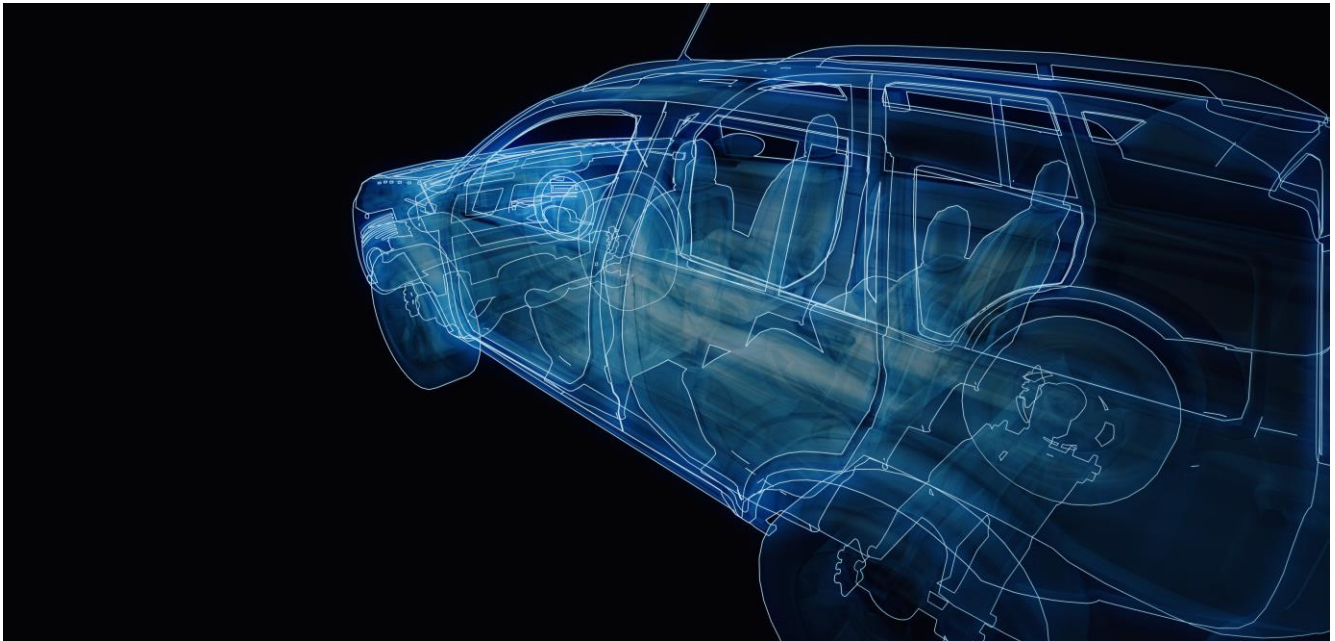


PRESS RELEASE

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Transformation program 'Schneider2025' has been launched



Comprehensive adjustments in the Dr. Schneider Unternehmensgruppe

Kronach-Neuses. Changes in the automotive industry, a declining market especially in Europe, global price pressure, but also internal causes are affecting the business development of the Schneider Group. We have therefore launched the 'Schneider2025' change and transformation program, with which we aim to secure the Group's competitiveness. The resulting savings are to be used to create the financial scope for further investments and thus to be able to offer attractive jobs in the future.

The Dr. Schneider Unternehmensgruppe has a healthy order situation and very good future capacity utilization. We can count ourselves among the innovation drivers of the industry and with some products also among the technology leaders. All our commitment and dedication is based on the grown values of a traditional family business. Out of this responsibility, we must create the conditions to secure our future, because we are not alone in the markets. The struggle for competitiveness in the automotive industry is a constant process of adaptation. The Dr. Schneider Unternehmensgruppe must and will face up to this.

The reasons for the change are complex. On the one hand, the industry is in the middle of the changeover phase from combustion engines to electric drives. Even though we are not directly affected by this and our products are still in demand, we have to adapt to this development in terms of technology and functionality.

Covid-19 came in the middle of this changeover phase, and the entire economy, including the automotive sector, continues to struggle with the consequences. While the general lockdown led to significant sales and revenue losses within a defined period, the restart of the economy then resulted in bottlenecks for materials and electronic products, including semiconductors in particular. The global supply chain is faltering - to this day. Our plants are now suffering above all from extremely unsteady call-offs and changes in delivery schedules at short notice.

Added to this are dramatically increased raw material and energy prices, which are clearly squeezing companies' margins. As things stand at present, this tense situation in the automotive sector will continue until 2025.

The negative effects from the procurement and sales markets, but also problems in the industrialization of very complex new projects, have led to significantly negative earnings in 2021. In order to absorb these negative effects and at the same time adapt to the fundamental structural changes in the markets and industries, our Group will undergo a process of change and transformation.

The goals of the "Schneider2025" program are to become competitive again, to lay the foundations for profitable growth and to offer our employees secure jobs.

To achieve these goals, we need leaner structures, simplified processes and a much more efficient flow of value through our global value chain. We must reduce costs in all areas and make fixed costs more flexible where possible.

Our innovative strength will secure our future. That is why we see it as an important measure to continue investing in our technical infrastructure, digitization and also in the area of research and development. We have invested more than 6 million euros in a new painting center in Neuses, are currently building the state-of-the-art production cells for an innovation project also in Neuses, and are currently expanding the site in Poland in the areas of injection molding, assembly and painting.

To increase our competitiveness, we must implement unavoidable measures for structural adjustment, process optimization and cost reduction. Concrete measures and scenarios are currently being developed in close cooperation with external experts.

One thing we can say is that there will be personnel adjustments. However, we will do this in as socially responsible a way as possible. Early retirement schemes or volunteer programs are conceivable.

One thing is also certain: Kronach-Neuses is and will remain our company headquarters. Our main plant will continue to be located here. The focus is on high-quality and complex products. Everything that has to do with design, development and future technology is driven forward here. To ensure that we can continue to do this, the focus in Germany will be on even greater efficiency and optimized structures.

The growth markets for our customers, and thus also for us, will increasingly be in North America and China. We must and will follow this trend and further expand our sites there in the medium term. In the short term, we will also be focusing our investments on Eastern Europe, in particular Poland.

We expect to be able to present more concrete measures of the "Schneider2025" program in the course of spring 2022, with which we will lead the Dr. Schneider Unternehmensgruppe into a sustainably good and secure future. All the business units concerned and the employee representatives will be involved in the necessary steps in detail.

Dr. Schneider Unternehmensgruppe | Short Portrait

The Dr. Schneider Unternehmensgruppe, headquartered in Kronach-Neuses, Upper Franconia, has established itself as a specialist for first-class products for vehicle interiors -from innovative ventilation systems and sophisticated decorative trim panels to highly integrated trim and add-on parts, intelligent storage systems and centre consoles, as well as mechatronic and electronic components. As a flexible system coordinator and strategic business partner for its customers, Dr. Schneider works today on intelligent solutions for the mobile world of tomorrow. At eight production sites in Germany, China, Poland, Spain and the USA, as well as in several sales offices worldwide, more than 4,000 employees work on smart technologies for a premium driving experience - always with the "Focus on Excellence". The competencies of the full-service supplier range from the latest processes in jig and tool making, state-of-the-art injection molding technologies and sophisticated painting technology to forward-looking assembly technologies and the production of integrated electronic modules. The large circle of customers includes renowned automobile manufacturers such as Audi, BMW, Daimler AG, Ford, Jaguar/Land Rover, Porsche, Renault, Toyota, Volvo and the VW Group. The internationally successful family business, which was founded in 1927 by Franz Schneider sen., is headed by Thomas Stadelmann (Chairman of the Board of Management), Malte Mornhart and Stefan Knoll.

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