


Sustainability Roadmap








In its Sustainability Roadmap, the Schaeffler Group represents its non-financial goals and measures that contribute to generating sustainable company value through value-driven corporate management.

The Sustainability Roadmap is subdivided into four fields of action for Schaeffler: “Sustainable Management,” “Customers and Products,” “Environment and Energy,” and “Employees and Society.” It allows the assessment of the state of the implementation of sustainability-related activities and shows the effects that the company’s goals are having in fulfilling the Sustainable Development Goals (SDGs) of the United

Nations. The Sustainability Roadmap is annually evaluated and adjusted or expanded.

 **Interactive illustration of the Sustainability Roadmap including measures that have already been implemented available in the online report:**
www.schaeffler-sustainability-report.com/2017/roadmap

Field of Action Sustainable Management

Strategic Goal	Goal Deadline	Status 2017	SDG	Measures (extract)
Responsibility in Supplier Relationships				
Adjustment of Schaeffler’s procedures for ensuring the OECD guidelines for dealing with conflict minerals are followed	2020	in progress		Introduction of a company policy for dealing with conflict minerals
Post hoc recognition in writing of Schaeffler’s Supplier Code of Conduct (SCoC) by existing production materials suppliers	2020	in progress		Implementation of the Supplier Code of Conduct in existing processes (phase by phase, prioritized integration); rollout of the Supplier Code of Conduct and confirmation by suppliers according to priority
Human Rights				
Compliance with human rights according to the principles of the UN Global Compact and the German National Action Plan for Business and Human Rights within the framework of the scope of impacts and activities of the Schaeffler Group	2020	in progress		Development and implementation of a systematic human rights risk analysis
Transparency, Dialog, and Reporting				
Building and expanding an international dialog with all relevant stakeholders on the material sustainability topics	continuous	in progress		Regular stakeholder survey in all participating departments with their specific target groups
	2019	in progress		Introduction of a regular “Schaeffler Sustainability Dialog”
	2020	in progress		Introduction of worldwide, mandatory training for all employees of the Schaeffler Group to increase awareness about sustainability
Transparent reporting on defined material topics according to recognized standards	continuous	in progress		Regular sustainability reporting in accordance with the current CSR Guideline Implementation Laws and the current GRI Guidelines
Sustainability Strategy and Governance				
Anchoring of sustainability aspects in the business models of the Schaeffler Group and their integration in strategic business decisions	2019	in progress		Join the UN Global Compact
	2018	in progress		Definition and integration of nonfinancial KPIs
	continuous	in progress		Integration of nonfinancial risks into general risk management
	continuous	in progress		Expansion of participation in sustainability ratings and rankings

Strategic Goal	Goal Deadline	Status 2017	SDG	Measures (extract)
Compliance				
Successful auditing of the Compliance Management System (CMS) by an independent auditing company	2018	in progress		Group-wide implementation of a uniform business partner due diligence process
Data Protection, Information, and IT Security				
Protection of and respect for the personal rights of employees and business partners; implementation of suitable measures to ensure compliance with valid regulations and laws	continuous	in progress		Ongoing further development of the data protection management system and implementation of the EU General Data Protection Regulation
Protection of information of business relevance that represent a competitive factor of decisive importance for the technological business of Schaeffler	continuous	in progress		Carefully coordinated components of an information security management system (ISMS); organizational, personal, and physical IT security measures based on a security risk analysis that aims to have a preventative, protective, and informative effect both internally and externally
Coverage of protection requirements in the areas of data and information security by technical IT means so as to ensure, at all times, the accessibility, integrity, confidentiality, and authenticity of the data and data processing systems with business relevance	continuous	in progress		Implementation and improvement of IT Security Process "Security by Design"; ensuring of adequate protective and security measures in all Schaeffler IT solutions in every sourcing variant
	2018	in progress		Establishment of obligatory IT Security Awareness Trainings for all IT operators and accessory agents in the Schaeffler Group



Field of Action Customers and Products

Strategic Goal	Goal Deadline	Status 2017	SDG	Measures (extract)
Products and Technologies (Green Products)				
Eco-friendly drives: Expansion of the field E-Mobility to realize environmentally friendly drive concepts	2018	in progress		Establishment of an E-Mobility business division
	continuous	in progress		Cooperation with the Karlsruhe Institute of Technology (KIT) on the SHARE Initiative
	continuous	in progress		Development of technological total solutions for E-Mobility (e.g., wheel hub drive and electric axle); electrification of conventional power trains (e.g., integration of the 48-V electric motor into the motor-transmission-network and development of a high-voltage hybrid model for plug-in hybrid drives)
Eco-friendly drives: Increasing the efficiency of internal combustion engines to reduce harmful emissions	continuous	in progress		Further development of a thermal management module to control the system temperature; establishment of electric camshaft timer for dynamic valve control
Eco-friendly drives: Entry into fuel cell technology to realize CO ₂ -neutral mobility	continuous	in progress		Development of metallic bipolar plates
Urban mobility: Development of the market for "light" E-Mobility	continuous	in progress		Spin-off of Bio-Hybrid GmbH for the industrialization of Bio-Hybrids
Interurban mobility: Development of "smarter" bearings for rail transport	continuous	in progress		Implementation of the "predictive maintenance" approach for realizing optimal maintenance intervals and longer running times for trains
Energy chain: Optimization and new development of products for wind turbines	continuous	in progress		Development of low-friction bearings for wind power to increase running times; development of a cloud-based software solution to monitor wind turbines
Customer Relations				
Deepening of a multifunctional global customer concept to provide optimized solutions and further intensification of customer relations	2018	in progress		Cross-divisional standardization and comprehensive establishment of customer relationship management tool (Salesforce)













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Quality Management				
Avoid product liability cases with measures taken from product safety	2019	in progress		Global rollout of a procedure for dealing with “special characteristics” with the goal of continually improving product risk analysis and product risk management; global rollout of an integrated product safety management system including user qualification
Brand Protection				
Protection of customers from negative effects of counterfeit products	continuous	in progress		Legal measures to remove counterfeit products from the market
Protection of brand value and the reputation of Schaeffler and creation of sales opportunities	continuous	in progress		Public relations to increase awareness of market participants

Field of Action Environment and Energy

Strategic Goal	Goal Deadline	Status 2017	SDG	Measures (extract)
Energy Management and Emissions (Climate Protection)				
Savings of a total of 360,000 t CO ₂ (base year 2015)	2025	in progress		Survey of possible control data
Climate-neutral production (0 g CO ₂ /kWh, Scope 1 & 2) at one location per region	2020	in progress		Analysis of relevant KPIs at locations worldwide; creation and evaluation of a selection matrix of suitable locations; selection of locations at EHS regional conference by the end of 2018
Environmental Management				
Implementation of “Zero Waste to Landfill” or 100% recycling rate at one location per region	2020	in progress		Analysis of relevant KPIs; selection of potential locations taking state regulations into account; formulation of a project plan to meet objectives
Implementation of “Zero Waste to Landfill” or 100% recycling rate at 30% of locations	2025	in progress		Analysis of relevant KPIs; selection of potential locations taking state regulations into account; formulation of a project plan to meet objectives
Implementation of “Zero Waste to Landfill” or 100% recycling rate at 50% of locations	2030	in progress		Analysis of relevant KPIs; selection of potential locations taking state regulations into account; formulation of a project plan to meet objectives
Reduction of group-wide water usage by 20% (measured value: m ³ /EUR added value)	2020	in progress		Standardized installation of recycling systems when planning new, water-intensive plants; stepwise retrofitting of existing plants with recycling systems following technical and economic review
Material and Resource Management				
Increase material efficiency in the development process through consistent application of simulation technology and virtual engineering	2020	in progress		The successive increase in the proportion of simulation in the development process makes it possible to carry out test series for product adjustments virtually, whereby test series with real components are omitted
Increase of material efficiency through the use of recycled material	2020	in progress		Reuse of raw materials, such as steel and aluminum
Logistics				
Reduction of CO ₂ emissions in logistics	continuous	in progress		Consequential review of logistic flows as basis for CO ₂ balancing
	2020	in progress		CO ₂ and cost reduction in logistics with the Logistics Initiative: EDC Industry (European Distribution Centers)
Determination and capturing of Scope 3 emissions that can be changed	2020	in progress		Identification of factors and topic areas that can be influenced and creation of a unified basis to record, analyze, and manage the influencing factors

Strategic Goal	Goal Deadline	Status 2017	SDG	Measures (extract)
Worldwide expansion of climate-friendly employee mobility	continuous	in progress		Increase of proportion of electric vehicles in the vehicle fleet; monetary incentive for the use of electrified vehicles, especially plug-in hybrids and fully electric vehicles
All German sites will have charging infrastructure for electric vehicles	2020	in progress		Creation of a technical standard for charging infrastructure; framework call-off contracts; introduction of software backend

Field of Action Employees and Society

Strategic Goal	Goal Deadline	Status 2017	SDG	Measures (extract)
Diversity				
Diversity management for targeted support of diversity within the corporation	2019	in progress		Definition of internal reporting and diversity KPIs
	2018	in progress		Pilot testing of a "reverse monitoring" program; introduction of targeted mentoring for female employees with high potential
Employer Attractiveness				
Worldwide expansion of the Schaeffler Group as an innovative and attractive employer and employer of choice	continuous	in progress		HR Roadmap 2020
	2019	in progress		Definition of employer value proposition and development of the global employer branding concept within the framework of the employer branding project
Employee Advancement and Development				
As-needed and anticipatory qualification and development of employees in all fields, with special focus on production employees	2018	in progress		Introduction of a uniform worldwide talent management process
	continuous	in progress		Worldwide rollout of the Schaeffler Academy for the Qualification for Tomorrow Initiative
Occupational Safety and Medicine				
Continuous reduction of occupational accidents by 10% per year (parameter: AccR)	continuous	in progress		Implementation of appropriate measures taking local conditions into account; certification of all production sites in accordance with OHSAS 18001
Work-Life Balance				
Expansion of flexible and mobile working conditions to keep up with the demands of changing work environments and future generations	2019	in progress		HR Roadmap 2020; formulation of a global concept for how New Work can be implemented at Schaeffler
Payments and Pensions				
Continued global development, harmonization, and simplification of the Schaeffler payment models	2020	in progress		Global rollout of job grading (job assessment method)
	2020	in progress		Uniform implementation of job grading
Ensuring a healthy occupation until retirement age	2025	in progress		Achieving a total of 100% age-appropriate workplaces; providing disability-appropriate workplaces for all employees of the Schaeffler Group
Corporate Citizenship				
Realize transparent corporate citizenship and integrate it within the specific business divisions	continuous	in progress		Continuous support of education and science by the Schaeffler FAG Foundation
	2020	in progress		Introduction of a sponsoring concept that is globally applicable for the Schaeffler Group