Bitte decken Sie die schraffierte Fläche mit einem Bild ab.

(24,4 x 7,6 cm)

Capital Market Days 2020
CEO Presentation
Emerge as a Winner of the Transformation

Ticker: CON
ADR-Ticker: CTTAY
http://www.continental-ir.com

Nikolai Setzer, CEO Continental AG
and Chairman of the Automotive Board
December 16, 2020
Continental AG
We Are a Global Powerhouse

A leading player in autonomous mobility

First to market with software-defined vehicle architecture

Industry-benchmark operational efficiency in Tires

~234,000 talented and dedicated employees
Changing Economic Environment
Positive Mid-term Growth Outlook, but Well Below Previous Expectations

Light vehicle (LV) production (million units)

IHS LV production forecasts from:  December 2018  November 2020

Light vehicle (LV) replacement tire sales (million units)

LMC LV repl. tire sales forecasts from:  December 2018  December 2020
Technological and Societal Changes
Challenges and Opportunities

- Digitalization
- Speed
- Sustainability
- Technology Shift
- Competitive Environment
Our Objectives
What Drives Our Strategy?

What do we want?

- Emerge as a winner of the transformation.
- Create value for all stakeholders.
  Customers, suppliers, employees, partners, communities and shareholders.
Our Strategy
Emerge as a Winner of the Transformation

1. Strengthen operational performance
   - Right-size cost structure
   - Commitment to efficiency and quality

2. Differentiate our portfolio
   - Win in growth businesses
   - Manage value businesses for profitability and cash

3. Turn change into opportunity
   - Embrace sustainability
   - Focus on passion to win and transparency and ownership
Our Strategy
Emerge as a Winner of the Transformation

1. Strengthen operational performance
   - Right-size cost structure
   - Commitment to efficiency and quality

2. Differentiate our portfolio
   - Win in growth businesses
   - Manage value businesses for profitability and cash

3. Turn change into opportunity
   - Embrace sustainability
   - Focus on passion to win and transparency and ownership
Strengthen Operational Performance
Right-size Cost Structure Via Reductions and Shift to Best Cost

Annual gross cost savings target

<table>
<thead>
<tr>
<th>Total &gt;€1 bn by 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Powertrain Technologies</td>
</tr>
<tr>
<td>Automotive Technologies</td>
</tr>
<tr>
<td>Rubber Technologies</td>
</tr>
</tbody>
</table>

Continental’s contribution excluding powertrain

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>Mid-term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Best-cost share in manufacturing</td>
<td>~70%</td>
<td>~75%</td>
</tr>
<tr>
<td>Best-cost share in R&amp;D</td>
<td>~50%</td>
<td>~60%</td>
</tr>
</tbody>
</table>
## Strengthen Operational Performance
Multiple Activities Underway to Improve Productivity and Quality

<table>
<thead>
<tr>
<th>Targets</th>
<th>Selected examples</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operational excellence</strong></td>
<td>Energy efficiency</td>
</tr>
<tr>
<td>Increase effectiveness, efficiency and flexibility</td>
<td>Automation/digitalization</td>
</tr>
<tr>
<td></td>
<td>TiresGym 100</td>
</tr>
<tr>
<td><strong>Quality excellence</strong></td>
<td>Quality First program</td>
</tr>
<tr>
<td>Reduce quality-related incidents and costs</td>
<td>Total Quality Management CoC(^1)</td>
</tr>
<tr>
<td></td>
<td>Continental Business System</td>
</tr>
<tr>
<td><strong>Standardization</strong></td>
<td>Cooperation Portal</td>
</tr>
<tr>
<td>Leverage existing platforms, tools and processes</td>
<td>Autosar</td>
</tr>
<tr>
<td></td>
<td>One Project Management</td>
</tr>
</tbody>
</table>

\(^1\) CoC = Center of Competence
Our Strategy
Emerge as a Winner of the Transformation

1. Strengthen operational performance
   › Right-size cost structure
   › Commitment to efficiency and quality

2. Differentiate our portfolio
   › Win in growth businesses
   › Manage value businesses for profitability and cash

3. Turn change into opportunity
   › Embrace sustainability
   › Focus on passion to win and transparency and ownership
## Differentiate Our Portfolio

### Differentiation of Our Portfolio Between Growth and Value

#### Growth
- Fast-growing markets
- Outperformance driven by technological innovation
- Focus: market position, growth and long-term profitability

#### Value
- Stable, mature markets
- Profitable business
- Focus: profitability and cash conversion

### Automotive Technologies

<table>
<thead>
<tr>
<th></th>
<th>Software and systems excellence</th>
<th>Architecture and networking</th>
<th>Autonomous mobility</th>
<th>Smart mobility</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Growth</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Value</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Tires
- Fleet services, selective regions

### ContiTech
- Smart solutions beyond rubber

### User Experience
- Safety
- User experience

### EMEA business
- Base business

### ContiTech
- Automotive Technologies
- User experience
- Safety

---

Capital Market Days 2020 – CEO

Nikolai Setzer © Continental AG

December 16, 2020
Differentiate the Portfolio
Focused Management Approaches to Best Crystallize Value

<table>
<thead>
<tr>
<th>How we manage</th>
<th>Strategic optionality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth</td>
<td>Considerations</td>
</tr>
<tr>
<td></td>
<td>Value</td>
</tr>
<tr>
<td>Growth</td>
<td>Value-accretive</td>
</tr>
<tr>
<td></td>
<td>outperformance</td>
</tr>
<tr>
<td>Profitability</td>
<td>Long-term profitability</td>
</tr>
<tr>
<td>Investment</td>
<td>Innovation to expand</td>
</tr>
<tr>
<td></td>
<td>market position</td>
</tr>
<tr>
<td></td>
<td>Competitive funding</td>
</tr>
<tr>
<td></td>
<td>for investment needs</td>
</tr>
<tr>
<td></td>
<td>Ability to attract</td>
</tr>
<tr>
<td></td>
<td>talents and potential</td>
</tr>
<tr>
<td></td>
<td>partners</td>
</tr>
<tr>
<td>Value</td>
<td>Selective growth</td>
</tr>
<tr>
<td></td>
<td>Focus on profitability</td>
</tr>
<tr>
<td></td>
<td>Cash conversion</td>
</tr>
<tr>
<td></td>
<td>Continuous best</td>
</tr>
<tr>
<td></td>
<td>owner review</td>
</tr>
<tr>
<td></td>
<td>Partnerships</td>
</tr>
<tr>
<td></td>
<td>or divestitures</td>
</tr>
</tbody>
</table>
Our Strategy
Emerge as a Winner of the Transformation

1. Strengthen operational performance
   - Right-size cost structure
   - Commitment to efficiency and quality

2. Differentiate our portfolio
   - Win in growth businesses
   - Manage value businesses for profitability and cash

3. Turn change into opportunity
   - Embrace sustainability
   - Focus on passion to win and transparency and ownership
Turn Change into Opportunity
Embracing Sustainability in Everything We Do

<table>
<thead>
<tr>
<th>Targets¹</th>
<th>Activities</th>
<th>Accountability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Together with our value chain partners and latest by 2050, we strive for:</td>
<td>We actively unleash sustainable market potential in all business units</td>
<td>Aligned with shareholders</td>
</tr>
<tr>
<td>100% Carbon neutrality</td>
<td>Foster innovation and phase-in growth businesses</td>
<td>Long-term incentive program utilizes three key performance indicators:</td>
</tr>
<tr>
<td>100% Emission-free mobility and industry</td>
<td>Transform or phase-out non-viable businesses</td>
<td>Share price</td>
</tr>
<tr>
<td>100% Closed resource</td>
<td>Advance sustainable business practices</td>
<td>Relative TSR²</td>
</tr>
<tr>
<td>100% Responsible value chain</td>
<td></td>
<td>Sustainability</td>
</tr>
</tbody>
</table>

¹ Selection, for more information [https://www.continental.com/en/sustainability](https://www.continental.com/en/sustainability)
² Total Shareholder Return

14
Turn Change into Opportunity
“Passion to Win” and “Transparency and Ownership” Have Top Focus

Our Values
- Quality and Impact
- Transparency and Ownership
- Flexibility and Agility

Our Mindset
- Passion To Win
- For One Another
- Freedom To Act
- Trust
Summary
Emerge as a Winner of the Transformation

1. Strengthen operational performance
2. Differentiate our portfolio
3. Turn change into opportunity
Disclaimer

› This presentation has been prepared by Continental Aktiengesellschaft solely in connection for the Capital Market Days in December 2020, and the subsequent analyst and investor meetings. It has not been independently verified. It does not constitute an offer, invitation or recommendation to purchase or subscribe for any shares or other securities issued or to be issued by Continental AG or any subsidiary and neither shall any part of it form the basis of, or be relied upon in connection with, any contract or commitment concerning the purchase or sale of such shares or other securities whatsoever.

› Neither Continental Aktiengesellschaft nor any of its affiliates, advisors or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss that may arise from any use of this presentation or its contents or otherwise arising in connection with this presentation.

› This presentation includes assumptions, estimates, forecasts and other forward-looking statements, including statements about our beliefs and expectations regarding future developments as well as their effect on the results of Continental. These statements are based on plans, estimates and projections as they are currently available to the management of Continental. Therefore, these statements speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events. Furthermore, although the management is of the opinion that these statements, and their underlying beliefs and expectations, are realistic as of the date they are made, no assurance can be given that the expected developments and effects will actually occur. Many factors may cause the actual development to be materially different from the expectations expressed here. Such factors include, for example and without limitation, changes in general economic and business conditions, fluctuations in currency exchange rates or interest rates, the introduction of competing products, the lack of acceptance for new products or services and changes in business strategy.

› All statements with regard to markets or market position(s) of Continental or any of its competitors are estimates of Continental based on data available to Continental. Such data are neither comprehensive nor independently verified. Consequently, the data used are not adequate for and the statements based on such data are not meant to be an accurate or proper definition of regional and/or product markets or market shares of Continental and any of the participants in any market.