

UPDATE TO THE DECLARATION OF CONFORMITY 2023 OF THE EXECUTIVE BOARD AND SUPERVISORY BOARD OF VITESCO TECHNOLOGIES GROUP AG ON THE GERMAN CORPORATE GOVERNANCE CODE PURSUANT TO SECTION 161 OF THE GERMAN STOCK CORPORATION ACT (AKTIENGESETZ)

The Executive Board and the Supervisory Board of Vitesco Technologies Group AG last issued a declaration of conformity regarding the recommendations of the commission, "Regierungskommission Deutscher Corporate Governance Kodex", as published by the Federal Ministry of Justice and Consumer Protection in the official section of the Federal Gazette (Bundesanzeiger), in accordance with Section 161 of the German Stock Corporation Act (Aktiengesetz) in November 2023 (the "**Declaration of Conformity 2023**").

The Declaration of Conformity 2023 is hereby updated. The Executive Board and the Supervisory Board of Vitesco Technologies Group AG declare that, in addition to the deviations declared in the Declaration of Conformity 2023, the following further recommendations of the German Corporate Governance Code as amended on April 28, 2022 (Deutscher Corporate Governance Kodex, "**DCGK**") will not be applied in the future:

- **Recommendation G.8 of the DCGK:** Pursuant to recommendation G.8 of the DCGK, subsequent changes to the targets or comparison parameters shall be excluded when determining the total amount of variable remuneration components.

As already published in the Declaration of Conformity 2023, the Supervisory Board intends to submit a transitional remuneration system to the Annual General Meeting in 2024 for approval. In this regard, it is now also intended to replace the performance-related remuneration components provided for in the original remuneration system with a single variable remuneration component, the sustainability and transformation bonus, for the 2024 financial year and, if the Supervisory Board decides to apply the transitional remuneration system also in 2025, for the 2025 financial year. The performance targets of the sustainability and transformation bonus differ from the performance targets of the variable remuneration components of the original remuneration system and in particular relate to the successful and smooth integration of Vitesco Technologies Group AG into the combined group.

The Supervisory Board is of the opinion that the change to a single sustainability and transformation bonus reflects the special situation of the company in view of the announced merger onto Schaeffler AG. The performance targets of the variable remuneration components provided for in the original remuneration system were essentially based on the assumption that the company would continue to exist as a listed company in the long term. As a result of the tender offer and the announced merger of the company onto Schaeffler AG, this perspective has changed.

In addition, the Supervisory Board intends to disregard certain costs and expenses incurred in direct connection with the planned merger onto Schaeffler AG and the integration of Vitesco Technologies Group AG into the combined group (e.g. fees for consultants and banks) when determining the key performance indicators relevant for the achievement of the targets for the Performance Bonus 2023.

These integration costs have arisen due to external circumstances beyond the control of the Executive Board and ultimately serve the successful and smooth integration of Vitesco Technologies Group AG into the combined group. Therefore, the Supervisory Board does not consider it appropriate that these integration costs have a negative impact on the Performance Bonus 2023; and therefore, the key performance indicators have to be adjusted accordingly.

- **Recommendations G.10, 1st and 2nd sentence, DCGK:** Pursuant to recommendation G.10, 1st sentence, DCGK, variable remuneration amounts of Executive Board members shall, taking the respective tax burden into consideration, be invested predominantly in company shares by the respective Executive Board member, or shall be granted as share-based remuneration. Pursuant to recommendation G.10, 2nd sentence, DCGK granted long-term variable remuneration components shall be accessible to members of the Executive Board only after a period of four years.

As already published in the Declaration of Conformity 2023, the Supervisory Board intends to submit a transitional remuneration system to the Annual General Meeting in 2024 for approval. In this regard, it is now also intended to replace the performance-related remuneration components provided for in the original remuneration system with a single variable remuneration component, the sustainability and transformation bonus, for the 2024 financial year and, if the Supervisory Board decides to also apply the transitional remuneration system also in 2025, for the 2025 financial year. There shall be no obligation to invest the remuneration granted under the sustainability and transformation bonus in shares and the remuneration shall not be granted on a share-based basis. Furthermore, it is intended to pay out the sustainability and transformation bonus at the end of the financial year, or - if the company is merged onto Schaeffler AG in the course of the year - in direct temporal connection with the merger after determining the corresponding degree of target achievement. This means that members of the Executive Board may have access to the sustainability and transformation bonus earlier than four years.

The reason for this approach is that, in the opinion of the Supervisory Board, an obligation to invest variable remuneration components in shares or the granting of share-based variable remuneration components is only appropriate if the company continues to exist as a listed company in the long term and the share price generally accurately reflects the value of the company and thus represents a key indicator of the performance of the Executive Board. As a result of the tender offer and the announced merger of the company onto Schaeffler AG, this perspective has changed. In addition, the share price may be affected to a greater extent than usual by factors unrelated to the performance of the Executive Board. Accordingly, it is also not appropriate to make the long-term variable remuneration components available to the members of the Executive Board only after a period of four years. This is particularly the case as Vitesco Technologies Group AG is expected to cease to exist as an independent legal entity in the financial year 2024 or 2025 as a result of the announced merger with Schaeffler AG.

In all other respects, the Declaration of Conformity 2023 remains unchanged.

Regensburg, December 2023

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