

MODERN SLAVERY STATEMENT

for the financial year 2024

Organization structure and supply chains

Schaeffler (UK) Ltd. is the Schaeffler Group's (hereinafter also referred to as "Schaeffler") UK subsidiary. Schaeffler (UK) Ltd. as a leading rolling bearing specialist provides industry customers with innovative bearing solutions. The Automotive Technologies division produces ground-breaking products for vehicles with drive trains based on internal combustion engines as well as for hybrid and electric vehicles. The Automotive Aftermarket division is responsible for the replacement parts business worldwide and delivers innovative repair solutions in original-equipment quality.

This statement is made pursuant to section 54 of the UK Modern Slavery Act 2015 (hereinafter "Act"). It sets out the steps that Schaeffler has undertaken and is continuing to take to prevent modern slavery or human trafficking within its business or supply chain.

Schaeffler is a globally operating family business with a strong value base. Integrity, fairness, and mutual respect when doing business have always been Schaeffler's top priority. For Schaeffler, respect for human rights is a fundamental element of responsible corporate governance. As a globally operating company, Schaeffler therefore sees it as its responsibility to respect human rights and ethical standards at its locations and in all of its business activities. Schaeffler aims to fulfill human rights and environmental due diligence obligations appropriately and to respect the rights of those affected. This includes, creating effective systems and controls to safeguard against any form of modern slavery taking place within the business or its supply chain which takes into account the rights of all people and explicitly those of minorities, e.g. indigenous peoples.

Schaeffler has been driving forward groundbreaking inventions and developments in the field of motion technology for over 75 years. With innovative technologies, products, and services for electric mobility, CO₂-efficient drives, chassis solutions and renewable energies, the company is a reliable partner for making motion more efficient, intelligent, and sustainable – over the entire life cycle. Schaeffler describes its comprehensive range of products and services in the mobility ecosystem by means of eight product families: From bearing solutions and all types of linear guidance systems through to repair and monitoring services. Schaeffler is with around 120,000 employees and more than 250 locations in 55 countries, one of the world's largest family-owned companies and one of Germany's most innovative companies.

Since the merger with Vitesco Technologies in October 1, 2024 Schaeffler maintains a network of about 35,000 suppliers from around 79 countries. Due to our complex international supply chain, Schaeffler is exposed to a certain level of risk of being confronted either directly or indirectly with allegations of legal or human rights violations. Schaeffler has formulated minimum requirements stated in the Code of Conduct as well as Business Partner Code of Conduct that require operation in close alignment with international standards, such as the UN International Bill of Human Rights, the UN Guiding Principles on Business and Human Rights, the core labor standards of the International Labor Organization (ILO), the OECD Guidelines on Responsible Business Conduct. The Schaeffler Group is a signatory to the UN Global Compact and is committed to the ten principles of the UN Global Compact. The Act, Germany's Act on Due Diligence in the Supply Chain ("*Lieferkettensorgfaltspflichtengesetz*") and legislation in many other countries require companies to formulate and implement goals and measures to protect human rights along their supply chain.

Due diligence processes

Schaeffler supports these efforts with structured activities designed with long-term considerations in mind: Schaeffler operates a Human Rights Compliance Management system which provides the tools, policies and procedures described below to conduct business in an ethical and transparent manner and is continuing to formulate and implement measures to ensure the respect for human rights along the supply chain. These tools are also meant to address modern slavery in the meaning of the Act, based on a risk-based approach. The tools, policies and procedures are implemented across Schaeffler's subsidiaries and therefore also with effect for Schaeffler (UK) Ltd. Some of the policies and measures are detailed below:

Schaeffler Group Code of Conduct (CoC)

The Schaeffler Code of Conduct is binding on all Schaeffler employees, including management personnel. The code sets out mandatory requirements, from which no exceptions can be made, and it is the compass that helps the company to steer its course to the future together with shareholders, business partners, and other stakeholders. Approved by the entire Executive Board and fully supported by the family shareholders, the CoC demonstrates the importance Schaeffler attaches to responsible corporate conduct including the prohibition of forced labour and modern slavery as well as child labour. Schaeffler does not tolerate forced or compulsory labor, modern slavery, involuntary or exploitative labor, bonded labor, human trafficking, or other forms of exploitation defined as work required of a person, under penalty of punishment, for which the person has not volunteered.

Schaeffler promotes secure employment and undertakes to align its hiring and recruiting practices with applicable international standards. Especially, Schaeffler ensures that the employees' freedom of movement is not impaired by withholding their identity documents or by any other means. Furthermore Schaeffler does not tolerate any form of child labor. Applicable local laws and established international standards for the protection of children must be complied with. Schaeffler expects each of its employees to comply with this CoC and to encourage colleagues to abide by it as well. In 2024, the Schaeffler Code of Conduct has been substantially updated in order to better address human rights risks in its own business area, among other things. It is supplemented by internal guidelines, such as the internal Human Rights Compliance Policy.

For more information see [Schaeffler Group Code of Conduct](#).

Schaeffler Group Business Partner Code of Conduct

The Supplier Code of Conduct was revised and substantially updated analogously to the Schaeffler Group Code of Conduct and republished in 2024 under "Schaeffler Group Business Partner Code of Conduct". Our business partners are expected to respect our ethical and sustainability principles and to cooperate in mitigating potential risks. In this context, it is also necessary for them to pass on these expectations in their supply chain.

For more information see [Schaeffler Group Business Partner Code of Conduct](#)

Schaeffler Human Trafficking Policy

Human Trafficking Policy, introduced in 2021, is an Annex of the internal Human Rights Compliance Policy since 2024. The Human Trafficking Policy is published externally and outlines fundamental principles to prevent human trafficking, modern slavery and forced labour in all areas of the organization and at all its business partners.

For more information see: [Schaeffler Policy Statement Human Trafficking](#).

Risk Evaluation and Management Process

Within its own organization, Schaeffler annually conducts a Human Rights Risk Assessment to assess both the impact and the likelihood of potential human rights violations at Schaeffler. The assessment also comprises risks of modern slavery as defined in the Act. Identified gaps in management systems are subject to corrective action plans for the implementation of risk mitigating measures to systematically decrease human rights risks for stakeholders affected by business operations of Schaeffler.

To safeguard the supply chain, since 2020 defined suppliers of production materials have been requested to answer the Drive Sustainability initiative questionnaire via a service provider's platform. This step serves to systematically develop due diligence and sustainability in the supply chain. In 2021, a risk-exposure approach was developed to specifically identify further risk parameters in the supply chain at an early stage. To this end, this approach also recommends concrete measures for possible deviations or risks.

In 2024, a dedicated risk analysis was implemented to identify, among others, human rights risks regarding Schaeffler's direct suppliers. To this end, this approach also recommends concrete measures to mitigate identified risks.

Training and Communication

Schaeffler has established a mandatory human rights training for its own organisation, This training targets the majority of its employees, and is accommodated by a set of voluntary Training measures for other employees and interested Schaeffler suppliers. These trainings are conducted to enable employees to be aware of the issues surrounding modern slavery and what to do if they suspect that it is taking place e.g. within our supply chain. The knowledge so established should form the foundation of a culture that avoids in an even more structured manner forced labour and slavery and will support the compliance processes we have established.

Whistleblowing System

Schaeffler has a Group-wide, transparent, publicly accessible and, as far as possible, barrier-free, complaints mechanism. Both our own employees as well as employees along the value chain and external persons can use it to report potential human rights violations and other indications of irregular behavior. All reports are processed, regardless of who submitted them and through which reporting channel. Depending on the outcome, measures will be initiated to remediate and compensate potential impacts and to prevent or mitigate future risks.

The company provides various reporting channels for this purpose, including an electronic whistleblower system, an e-mail inbox, a 24/7 telephone hotline and a postal address. Complainants or whistleblowers can also report incidents in person.

In the 2024 reporting period, the electronic whistleblower system was available in over 20 languages, It allows whistleblowers to communicate encrypted and in a secure manner. It also allows reports to be submitted anonymously. Reports can also be submitted in various languages via all other channels. A Guideline for the Whistleblower System, that is publicly accessible, describes the available reporting channels and categories, the information required for a report, the procedure following receipt of a report and the measures to be taken, with the aim of ensuring the protection of whistleblowers.

The electronic reporting channel is available via <https://www.bkms-system.net/schaeffler>

Stakeholder Engagement

Schaeffler gives due consideration to the interests of its employees, workers within its supply chains, and those who may otherwise be directly affected in a protected legal position by the economic activities of the company or by the activities of a company in its supply chains. This takes the form of a variety of communication formats and dialogs under a multi-stakeholder approach.

2022 Schaeffler has been inviting relevant stakeholders annually to a comprehensive Stakeholder Dialog focusing on Human Rights and other Sustainability topics. Furthermore, all workers are considered via the grievance channel and the annual risk analysis. Targeted preventive and remedial measures are taken if violations are identified. Regular surveys represent another important tool used by Schaeffler to engage with employees. Actively obtaining feedback is intended to promote open and transparent communications and provide insight into employee satisfaction and engagement. Based on the results, weaknesses can be identified and potential opportunities for improvement derived.

Those regulations and procedures are subject to continuous review to ensure they maintain appropriate safeguards against any breaches of the Act along the supply chain. For more information on Schaeffler's aims, achievements and progress in these fields please see [Compliance Management at Schaeffler](#).

This Modern Slavery Statement was approved for and on behalf of the Board on **April 2025**.

Signed by

A handwritten signature in black ink, appearing to read 'Greig Littlefair', written in a cursive style.

Greig Littlefair
Managing Director