

FUCHS GROUP

CAPITAL MARKETS DAY 2022

June 28, 2022

| Lutz Ackermann
| Stefan Fuchs
| Dr. Lutz Lindemann

| Dr. Timo Reister
| Dr. Ralph Rheinboldt
| Dagmar Steinert



AGENDA

	Topic	Presenter
BLOCK 1	Welcome, Key messages, FUCHS2025 culture	Stefan Fuchs, Lutz Ackermann
BLOCK 2	FUCHS2025 structure & strategy	Dr. Lutz Lindemann, Dr. Timo Reister, Dr. Ralph Rheinboldt, Dagmar Steinert
BLOCK 3	Long-term financial targets	Dagmar Steinert
BLOCK 4	Sustainability	Dr. Lutz Lindemann
BLOCK 5	Mobility transition	Dr. Timo Reister, Dr. Ralph Rheinboldt
BLOCK 6	Key messages	Stefan Fuchs

SUPERVISORY BOARD OF FUCHS PETROLUB SE



Dr. Christoph Loos
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Stefan Fuchs

CEO; Corporate Group Development, HR, PR & Marketing, Strategy



Dr. Lutz Lindemann

CTO; R&D, Technology, Product Management, Supply Chain, Sustainability, EH&S, Mining Division, OEM Division



Dr. Timo Reister

Asia-Pacific, Americas, Automotive Aftermarket Division



Dr. Ralph Rheinboldt

Europe, Middle East & Africa, Industry Division, Speciality Division



Dagmar Steinert

CFO; Finance, Controlling, Investor Relations, Compliance, Internal Audit, Digitalization (IT, ERP systems, Big Data etc.), Legal, Taxes



Isabelle Adelt

- New Group CFO
- Starts in Q4
- Consulting and CFO experience
- Areas of expertise: Finance, Performance Management, IT/ Digitalization
- International experience from stays abroad in Poland and China

Agenda

BLOCK 1

Key messages,
FUCHS2025 culture



MOVING YOUR WORLD

TODAY'S 6 KEY MESSAGES



Lubricants

Unique FUCHS business model based on strict application focus and tailor-made solutions



Innovation Enabler

FUCHS has the solutions to help customers with their technology transformation



E-Mobility

Significant opportunities for FUCHS in fast developing markets



Sustainability

FUCHS enables its customers to lower their carbon footprint



Digitilization

FUCHS GOES DIGITAL as a basis for smart services, operational excellence and Business Model Innovation



Growth

FUCHS will exploit growth opportunities leading to an EBIT of € 500 mn by 2025

LUBRICANTS:

UNIQUE FUCHS BUSINESS MODEL BASED ON STRICT APPLICATION FOCUS AND TAILORMADE SOLUTIONS

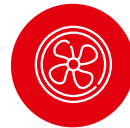
THE PRINCIPAL DUTIES OF A LUBRICANT: ENSURE THE EFFICIENT OPERATION AND PRESERVATION OF MOVING PARTS



Reduce friction and
wear in moving
systems



Separate surfaces
and protect from
wear



Cool machinery and
equipment



Protect surfaces
from corrosion



Transfer energy

LUBRICANTS PLAY A MAJOR ROLE IN THE 3 MEGATRENDS OF SUSTAINABILITY, MOBILITY CHANGE AND
DIGITALIZATION

FUCHS' LUBRICANTS ENABLE INNOVATION

FUCHS HAS THE SOLUTIONS TO HELP CUSTOMERS WITH THEIR TECHNOLOGY TRANSFORMATION



E-MOBILITY

SIGNIFICANT OPPORTUNITIES FOR FUCHS IN FAST GROWING MARKETS



Mobility change is on a fast track: today main focus on batteries



~ \$3bn of new market for functional fluids of which we see on a conservative basis 50% relevant for FUCHS. E-lyte and cooling fluids are examples for FUCHS activities in this field.



Mobility change comes with additional requirements for lubricants: good news for FUCHS' high-performance product



Globally the number of combustion engines will increase over the course of the next 10 years: European market to decline, growth (number of vehicles) especially in China.

E-mobility is a net opportunity with significant growth opportunities for the FUCHS Group.

SUSTAINABILITY

FUCHS ENABLES ITS CUSTOMERS TO LOWER THEIR CARBON FOOTPRINT



FUCHS drives sustainability along the entire value chain



We empower our customers to perform more sustainably leading to greater efficiency and additional value potentials



Lubricants are by nature a contributor to lower the CO₂ footprint along the entire value chain

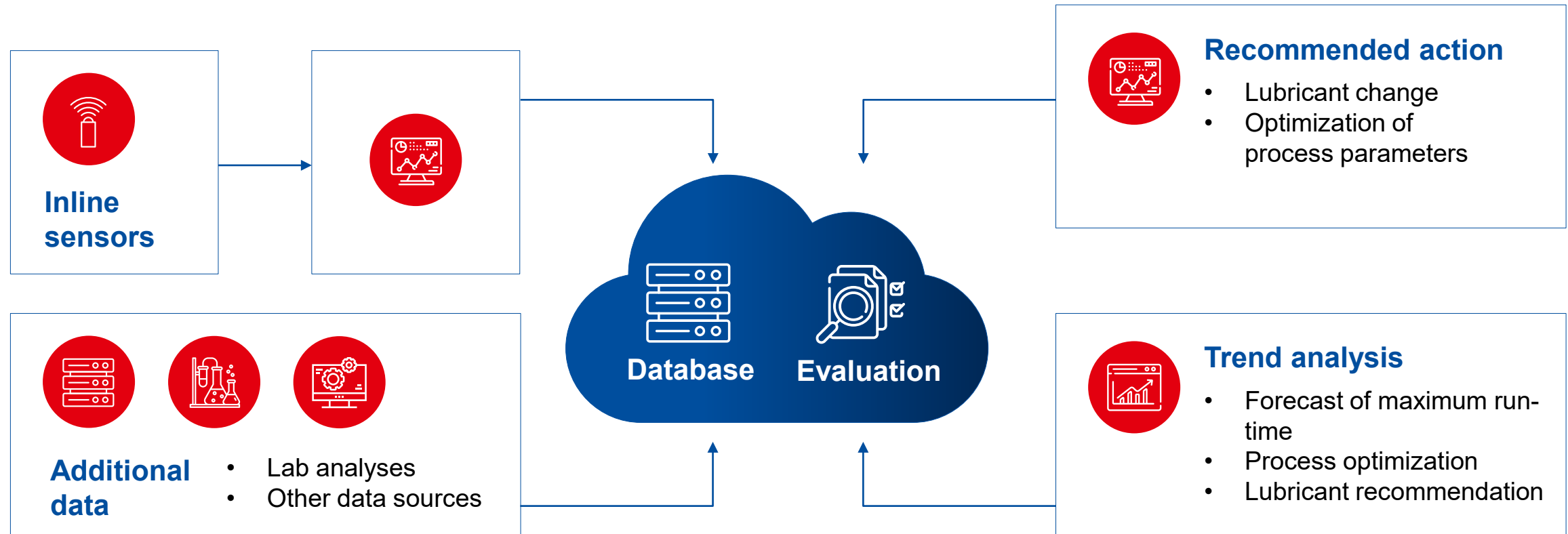


The basic idea of sustainability comes with additional requirements for lubricants: good news for FUCHS' high-performance products

FUCHS products play a decisive role to help customers lower their CO₂ footprint.

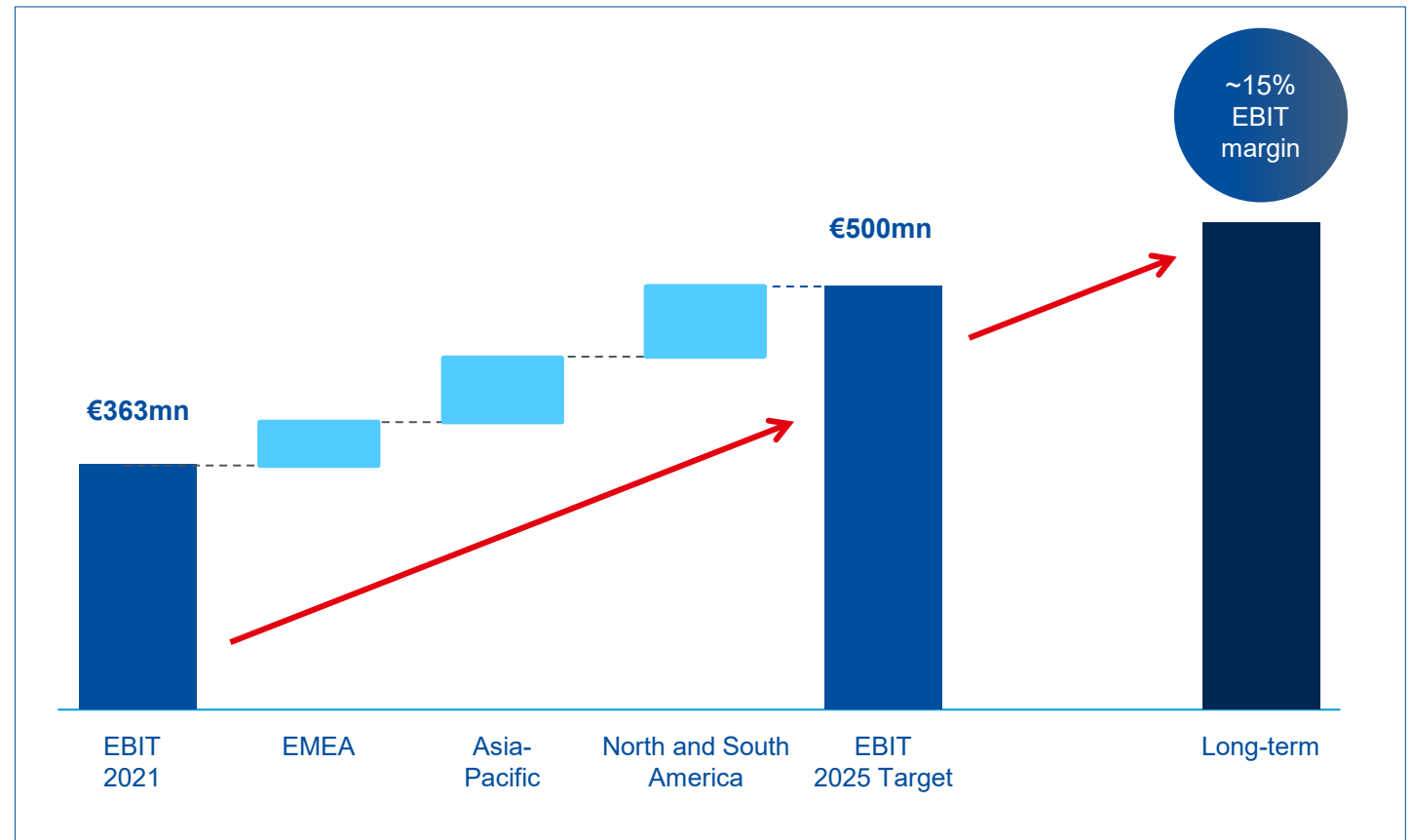
DIGITILIZATION

FUCHS GOES DIGITAL AS A BASIS FOR SMART SERVICES, OPERATIONAL EXCELLENCE AND BUSINESS MODEL INNOVATION



GROWTH

FUCHS WILL EXPLOIT GROWTH OPPORTUNITIES LEADING TO AN EBIT OF € 500 MN BY 2025





Culture

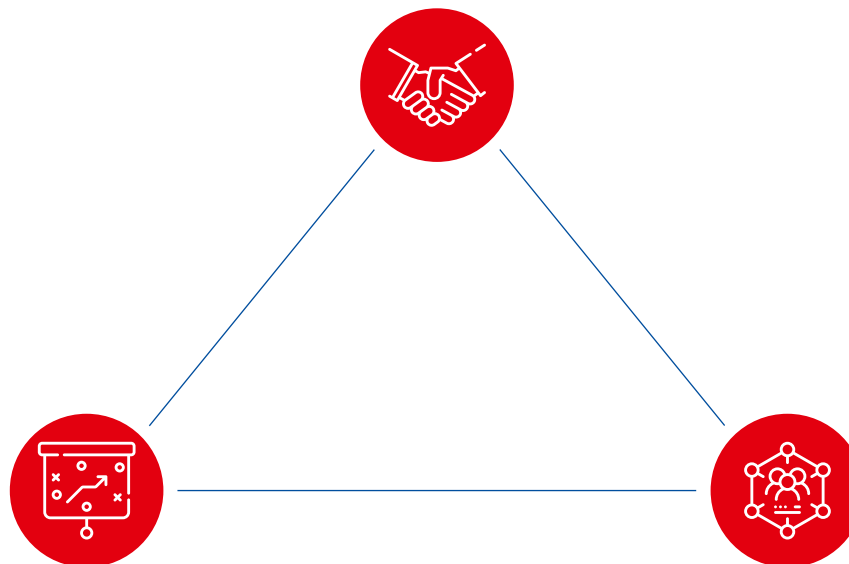
High performance, open feedback & hierarchy-free communication

Strategy

Topline growth based on market segmentation

Structure

Organizational set-up & new positions



CLEAR VALUE PROPOSITION

VISION



Being First Choice

MISSION STATEMENT



Lubricants.
Technology.
People.

VALUES



Trust, Creating
Values, Respect,
Reliability, Integrity

PURPOSE



Moving Your World





MOVING YOUR WORLD



WHAT: Delivering Efficient Lubrication Solutions

**Technical
Expertise**

**Leading
Solutions**

**Customer
Orientation**

**Sustainable
Attitude**



HOW: UNCONDITIONALLY RELIABLE

Customers trust us.

And they trust us to find the solution. Because we make zero compromises. With unconditional reliability.



WHY: MOVING YOUR WORLD

**We exist because it is us who keep this world moving.
Moving your world is not only about keeping it in motion.
It's about moving it forward.**

Agenda

BLOCK 2

FUCHS2025 structure & strategy



MOVING YOUR WORLD



Culture

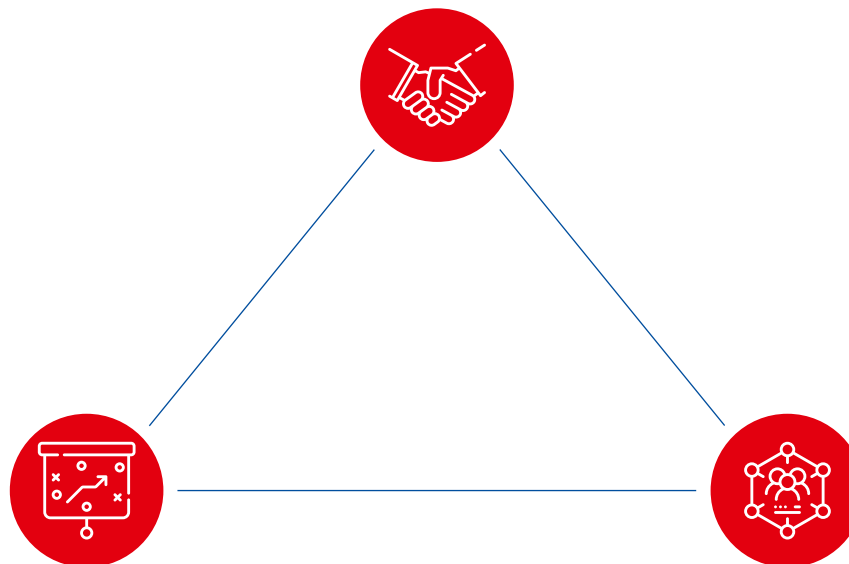
High performance, open feedback & hierarchy-free communication

Strategy

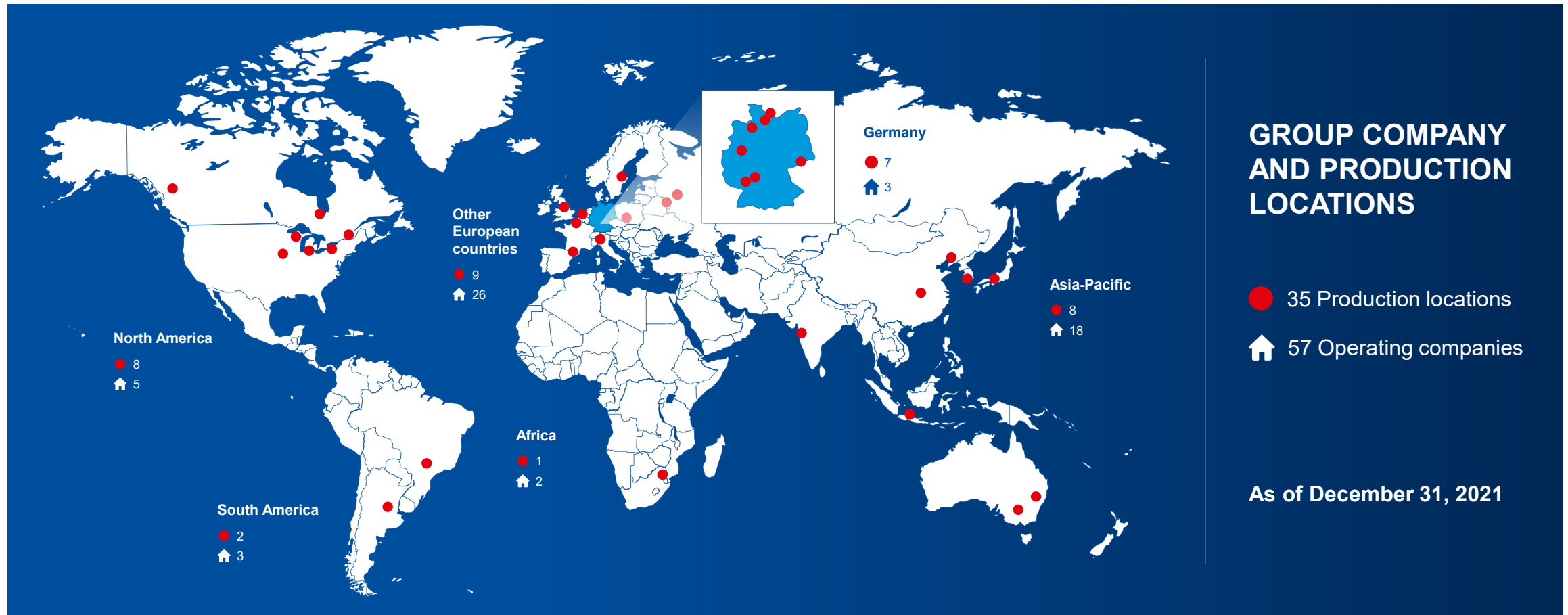
Topline growth based on market segmentation

Structure

Organizational set-up & new positions

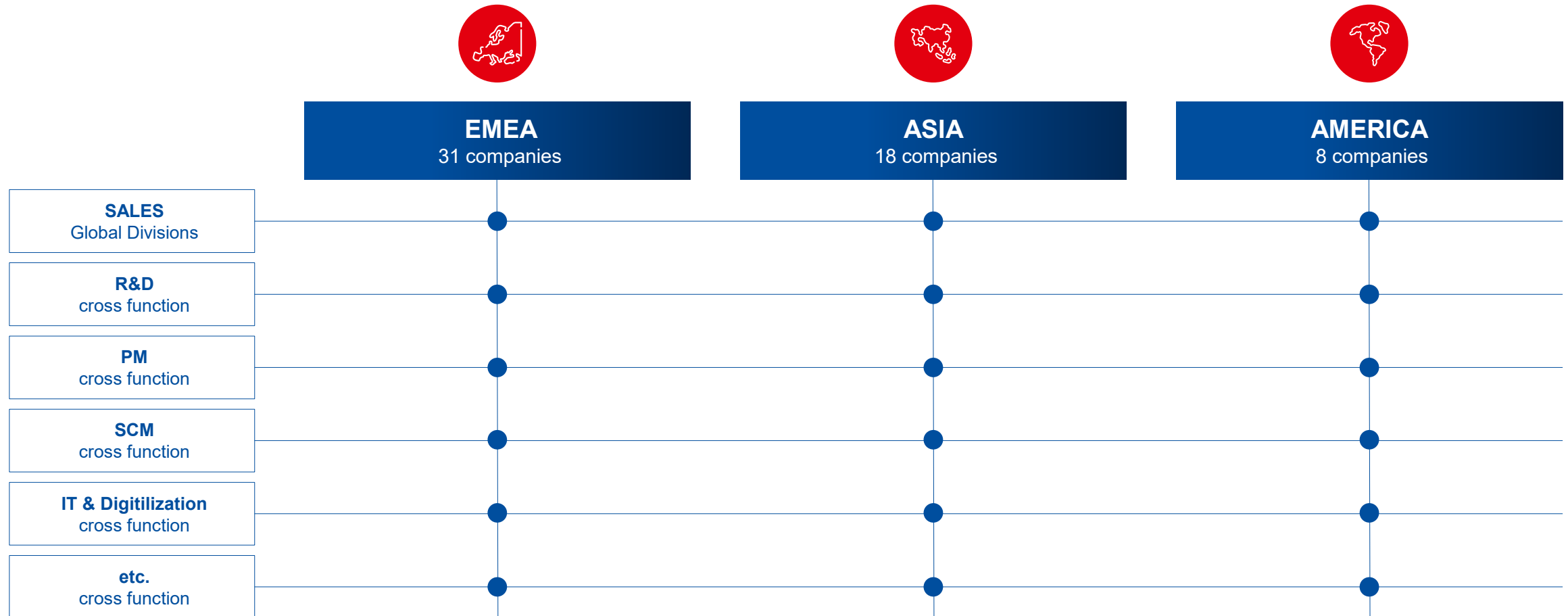


WE ARE WHERE OUR CUSTOMERS ARE IN OVER 50 COUNTRIES



OUR ORGANIZATIONAL STRUCTURE

GUIDING PRINCIPLES „ENTREPRENEURSHIP“ & „ACT GLOBAL“



FUCHS: WORKING IN AGILE NETWORKS



Our three principles for an open feedback culture

I. Describe a concrete situation*

- Colleague should be able to identify the behavior or situation you are referring to
- Avoid generalizations



II. Have a basic attitude of goodwill*

- Be descriptive- not judgemental
- Try to reduce the time between the situation and the feedback



III. Define „I“ statements*

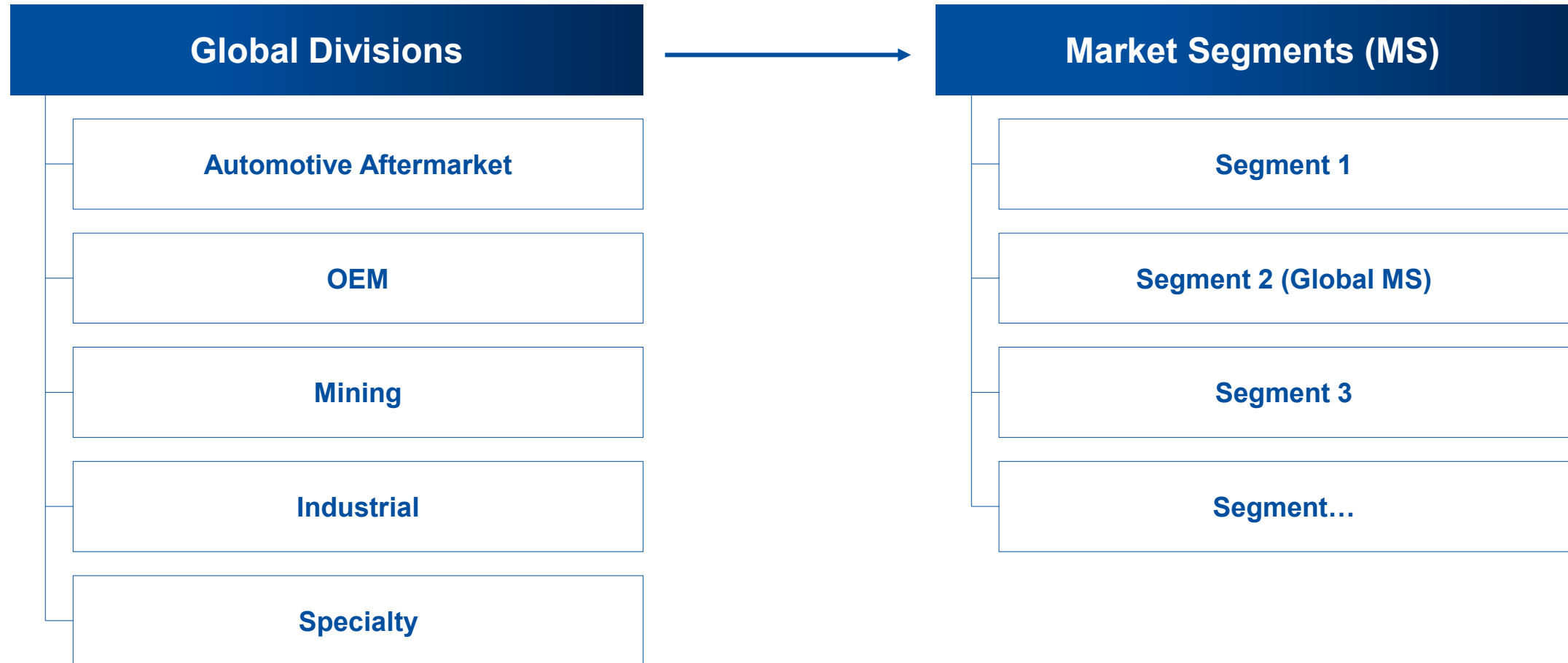
- Describe your own perception
- Use „I“ statements
- Provide examples for improvement



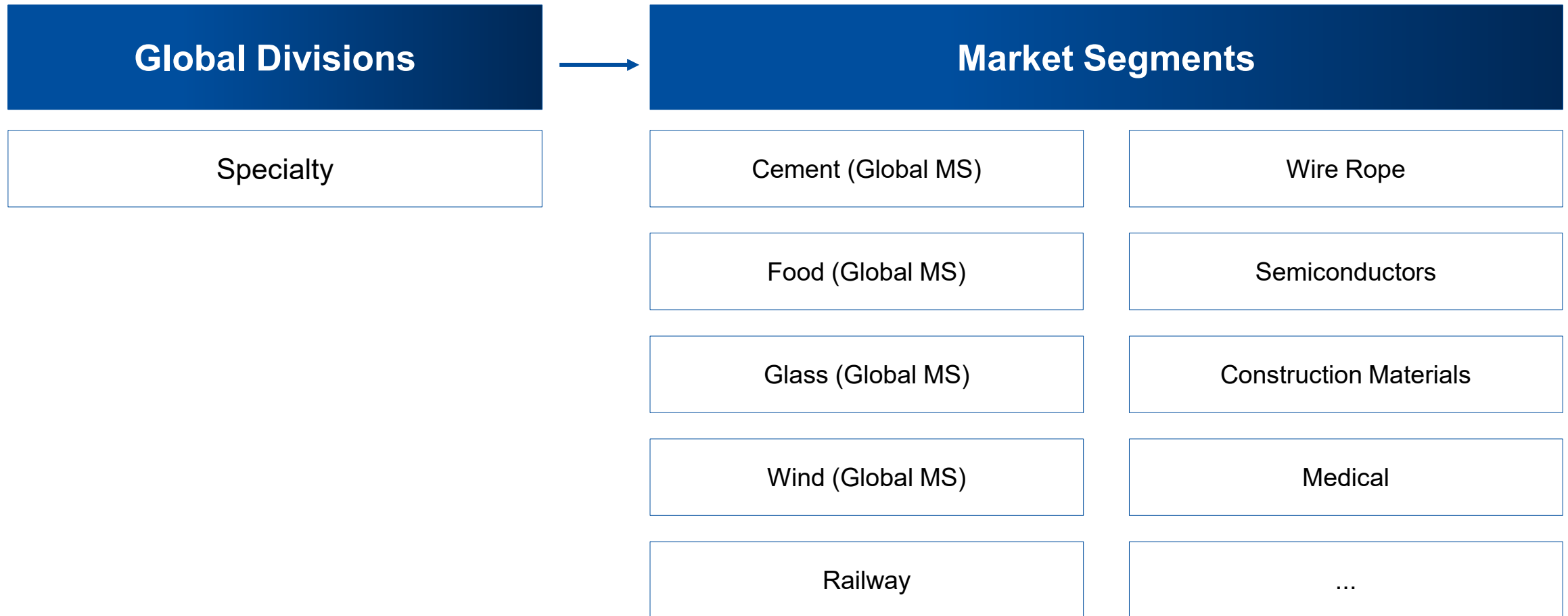
Hierarchy free communication



GROWTH VIA SEGMENTS



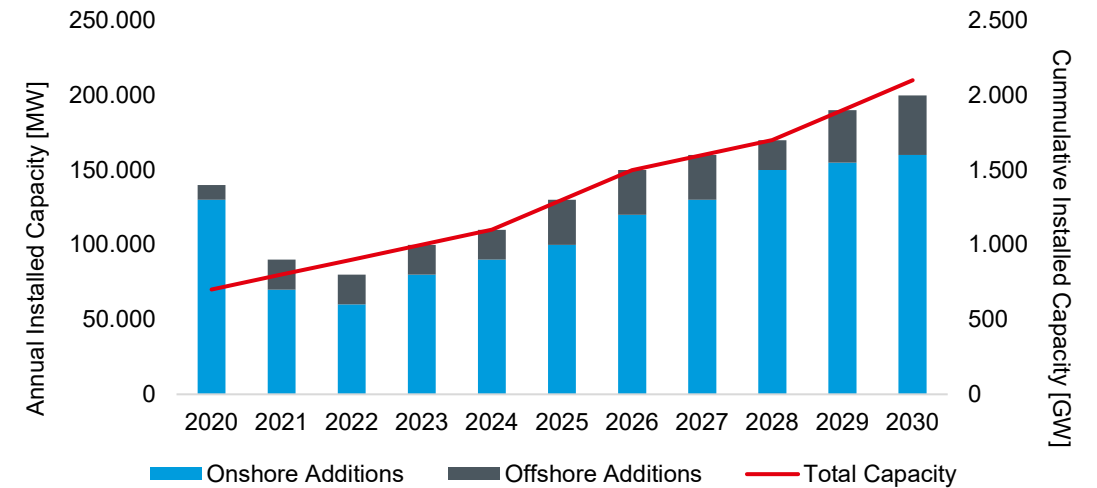
GROWTH VIA SEGMENTS



INSIGHT – SPECIALTY / WIND

FUCHS Key Success Factors

- Technological leadership with a global, holistic and approved product program
- Extend product lifecycle
- Tailor-made solutions as one-stop-shop provider
- Lubrication expertise and out-of-the-box thinking
- Global customer orientation & state of the art production facilities
- New markets and niche application



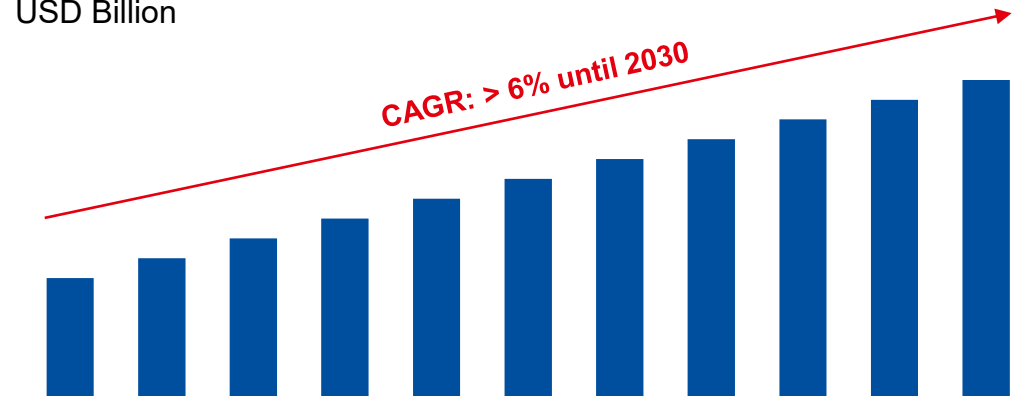
Source: www.enlit.world

INSIGHT – SPECIALTY / FOOD

FUCHS Key Success Factors

- FUCHS recognized as global market leader for food-grade lubricants
- Global product portfolio covering all food safety standards
- Experienced and knowledgeable global food partner network
- Focus on beverage & brewing, meat & poultry as well as animal food segments
- Further growth potential in packaging, pharma & robotics segment

Global Food Processing and Handling Equipment Market Historical Market and Forecast USD Billion



Source: www.expertmarketresearch.com

INSIGHT – INDUSTRY / ROTARY MOTION

FUCHS Key Success Factors

- Rising demand for energy-efficient fluids for compressors, gear boxes and turbines across all industries
- Comprehensive global product portfolio for specialized high performance applications
- Global network with technical and commercial expertise
- Flexible R&D allows customer specific solutions
- OEM approvals in various fields
- Cross-sell opportunities with existing customers



Industrial Air
compressor
CAGR ~ 3,1 %¹



Industrial
Gearboxes
CAGR ~ 4,60 %³



Refrigerant
CAGR ~ 6,1 %²



Gas turbine
CAGR ~ 4,8 %⁴

¹⁻⁴ CAGR 2022 - 2030

¹ globenewswire.com – 04/22, ² Report Ocean – 05/22,

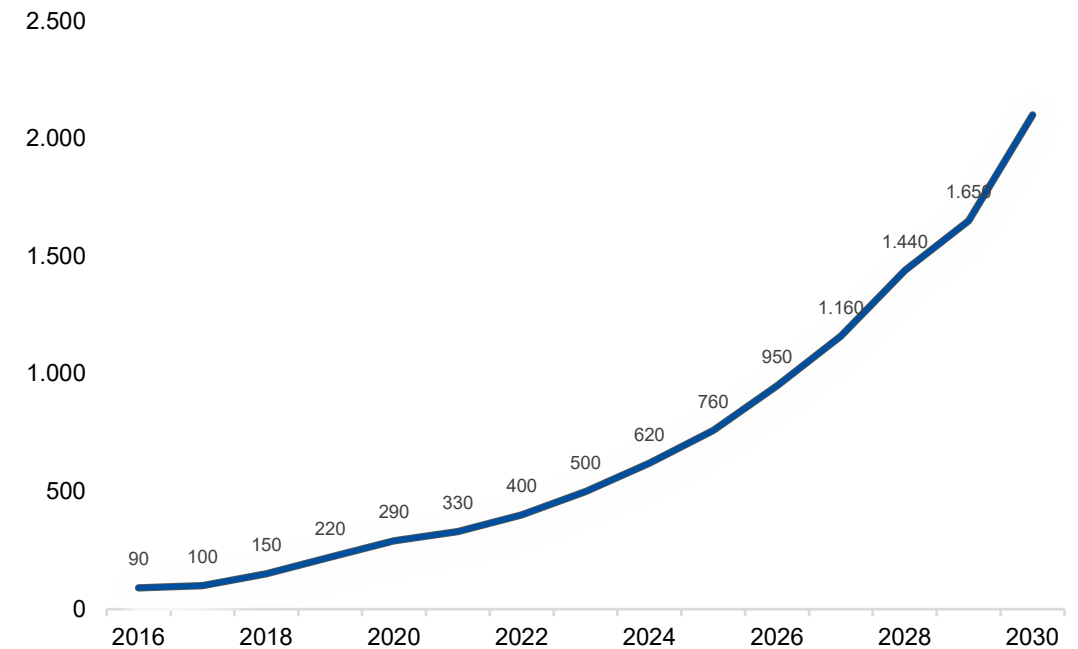
³ globenewswire.com – 05/22, ⁴ Market Research Future (MRFR) – 05/22

INSIGHT – INDUSTRY / BATTERY PRODUCTION MARKET

FUCHS Key Success Factors

- Lubricants needed for battery production will account for ~25% of all lubricants in car production
- FUCHS has developed a comprehensive lubricant portfolio to cover the whole production process
- With our Global Battery Production Market Strategy we are strongly positioned and serve industry-leading customers like TESLA, Northvolt and CATL

Annual lithium-ion battery demand

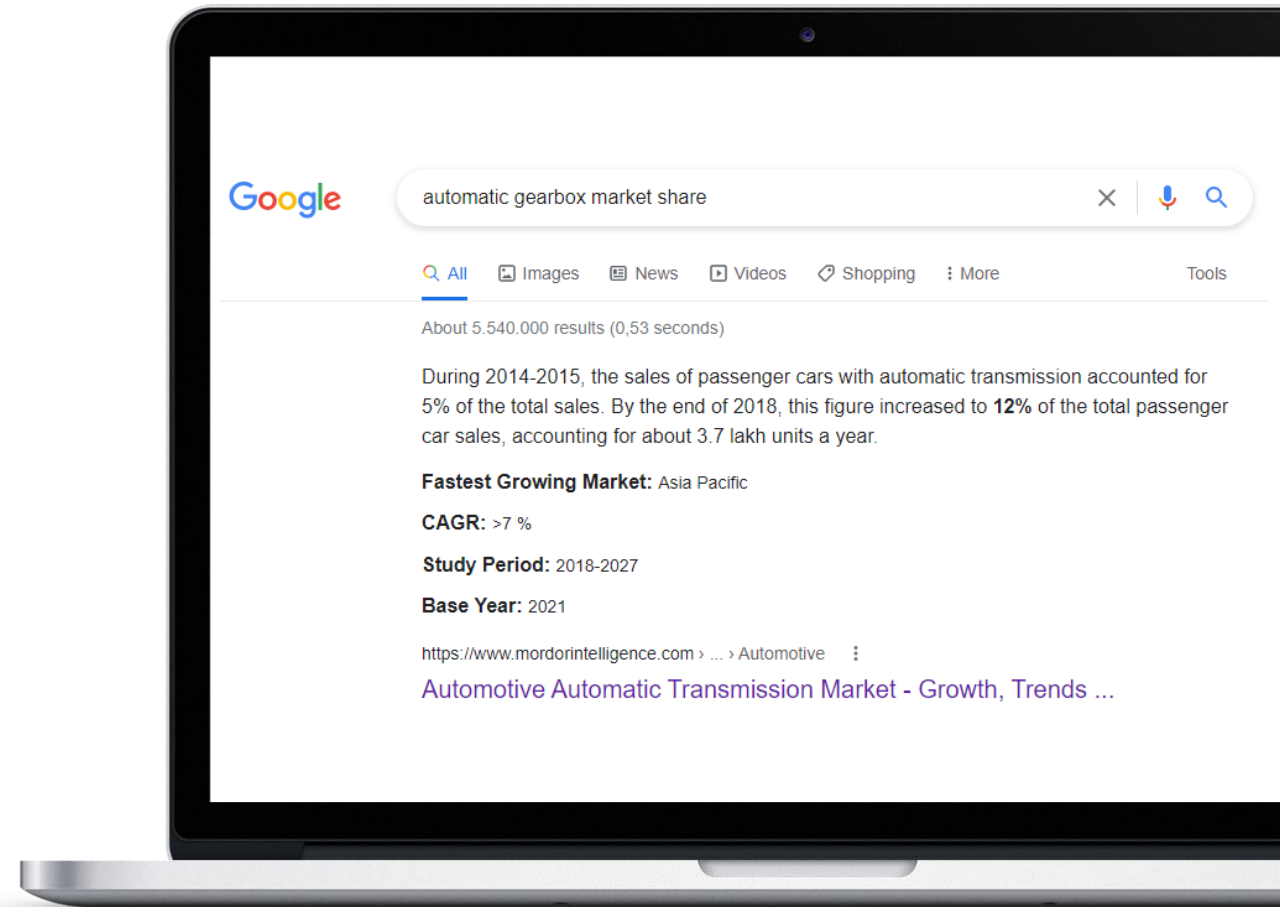


Source: www.energycentral.com

INSIGHT – AAM / GEAR BOX AFTERMARKET

FUCHS Key Success Factors

- Share of automatic gearbox equipped vehicles growing, especially in Europe and Asia
- FUCHS is a renowned supplier and technology partner of automatic gearbox manufacturers
- Complex gearbox designs require specialized lubrication and maintenance attention in the aftermarket period too
- FUCHS GEAR PLUS offers a unique technical solution and a business model for passenger car workshops to perform automatic gearbox maintenance easily
- Expansion potential in Bus, Public Transport and Heavy Duty segments



INSIGHT – OEM / EDF FLUIDS

FUCHS Key Success Factors

- FUCHS Transmission Oil Technology already in use in a high number of first generation E-Drives
- Tailormade FUCHSBluEV Technology in serial production @European and Asian OEM's for second generation E-Drives
- In-House testing capabilities incl. 3-E-Drive Test-Rig
- Strong cooperation with several Tier 1 supplier
- In region production facilities



Copper corrosion/
Visual



Copper corrosion/
Cu in oil



Electrical
properties



Oxidation
stability



Zero sulphur
(S)



Bearing
performance



Scuffing
performance



Differential test
(3SSS)



MEGATREND: DIGITALIZATION OUR ANSWER: FUCHS GOES DIGITAL



Improving
customer
experiences



Thinking digital
& creating
additional value



Being perceived
as a front
runner

EFFICIENT LUBRICATION SOLUTIONS BY IMPLEMENTING THE FUCHS SMART SOLUTIONS ECOSYSTEM

CUSTOMER FOCUS

- FUCHS listens carefully to customers all around the world and understands the specific customer needs
- Our lubricants enable our customers to deliver an outstanding performance
- We have the knowledge how to develop those chemical products as per the requirements of our customers

THE GOAL OF ALL SOLUTIONS IS ADDRESSING THE THREE MAJOR CUSTOMER NEEDS:



Protection:

maximize equipment life and availability (machines, equipment and tools).



Optimization:

maximize customer performance (maximize output, increase quality, minimize input)



Savings:

reducing the use of resources (raw materials, maintenance, ...)



Protection

Asset

Health

Environment



Optimization

Process

Product



Reduction

Cost

Maintenance

FUCHS to act as a solution-oriented partner with our customers to manage movable/rotating assets in a sustainable way

FUCHS SMART SOLUTIONS

OUR INPUT



Technology

- More than 10.000 lubricants for various industries
- German technology - globally engineered: High performance products delivering improved performance/life time at customers
- Pioneering future performance fluids applications, e.g. e-mobility, thermofluids, electrolytes, etc.
- Globally available engineering and technology experts



Experience

- 90 years of experience in lubrication and full focus on lubrication
- Customer service excellence with one face to the customer
- In depth expertise on customer market segments



Digitalization Solutions

- FluidAnalyzer
- FluidMeter
- FluidsConnect
- Man On Site

EXAMPLE: FLUIDS CONNECT / COMPREHENSIVE LUBRICATION SOLUTION PRODUCTS, SERVICES, DIGITAL TOOLS/SOFTWARE



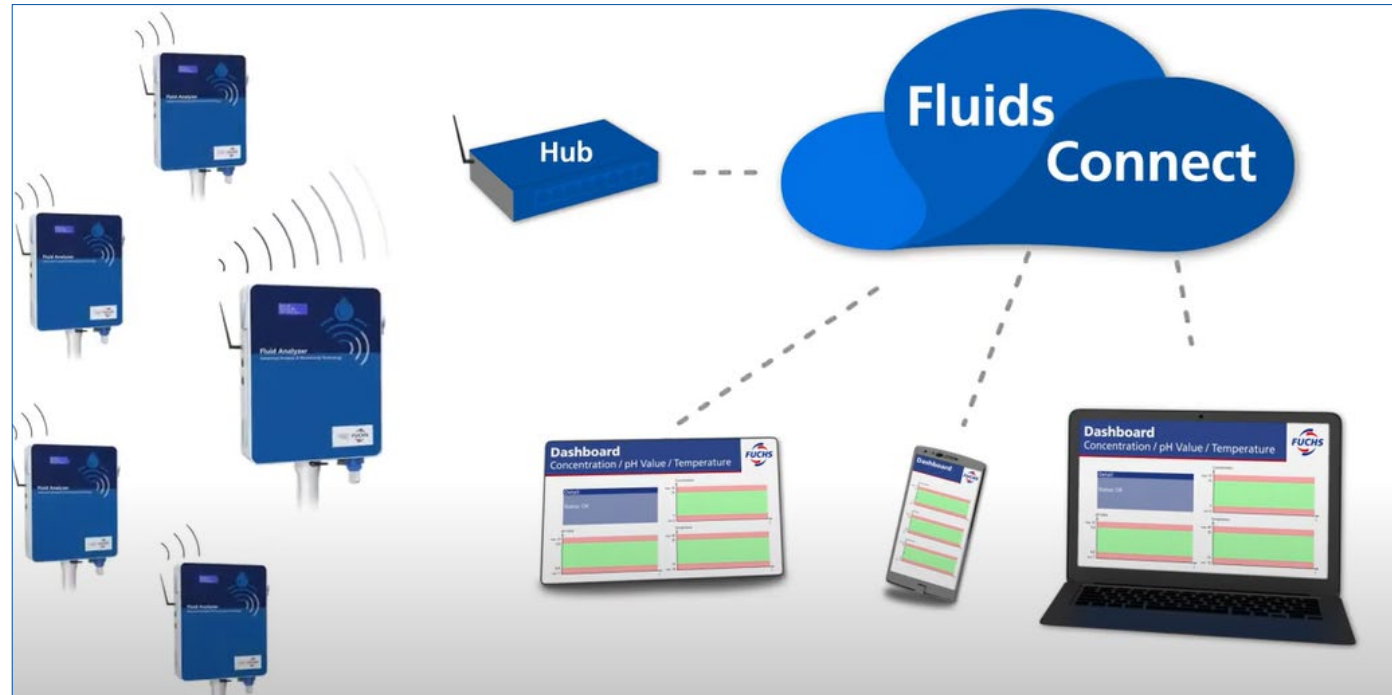
Condition monitoring (sensor based)



FluidsConnect
Survey



Tank level
monitoring



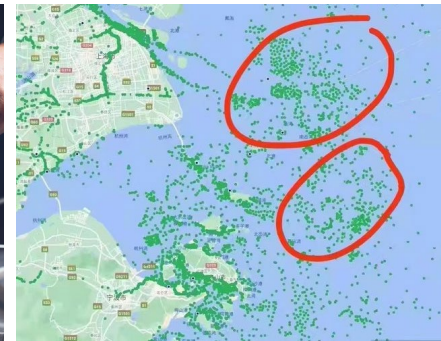
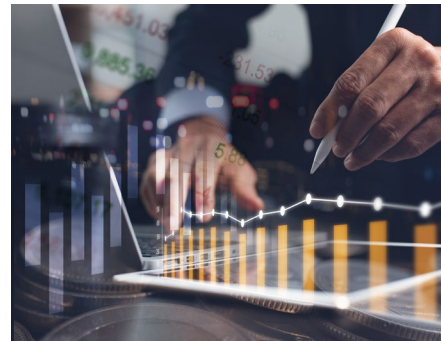
Reliability
management



Inventory
management

2022: YEAR #4 OF VOLATILITY

MANY EXTERNAL HAPPENINGS IMPACT THE WORLD ECONOMY AT THE SAME TIME



GEOPOLITICAL IMPACTS



- Zero-Covid-Strategy China
- Russia's invasion in the Ukraine

INFLATION



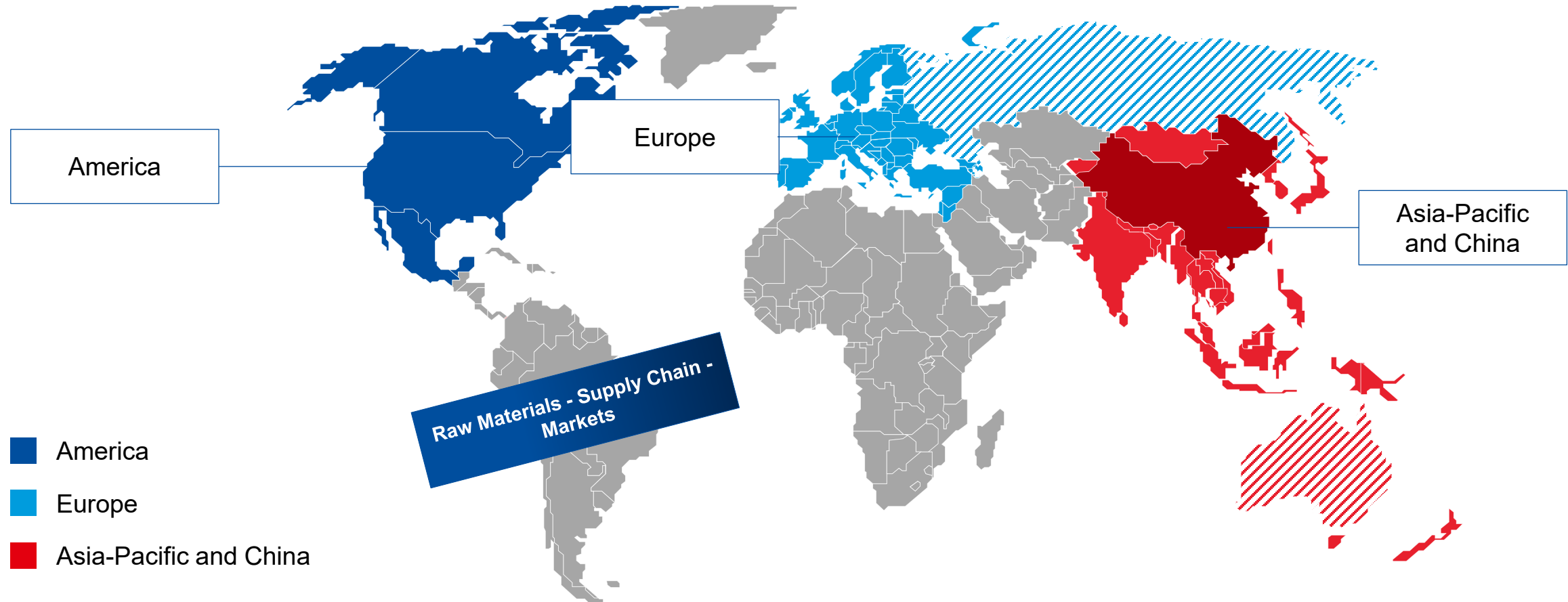
- Significant raw material cost increases
- Increases in freight and energy costs and salaries

SUPPLY CHAIN PROBLEMS



- We experience significant shortages
- Our customers as well

REGIONALIZATION TECHNOLOGY – RAW MATERIALS – GEOPOLITICAL BARRIERS - 3 HUB STRATEGY



WORLD ORDER – GLOBAL GOES REGIONAL



ASIA-PACIFIC / China

China's strategic positioning is China centered – to be independent and to decouple from the rest of the world – China develops own technologies with specific market requirements



EUROPE

European technology on its own will see significant changes in raw material availability due to the “Green Deal” and changes of the petrochemical landscape. Europe needs to reduce the dependence on imported raw materials and prepare the economy for circular



Americas

Own technology region – moving to more efficient technology in industry. Stable on its own – “America First”

FUCHS SMART WAY OF WORKING



The key to success is to do it in an efficient way in utilizing the FUCHS Group networks



R&D Key Working Groups – exchange – support – learn within the community to avoid double work



Operations networks standardize equipment, exchange best practices



Sales divisionalization helps to exchange business models, market approaches etc. global to local



HR to support in methodologies, i. e. evaluation, education and other HR principles

Agenda

BLOCK 3

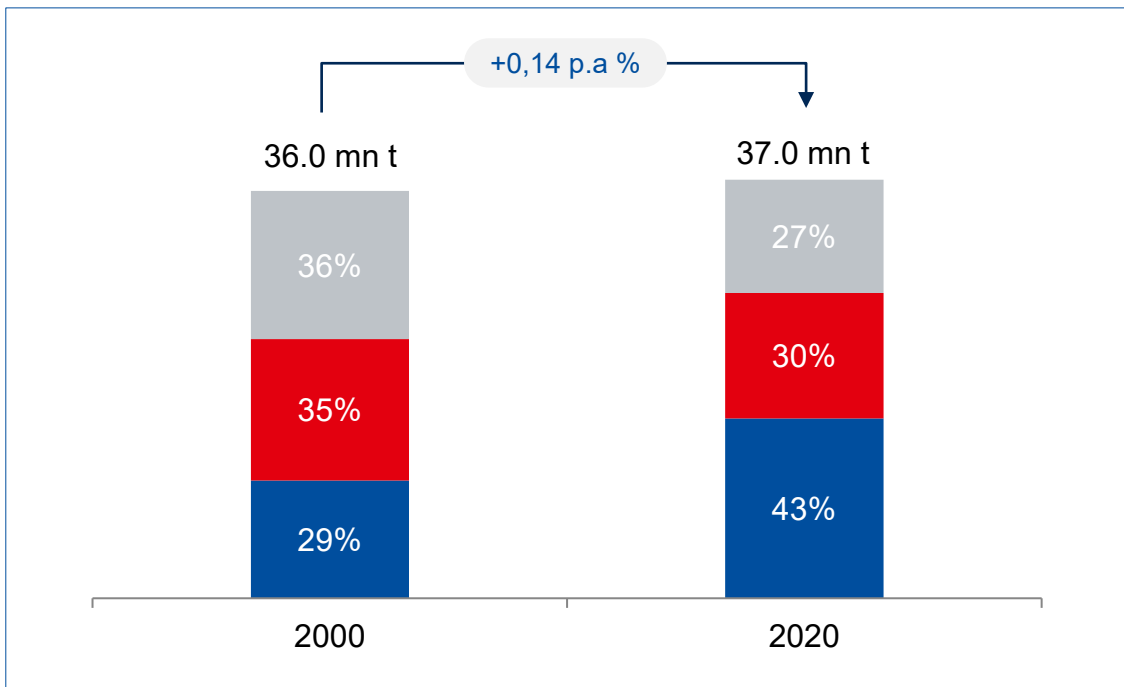
Long-term financial targets



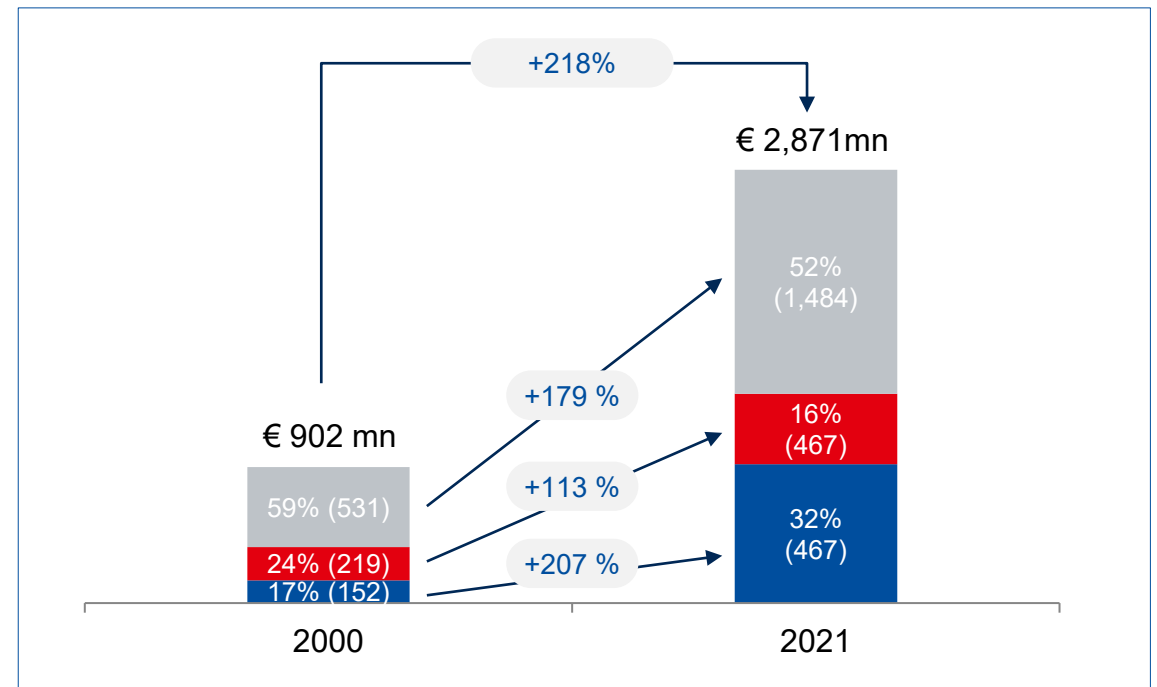
MOVING YOUR WORLD

HIGHTECH LUBRICANTS ON THE RISE

Market Demand

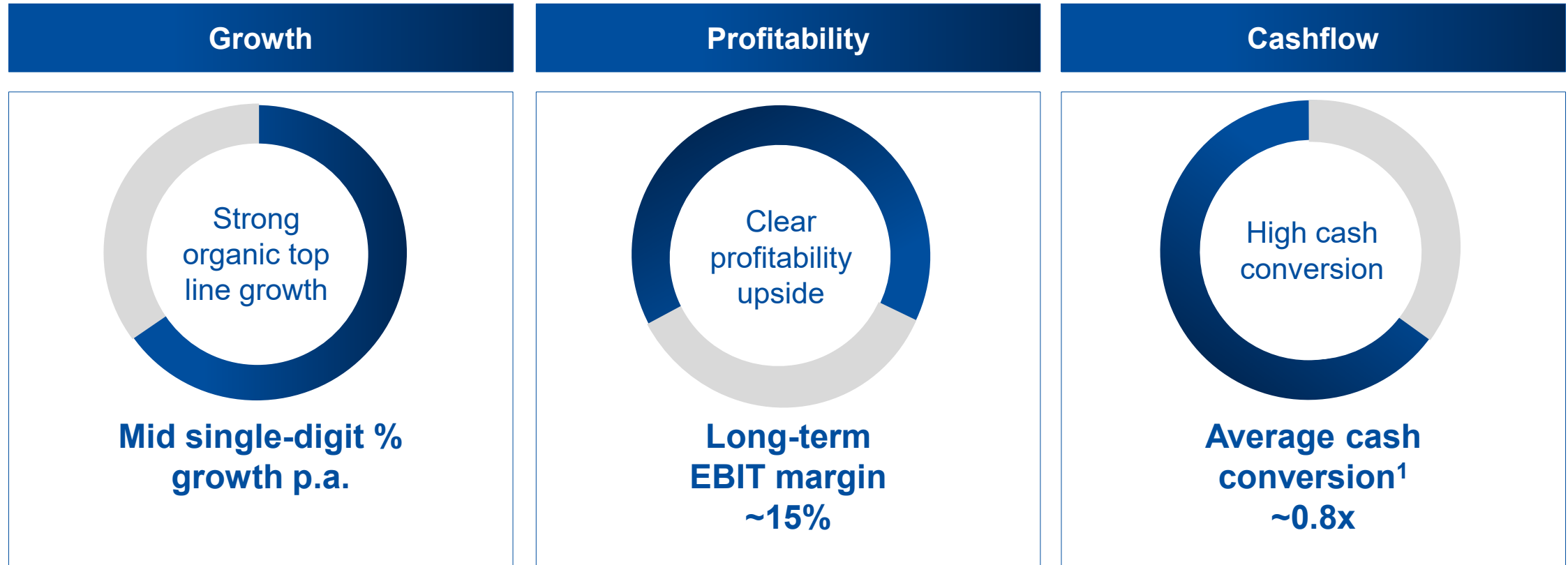


FUCHS Sales (by customer location)



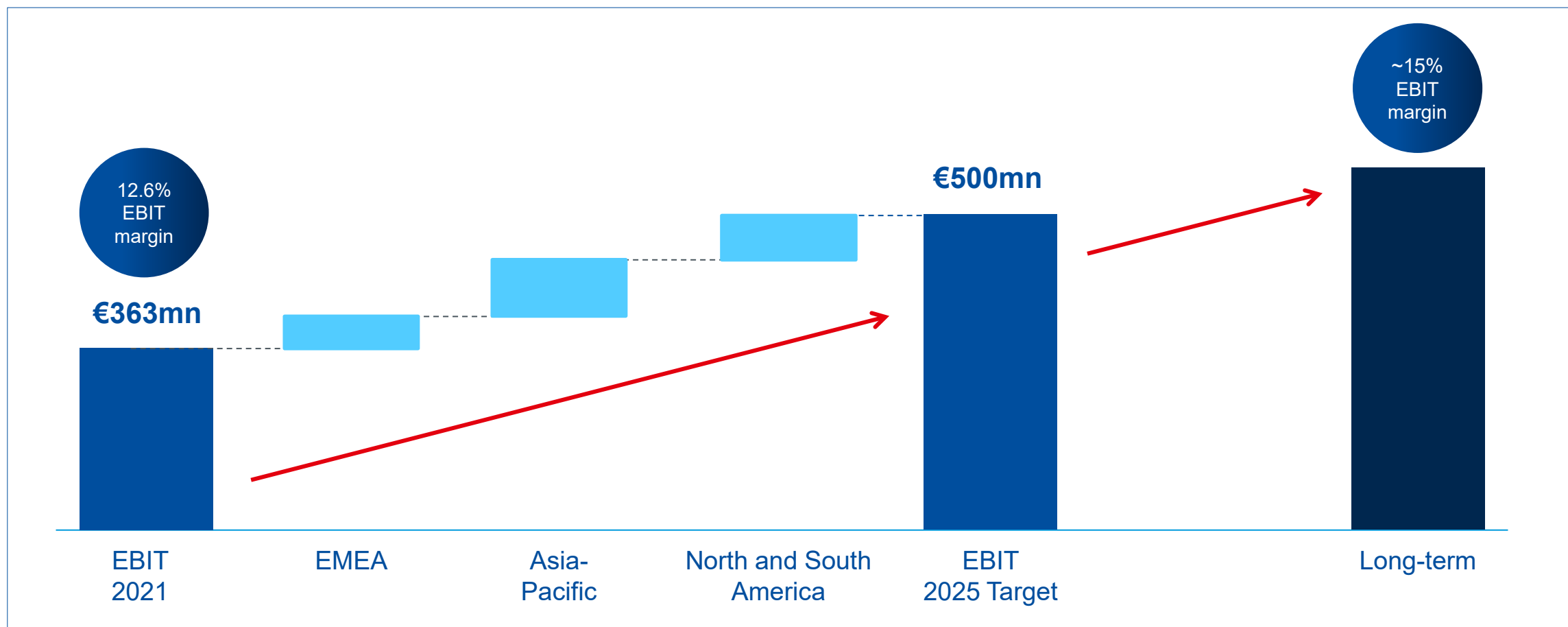
■ EMEA ■ Americas ■ APAC

FINANCIAL TARGETS - OVERVIEW



Upgrade of dividend policy: Increase the absolute dividend amount each year

FINANCIAL TARGET 2025



GROWTH DRIVER 2025



EMEA

- Improved market penetration through segmentation
- Supply Chain & Logistics Excellence
- Process Efficiency/ Digitalization
- Profit growth throughout the region
- Profitability Nordics
- Germany Merger



Asia-Pacific

- Improved market penetration through segmentation
- Strong growth in all sub regions (Australasia, East Asia, India and Southeast Asia)
- Accelerated specialty sales growth through NYE integration

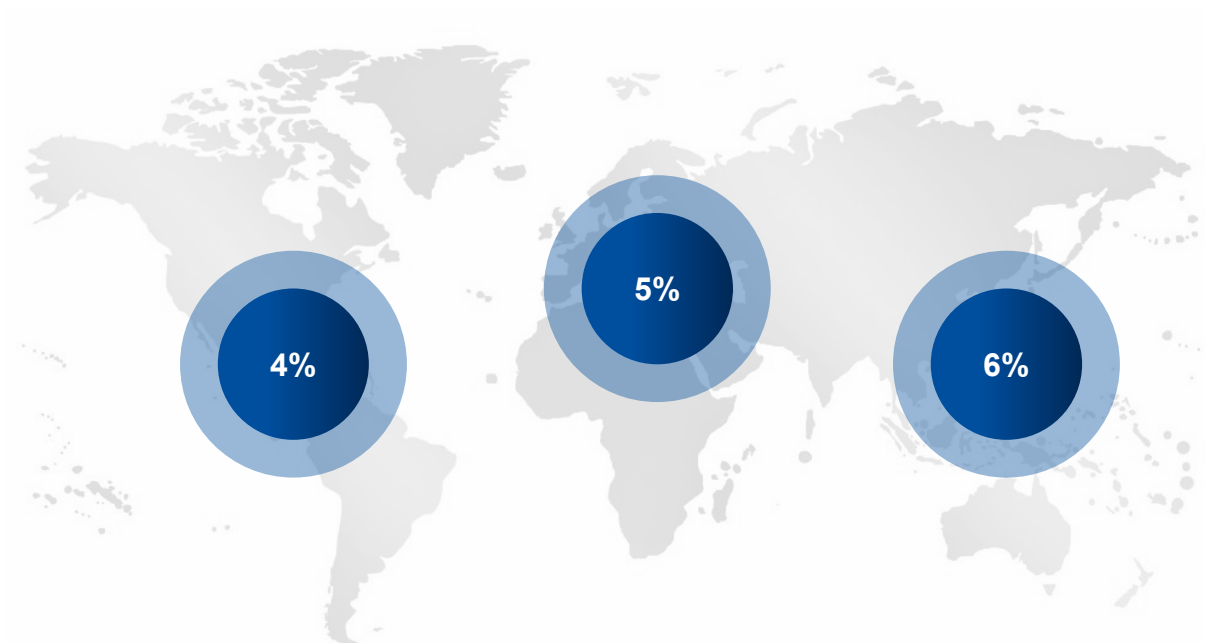


North & South America

- Improved market penetration through segmentation
- Main growth coming from North America (USA, Mexico, Canada)
- Further development of automotive business in the US

TOP-LINE GROWTH IN THE REGIONS

Ø Sales revenues growth
(2012-2021)



Group: 5% p.a.

Sales revenues growth
going forward

**Mid-single
digit %
p.a.**

RAW MATERIAL PRICES STRONGLY IMPACTING SALES



**Sales Growth driven by
volume and price
development as well as
mix effects**



Year 2021:

December 2021
compared with
December 2020
around 20% price
increase (not fully
included in P&L 2021)



Year 2022:

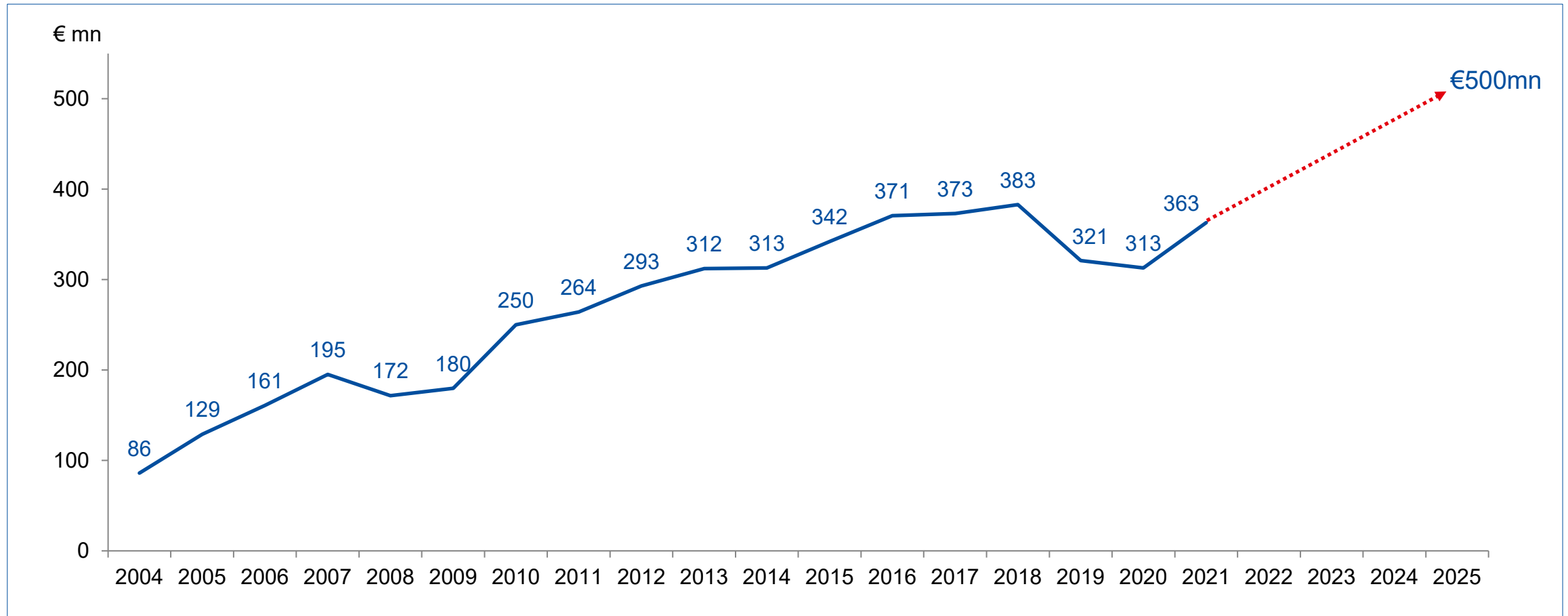
similar development
expected as in 2021



As of 2023:

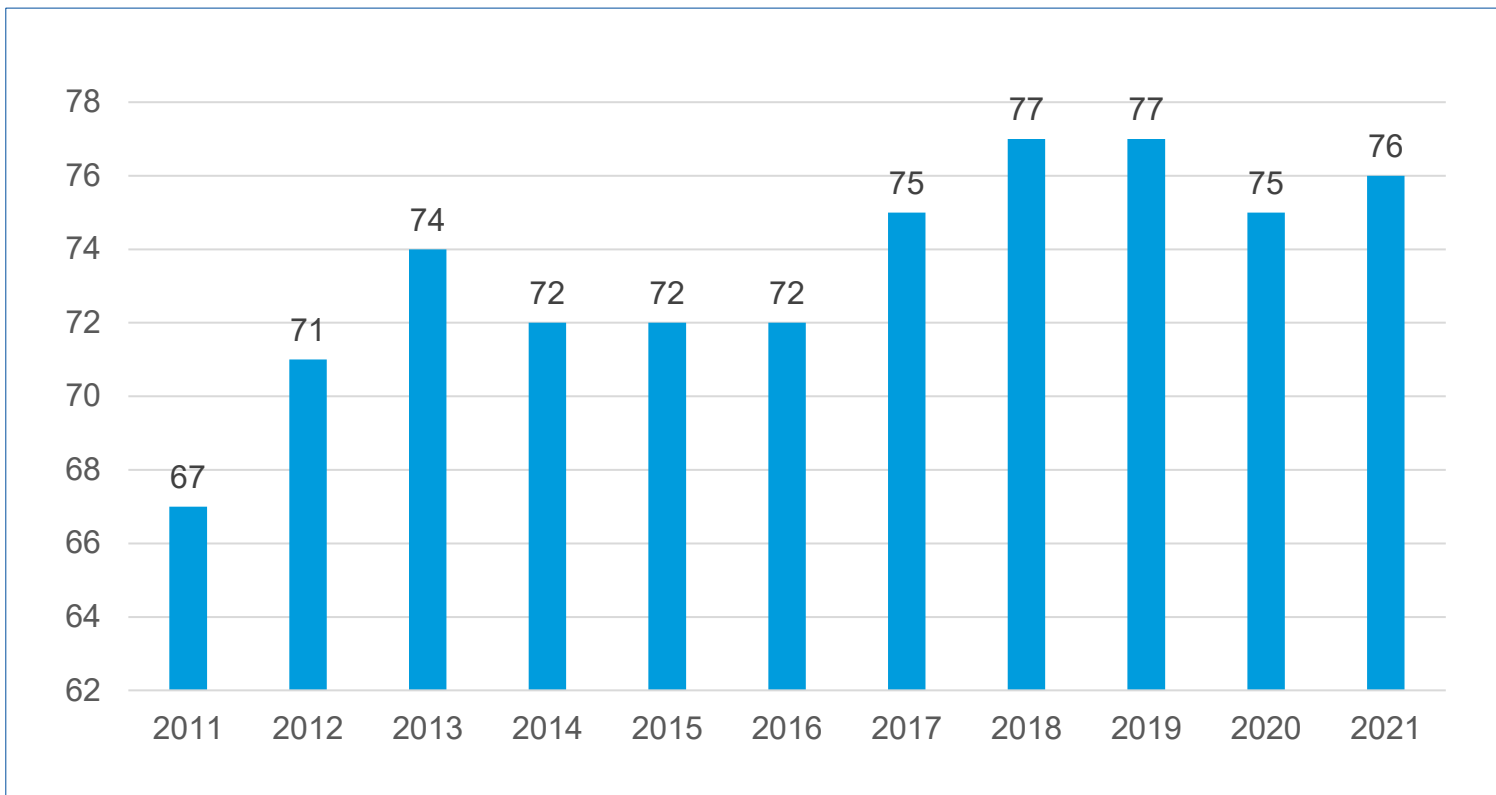
(in normal
environment) mid
single digit percentage
growth

2025 TARGET REFLECTING ACCELERATED EBIT GROWTH



SOLID BALANCE SHEET STRUCTURE

Development of equity ratio in %

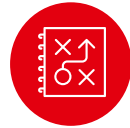


High equity ratio provides stability in challenging and uncertain environment



High equity ratio gives room for strategic maneuver

CONTINUED FOCUS ON M&A GROWTH



Strategic M&A Guardrails

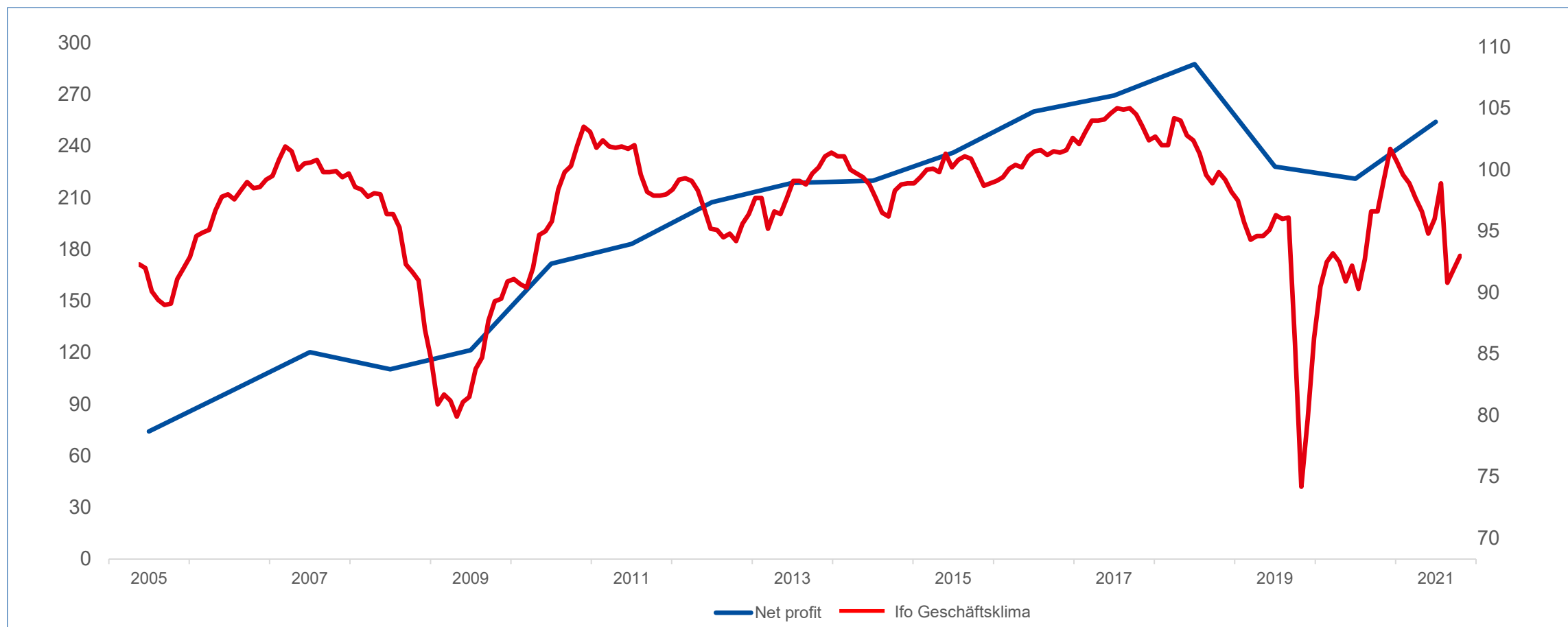
- Strengthening our footprint
- Fundamentally buying customer lists, specifications, approvals and knowhow
- Focus on bolt-on acquisitions to boost organic growth in regions and/or technologies



Financial Imperatives

- Synergies in purchasing, production, cross-selling, administration
- FVA is the main KPI, also when evaluating acquisition targets
- No predetermined pattern; model-adjusting to specific case

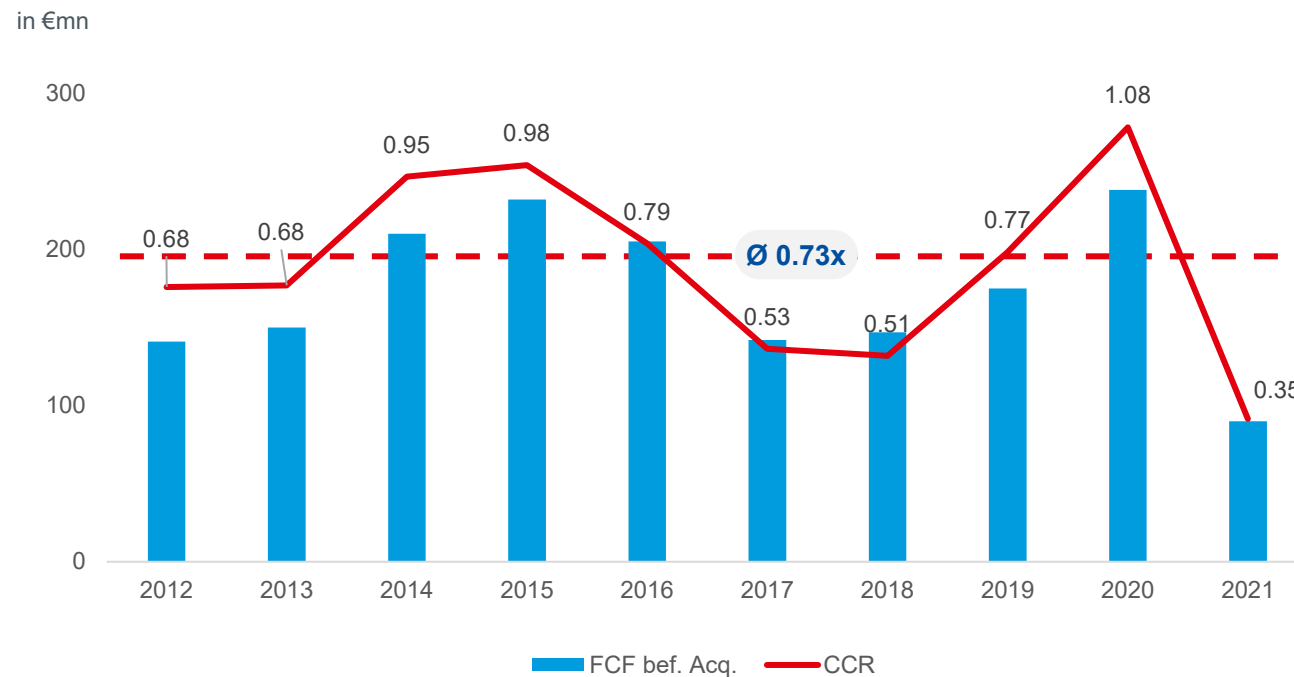
FUCHS EARNINGS PROFILE ROBUST IN CYCLICAL TIMES



FCF CONVERSION¹

STRONG HISTORIC TRACK RECORD – FURTHER IMPROVEMENT AHEAD

Strong improvement of FCF and Cash Conversion

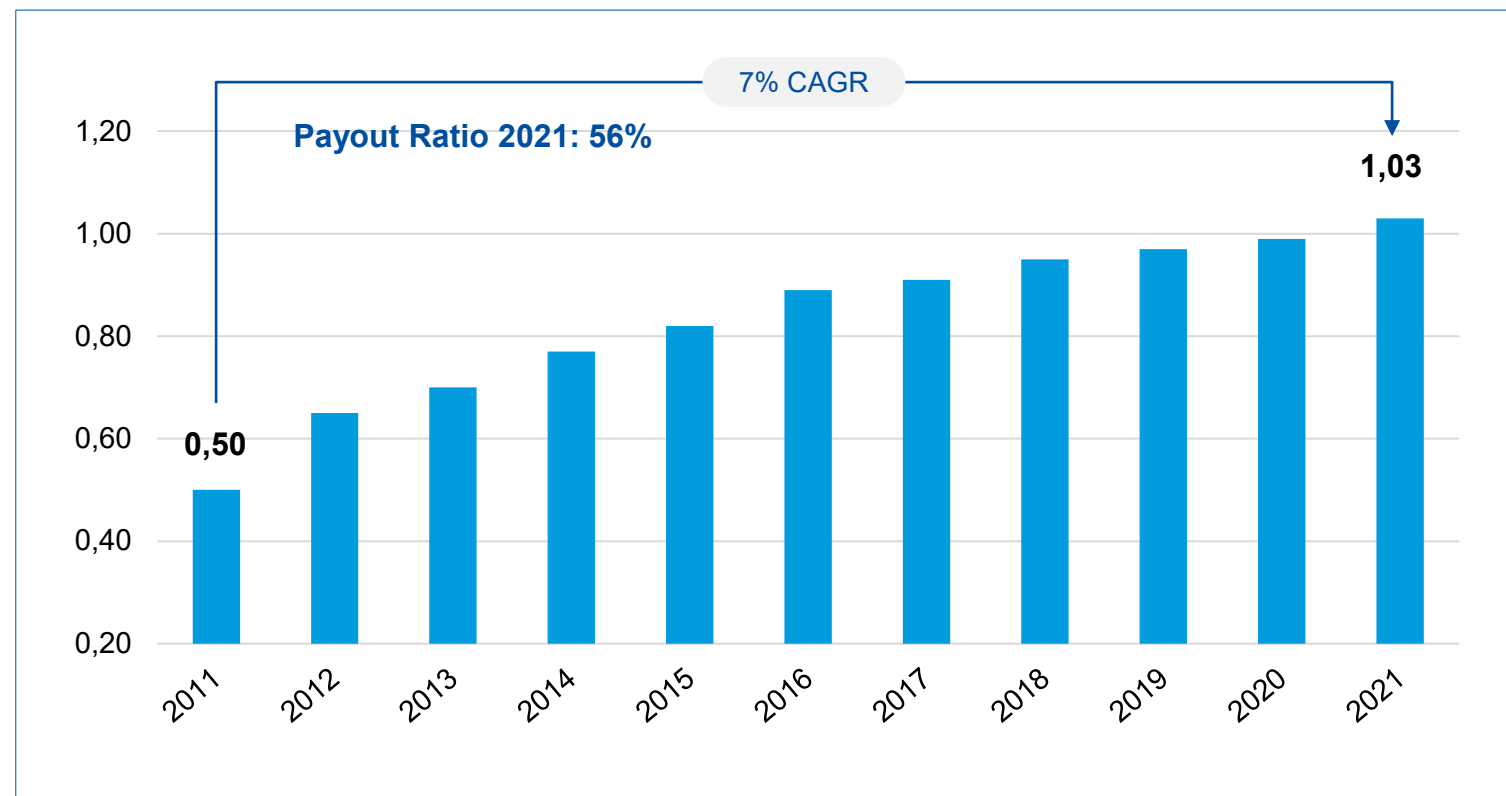


FCF levers going forward

- Strict **NOWC management**; current high level to come down with normalised cost inflation rates going forward
- Maintain **CAPEX** on **D&A level** of ~ €80mn
- With reduced investments, CCR has potential to grow **above ten-year average** of 0.73x
- **0.8x CCR target** reflecting growth and accordingly NOWC build-up

UPGRADE OF DIVIDEND POLICY

Dividend per Preference Share



20 years
of consecutive dividend increases

7 %
CAGR over the last 10 years

29 years
without dividend decreases



Old: Increase the absolute dividend amount each year or at least maintain previous year's level



New: Increase the absolute dividend amount each year

SHARE BUYBACK PROGRAMME COMMENCED



Key points

- Up to 6,000,000 shares, thereof up to 3,000,000 ordinary shares and up to 3,000,000 preference shares
- Total purchase price of up to EUR 200 million (excluding incidental acquisition costs)
- Programme started on June 27, 2022 and will last until March 29, 2024 at the latest

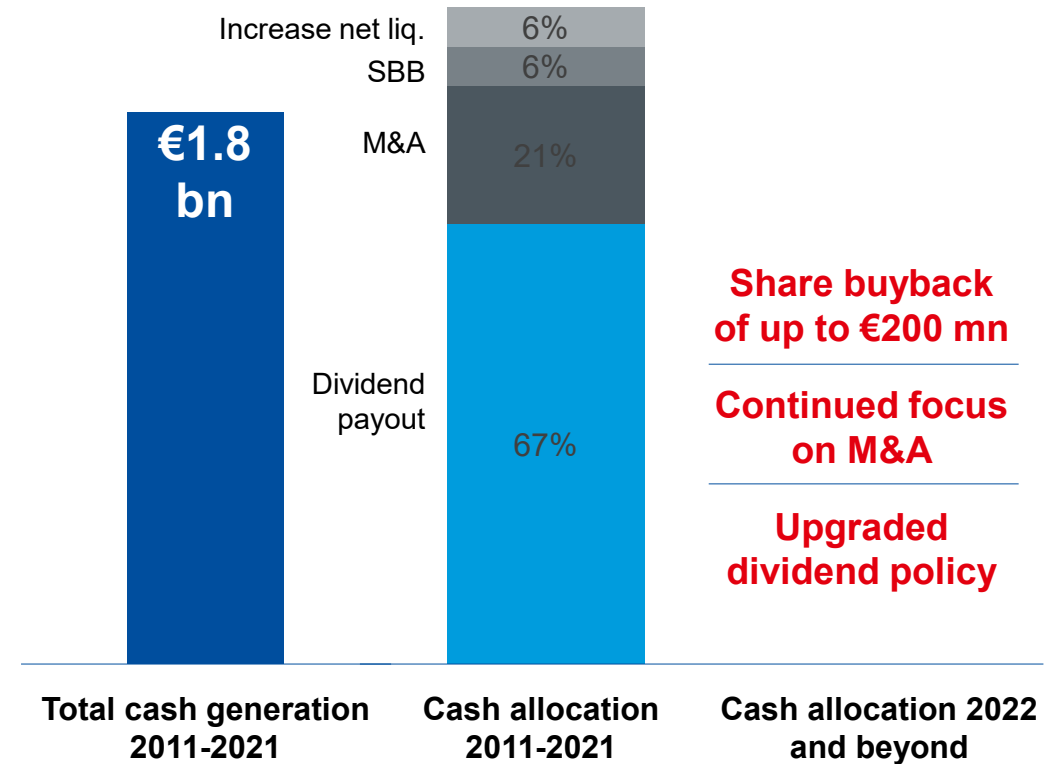
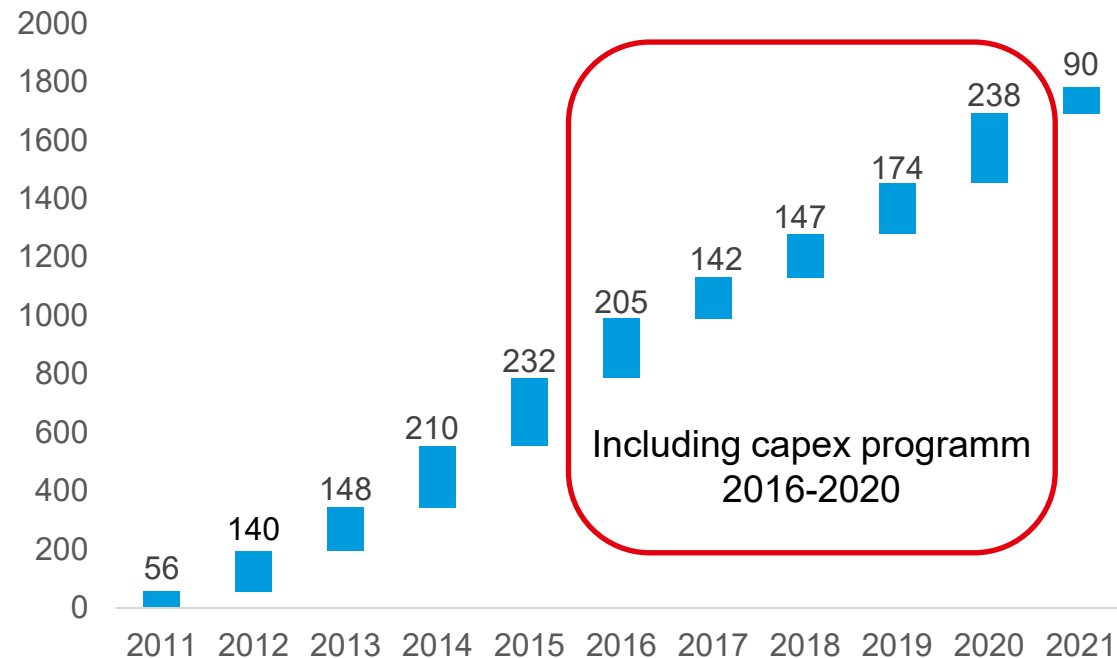


Implications

- Shares to be cancelled
- Optimization of capital structure
- No limitation in growth ambitions and potential M&A opportunities
- Financed through Free Cashflow generation; optionally usage of short-term bank loans

COMMITTED TO REALIZE SHAREHOLDER VALUE

FCF bef. acq. from 2011-2021



BALANCED CAPITAL ALLOCATION STRATEGY SUPPORTED BY STRONG FREE CASH FLOW



CAPEX

Major investment initiative from 2016-2020 successfully completed

Keep investments on the comparable level of depreciation and amortization



Acquisitions

Search for acquisitions fulfilling our financial and strategic objectives

Solid balance sheet structure provides flexibility

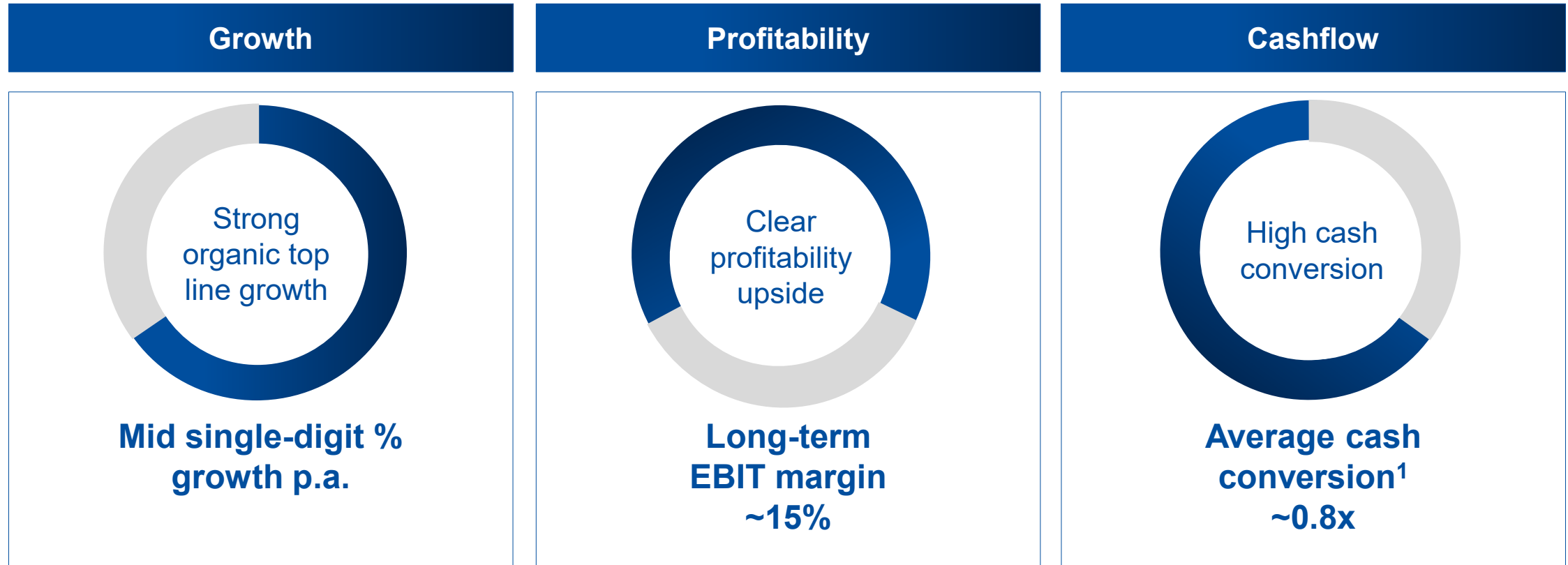


Return to Shareholders

Dividend policy: Increase the absolute dividend per share each year

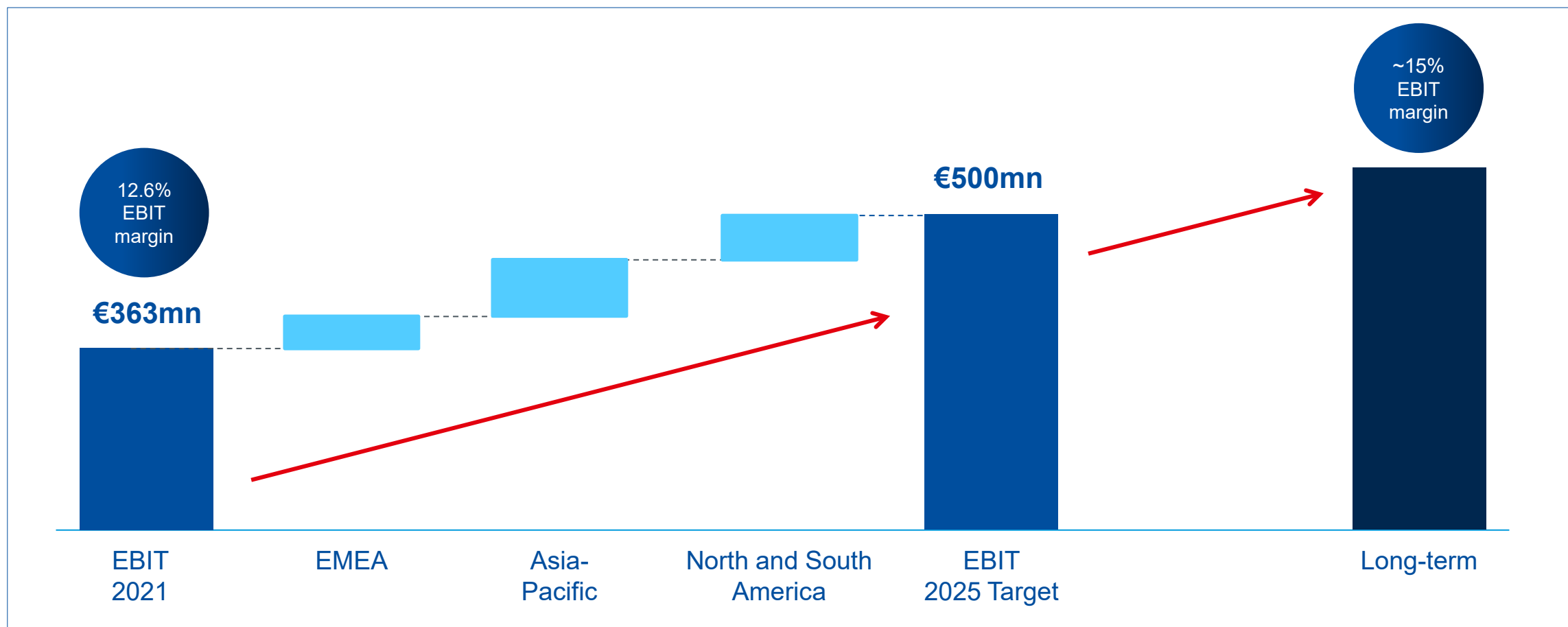
Option to return excess cash to shareholders through buybacks

FINANCIAL TARGETS - OVERVIEW



Upgrade of dividend policy: Increase the absolute dividend amount each year

FINANCIAL TARGET 2025



Agenda

Sustainability

BLOCK 4



MOVING YOUR WORLD

OUR VIEW ON SUSTAINABILITY



Economic

- Develop markets
- Bind & win customers
- Secure & increase longterm business



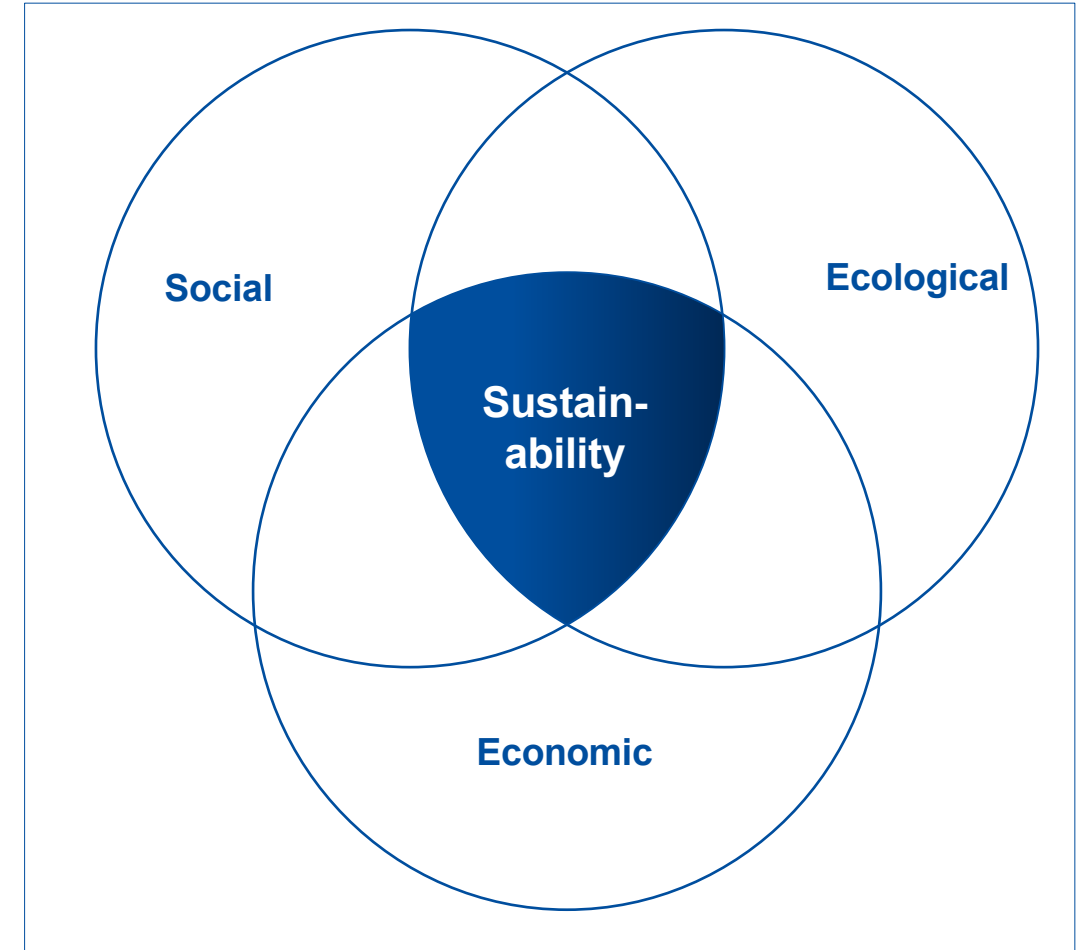
Social

- Employee safety & satisfaction
- „Corporate Citizenship“
- Compliance with human rights



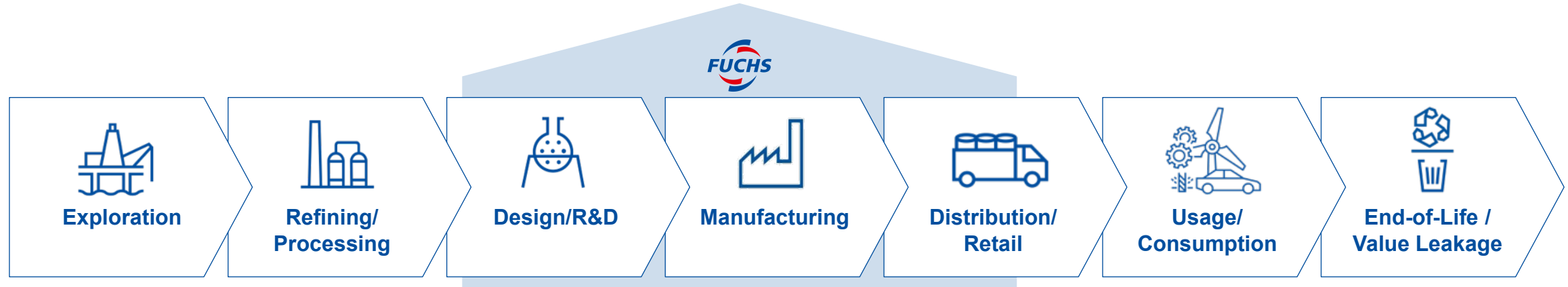
Ecological

- Resource-efficient production
- Environmentally friendly products
- Reduction of CO₂ emissions



ECOLOGICAL SUSTAINABILITY @ FUCHS

PARTNERING WITH THE COMPLETE VALUE CHAIN



Gate-to-Gate*
CO₂-neutral 2020



- Investing in climate-protection-projects - compensation
- Use more renewable energies, reduce waste

Cradle-to-Gate**
CO₂-neutral 2025

Mid-term

- Involving Suppliers in CO₂-reduction projects
- Compensation still needed

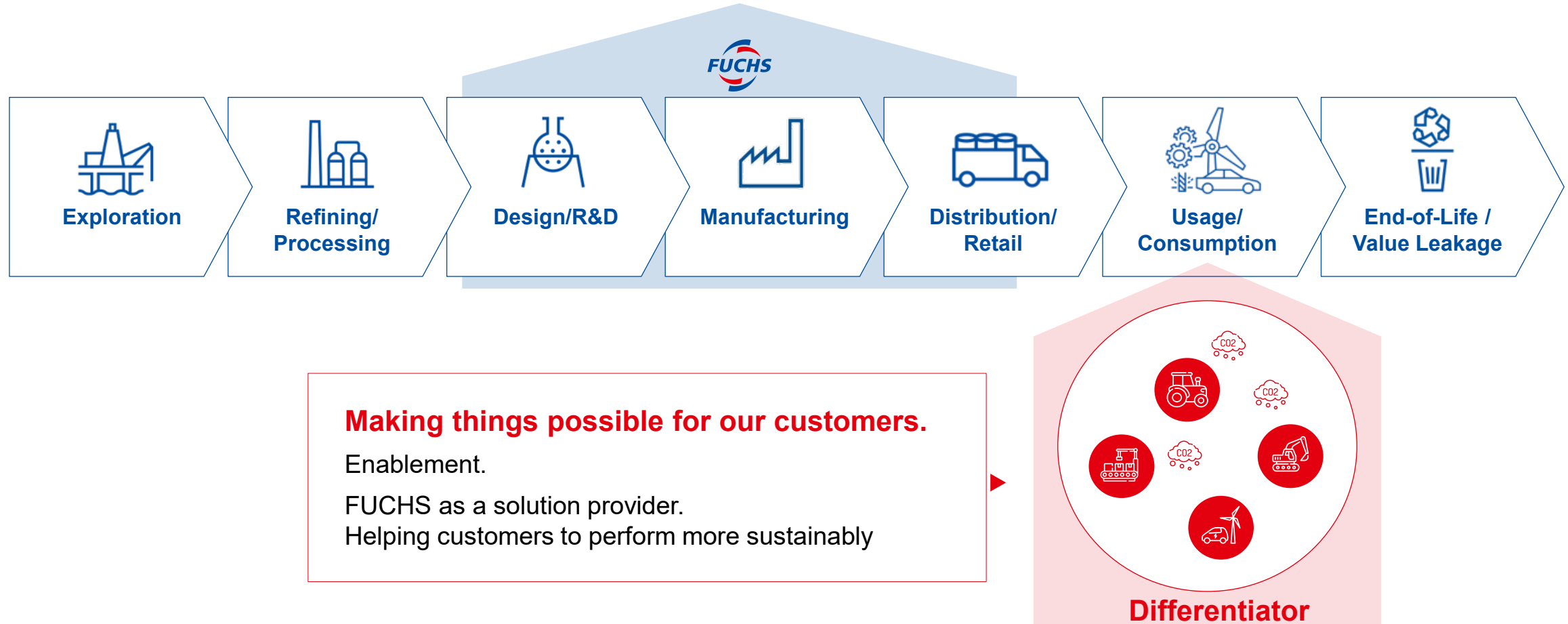
Cradle-to-Cradle
Circular Economy

Long-term

- Transform waste into raw materials

ECOLOGICAL SUSTAINABILITY @ FUCHS

THE DIFFERENTIATOR LIES IN THE ADDED VALUE THAT FUCHS CREATES FOR ITS CUSTOMERS



WE EMPOWER OUR CUSTOMERS TO PERFORM MORE SUSTAINABLY

We are convinced that enabling our customers to act more sustainably is also the key to greater efficiency and thus significant economic savings and added value potentials.

This is not only the basis for the long-term economic success of our customers - but also for our own.

INNOVATIVE ENGINEERING FOR SUSTAINABLE SOLUTIONS



Thanks to our lubricants, machines run more efficiently, which in turn increases their efficiency and lifetime.

For example, FUCHS proved with an excavator operated for 8,000 hours that the use of a premium hydraulic oil saves about 9,600 liters of diesel.

This corresponds to a CO₂-equivalent of nearly 30 tons.

FUCHS is constantly setting new standards with research partners and suppliers. FUCHS is providing solutions for sustainability in the industry.

FUCHS' SUSTAINABILITY JOURNEY

CO₂neutral

By 2021 all affiliates and JVs*
are CO₂-neutral** (by saving
and compensation)



Production volume
2010-2021 increased by

>50%



Decrease of specific waste
generation 2010-2021

-7%



140.028

tons of unavoidable CO₂
emissions in 2021*



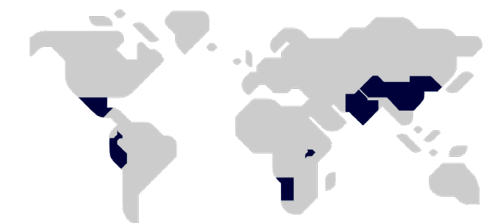
Water related CO₂-
emissions:

only **0,4%** of total CCF



1,7 MWpeak

Own solar power production
capacity globally



We **compensate** for
unavoidable CO₂
emissions by investing in
selected and certified
climate protection projects

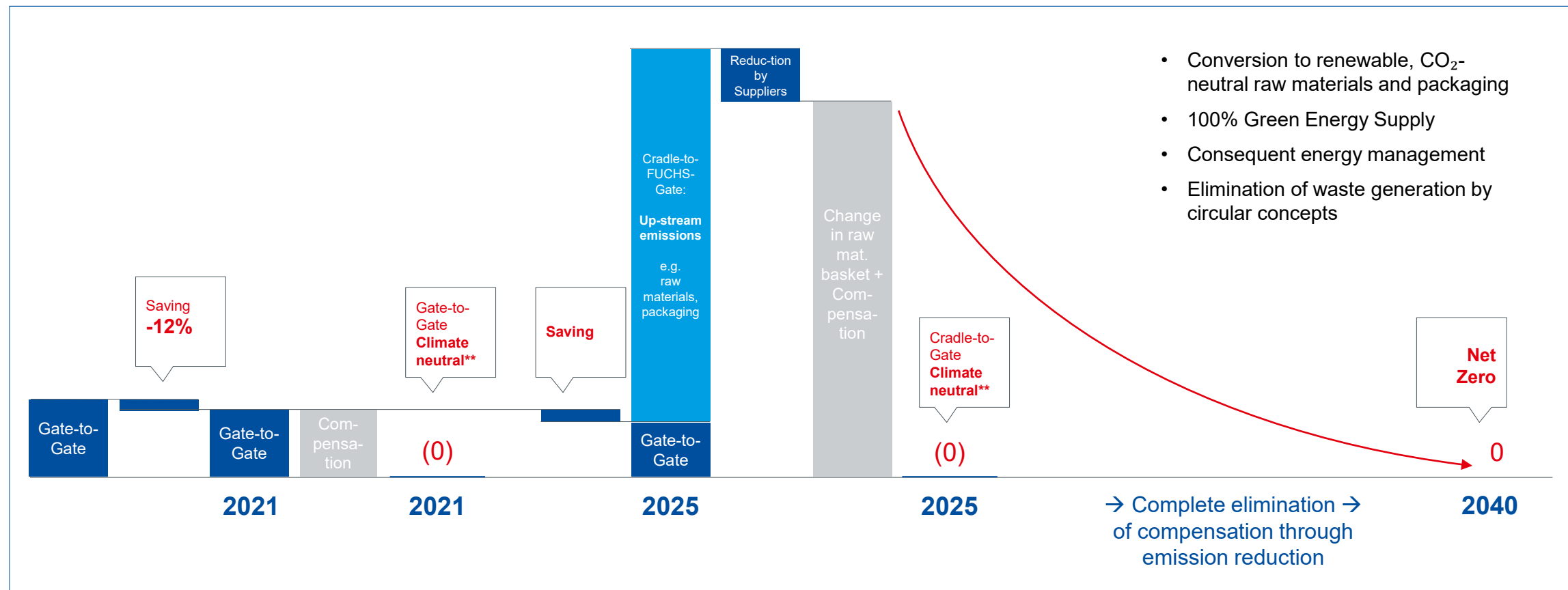


Increase in the share of
green electricity to

52%

WE TAKE ACTION TO REDUCE FUCHS-EMISSIONS

ROADMAP TO „NET ZERO“ BY 2040



The diagram illustrates the circular economy lifecycle for FUCHS, showing the flow from Exploration to End-of-Life / Value Leakage. The stages are represented by blue chevron-shaped boxes:

- Exploration**: Represented by an oil rig icon.
- Refining/Processing**: Represented by an industrial refinery icon.
- Design/R&D**: Represented by a laboratory flask icon.
- Manufacturing**: Represented by a factory icon.
- Distribution/Retail**: Represented by a delivery truck icon.
- Usage/Consumption**: Represented by a car and a gear icon.
- End-of-Life / Value Leakage**: Represented by a recycling bin icon.

Arrows indicate the flow between stages:

- Red curved arrows show the flow from **Refining/Processing** to **Design/R&D** and **Manufacturing**.
- Blue curved arrows show the flow from **Manufacturing** to **Distribution/Retail**, **Usage/Consumption**, and **End-of-Life / Value Leakage**.
- Grey curved arrows show the flow from **Usage/Consumption** back to **Refining/Processing** and **Exploration**.

The **FUCHS** logo is positioned above the **Manufacturing** stage. Below the lifecycle stages, a bar highlights the **3 Principles** of the circular economy:

- Prioritize renewable feed**: Represented by a gear icon.
- Maximize Product utilization**: Represented by a factory icon.
- Recover used products and waste**: Represented by a circular arrow icon.

SOCIAL SUSTAINABILITY @ FUCHS

RANKING OF FUCHS SUPPORTED SDGS BY PROJECTS IN 2021



FUCHS IN SUSTAINABILITY RATINGS AND RANKINGS



CDP

- FUCHS started comprehensive CDP-disclosure in 2021
- Climate change rating could be improved from D- to C
- Water security rating could be improved from D to B-

ISS

- FUCHS was rated „C-“ in 2022, with Transparency Level „High“
- Performance Score could be improved from 25.52 to 26.93

MSCI ESG Research

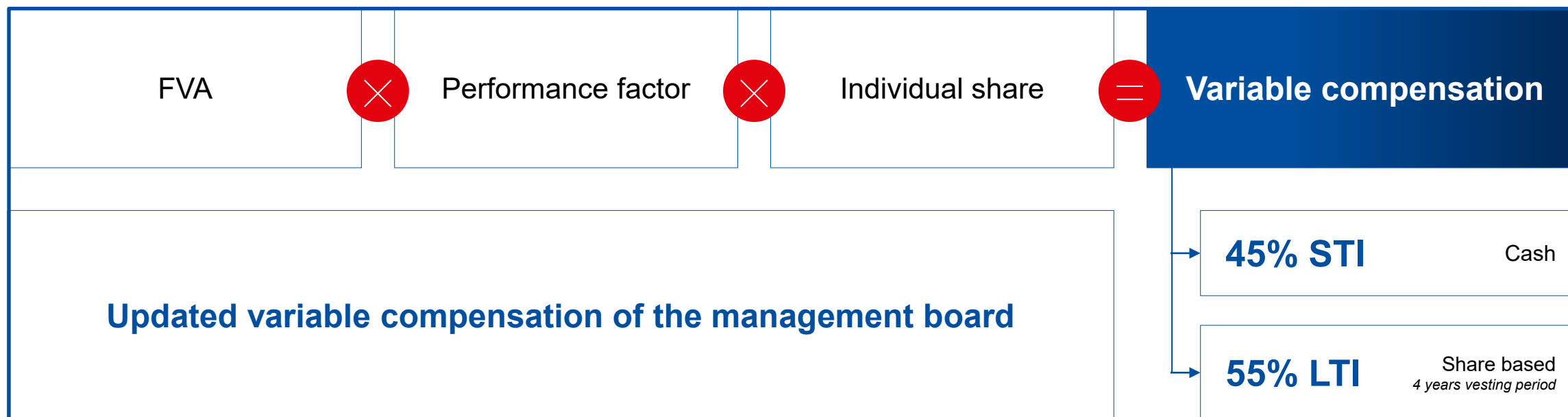
- FUCHS improved rating from BB to BBB in 2021

EcoVadis

- FUCHS responds on a local basis by producing affiliates and on customer request
- In 2022, four FUCHS affiliates received „Gold“-Award

Change of corporate name

FUCHS PETROLUB SE is planned to be renamed in **FUCHS SE**



Agenda

BLOCK 5

Mobility transition



MOVING YOUR WORLD

FUCHS BluEV

01 Market Trend Analysis

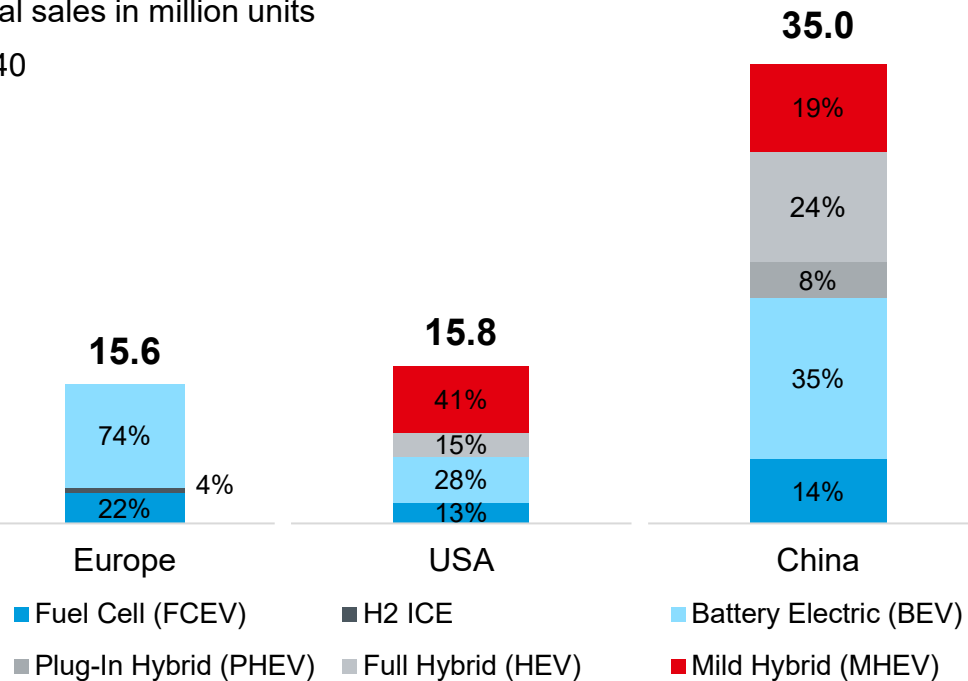


MARKET TREND ANALYSIS

– TRANSFORMATION SCENARIO UNTIL 2040

Passenger car powertrain type forecast

Total sales in million units
2040

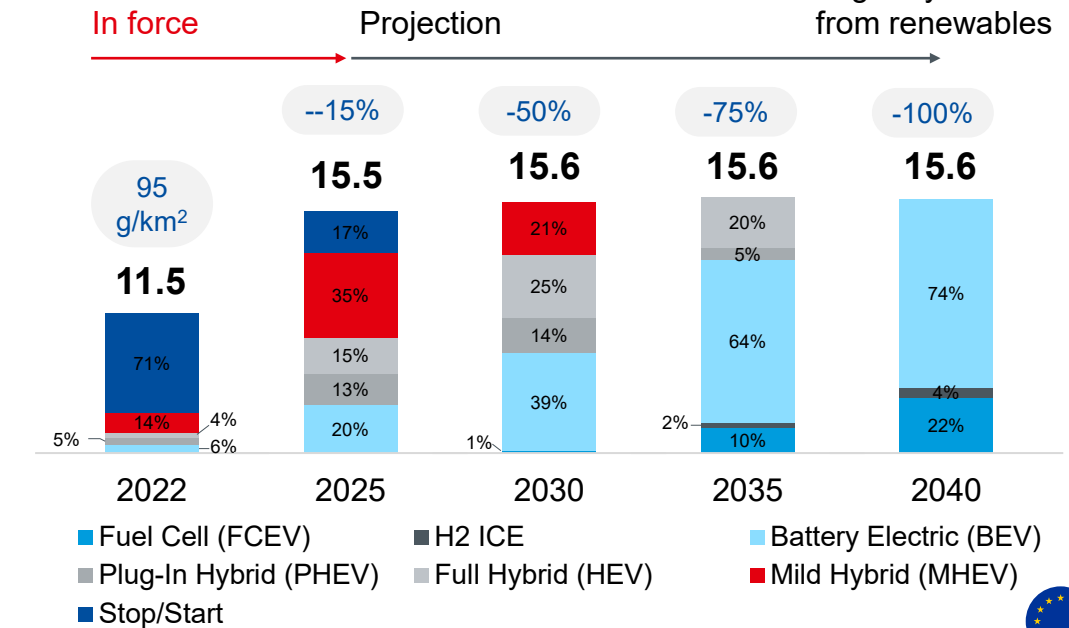


“Accelerated transformation” scenario in Europe

Sales in million units

CO₂ fleet emission targets

No eligibility of fuels from renewables



SUSTAINABILITY DRIVES NEW TECHNOLOGIES

E-MOBILITY – THE SOURCE OF NEW OPPORTUNITIES



Primary target for e-mobility is passenger car and light duty



Heavy duty and stationary engines will follow very slowly – long haul and offroad is not feasible or inefficient



What does it mean to the markets in the light of the today's situation

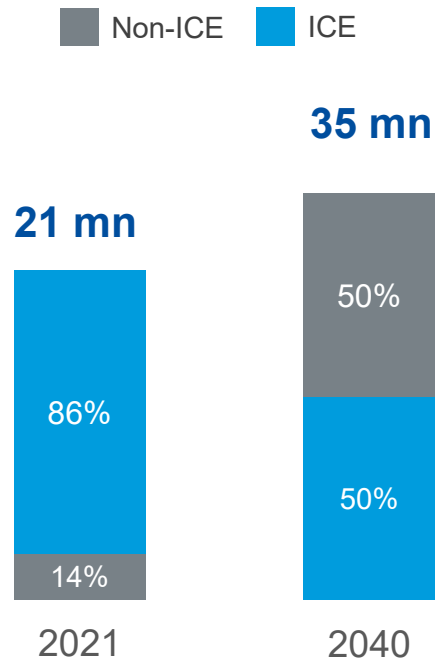
CHINA

US

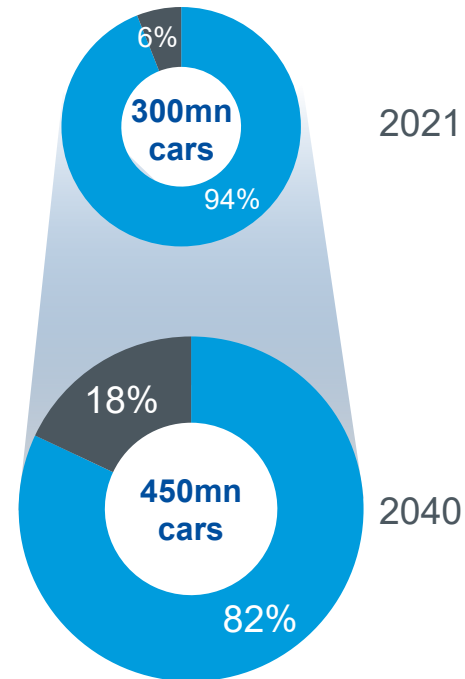
EUROPE

E-MOBILITY RAMP UP SCENARIO: CHINA

Car sales



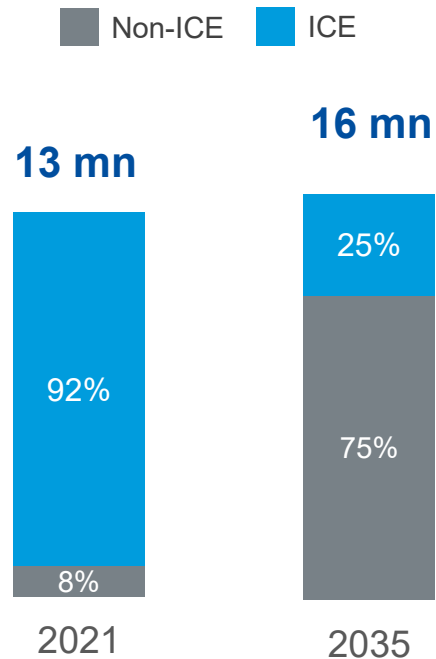
Car population



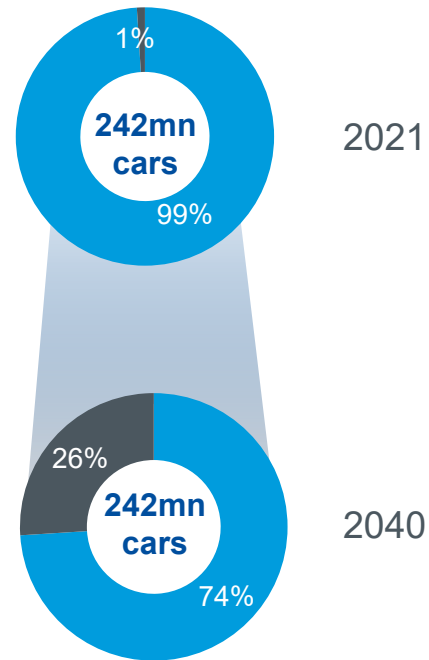
- Strong increase in car sales and car population in China
- Openness in technology leading to more balanced split between ICE and non-ICE
- Even with a fast-growing share of BEVs, there will be more combustion engines in 2040 than today
- Implication on lubricant volumes:
 - current automotive market China ~3.5mt
 - ~1/3 bigger lubricant market including efficiency gains leads to volume increase of ~800kt

E-MOBILITY RAMP UP SCENARIO: EUROPE

Car sales



Car population



- Regulation in Europe will lead to ban of ICE cars between 2030 – 2040
- Overall car population expected to be largely stable
- Assumption: avg. 5 Mio. additional BEVs/year on the road till 2035
- Implication on lubricant volumes:
 - Current total European market ~5.8mt
 - Volume reduction of automotive passenger car market by around 25%
 - Heavy-duty segment (~50% of automotive) expected to be stable
 - Volume decline by ~700kt

Assumption: Full loss of car lubricants (MWF, grease,...)

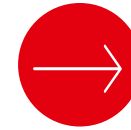
E-MOBILITY SCENARIO: USA



No clear path
forward



Expected impact on the
market very limited in
the coming years

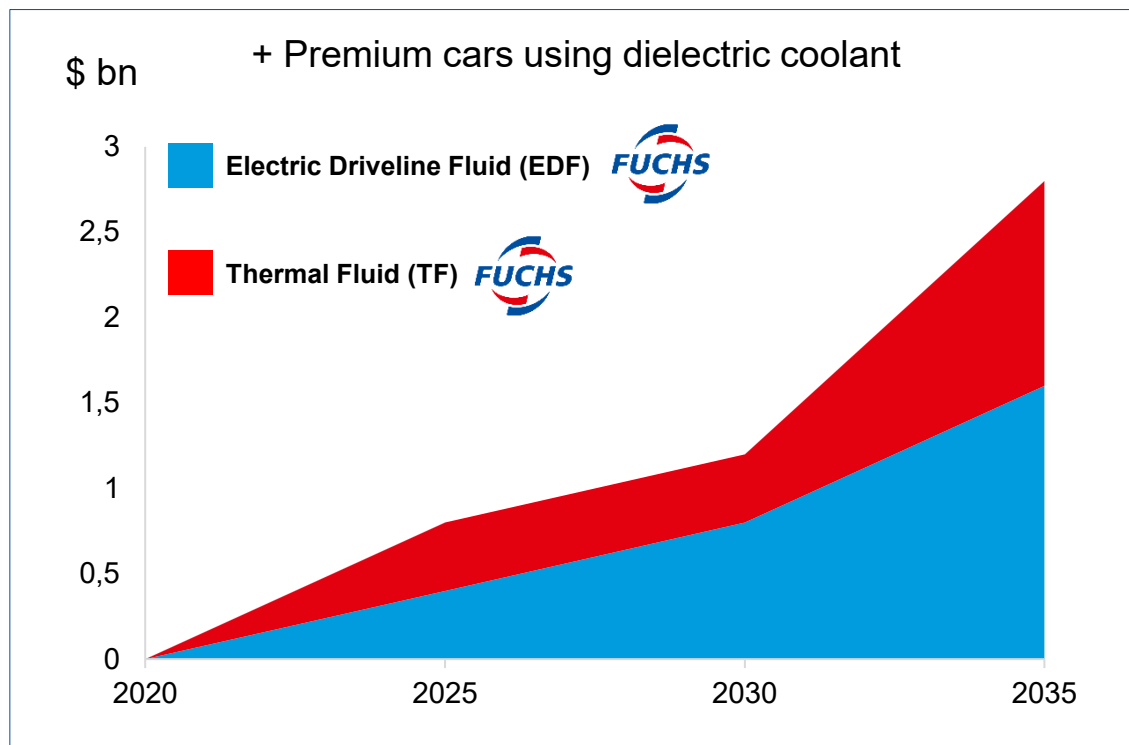


Expectation no
significant influence
through e-mobility



WHERE WE WANT TO GET? MARKET POTENTIAL

Premium cars case



FUCHS defines

~50% as relevant

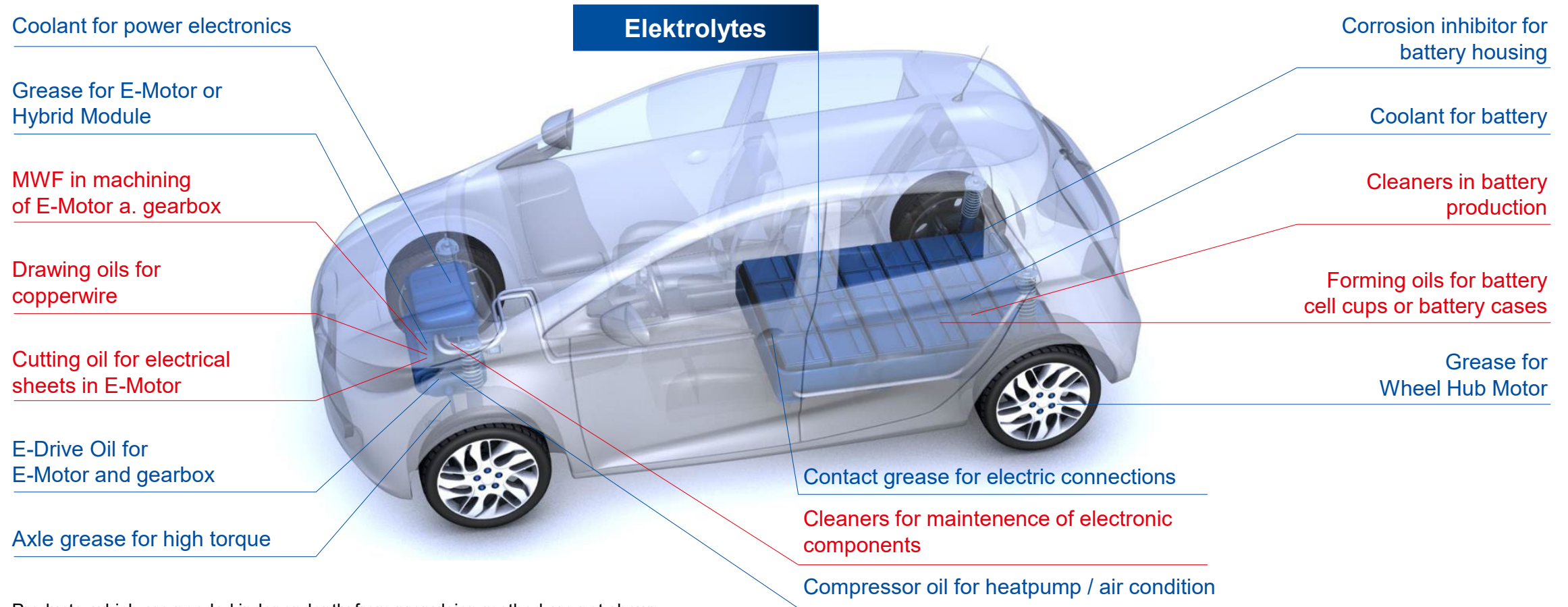
**Market in USD ELECTRIC VEHICLE
(EV) FLUIDS USED IN PASSENGER
VEHICLES, \$ BILLION**

FUCHS BluEV

02 Development of E-Mobility Fluids






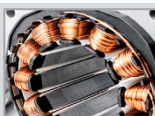





E-MOBILITY CHALLENGES AND OPPORTUNITIES



Products, which are needed independently from propulsion method are not shown

E-MOBILITY FLUIDS @FUCHS

		Electric Driveline Fluid (EDF)			Thermal Fluid (TF)	VisionFluid (VF)
 Wear Protection 		EDF dry No direct contact with e-motor windings	EDF wet Direct contact with e-motor windings	EDF wet FC (Friction Control) Direct contact with e-motor windings Allows use of friction parts (like LSD, clutches, synchronizers)		VF Lubrication and cooling one integrated fluid circuit
	 Bearing Performance 				TF EM Bearing protection if needed Direct contact with e-motor windings	
	 Thermal Fluid / Cooling 					TF Bat For battery cells 
	 Friction Control 	EDF dry FC (Friction Control) e.g. LSD				
		oil based				water containing

„Electrolytes are Performance Fluids and the Heart Blood of a Battery – Energy Transport“

ELYTE
INNOVATIONS

LUBRICANTS.
TECHNOLOGY.
PEOPLE.



MARKET IMPACT NEW OPPORTUNITIES

Electrolyte market opens up significant business potential



Strong increase in demand especially in Europe



Small to medium volume products - design to application



Therefore JV with E-Lyte to enter into this market segment – it is part of the drivetrain fluids – transfer of energy



We focus on high performance electrolytes, not on standard high volume market of traction batteries

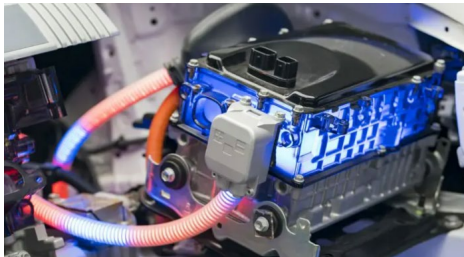


E-Lyte product performance is unique to support, i. e. fast loading cycles



Perfect fit between E-Lyte and FUCHS – high technology meets high technology and industrial experience

BROAD SPECTRUM OF APPLICATIONS FOR ELECTROLYTES



Relevant Markets

- BEV / Light commercial vehicles
- Busses
- Drones
- Marine / Aircraft / Railway
- Computer, Communication und Consumer Electronic

JOINT VENTURE WITH E-LYTE INNOVATION



Know-How Production and Supply Chain

Process-Expertise

Organization & Infrastructure

Global Footprint

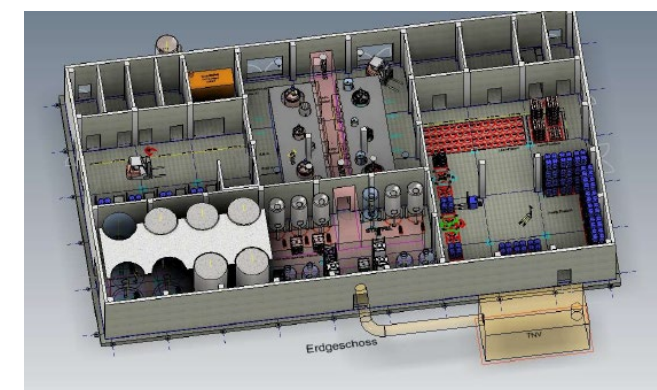
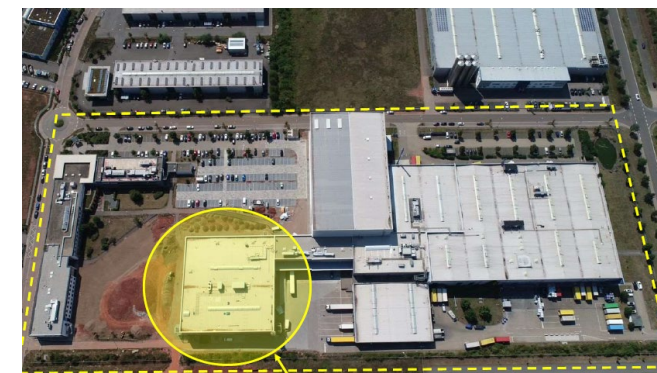
Access to Industry and Gigafactories

Established Network in the Elektrolyte Industry

Technical Know How

Embedded in R&D Campus

Kaiserslautern, GER



Agenda

Key Messages

BLOCK 6



MOVING YOUR WORLD

TODAY'S 6 KEY MESSAGES



Lubricants

Unique FUCHS business model based on strict application focus and tailor-made solutions



Innovation Enabler

FUCHS has the solutions to help customers with their technology transformation



E-Mobility

Significant opportunities for FUCHS in fast developing markets



Sustainability

FUCHS enables its customers to lower their carbon footprint



Digitilization

FUCHS GOES DIGITAL as a basis for smart services, operational excellence and Business Model Innovation



Growth

FUCHS will exploit growth opportunities leading to an EBIT of € 500 mn by 2025



Thank you.

MOVING YOUR WORLD

