Note: Details as of 31st December 2022¹⁾ Exports mainly includes exports to group companies, scrap sale and other operating income

Board of Directors - Emphasis on best-in-class corporate governance

AC RMC NRC



Eranti Sumithasri
Chairperson
Independent Director

AC NRC SRC



Renu Challu
Independent Director

AC CSR NRC



Arvind Balaji
Independent Director

AC NRC CSR



Amit Kalyani
Independent Director

NRC RMC



Dharmesh Arora
Non-Executive,
Non-Independent Director

AC RMC



Andreas Schick
Non-Executive
Non-Independent Director

NRC CSR



Corinna Schittenhelm
Non-Executive
Non-Independent Director

SRC CSR RMC

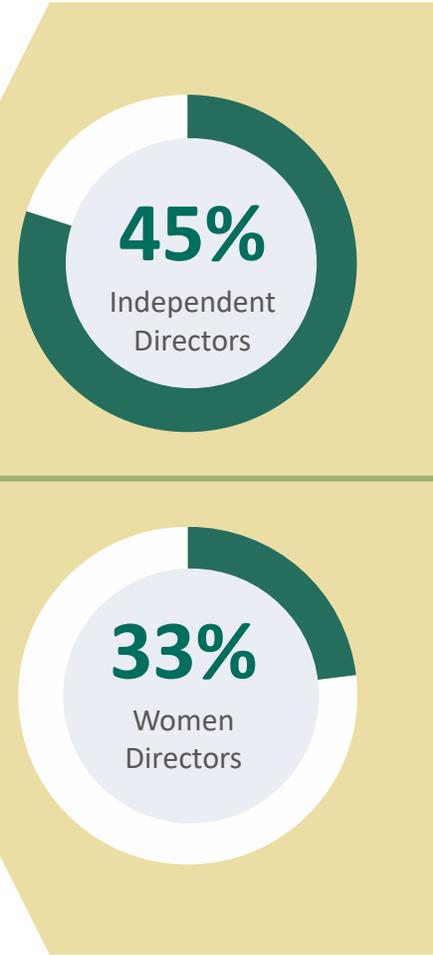


Harsha Kadam
MD & CEO,
President (Industrial Business)

AC SRC RMC



Satish Patel
Director – Finance & CFO



AC Audit Committee RMC Risk Management Committee NRC Nomination and Remuneration Committee CSR Corporate Social Responsibility Committee SRC Stakeholders' Relationship Committee

Executive Leadership Team - Our management principles, a hallmark for collaboration



Harsha Kadam
 Managing Director & CEO,
 President (Industrial)



Satish Patel
 Director – Finance &
 Chief Financial Officer



Sameer Mathur
 Chief Operating Officer



Santanu Ghoshal
 Vice President
 (HR & Sustainability)



Madhurisha Vippatoori
 Vice President
 (Research and Development)



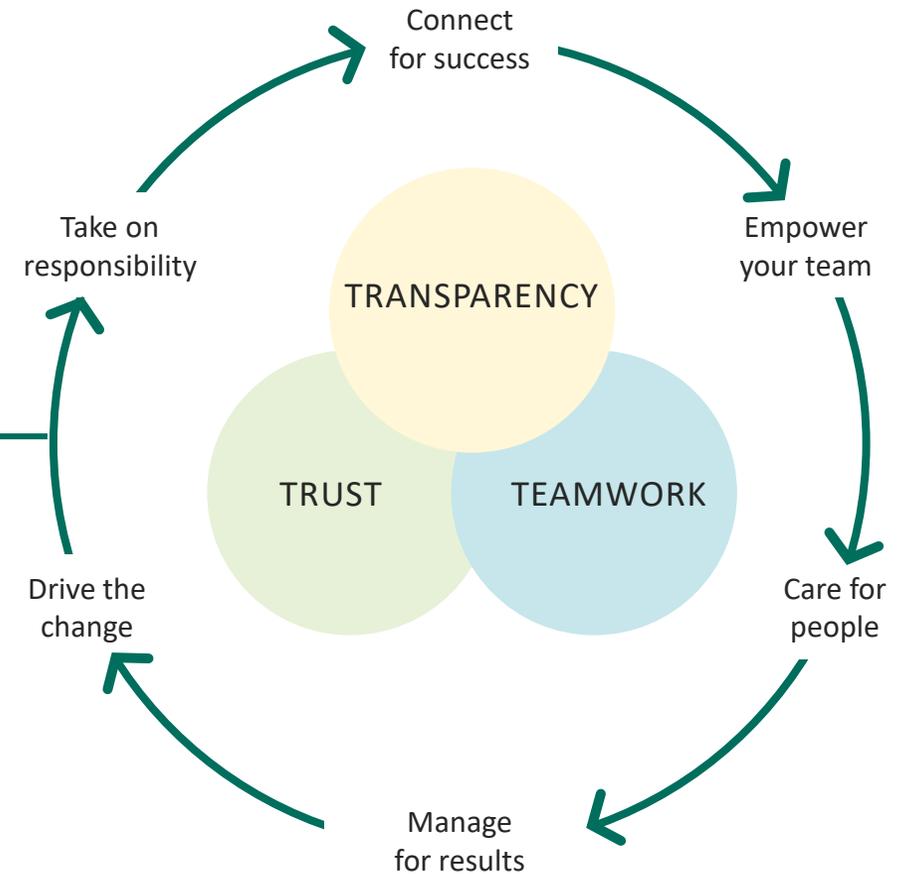
Debasish Satpathy
 President
 (Automotive Aftermarket)



Alok Dave
 Vice President
 (Purchasing)



Vishwanathan S
 Acting President
 (Automotive Technologies)



What sets us apart – Distinctive strengths across



Strong customer relationships

- Comprehensive understanding of customer systems
- Schaeffler India **Loyalty Index @ 8.37¹⁾**

Robust manufacturing

- Ability to introduce **promising innovations in high volumes**
- Reliability, long service life and efficiency

Strength in innovation

- **Strong parentage**
- R&D Program **interconnected goals** – innovation and testing and validation,

Making a difference together

- Competence, agility and collaboration
- High level of **commitment and engagement, ~90% inclusion score²⁾**

Our trajectory of business wins, progress on e-mobility transition



Book to Bill Ratio at **1.3**
E-Mobility and **Hybrid** business gains continue



25 years of presence in India
Product **range expansion** continues
REXPERT trainings - **8,800 kms** on road



Innovation across systems and services
Schaeffler Lifetime Solutions
Bearings Refurbishment up to **OD 920 mm**



E-MOBILITY SOLUTIONS



Recognitions for our strengths



Extending brand reach to our stakeholders

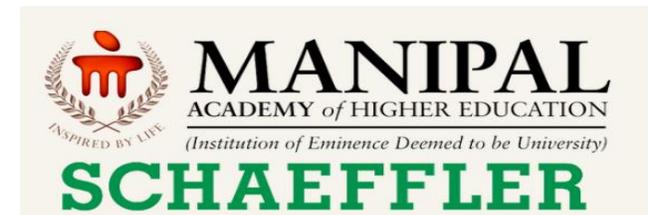
SCHAEFFLER



BUILDING A STRONG BRAND



Powers Puneri Paltan for the 9th Season of Pro Kabaddi League



Schaeffler India as first title sponsor for 2023-24 season

CY 2022 - Sustained performance with strong quality of earnings



Revenue from operations - Growth momentum continues

Revenue from operations



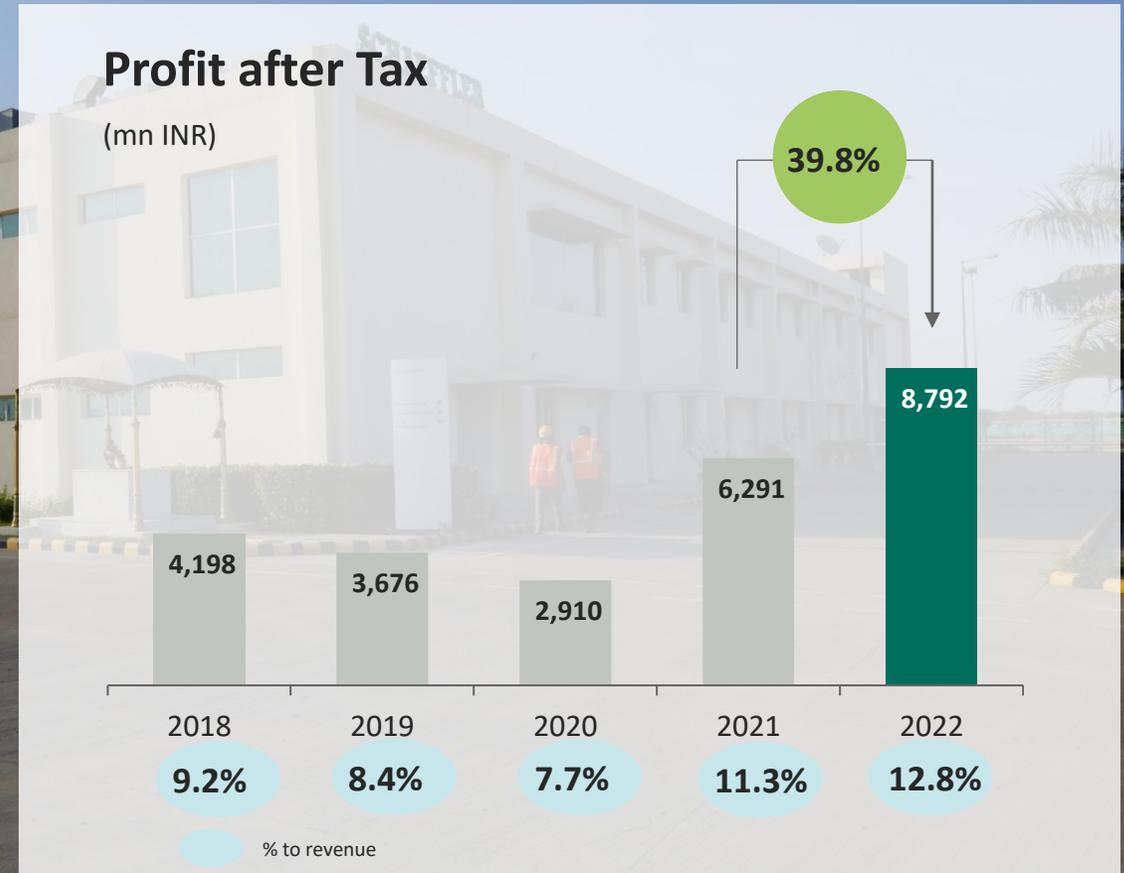
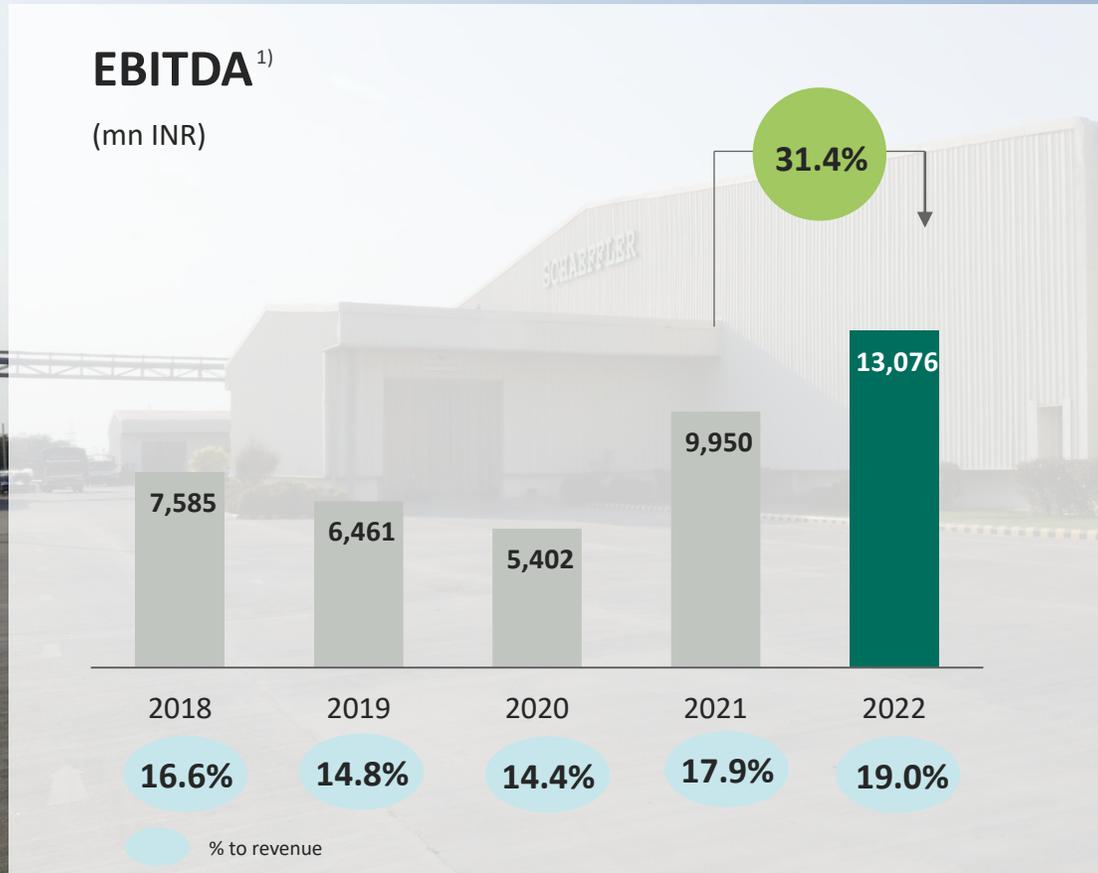
Note: Details as of 31st December 2022¹⁾ Exports mainly includes exports to group companies, scrap sale and other operating income



Robust y-o-y growth across our businesses

| | |
|-------------------------|-------|
| Automotive Technologies | 23.8% |
| Automotive Aftermarket | 18.3% |
| Industrial | 12.4% |
| Exports ¹⁾ | 59.6% |

EBITDA and Profit after Tax – Strong earnings quality



¹⁾ EBITDA before exceptional items

141%

4-year stock returns

3,751 mn INR

Dividend Pay-out
2022

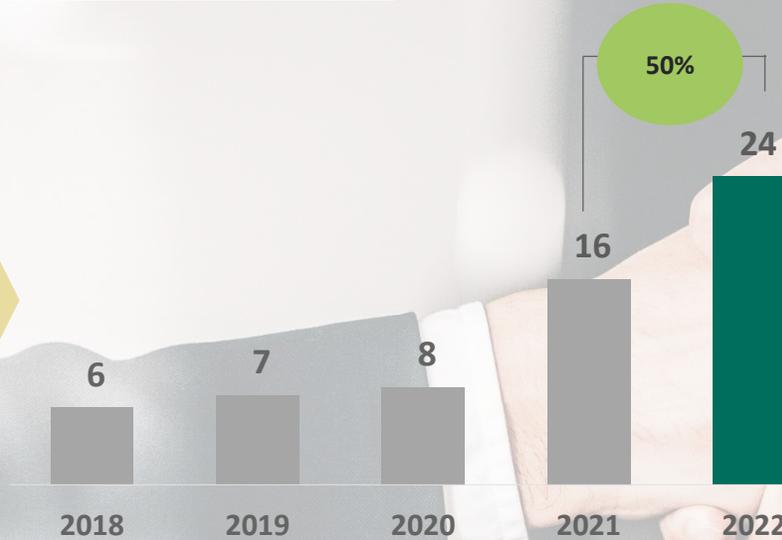
43%

Dividend Pay-out
Ratio 2022

Target dividend payout ratio

30% to 50% of net income¹⁾

Dividend per share (INR) ²⁾



Dividend Payout as % to Free Cash Flow

¹⁾Net Income – annual standalone profits after tax (PAT)

²⁾ Values for previous year are restated at face value of INR 2 per equity

Stock Returns

~2x growth as compared to Sensex

4-year stock returns

Schaeffler India Limited BSE Sensex



Our Sustainability roadmap, long-term commitment with focus on short term goals



CY19
Base Year



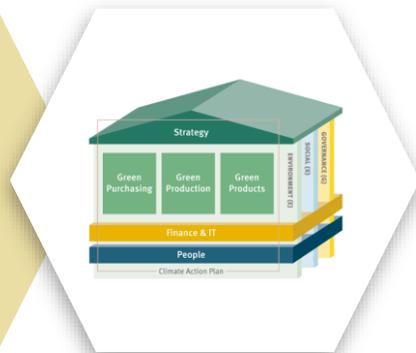
CY30
Climate-neutral production



CY40
Climate-neutral supply chain



CY70
India's net zero target



Energy efficiency

4 GWH cumulated annual efficiency gains until 2024



Climate-neutral supply chain

CO2 reduction in the supply chain until 2040



Renewable energy

100% purchased power from renewable sources until 2024



Employee safety

10% average annual reduction in accident rate (LTIR) by 2025



Sustainable supplies

90% of production material to be purchased with sustainability self-assessments by 2022



Freshwater supply

20% reduction in freshwater supply until 2030



Women in leadership

8% female employees across by 2025



Climate-neutral production

All Schaeffler production locations until 2030

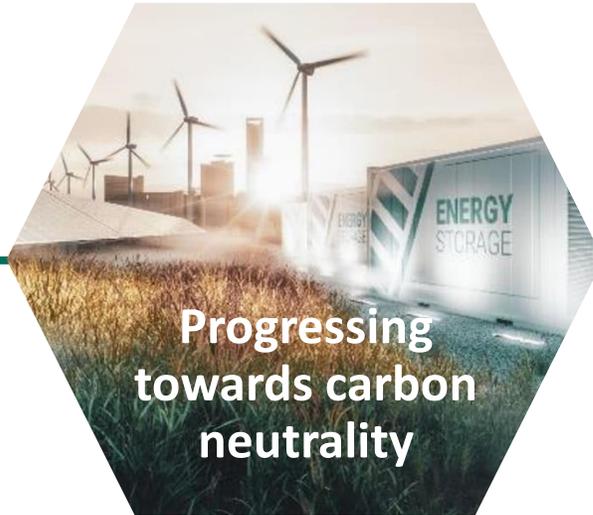
Commitment to a greener future, our progress in 2022

Progress on our goals ..

-  Energy efficiency
-  Renewable energy
-  Freshwater supply

5.5%

Reduction in Scope 1 emissions



44% KWh

Renewable energy capacity

~28,000 m³

Water conservation realized



36,000 m³

Rainwater harvesting capacity by recharging group water

82%

Waste recycled



283 tonnes

Waste diverted from landfills

Fostering prosperous communities



700 Hours

116 Employees across 16 CSR Initiatives

1,22,645

Lives Impacted

H

Healthcare

INR 16.2 mn

Spend

97,351

Lives Impacted

O

Occupational Skills for better employability

INR 23.1 mn

Spend

957

Lives Impacted

P

Preservation of heritage and environment

INR 20.4 mn

Spend

7,241

Lives Impacted

E

Empowerment of society

INR 40.5 mn

Spend

17,096

Lives Impacted

Social Innovator Fellowship Program



Financial aid



Mentorship program, CIIE



SCHAEFFLER

India network & partners



Our approach towards employee well-being

Health and Safety

Safety is our top priority, dedicated to fostering a culture of safety first



0.5

LTIR
No fatal accidents in 2022

Growing and developing our people

Invest in our people – building technical and behavioral competencies



100%

trained in ethical practices
Trainings on Health & Safety

Diversity and Inclusion

Creating an inclusive workplace while promoting a culture of innovation and empowerment



40%

Female workforce
on shop floor at Talegaon (Pune)

Raising Awareness

Raising awareness of the sensitivity to climate change and connect with our global Schaeffler family



**100 session,
2000 ideas**

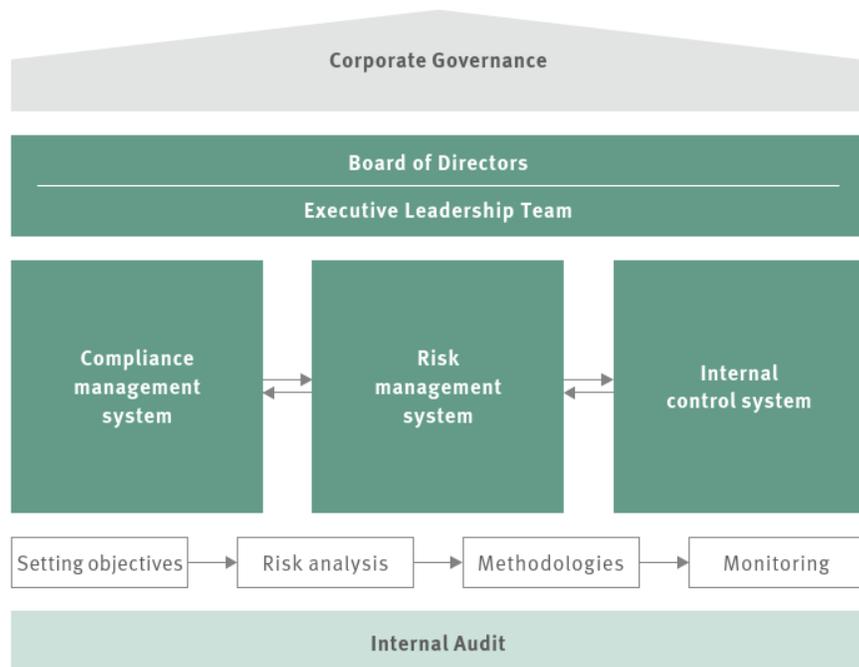
On climate action day

2022 Status Report ...

 **Employee Health & Safety**

 **Women participation**

Our Governance Structure



Leadership position continues

Achieving excellence in corporate governance



¹⁾ The score is determined based on the revised Indian Corporate Governance Scorecard Methodology, revised effective 1 April 2022
 * As per evaluation done by IiAS (Institutional Investor Advisory Services) a SEBI-registered proxy advisory firm

Recognitions in our ESG Journey



Dun & Bradstreet ESG Excellence Award
Governance award category 'Corporate Behaviors'



Bureau of India Standards Award
Contribution to standardization work in field of rolling contact bearings



Special Commendation Award by The CSR Journal Excellence Awards



CSR Impact Award at the India CSR Summit 2022

Jal Sahara is Schaeffler India's initiative to tackle issues of water scarcity through natural resource management in Khed Taluka, Pune



1. Special Commendation Award in Corporate Social Responsibility – 2022 by The CSR Journal Excellence Awards
2. CSR Impact award under Rural Development (large) category at the India CSR Summit 2022, South Asia's largest CSR forum. The event was co-presented by Dalmia Bharat Foundation with CSR BOX

Strategic priorities to accelerate growth



Building capacities for the future

INR 15,000 mn

Investment over 3 years



Strengthening Localization

~80%

Localization ratio over 3 years



Leveraging global e-mobility solutions

E-mobility

New Business Wins

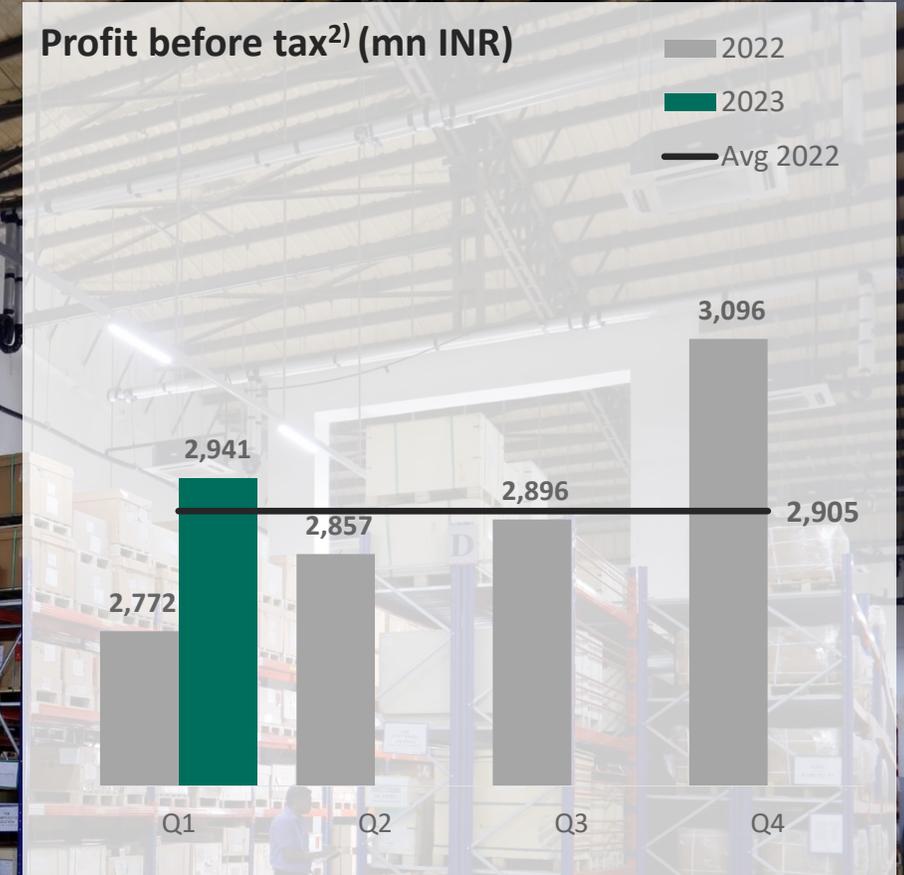
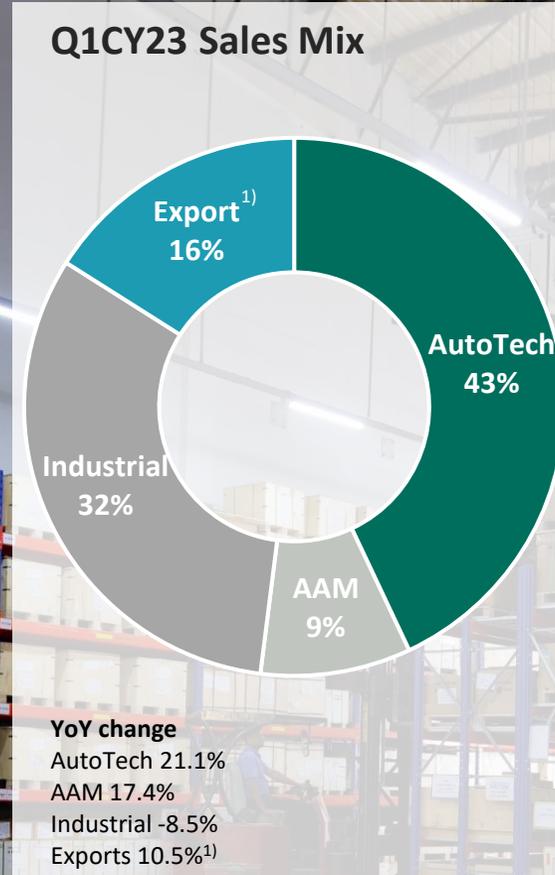
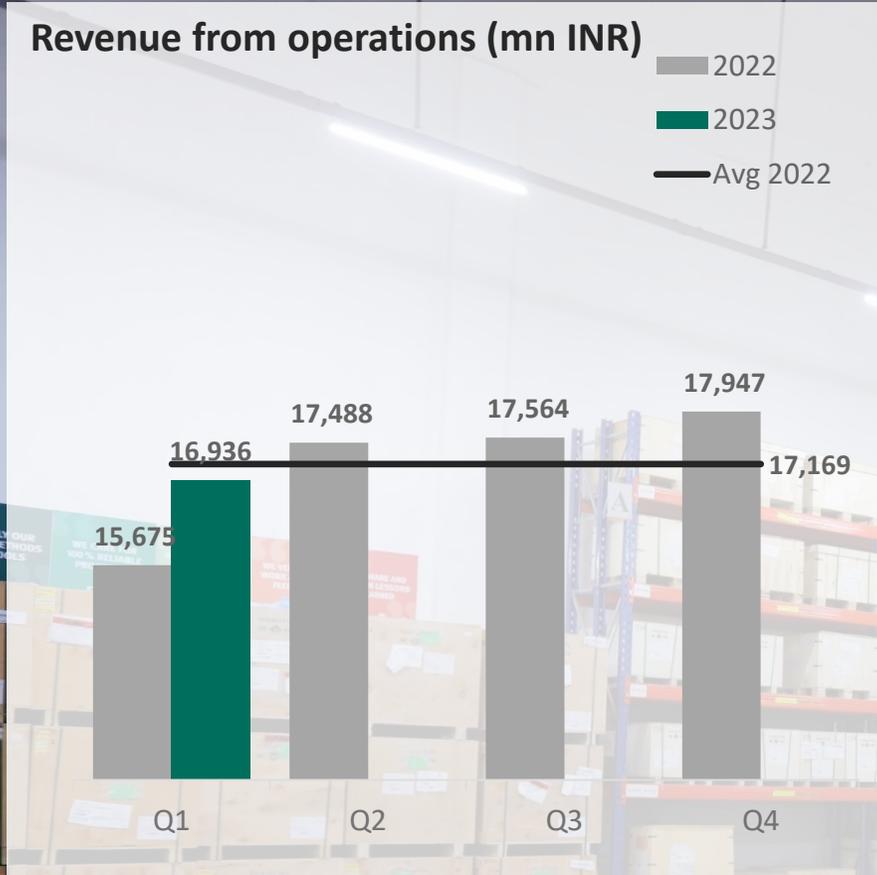


Competence in emerging technology

Evolving Eco-system

Schaeffler Technology Solutions
Competency, Green Hydrogen,
Digitalization

Q1CY23 Performance - Continued focus, margins sustained



¹⁾ Exports mainly includes exports to group companies, scrap sale and other operating income; ²⁾ Profit before tax – before exceptional items

Well positioned for execution, leveraging the competitive advantage across our businesses

Focus on operational efficiencies continues

Emphasis on consistent capital deployment remains. Strong cash generation and robust balance sheet.

Entering 2023 amidst continued global uncertainties – inflationary pressures and economic slowdown

Having made significant progress on our strategic priorities, remain committed to ensure continued success

ESG continues to remain an integral part of our strategy and at the core of how we do business



**Plant visit for shareholders will
be scheduled in Q4 CY2023**

We pioneer motion