Welcome to your CDP Water Security Questionnaire 2022

W0. Introduction

W0.1

(W0.1) Give a general description of and introduction to your organization.

Continental AG is the parent company of the Continental Group. In addition to Continental AG, the Continental Group comprises 472 companies, including non-controlled companies. The Continental team is made up of 190,875 employees at a total of 527 locations in the areas of production, research and development, and administration, in 58 countries and markets. Added to this are distribution locations, with 944 company-owned tire outlets and a total of around 5,200 franchises and operations with a Continental brand presence.

Since January 1, 2022, the Continental Group has been divided into four group sectors: Automotive, Tires, ContiTech and Contract Manufacturing. These comprise a total of 17 business areas. The former Autonomous Mobility and Safety (AMS) and Vehicle Networking and Information (VNI) business areas were dissolved with effect from January 1, 2022. At the same time, five new, dynamic and flexible business areas were created. Their organizational structure is based on the business strategy of the Automotive group sector and thus on market development in the context of the transformation of the mobility industry. Tires and ContiTech are now independent group sectors, and the former consolidation of business areas in Rubber Technologies has been dissolved. Following the spin-off of Vitesco Technologies, Contract Manufacturing was created as both a new group sector and business area. Contract Manufacturing comprises contract manufacturing for Vitesco Technologies and therefore the continuing operations of the former Powertrain Technologies group sector.

A group sector or business area with overall responsibility for a business, including its results, is classified according to product requirements, market trends, customer groups and distribution channels.

Overall responsibility for managing the company is borne by the Executive Board of Continental Aktiengesellschaft (AG). The Automotive, Tires and ContiTech group sectors are each represented on the Executive Board. With the exception of Group Purchasing, the central functions of Continental AG are represented by the chairman of the Executive Board, the chief financial officer and the Executive Board member responsible for Human Relations, and assume the functions required to manage the Continental Group across the group sectors. These include, in particular, finance, controlling, compliance, law, IT, human relations, sustainability, as well as quality and environment.

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date
Reporting year	January 1, 2021	December 31, 2021

W0.3

(W0.3) Select the countries/areas in which you operate.

Australia
Belgium
Brazil
Canada
Chile
China
Czechia
Ecuador
Finland
France
Germany
Greece
Hungary
India
Italy
Japan
Lithuania
Malaysia
Mexico
Morocco
Philippines
Poland
Portugal
Republic of Korea
Romania
Russian Federation
Serbia
Singapore
Slovakia
Slovenia
South Africa
Spain
Sri Lanka
Thailand
Turkey
United Kingdom of Great Britain and Northern Ireland
United States of America

W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response.

EUR

W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which operational control is exercised

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

No

W0.7

(W0.7) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization.	Provide your unique identifier
Yes, an ISIN code	DE0005439004

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Important	Important	While freshwater is not used as an input factor in our products, supplies of freshwater are nevertheless important for both our direct and indirect production processes. In addition to the small quantities of high quality freshwater required for washing and drinking by employees, water resources are important in our direct production processes, particularly within the Group Sector Tires, for cooling as well as for galvanic

			processes. Supplies of freshwater are also important in the production of many of our critical raw materials including especially natural rubber, various metals (i.e. steel), plastics and resins. Dependency on freshwater resources will become increasingly important for our indirect operations through the procurement of natural rubber in particular, where an initial footprinting assessment indicates most of our water exposure is held. This dependency is especially vulnerable in some dryer areas new to rubber cultivation where physical risks are of greatest concern.
Sufficient amounts of recycled, brackish and/or produced water available for use	Not very important	Not very important	Currently we do not depend in any significant way on brackish or recycled water for our direct operations and our indirect operations, where use of such sources is nearly zero except in a few isolated plants for cooling purposes. An initial assessment of our supply chain also indicates that such water sources are of lesser importance as compared to freshwater, and where it is used it is primarily for cooling and steam production in the processing of raw materials. An assessment of our indirect water footprint indicates that most of our water exposure lies in key raw materials such as natural rubber that rely primarily on freshwater, and we do not anticipate that this will change in the near future. However, we do expect to expand our use of recycled water within our direct operations in selected locations, particularly those facing acute water stress. Therefore, we expect an increased future water dependency on sufficient amounts of recycled water for both our direct and indirect operations.

W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

	% of sites/facilities/operations	Please explain
Water withdrawals – total volumes	100%	All production sites and R&D sites apply a certified management system according to ISO 14001 and report their data in our global KPI

		tool. Data is collected on a monthly basis and aggregated for annual reporting
Water withdrawals – volumes by source	100%	All production sites and R&D sites apply a certified management system according to ISO 14001 and report their data in our global KPI tool. Data is collected on a monthly basis and aggregated for annual reporting.
Water withdrawals quality	100%	All production sites and R&D sites apply a certified management system according to ISO 14001 and report their data in our global KPI tool. Data is collected on a monthly basis and aggregated for annual reporting.
Water discharges – total volumes	76-99	All production sites and R&D sites apply a certified management system according to ISO 14001 and report their data in our global KPI tool. Data is collected on a monthly basis and aggregated for annual reporting.
Water discharges – volumes by destination	76-99	All production sites and R&D sites apply a certified management system according to ISO 14001 and report their data in our global KPI tool. Data is collected on a monthly basis and aggregated for annual reporting.
Water discharges – volumes by treatment method	51-75	The KPI is monitored locally on an as-needed basis for sites where additional monitoring parameters are required for legal reasons, and are not aggregated at Group level. Usually this indicator is monitored on a monthly basis, although slight variations in monitoring frequency may occur in some locations where legal requirements differ.
Water discharge quality – by standard effluent parameters	51-75	The KPI is monitored locally on an as-needed basis for sites where additional monitoring parameters are required for legal reasons, and are not aggregated at Group level. Usually this indicator is monitored on a monthly basis, although slight variations in monitoring frequency may occur in some locations where legal requirements differ.
Water discharge quality – temperature	51-75	The KPI is monitored locally on an as-needed basis for sites where additional monitoring parameters are required for legal reasons, and are not aggregated at Group level. Usually this indicator is monitored on a monthly basis, although slight variations in monitoring

		frequency may occur in some locations where legal requirements differ.
Water consumption – total volume	76-99	All production sites and R&D sites apply a certified management system according to ISO 14001 and report their data in our global KPI tool. Data is collected on a monthly basis and aggregated for annual reporting.
Water recycled/reused	26-50	Monitoring of recycled/reused water is only undertaken within our Group Sector Tires and is conducted on a monthly basis.
The provision of fully-functioning, safely managed WASH services to all workers	100%	In all plants operated by Continental, WASH Services are provided to our workers as per our company policy. An internal audit of our production locations with regard to this and other health and safety policies is conducted on an annual basis. All Continental locations are fully equipped with the necessary installations according to WASH services.

W1.2b

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?

	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Total withdrawals	16,702,993	Lower	In 2021 the total water demand amounted to 16.7 million m3 (PY: 17.3 million m3 including Vitesco Technologies). This mainly includes drinking water sourced from public-utility water providers, as well as extracted groundwater and surface water. The total volume of water withdrawal fell by 3.5% compared to the previous year. The main reason for this was the discontinued reporting of water use by Vitesco Technologies and in particular the decline in production due to the COVID-19 pandemic, as well as the water-saving projects introduced. In the future, withdrawal volumes are expected to remain roughly stable on a pre-pandemic level with a slight decrease possible due to internal efficiency measures.

Total discharges	8,689,678	Lower	A slightly lower discharge figure resulted due to the spin-off of Vitesco Technologies , the COVID-19 pandemic, as well as the water-saving projects introduced. In the future, volumes are expected to remain roughly stable on a pre-pandemic level with a slight decrease possible due to further internal efficiency measures requiring fewer withdrawals and an uptake in the use of recycled water in some locations.
Total consumption	8,013,315	Lower	A reduction in the overall water withdrawal mainly due to the Spin-Off of Vitesco Technologies and the decline in production due to the COVID-19 pandemic along with a reduction in water withdrawal resulted in a lower consumption figure compared with the previous year. In the future, volumes are expected to remain roughly stable on a pre-pandemic level with a slight decrease possible due to internal efficiency measures.

W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress and provide the proportion.

	Withdrawals are from areas with water stress	Please explain
Row 1	Yes	2018 was the first year in which we assessed and classified our production sites based on various indicators covering physical risks, quality risks as well as reputational and regulatory risks as part of a global water risk assessment. The WRI Aqueduct tool was selected to assess water stress for all basins within which we have production facilities. The assessment was carried out for the indicator baseline water stress (BWS) using data from the model's baseline year (2010) as well as for future projections of water stress in 2020, 2030 and 2040. Based on the outcome of this assessment, we determined that total production facility withdrawals from basins designated as suffering from extreme water stress constituted 15% of the total. Priority countries include Mexico, India, South Africa and China. The full update of the water risk assessment was conducted in 2021. Similar to the overall water withdrawal, the water withdrawal from areas with water stress declined due to water reduction projects and ambitious targets.

W1.2h

(W1.2h) Provide total water withdrawal data by source.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Relevant	2,773,246	Lower	Despite the uninterrupted production (due to the COVID-19 pandemic), the spin-off of Vitesco Technologies and several technical measures in production led to effective water savings for our surface and renewable groundwater sources compared with the previous year's figure. In the future, withdrawal volumes are expected to remain roughly stable on a pre-pandemic level with a slight decrease possible due to internal efficiency measures. Water withdrawal from this source is relevant because it is needed for certain processes within our operations.
Brackish surface water/Seawater	Not relevant			Water from this source is not used by our organisation as supplies from other sources are sufficient to meet our production needs. We do not expect any withdrawals from this source in the future.
Groundwater – renewable	Relevant	5,757,245	About the same	Despite the interrupted production (due to the COVID-19 pandemic), the spin-off of Vitesco Technologies had no significant impact because of low usage of

				groundwater. Therefore the amount of groundwater sources withdrawn stayed roughly stable and was about the same compared with the previous year's figure. In the future, withdrawal volumes are expected to remain roughly stable on a pre-pandemic level with a slight decrease possible due to internal efficiency measures. Water withdrawal from this source is relevant because it is needed for certain processes within our operations.
Groundwater – non-renewable	Not relevant			Water from this source is not used by our organisation as supplies from other sources are sufficient to meet our production needs. We do not expect any withdrawals from this source in the future.
Produced/Entrained water	Relevant	283,477	Lower	Water from this source is used by our organization to support supplies from other sources sufficiently to meet our production needs. Water withdrawal from this source is relevant because it is needed for certain processes within our operations.
Third party sources	Relevant	7,889,025	Lower	Decline in production due to the COVID-19 pandemic, spin-off of Vitesco Technologies and several technical measures in production led to effective water savings. Water withdrawal from this source is relevant because it is

				needed for certain processes within our operations.

W1.2i

(W1.2i) Provide total water discharge data by destination.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water	Relevant	1,804,327	This is our first year of measurement	We have limited discharge to surface water sources for selected sites, this operation takes place on an as-needed basis and is not common practice across the company as a whole. Monitored data on such discharge was aggregated at the corporate level for the first time.
Brackish surface water/seawater	Not relevant			We do not discharge water to brackish surface water or seawater sources.
Groundwater	Relevant	404,512	This is our first year of measurement	We have very limited discharge to groundwater sources for selected sites, this operation takes place on an as-needed basis and is not common practice across the company as a whole. Monitored data on such discharge was aggregated at the corporate level for the first time.
Third-party destinations	Relevant	6,480,839	Lower	A lower discharge figure resulted from the Spin-Off of Vitesco Technologies, as well as the water-saving projects introduced and other efficiency measures. It is corporate policy to discharge all wastewater to third-party destinations and therefore this indicator represents the vast majority of water discharged across the company as a whole. In the future, discharge volumes are expected to remain roughly stable on a pre-pandemic level

				with a slight decrease possible due to further internal efficiency measures requiring fewer withdrawals and an uptake in the use of recycled water in some locations.

W1.2j

(W1.2j) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

	Relevance of treatment level to discharge	Please explain
Tertiary treatment	Relevant but volume unknown	Aggregated numbers are not available on Group Level but locations meter the discharged volumes and the level of treatment.
Secondary treatment	Relevant but volume unknown	Aggregated numbers are not available on Group Level but locations meter the discharged volumes and the level of treatment.
Primary treatment only	Relevant but volume unknown	Aggregated numbers are not available on Group Level but locations meter the discharged volumes and the level of treatment.
Discharge to the natural environment without treatment	Not relevant	Discharge to the natural environment without treatment is not applied at Continental
Discharge to a third party without treatment	Relevant but volume unknown	Aggregated numbers are not available on Group Level but locations meter the discharged volumes and the level of treatment.
Other	Not relevant	Not relevant

W1.3

(W1.3) Provide a figure for your organization's total water withdrawal efficiency.

	Revenue	Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
Row 1	33,765,200,000	16,702,984	2,021.5070552663	We expect the total water withdrawal efficiency to increase over the next few years due to the implementation of further water protection projects and an increased revenue of the company.

W1.4

(W1.4) Do you engage with your value chain on water-related issues?

Yes, our suppliers

W1.4a

(W1.4a) What proportion of suppliers do you request to report on their water use, risks and/or management information and what proportion of your procurement spend does this represent?

Row 1

% of suppliers by number

51-75

Rationale for this coverage

Continental uses EcoVadis and NQC disclosure platforms as internationally accredited and verified systems to obtain information from suppliers and prioritizes those for water disclosure based on strategic materiality and environmental impact thresholds built into the software. All strategic suppliers meeting these criteria are included in the assessment. Suppliers are required to report environmental data indicators among others as a pre-condition for doing business with Continental and the terms are detailed in our supplier agreement. Continental does not actively incentivize suppliers to report their data. Suppliers are not incentivized for disclosing their data but the results are an important aspect of Continental´s supplier selection process.

Comment

W1.4b

(W1.4b) Provide details of any other water-related supplier engagement activity.

Type of engagement

Innovation & collaboration

Details of engagement

Educate suppliers about water stewardship and collaboration

% of suppliers by number

Less than 1%

% of total procurement spend

Less than 1%

Rationale for the coverage of your engagement

In a collaboration project with Tier 1 suppliers within the Bravo River Basin in Mexico, we have created a network within the regional production economy to promote resource efficiency and in particular water-use efficiency, which was one of the more important KPIs discussed as part of the engagement. The location of these suppliers within a designated high-risk water stressed basin was one of the primary motivations for selecting these suppliers in particular.

Impact of the engagement and measures of success

Measures to promote and monitor water-use efficiency across the network of suppliers were implemented with the aim of spreading awareness about the water topic and monitoring know-how throughout the group. Progress is assessed in terms of changes in water withdrawals at the site levels per unit of production, with initial results indicating that some reductions in water withdrawals per unit of production were achieved in addition to reduced total water input costs. One of the beneficial outcomes of the project is an increase in water efficiency and therefore a reduced water withdrawal.

Comment

W2. Business impacts

W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?

No

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

Yes, fines

W2.2a

(W2.2a) Provide the total number and financial value of all water-related fines.

Row 1

Total number of fines

5

Total value of fines

30,044

% of total facilities/operations associated

1

Number of fines compared to previous reporting year

About the same

Comment

The number of fines in the reporting year 2021 was about the same as in the previous year.

W2.2b

(W2.2b) Provide details for all significant fines, enforcement orders and/or other penalties for water-related regulatory violations in the reporting year, and your plans for resolving them.

Type of penalty

Fine

Financial impact

26,159

Country/Area & River basin

Russian Federation
Not known

Type of incident

Other non-compliance with permits, standards, or regulations

Description of penalty, incident, regulatory violation, significance, and resolution

Fines were issued due to a new norm for harmful components in the wastewater discharge into the public sewage system. To resolve this issue the cleaning of all pipes for the whole canalization of the plant is planned.

Type of penalty

Fine

Financial impact

1,000

Country/Area & River basin

Romania
Not known

Type of incident

Spillage, leakage or discharge of potential water pollutant

Description of penalty, incident, regulatory violation, significance, and resolution

The oil separator was damaged, a heavy rain came. Oily water from the separator was spilled to the public sewage without previous cleaning. All contaminated spaces were

cleaned immediately and we replaced the separator. The oily water was collected via a waste collector company.

W3. Procedures

W3.3

(W3.3) Does your organization undertake a water-related risk assessment?

Yes, water-related risks are assessed

W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Value chain stage

Direct operations

Coverage

Full

Risk assessment procedure

Water risks are assessed as a standalone issue

Frequency of assessment

Every two years

How far into the future are risks considered?

More than 6 years

Type of tools and methods used

Tools on the market

Tools and methods used

WRI Aqueduct
WWF Water Risk Filter

Contextual issues considered

Water availability at a basin/catchment level
Water quality at a basin/catchment level
Stakeholder conflicts concerning water resources at a basin/catchment level
Implications of water on your key commodities/raw materials
Water regulatory frameworks
Status of ecosystems and habitats
Access to fully-functioning, safely managed WASH services for all employees

Stakeholders considered

Employees
Local communities
NGOs
Regulators
Suppliers

Comment

Value chain stage

Supply chain

Coverage

Partial

Risk assessment procedure

Water risks are assessed as a standalone issue

Frequency of assessment

Every three years or more

How far into the future are risks considered?

More than 6 years

Type of tools and methods used

Tools on the market

Tools and methods used

EcoVadis
WRI Aqueduct
WWF Water Risk Filter

Contextual issues considered

Water availability at a basin/catchment level
Water quality at a basin/catchment level
Stakeholder conflicts concerning water resources at a basin/catchment level
Implications of water on your key commodities/raw materials
Water regulatory frameworks
Status of ecosystems and habitats
Access to fully-functioning, safely managed WASH services for all employees

Stakeholders considered

Suppliers

Comment

W3.3b

(W3.3b) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

Identifying: We applied a variety of water risk assessment tools for the first time in 2018 in order to conduct an initial global assessment of our water risk profile using a wide range of indicators. This assessment was again updated in 2019 and in 2021. This involved using the WRI Aqueduct Tool and WWF Water Risk Filter to screen our global direct operations and Tier 1 suppliers for current and projected water quantity, water quality, regulatory and reputational risks.

Assessing: These tools were selected due to the wide range of indicators used as well as their general uptake among competitors within our industry in order to ensure consistency in the results. We intend to re-evaluate these indicators every two years in order to take advantage of any updates to the publicly available datasets and ensure accurate risk profiles for strategy planning purposes. The full update of the water risk assessment was conducted in 2021 and included both the current water-related risks as well as future water-related risks. The initial analysis allowed us to determine which production sites and suppliers can be considered at risk from a water quantity or quality perspective. More specifically, we were able to identify basins designated as exhibiting "Extremely High Risk" of baseline water stress, which will be flagged for special attention in the future. The scope of this special attention depends on changes made to our current water policy and remains under discussion.

The following contextual issues are part of our assessment because they are relevant to get a full picture about the different dimensions a location is facing in regards to water risk and how those risks are applying for a certain location:
- Water availability at a basin/catchment level: This issue was selected because it is very important to know the risk of this aspect in regards to ensure safe and continuous manufacturing processes and services in our locations
- Water quality at a basin/catchment level: This issue was selected because it is very important to know the risk of this aspect in regards to ensure safe and continuous manufacturing processes and services in our locations
- Stakeholder conflicts concerning water resources at a basin/catchment level: This issue was selected because it is very important to know the risk of this aspect in regards to ensure safe and continuous manufacturing processes and services in our locations and to avoid harmful environmental impact
- Implications of water on your key commodities/raw materials: This issue was selected because it is very important to know the risk of this aspect in regards to ensure safe and continuous manufacturing processes and services in our locations
- Water regulatory frameworks: This issue was selected because it is very important to know the risk of this aspect in regards to ensure safe and continuous manufacturing processes and services in our locations
- Status of ecosystems and habitats: This issue was selected because it is very important to know the risk of this aspect in regards to ensure safe and continuous manufacturing processes and services in our locations and to avoid harmful environmental impact

- Access to fully-functioning, safely managed WASH services for all employees: This issue was selected because it is very important to know the risk of this aspect in regards to best protect and support our employees

Responding: The water related targets of Continentals environmental strategy are based on the outcomes of the water risk assessment. Locations which have been identified to have the potential to have a substantive financial and strategic impact on our business have to save more water than the locations facing a low to medium risk. That means that those locations have to take more actions in order to respond to the risk they are facing and to actively consider the usage of the available water resources.

W4. Risks and opportunities

W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes, both in direct operations and the rest of our value chain

W4.1a

(W4.1a) How does your organization define substantive financial or strategic impact on your business?

We consider substantive financial or strategic impact to our business to be defined as the highest level of baseline water stress as defined by our global WRI Aqueduct risk analysis (Level 5 - Extremely High Risk), which is a quantitative risk metric indicating the ratio of total annual water withdrawals to total annual renewable water supply within a defined basin. The highest risk level indicates that 80% or more of total water available is being withdrawn for human purposes. We do not currently recognize direct or indirect operational sites located in basins below the 80% threshold as subject to substantive risk, however we may modify this definition in the future to include more sites. A first result of this assessment in 2021 was that 69 locations are facing an extremely high risk in terms of baseline water stress (current level and in the future (focus on 2030)). Secondly, those locations have been assessed again in terms of substantive financial impacts on our business and were rated again.

Based on this method, six facilities within our direct operations fall within our high risk threshold while one of our priority suppliers (indirect operations) can be categorized as high risk according to our definition.

As a result of this analysis, many of our production sites located in Mexico have been targeted for special water-efficiency measures and engagement with the water topic due to the large number of facilities located within high-risk basins.

W4.1b

(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?

	Total number of facilities exposed to water risk	% company-wide facilities this represents	Comment
Row 1	6	1-25	Roughly 3 % of all production sites are impacted with regard to the highest level of baseline water stress as defined by WRI. Focus countries include Mexico, India, South Africa and China.

W4.1c

(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?

Country/Area & River basin

Mexico

Bravo

Number of facilities exposed to water risk

1

% company-wide facilities this represents

Less than 1%

% company's total global revenue that could be affected

Less than 1%

Comment

Country/Area & River basin

Mexico

Colorado River (Pacific Ocean)

Number of facilities exposed to water risk

1

% company-wide facilities this represents

Less than 1%

% company's total global revenue that could be affected

Less than 1%

Comment

Country/Area & River basin

India

Ganges - Brahmaputra

Number of facilities exposed to water risk

1

% company-wide facilities this represents

Less than 1%

% company's total global revenue that could be affected

Less than 1%

Comment

Country/Area & River basin

South Africa

Other, please specify

Algoa

Number of facilities exposed to water risk

1

% company-wide facilities this represents

Less than 1%

% company's total global revenue that could be affected

Less than 1%

Comment

Country/Area & River basin

China

Other, please specify

Weishan Hu

Number of facilities exposed to water risk

1

% company-wide facilities this represents

Less than 1%

% company's total global revenue that could be affected

Less than 1%

Comment

Country/Area & River basin

China

Huang He (Yellow River)

Number of facilities exposed to water risk

1

% company-wide facilities this represents

Less than 1%

% company's total global revenue that could be affected

Less than 1%

Comment

W4.2

(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

Mexico

Bravo

Type of risk & Primary risk driver

Chronic physical

Water stress

Primary potential impact

Constraint to growth

Company-specific description

This basin was designated as extremely high risk in terms of baseline water stress in accordance with the global WRI Aqueduct water risk assessment described above and therefore flagged for our attention. A lack of available freshwater could be a limiting factor in our productive rubber products capacity, particularly in light of our expected

growth forecasts in this expanding domestic market and therefore further investigation will be necessary to determine the appropriate engagement/response from a water perspective. As a response to the risks detected, several additional water reduction initiatives have been implemented and will be implemented in the future. In detail: After this specific risk has been detected, a local team was set up in order to further evaluate how to best react. The risks are addressed both in the location and in the Group Sector. Actions taken comprise short-term activities (up to 2 years) as well as medium-term mitigation measures (up to 5 years). Depending on the local conditions, detailed action plans have been developed.

Timeframe

1-3 years

Magnitude of potential impact

Medium-low

Likelihood

Likely

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

5,000,000

Potential financial impact figure - maximum (currency)

5,000,000

Explanation of financial impact

5,000,000 = average of estimated range of impact (1 - 10,000,000). The calculation of direct financial impact is in the beginning phases only and obtaining precise figures remains difficult at this stage. We have identified an early estimated figure regarding financial impact and have initiated countermeasures to address this impact, however the precise figures remain confidential at present.

Primary response to risk

Adopt water efficiency, water reuse, recycling and conservation practices

Description of response

ESH Managers and Facilities generally are trained in water-use efficiency and technical solutions to save water. Furthermore, the water specific targets of Continentals environmental strategy are based on the outcomes of the water risk assessment. Locations which have been identified to have the potential to have a substantive financial and strategic impact on our business have to save more water than the locations facing a low to medium risk. That means that those locations have to take more actions in order to respond to the risk they are facing and to actively consider the usage of the available water resources.

Cost of response

1

Explanation of cost of response

All individual measures are calculated at the individual site level and at present are not aggregated at the corporate level.
1 = Figures for cost of response are considered confidential

Country/Area & River basin

Mexico
Colorado River (Pacific Ocean)

Type of risk & Primary risk driver

Chronic physical
Water stress

Primary potential impact

Constraint to growth

Company-specific description

This basin was designated as extremely high risk in terms of baseline water stress in accordance with the global WRI Aqueduct water risk assessment described above and therefore flagged for our attention. A lack of available freshwater could be a limiting factor in our productive capacity, particularly in light of our expected growth forecasts in this expanding domestic market and therefore further investigation will be necessary to determine the appropriate engagement/response from a water perspective. As a response to the risks detected, several additional water reduction initiatives have been implemented and will be implemented in the future. In detail: After this specific risk has been detected, a local team was set up in order to further evaluate how to best react. The risks are addressed both in the location and in the Group Sector. Actions taken comprise short-term activities (up to 2 years) as well as medium-term mitigation measures (up to 5 years). Depending on the local conditions, detailed action plans have been developed.

Timeframe

1-3 years

Magnitude of potential impact

Medium-low

Likelihood

Likely

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

5,000,000

Potential financial impact figure - maximum (currency)

5,000,000

Explanation of financial impact

5,000,000 = average of estimated range of impact (1 - 10,000,000). The calculation of direct financial impact is in the beginning phases only and obtaining precise figures remains difficult at this stage. We have identified an early estimated figure regarding financial impact and have initiated countermeasures to address this impact, however the precise figures remain confidential at present.

Primary response to risk

Adopt water efficiency, water reuse, recycling and conservation practices

Description of response

ESH Managers and Facilities generally are trained in water-use efficiency and technical solutions to save water. Furthermore, the water specific targets of Continentals environmental strategy are based on the outcomes of the water risk assessment. Locations which have been identified to have the potential to have a substantive financial and strategic impact on our business have to save more water than the locations facing a low to medium risk. That means that those locations have to take more actions in order to respond to the risk they are facing and to actively consider the usage of the available water resources.

Cost of response

1

Explanation of cost of response

All individual measures are calculated at the individual site level and at present are not aggregated at the corporate level.
1 = Figures for cost of response are considered confidential

Country/Area & River basin

India
Ganges - Brahmaputra

Type of risk & Primary risk driver

Chronic physical
Water stress

Primary potential impact

Constraint to growth

Company-specific description

This basin was designated as extremely high risk in terms of baseline water stress in accordance with the global WRI Aqueduct water risk assessment described above and

therefore flagged for our attention. A lack of available freshwater could be a limiting factor in our productive capacity, particularly in light of our expected growth forecasts in this expanding domestic market and therefore further investigation will be necessary to determine the appropriate engagement/response from a water perspective. As a response to the risks detected, several additional water reduction initiatives have been implemented and will be implemented in the future. In detail: After this specific risk has been detected, a local team was set up in order to further evaluate how to best react. The risks are addressed both in the location and in the Group Sector. Actions taken comprise short-term activities (up to 2 years) as well as medium-term mitigation measures (up to 5 years). Depending on the local conditions, detailed action plans have been developed.

Timeframe

1-3 years

Magnitude of potential impact

Medium

Likelihood

Likely

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

5,000,000

Potential financial impact figure - maximum (currency)

5,000,000

Explanation of financial impact

5,000,000 = average of estimated range of impact (1 - 10,000,000). The calculation of direct financial impact is in the beginning phases only and obtaining precise figures remains difficult at this stage. We have identified an early estimated figure regarding financial impact and have initiated countermeasures to address this impact, however the precise figures remain confidential at present.

Primary response to risk

Adopt water efficiency, water reuse, recycling and conservation practices

Description of response

ESH Managers and Facilities generally are trained in water-use efficiency and technical solutions to save water. Furthermore, the water specific targets of Continentals environmental strategy are based on the outcomes of the water risk assessment. Locations which have been identified to have the potential to have a substantive financial and strategic impact on our business have to save more water than the locations facing a low to medium risk. That means that those locations have to take

more actions in order to respond to the risk they are facing and to actively consider the usage of the available water resources.

Cost of response

1

Explanation of cost of response

All individual measures are calculated at the individual site level and at present are not aggregated at the corporate level.
1 = Figures for cost of response are considered confidential

Country/Area & River basin

South Africa
Other, please specify
Algoa

Type of risk & Primary risk driver

Chronic physical
Water stress

Primary potential impact

Constraint to growth

Company-specific description

This basin was designated as extremely high risk in terms of baseline water stress in accordance with the global WRI Aqueduct water risk assessment described above and therefore flagged for our attention. A lack of available freshwater could be a limiting factor in our productive capacity, particularly with respect to the production of steam, which specifically relevant to this facility and could lead to higher production . As a response to the risks detected, several additional water reduction initiatives have been implemented and will be implemented in the future. In detail: After this specific risk has been detected, a local team was set up in order to further evaluate how to best react. The risks are addressed both in the location and in the Group Sector. Actions taken comprise short-term activities (up to 2 years) as well as medium-term mitigation measures (up to 5 years). Depending on the local conditions, detailed action plans have been developed.

Timeframe

1-3 years

Magnitude of potential impact

Medium

Likelihood

Likely

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

5,000,000

Potential financial impact figure - maximum (currency)

5,000,000

Explanation of financial impact

5,000,000 = average of estimated range of impact (1 - 10,000,000). The calculation of direct financial impact is in the beginning phases only and obtaining precise figures remains difficult at this stage. We have identified an early estimated figure regarding financial impact and have initiated countermeasures to address this impact, however the precise figures remain confidential at present.

Primary response to risk

Adopt water efficiency, water reuse, recycling and conservation practices

Description of response

ESH Managers and Facilities generally are trained in water-use efficiency and technical solutions to save water. Furthermore, the water specific targets of Continentals environmental strategy are based on the outcomes of the water risk assessment. Locations which have been identified to have the potential to have a substantive financial and strategic impact on our business have to save more water than the locations facing a low to medium risk. That means that those locations have to take more actions in order to respond to the risk they are facing and to actively consider the usage of the available water resources.

Cost of response

1

Explanation of cost of response

All individual measures are calculated at the individual site level and at present are not aggregated at the corporate level.
1 = Figures for cost of response are considered confidential

Country/Area & River basin

China
Other, please specify
Weishan Hu

Type of risk & Primary risk driver

Chronic physical
Water stress

Primary potential impact

Constraint to growth

Company-specific description

This basin was designated as extremely high risk in terms of baseline water stress in accordance with the global WRI Aqueduct water risk assessment described above and therefore flagged for our attention. A lack of available freshwater could be a limiting factor in our productive capacity, particularly in light of our expected growth forecasts in this expanding domestic market and therefore further investigation will be necessary to determine the appropriate engagement/response from a water perspective.
After this specific risk has been detected, a local team was set up in order to further evaluate how to best react. The risks are addressed both in the location and in the Group Sector. Actions taken comprise short-term activities (up to 2 years) as well as medium-term mitigation measures (up to 5 years). Depending on the local conditions, detailed action plans have been developed.

Timeframe

1-3 years

Magnitude of potential impact

Medium

Likelihood

Likely

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

5,000,000

Potential financial impact figure - maximum (currency)

5,000,000

Explanation of financial impact

5,000,000 = average of estimated range of impact (1 - 10,000,000). The calculation of direct financial impact is in the beginning phases only and obtaining precise figures remains difficult at this stage. We have identified an early estimated figure regarding financial impact and have initiated countermeasures to address this impact, however the precise figures remain confidential at present.

Primary response to risk

Adopt water efficiency, water reuse, recycling and conservation practices

Description of response

ESH Managers and Facilities generally are trained in water-use efficiency and technical solutions to save water. Furthermore, the water specific targets of Continentals environmental strategy are based on the outcomes of the water risk assessment. Locations which have been identified to have the potential to have a substantive financial and strategic impact on our business have to save more water than the

locations facing a low to medium risk. That means that those locations have to take more actions in order to respond to the risk they are facing and to actively consider the usage of the available water resources.

Cost of response

1

Explanation of cost of response

All individual measures are calculated at the individual site level and at present are not aggregated at the corporate level.
1 = Figures for cost of response are considered confidential

Country/Area & River basin

China
Huang He (Yellow River)

Type of risk & Primary risk driver

Chronic physical
Water stress

Primary potential impact

Constraint to growth

Company-specific description

This basin was designated as extremely high risk in terms of baseline water stress in accordance with the global WRI Aqueduct water risk assessment described above and therefore flagged for our attention. A lack of available freshwater could be a limiting factor in our productive capacity, particularly in light of our expected growth forecasts in this expanding domestic market and therefore further investigation will be necessary to determine the appropriate engagement/response from a water perspective.
After this specific risk has been detected, a local team was set up in order to further evaluate how to best react. The risks are addressed both in the location and in the Group Sector. Actions taken comprise short-term activities (up to 2 years) as well as medium-term mitigation measures (up to 5 years). Depending on the local conditions, detailed action plans have been developed.

Timeframe

1-3 years

Magnitude of potential impact

Medium

Likelihood

Likely

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

5,000,000

Potential financial impact figure - maximum (currency)

5,000,000

Explanation of financial impact

5,000,000 = average of estimated range of impact (1 - 10,000,000). The calculation of direct financial impact is in the beginning phases only and obtaining precise figures remains difficult at this stage. We have identified an early estimated figure regarding financial impact and have initiated countermeasures to address this impact, however the precise figures remain confidential at present.

Primary response to risk

Adopt water efficiency, water reuse, recycling and conservation practices

Description of response

ESH Managers and Facilities generally are trained in water-use efficiency and technical solutions to save water. Furthermore, the water specific targets of Continentals environmental strategy are based on the outcomes of the water risk assessment. Locations which have been identified to have the potential to have a substantive financial and strategic impact on our business have to save more water than the locations facing a low to medium risk. That means that those locations have to take more actions in order to respond to the risk they are facing and to actively consider the usage of the available water resources.

Cost of response

1

Explanation of cost of response

All individual measures are calculated at the individual site level and at present are not aggregated at the corporate level.
1 = Figures for cost of response are considered confidential

W4.2a

(W4.2a) Provide details of risks identified within your value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

China
Yangtze River (Chang Jiang)

Stage of value chain

Supply chain

Type of risk & Primary risk driver

Chronic physical

Water stress

Primary potential impact

Disruption to sales due to value chain dissruption

Company-specific description

This basin in which one of our Chinese suppliers is located was designated as extremely high risk in terms of baseline water stress in accordance with the global WRI Aqueduct water risk assessment described above and therefore flagged for our attention. A lack of available freshwater could impact our procurement of necessary raw materials and input components required by our production facilities and therefore further investigation will be necessary to determine the appropriate engagement/response with such suppliers from a water perspective.

Timeframe

1-3 years

Magnitude of potential impact

Medium

Likelihood

Likely

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

5,000,000

Potential financial impact figure - maximum (currency)

5,000,000

Explanation of financial impact

5,000,000 = average of estimated range of impact (1 - 10,000,000). The calculation of direct financial impact is in the beginning phases only and obtaining precise figures remains difficult at this stage. We have identified an early estimated figure regarding financial impact and have initiated countermeasures to address this impact, however the precise figures remain confidential at present.

Primary response to risk

Upstream

Map supplier water risk

Description of response

The designation of suppliers from this basin as belonging to the extremely high-risk category was determined based on an initial global water risk assessment and therefore

further refinement of the risk assessment and engagement with affected suppliers will be necessary to determine an appropriate and targeted response to lessen risk from water stress.

Cost of response

1

Explanation of cost of response

Further refinements to the risk assessment using additional indicators shall be conducted using WRI Aqueduct Tool and WWF Water Risk Filter to take into account issues regarding water quality, flooding, rainfall variability and other factors to narrow down the scope of the risk to suppliers within this basin. Subsequent high-level engagement with the supplier shall initiate a deeper assessment based on local knowledge to determine an initial course of action. Such due diligence and risk mitigation planning is not considered to have significant costs at the pre-implementation phase.
1 = Figures for cost of response are considered confidential

W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

No

W4.3b

(W4.3b) Why does your organization not consider itself to have water-related opportunities?

	Primary reason	Please explain
Row 1	Opportunities exist, but none with potential to have a substantive financial or strategic impact on business	In some areas of ContiTech business area we provide solutions to save water or to reduce water losses by evaporation such as foils, hoses and pipes. Those products reduce water leakages and water losses towards the environment. However, this is not a major portion of or business or production costs since we do not expect that those products will exceed the threshold for a substantive opportunity in regards to sales volumes within the next years. Opportunities are regularly elaborated and assessed in our Environmental and in our Engineering departments on Group Sector and on location level. If opportunities (e.g. increased water efficiency or water savings) are exceeding the internal threshold of 1* and can be realized (technically) on location level, measures might be implemented. The assessments are done regularly but at least yearly. The next assessment will be repeated in the upcoming year.

		*1 = Figures for threshold of substantive opportunities are considered confidential

W5. Facility-level water accounting

W5.1

(W5.1) For each facility referenced in W4.1c, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Facility reference number

Facility 1

Facility name (optional)

Country/Area & River basin

Mexico

Bravo

Latitude

28.7

Longitude

-106.1

Located in area with water stress

Yes

Total water withdrawals at this facility (megaliters/year)

77,234

Comparison of total withdrawals with previous reporting year

Lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

33,978

Withdrawals from third party sources

43,256

Total water discharges at this facility (megaliters/year)

5,700

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

5,700

Total water consumption at this facility (megaliters/year)

71,534

Comparison of total consumption with previous reporting year

Lower

Please explain

Besides the implementation of water-use efficiency measures at this facility, a continued decrease in production due to the COVID-19 pandemic resulted in a decrease in the level of water withdrawals, discharge and consumption compared to the previous reporting year.

Facility reference number

Facility 2

Facility name (optional)

Country/Area & River basin

Mexico
Colorado River (Pacific Ocean)

Latitude

31.3

Longitude

-110.9

Located in area with water stress

Yes

Total water withdrawals at this facility (megaliters/year)

33,452

Comparison of total withdrawals with previous reporting year

Higher

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

33,452

Total water discharges at this facility (megaliters/year)

10,036

Comparison of total discharges with previous reporting year

Higher

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

10,036

Total water consumption at this facility (megaliters/year)

23,416

Comparison of total consumption with previous reporting year

Higher

Please explain

An undisrupted production and the volume increase in production after the COVID-19 pandemic resulted in a small increase in the level of water withdrawals, discharge and consumption compared to the previous reporting year.

Facility reference number

Facility 3

Facility name (optional)

Country/Area & River basin

India
Ganges - Brahmaputra

Latitude

28.4

Longitude

77

Located in area with water stress

Yes

Total water withdrawals at this facility (megaliters/year)

10,767

Comparison of total withdrawals with previous reporting year

Lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

1,735

Withdrawals from third party sources

9,032

Total water discharges at this facility (megaliters/year)

7,535

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

7,535

Total water consumption at this facility (megaliters/year)

3,232

Comparison of total consumption with previous reporting year

About the same

Please explain

Besides the implementation of water-use efficiency measures at this facility, the effects in production due to the COVID-19 pandemic resulted in a slight decrease in the level of water withdrawals, discharge and consumption compared to the previous reporting year.

Facility reference number

Facility 4

Facility name (optional)

Country/Area & River basin

South Africa

Other, please specify

Algoa

Latitude

-33.9

Longitude

25.6

Located in area with water stress

Yes

Total water withdrawals at this facility (megaliters/year)

56,695

Comparison of total withdrawals with previous reporting year

Higher

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

56,695

Total water discharges at this facility (megaliters/year)

18,678

Comparison of total discharges with previous reporting year

Higher

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

18,678

Total water consumption at this facility (megaliters/year)

38,017

Comparison of total consumption with previous reporting year

Higher

Please explain

An undisrupted production and the volume increase in production after the COVID-19 pandemic resulted in an increase in the level of water withdrawals, discharge and consumption compared to the previous reporting year.

Facility reference number

Facility 5

Facility name (optional)

Country/Area & River basin

China

Other, please specify

Weishan Hu

Latitude

35.6

Longitude

117

Located in area with water stress

Yes

Total water withdrawals at this facility (megaliters/year)

24,800

Comparison of total withdrawals with previous reporting year

This is our first year of measurement

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

24,800

Total water discharges at this facility (megaliters/year)

3,472

Comparison of total discharges with previous reporting year

This is our first year of measurement

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

3,472

Total water consumption at this facility (megaliters/year)

21,328

Comparison of total consumption with previous reporting year

This is our first year of measurement

Please explain

This is our first year of measurement for this location.

Facility reference number

Facility 6

Facility name (optional)

Country/Area & River basin

China

Huang He (Yellow River)

Latitude

36.8

Longitude

117.2

Located in area with water stress

Yes

Total water withdrawals at this facility (megaliters/year)

9,347

Comparison of total withdrawals with previous reporting year

Lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

9,347

Total water discharges at this facility (megaliters/year)

4,593

Comparison of total discharges with previous reporting year

Lower

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

4,593

Total water consumption at this facility (megaliters/year)

4,754

Comparison of total consumption with previous reporting year

Lower

Please explain

Besides the implementation of water-use efficiency measures at this facility, a decrease in production due to the COVID-19 pandemic resulted in a decrease in the level of water withdrawals, discharge and consumption compared to the previous reporting year.

W5.1a

(W5.1a) For the facilities referenced in W5.1, what proportion of water accounting data has been third party verified?

Water withdrawals – total volumes

% verified

76-100

Verification standard used

Data were verified according to the ISAE 3000 Standard and verified by PwC.

Water withdrawals – volume by source

% verified

76-100

Verification standard used

Data were verified according to the ISAE 3000 Standard and verified by KPMG.

Water withdrawals – quality by standard water quality parameters

% verified

Not verified

Please explain

Verification for this aspect was not in the scope of the audit due to limited resources.

Water discharges – total volumes

% verified

Not verified

Please explain

Verification for this aspect was not in the scope of the audit due to limited resources.

Water discharges – volume by destination

% verified

Not verified

Please explain

Verification for this aspect was not in the scope of the audit due to limited resources.

Water discharges – volume by final treatment level

% verified

Not verified

Please explain

Verification for this aspect was not in the scope of the audit due to limited resources.

Water discharges – quality by standard water quality parameters

% verified

Not verified

Please explain

Verification for this aspect was not in the scope of the audit due to limited resources.

Water consumption – total volume

% verified

Not verified

Please explain

Verification for this aspect was not in the scope of the audit due to limited resources.

W6. Governance

W6.1

(W6.1) Does your organization have a water policy?

Yes, we have a documented water policy that is publicly available

W6.1a

(W6.1a) Select the options that best describe the scope and content of your water policy.

	Scope	Content	Please explain
Row 1	Company-wide	Description of business impact on water Description of water-related performance standards for direct operations Company water targets and goals Commitment to align with public policy initiatives, such as the SDGs Recognition of environmental linkages, for example, due to climate change	While we are currently discussing changes to our existing water policy and strategy, at present our policy focuses on our impacts and targets at the facility-level (direct operations) only.

W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?

Yes

W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position of individual	Please explain
Chief Executive Officer (CEO)	Our environmental strategy is reviewed by the Executive Board as a whole on a regular basis in order to ensure consistency with other corporate policies and provide strategic vision. Our CEO in particular is responsible for matters related to Quality and Environment and thereby has direct responsibility for any strategic priorities related to our water strategy. For example, in 2021 our CEO decided to be the representative in the CEO Water Mandate to ensure best practice exchange on water related topics.
Board-level committee	The Group Sustainability Steering Committee is responsible for assessing interdepartmental issues, weighing up risks and opportunities and discussing relevant Executive Board decisions in advance. In fiscal 2021, it consisted of three members of the Executive Board (chairman of the Executive Board, Group Sustainability, Group Finance and Controlling) as well as the heads of the sustainability functions at group level and group sector level and the heads of other relevant group functions. The committee is chaired by the Executive Board member for Group Sustainability and managed by the head of the Group Sustainability group function. Some of the group sectors have their own interdepartmental sustainability committees, which are coordinated by the relevant sustainability functions.
Chief Sustainability Officer (CSO)	Ultimate responsibility for sustainability lies with the Executive Board member for Group Human Relations and Group Sustainability, under whose supervision the Group Sustainability group function is responsible for sustainability management in the Continental Group. Sustainability organization is further supplemented by sustainability functions in the group sectors as well as coordinators in several business areas and countries.

W6.2b

(W6.2b) Provide further details on the board's oversight of water-related issues.

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	Monitoring implementation and performance Overseeing major capital expenditures	Influence is exercised by the Executive Board and Sustainability committee with respect to strategic vision, integration with other sustainability topics and Group-wide coordination of monitoring and efficiency efforts. This includes special attention from our CEO who is responsible for matters

		Reviewing and guiding risk management policies Reviewing and guiding strategy Reviewing and guiding corporate responsibility strategy Reviewing innovation/R&D priorities Setting performance objectives	related to Quality and Environment and therefore provides strategic input into the development of our water policy based on current activities and projected environmental risks (i.e. water risks). All information related to current water performance indicators, monitoring issues, water-related risks and supply chain management are provide and prepared by Continental's Head of Group Environment who briefs higher management on these matters. Periodic meetings with the highest level of management ensure that water issues remain present in financial decision making. At the same time, it ensures that the mitigation of water-related risks are sufficiently coordinated with other related environmental policies.

W6.2d

(W6.2d) Does your organization have at least one board member with competence on water-related issues?

	Board member(s) have competence on water-related issues	Criteria used to assess competence of board member(s) on water-related issues
Row 1	Yes	Our CEO is represented as member in the CEO Water Mandate. Ultimate responsibility for sustainability lies with the Executive Board member for Group Human Relations and Group Sustainability, under whose supervision the Group Sustainability group function is responsible for sustainability management in the Continental Group. The Executive Board member for Group Sustainability is officially appointed from the supervisory board.

W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)

Other C-Suite Officer, please specify

Board Member of HR & Sustainability and CFO

Responsibility

Assessing water-related risks and opportunities

Managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

Our Board Member for HR & Sustainability as well our CFO, both of whom also occupy the Executive Board, lead the Sustainability Committee. This committee regularly reviews all sustainability-relevant topics and acts as the decision board for strategy implementation, which includes all water-related topics. Quarterly reports are delivered to the Executive Board as a whole and with special attention given to the CEO outlining progress with respect to the implementation of strategy as well as recommendations for future policy changes or other strategic decisions.
The latest status of the water risk assessments are regularly reported to the Executive Board members.

Name of the position(s) and/or committee(s)

Environment/Sustainability manager

Responsibility

Assessing water-related risks and opportunities
Managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

At the Group Sector level, the Heads of Environment work on water-related topics, strategy, risk assessments, target setting and performance. Any information provided by this management level is provided to the Board level to support decision making.

Name of the position(s) and/or committee(s)

Environmental health and safety manager

Responsibility

Assessing water-related risks and opportunities
Managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

More frequently than quarterly

Please explain

At the plant level, the EHS Manager(s) are responsible for executing and monitoring the performance of water targets. This is done in collaboration with the plant management and the facility management.

Name of the position(s) and/or committee(s)

Facilities manager

Responsibility

Assessing water-related risks and opportunities
Managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

More frequently than quarterly

Please explain

At the plant level, the EHS Manager(s) are responsible for executing and monitoring the performance of water targets. This is done in collaboration with the plant management and the facility management.

Name of the position(s) and/or committee(s)

Process operation manager

Responsibility

Assessing water-related risks and opportunities
Managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

More frequently than quarterly

Please explain

At the plant level, the EHS Manager(s) are responsible for executing and monitoring the performance of water targets. This is done in collaboration with the plant management and the facility management.

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water-related issues	Comment
Row 1	No, and we do not plan to introduce them in the next two years	Sustainability goals are part of the incentivation scheme at Continental.

W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

Yes, direct engagement with policy makers
Yes, trade associations
Yes, other

W6.5a

(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?

There is a regular alignment process in place that corresponds to the quarterly Executive Board meetings and decision-making timeline within the Sustainability Committee to ensure that policy implementation within the facility locations and divisional functions are in accordance with overall water policies. This alignment is coordinated by the Heads of Environment and EHS Managers in order to ensure that prioritized water programs and policies are carried out by Facility Managers, and that learnings are fed back to higher management and the Executive Board.

Additionally, Continental is part of the CEO Water Mandate to be regularly informed and aligned with other companies and organizations in regards to influencing public policy.

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

Yes (you may attach the report - this is optional)

continental_annual_report_2021_1_01.pdf

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	16-20	We monitor both current and long-run projections of water risk indicators critical to our operations for both direct operations and critical supply chain basins on an annual basis using the WRI Aqueduct tool and WWF Water Risk Filter. Water risk indicators considered important to our long-term business objectives and strategic planning include changes in water stress, demand, supply and temporal variability in such supplies. A time horizon of 16-20 years was selected to anticipate changes to key water indicators with enough

			lead time to consider changes to our procurement strategy for key raw materials and ensure resilience - for example natural rubber plantations require 6-10 years after planting to deliver commodities - as well as to integrate findings into our 2030 sustainability strategy.
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	16-20	We monitor both current and long-run projections of water risk indicators critical to our operations for both direct operations and critical supply chain basins on an annual basis using the WRI Aqueduct tool and WWF Water Risk Filter. Water risk indicators considered important to our long-term business objectives and strategic planning include changes in water stress, demand, supply and temporal variability in such supplies. A time horizon of 16-20 years was selected to anticipate changes to key water indicators with enough lead time to consider changes to our procurement strategy for key raw materials and ensure resilience - for example natural rubber plantations require 6-10 years after planting to deliver commodities - as well as to integrate findings into our 2030 sustainability strategy.
Financial planning	No, water-related issues were reviewed but not considered as strategically relevant/significant	16-20	Current and long-term water risk indicators were reviewed as they were for long-term business objectives and strategic planning, however the findings were not determined to be immediately critical from a financial planning point of view. This may change in the future as we develop our water strategy further.

W7.2

(W7.2) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

Water-related CAPEX (+/- % change)

0

Anticipated forward trend for CAPEX (+/- % change)

1

Water-related OPEX (+/- % change)

0

Anticipated forward trend for OPEX (+/- % change)

1

Please explain

Due to the worldwide Covid-19 pandemic investments had to be reduced in 2021 as well. Therefore, capital expenditure (CAPEX) and operating expenditure (OPEX) remained the same compared to the previous reporting year and did not show any change in %.

Besides difficulties in predicting future changes in CAPEX/OPEX, we expect these expenditures to remain roughly stable on a pre-pandemic level in next year.

CAPEX / OPEX was spent on water efficiency projects and equipment.

W7.3

(W7.3) Does your organization use scenario analysis to inform its business strategy?

	Use of scenario analysis	Comment
Row 1	Yes	Climate related scenarios are used for strategic planning of greenfields and for R&D aspects of product development. In addition, our long-run water risk assessments using the WRI Aqueduct tool take into account various climate scenarios to determine projections in water stress and supply.

W7.3a

(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization's business strategy.

	Type of scenario analysis used	Parameters, assumptions, analytical choices	Description of possible water-related outcomes	Influence on business strategy
Row 1	Water-related Climate-related	Baseline water stress (BWS) and future baseline water stress (business as	The RCP 4.5 and RCP 8.5 climate scenarios were used by the WRI Aqueduct Tool as optimistic and business as usual climate scenarios respectively to model changes in water stress and supply	We anticipate engaging in identified high-risk basins in a more systematic manner moving forward, as indicated by our early efforts to engage with our supply chains in Mexico, due to immediate and

		usual, target year 2030)	over long time horizons (i.e. 2020, 2030 and 2040). These models were used in combination with other indicators to determine where water stress and supply are projected to worsen due to supply side (climate change-related) reasons. We were able to determine that even using the optimistic RCP 4.5 model we will likely see a worsening of water stress due to climate change in several of the high-risk basins where we have direct operations or source raw materials, such as in Mexico.	long-term water scarcity concerns. This is anticipated to be clarified as part of our 2030 sustainability strategy and implemented over the decade.

W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

No, but we are currently exploring water valuation practices

Please explain

Although we are not currently using an internal price on water, we are currently discussing possible options for implementing one at selected sites, for example those located within basins that are highly water stressed in anticipation of future water price increases, as part of our 2030 sustainability strategy.

W7.5

(W7.5) Do you classify any of your current products and/or services as low water impact?

	Products and/or services classified as low water impact	Please explain
Row 1	Yes	The production quality and the material selection ensure that leakages are prevented. This applies to several products of ContiTech (e.g. hoses and pipes).

W8. Targets

W8.1

(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.

	Levels for targets and/or goals	Monitoring at corporate level	Approach to setting and monitoring targets and/or goals
Row 1	Company-wide targets and goals Site/facility specific targets and/or goals Country level targets and/or goals	Targets are monitored at the corporate level Goals are monitored at the corporate level	Continental sees water as one of the most important resources for humanity on earth and has understood the need to carefully use it. To be able to react on and to understand current geographic circumstances and challenges, Continental used the WRI Aqueduct tool to assess its locations. The results and the UN Sustainable Development Goals (SDGs) led to a risk-based target setting on water. Continental has two corporate targets, which are set both company-wide and Site specific: - to reduce total water withdrawals per revenue by 2% annually in regions with low and medium water stress - to reduce total water withdrawals per revenue by 4% annually in regions with high water stress. Country targets are set based on the results of the water risk assessment results. The corporate targets have been communicated to the individual production sites, which then must configure their own individual water withdrawal reduction targets and measures based on local circumstances in coordination with the corporate office to ensure that the overall corporate target is achieved by all sites on average. Production sites are responsible for implementing their own water management plans to comply with their individual and corporate-level ambitions by, for example, continually optimising water use on-site or increasing the use of recycled water.

W8.1a

(W8.1a) Provide details of your water targets that are monitored at the corporate level, and the progress made.

Target reference number

Target 1

Category of target

Water withdrawals

Level

Company-wide

Primary motivation

Reduced environmental impact

Description of target

The corporate-level target seeks to reduce total water withdrawals per revenue by 4% annually in regions with high water stress.

Quantitative metric

% reduction per revenue

Baseline year

2019

Start year

2019

Target year

2030

% of target achieved

41

Please explain

This target was newly implemented in 2019. Due to the strong decline in production and in sales - caused by the COVID-19 pandemic - the figures of the reporting year 2021 are just slightly comparable to the figures of 2019.

Target reference number

Target 2

Category of target

Water withdrawals

Level

Company-wide

Primary motivation

Reduced environmental impact

Description of target

The corporate-level target seeks to reduce total water withdrawals per revenue by 2% annually in regions with low and medium water stress.

Quantitative metric

% reduction per revenue

Baseline year

2019

Start year

2019

Target year

2030

% of target achieved

0

Please explain

This target was newly implemented in 2019. Due to the strong decline in production and in sales - caused by the COVID-19 pandemic - the figures of the reporting year 2021 are just slightly comparable to the figures of 2019.

W8.1b

(W8.1b) Provide details of your water goal(s) that are monitored at the corporate level and the progress made.

Goal

Providing access to safely managed Water, Sanitation and Hygiene (WASH) in workplace

Level

Company-wide

Motivation

Commitment to the UN Sustainable Development Goals

Description of goal

Importance: Safely managed water, sanitation, and hygiene (WASH) services are an essential part of preventing and protecting human health during infectious disease outbreaks. For Continental, the health of our employees has utmost importance.

Implementation: In all plants operated by Continental, WASH Services are provided to our workers as per our company policy. An internal audit of our production locations with regard to this and other health and safety policies is conducted on an annual basis. All

Continental locations are fully equipped with the necessary installations according to WASH services.

Baseline year

2015

Start year

2015

End year

2100

Progress

In all plants operated by Continental, WASH Services are provided to our workers as per our company policy. An internal audit of our production locations with regard to this and other health and safety policies is conducted on an annual basis. All Continental locations are fully equipped with the necessary installations according to WASH services. However, we continue to provide all necessary equipment in the following years as well.

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

No, but we are actively considering verifying within the next two years

W10. Sign off

W-FI

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

W10.1

(W10.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	Chief Executive Officer (CEO)	Chief Executive Officer (CEO)

W10.2

(W10.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate's Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

Yes

SW. Supply chain module

SW0.1

(SW0.1) What is your organization's annual revenue for the reporting period?

	Annual revenue
Row 1	33,765,200,000

SW1.1

(SW1.1) Could any of your facilities reported in W5.1 have an impact on a requesting CDP supply chain member?

This is confidential

SW1.2

(SW1.2) Are you able to provide geolocation data for your facilities?

	Are you able to provide geolocation data for your facilities?	Comment
Row 1	No, this is confidential data	We consider this information as confidential

SW2.1

(SW2.1) Please propose any mutually beneficial water-related projects you could collaborate on with specific CDP supply chain members.

SW2.2

(SW2.2) Have any water projects been implemented due to CDP supply chain member engagement?

No

SW3.1

(SW3.1) Provide any available water intensity values for your organization's products or services.

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

The European Climate Pact Submission

Please indicate your consent for CDP to showcase your disclosed environmental actions on the European Climate Pact website as pledges to the Pact.

Yes, we wish to pledge to the European Climate Pact through our CDP disclosure

Please confirm below

I have read and accept the applicable Terms