

Policy Statement of Continental AG 2023

in compliance with human rights and environmental due diligence obligations in accordance with Section 6 (2) of the Act on Corporate Due Diligence Obligations for the Prevention of Human Rights Violations in Supply Chains of July 16, 2021 (German Supply Chain Act / Lieferkettensorgfaltspflichtengesetz - LkSG)

Continental AG, together with its approximately 480 subsidiaries, forms the Continental Group (hereinafter referred to as "Continental"). In 2023, Continental includes, in addition to Continental AG, two further group companies¹ to which the LkSG applies, each under one uniform management through a chain of control and profit transfer agreements.

Continental develops pioneering technologies and services for sustainable and connected mobility of people and their goods, thereby offering safe, efficient, intelligent, and affordable solutions for vehicles, machines, traffic and transportation. In fiscal 2022, Continental generated sales of €39.4 billion and currently employs around 200,000 people in 57 countries and markets.

Our sustainability ambition states that we strive for 100% responsible sourcing and business partnerships by 2050 at the latest and together with our partners across the value chain. Our understanding of a responsible value chain thus relates to our supply chain and customer relationships as well as to our own locations. The requirements and transformation speeds of our customers, industries and markets as well as the resulting transformation opportunities and risks are decisive for implementing our ambition. This transformation is an ongoing process, requiring continuous improvement in our efforts.

We are aware of our corporate responsibility to respect human and environmental rights in our own business operations and also apply the corresponding requirements to our global and highly complex supply chains. We have therefore defined and published our commitments toward a responsible value chain (hereinafter Responsible Value Chain Commitments, "RVC Commitments" for short) in the areas of labor standards, occupational safety and health, security practices, environment and land rights:

📄 RVC Commitments.

Our RVC Commitments relate to:

- › No child labor
- › Fair payment
- › Equal treatment / anti-discrimination
- › No forced labor & modern slavery

- › Freedom of association
- › Working conditions (incl. working time)
- › Health & safety
- › Mercury
- › Persistent organic pollutants
- › Responsible security practices
- › Environmental impacts
- › Waste handling
- › Land rights

Sustainable business practices and integrity are rooted in our corporate values, codes of conduct, relevant rules and guidelines. These are closely aligned with the international frameworks, including the United Nations Sustainable Development Goals (SDGs), the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises as well with the United Nations Guiding Principles on Business and Human Rights, with particular reference to core labor standards and recommendations of the International Labour Organization (ILO).

Management system

Continental has established a comprehensive management system to ensure our RVC Commitments with regard to human and environmental rights. This system enables us to identify, address and mitigate associated risks within our own business operations and our supply chain.

Within the management system, responsibilities (including the appointment of a human rights officer for Continental), rules and processes are clearly defined, including risk mitigation measures and control mechanisms. The management system will continue to evolve as the dynamic economic, social and environmental conditions develop further.

¹ Continental Reifen Deutschland GmbH, Continental Automotive Technologies GmbH

The management system follows the so-called three lines of defense model along defined core processes:

- › Strategy development and implementation
- › Management of regulatory requirements
- › Risk management
- › Incident management (including whistleblower system)
- › Training
- › System monitoring
- › Reporting

The internal responsibilities are defined within the framework of a corporate policy (Group Policy Responsible Value Chain). This policy defines the areas of responsibility of the Executive Board, the business areas, Continental's human rights officer and relevant functions, and represents the binding framework for the management system to ensure due diligence in a responsible value chain. It includes due diligence within our own business operations, for direct suppliers and in relation to indirect suppliers. The persons relevant for implementation receive general, position-related and risk-specific training. The Executive Board of Continental AG is informed at least once a year by the human rights officer on the current status, effectiveness, appropriateness as well as on measures for improvement and potential advancement of the management system. Suitable improvements to the management system as a whole and to selected elements thereof are defined on this basis. The management system is part of Continental's overarching risk, compliance, and control system.

Risk management and risk analysis

Continental operates in complex global value chains in which a variety of risks relating to infringements of protection rights may arise. In this context, a risk is always related to a potential negative impact on humans and the environment. The main goal of risk management is the mitigation of these risks. Continental has therefore set up a specific risk management within its management system, which includes appropriate, regular risk analyses in order to determine the human rights and environmental risks in our own business operations and with regard to direct suppliers. As part of the risk analysis, Continental uses dedicated risk categories identified in a multi-stage process, evaluated, weighted and prioritized - especially based on the requirements of the German LkSG and other relevant legal requirements. In gross terms, without taking existing preventive measures into account, all risk categories are considered as relevant for our own business operations and for the supply chain in relation to direct suppliers.

The defined risk categories refer to the risks of potential violations of protected rights in relation to:

- › No child labor
- › Fair payment
- › Equal treatment / anti-discrimination
- › No forced labor & modern slavery
- › Freedom of association
- › Working conditions (including working hours)
- › Health & safety
- › Mercury
- › Persistent organic pollutants
- › Responsible safety practices
- › Environmental impacts
- › Waste handling
- › Land rights

The risk analysis of our own business operations and of the supply chain in relation to direct suppliers follows a systematic and standardized method in order to ensure comparability and take special organizational features into account on an equal basis. In particular, factors such as business models, ability to intervene, contribution and probability of occurrence as well as severity are taken into account. Along defined steps, the relevant risks are identified, assessed, weighted and prioritized. Not only are the gross risks taken into consideration, but also the existing preventive measures and the net risks derived from them. Thanks to extensive preventive measures, the net risks are significantly lower than the gross risks. The latter arise from the global footprint of the business activities and supply chains, the broad range of the product portfolio and the various business models and value chain levels. Prioritized risks are then analyzed and evaluated in greater detail in order to derive targeted priority prevention measures.

Based on the risk analysis carried out in fiscal 2023, the risk categories equal treatment / anti-discrimination, environmental impacts and working conditions (including working hours) were formally prioritized for our own business operations, as well as all risk categories for the supply chain in relation to direct suppliers. An analysis of risks in relation to indirect suppliers is carried out on an ad hoc basis in cases of substantiated knowledge. Regardless of the prioritization, all risk categories are part of the risk management.

Preventive measures

As a central prevention measure at the group level, Continental has adopted its [RVC Commitments](#) and communicated them publicly. These address the defined risk categories, which were confirmed as part of the risk analysis, and the associated expectations regarding our own business operations and employees, as well as direct suppliers. The RVC Commitments sometimes explicitly go beyond the minimum legal requirements of the LkSG. In addition, further group-wide prevention measures were anchored in our own business operations and towards direct suppliers.

The group-wide prevention measures are the subject of the annual system monitoring and include in particular:

- › The integration of the management system into the essential corporate control processes and frameworks
- › This policy statement
- › The [RVC Commitments](#), which explicitly include our human rights and environmental commitments
- › The [Continental Code of Conduct](#), which includes, among other things, the human rights and environmental-related expectations that the company sets for its employees
- › The [Continental Business Partner Code of Conduct](#), which includes, among other things, the human rights and environmental expectations that the company places on its suppliers
- › General and topic-specific training on the management system

In addition, specific prevention measures have been implemented in our own business operations and in relation to the supply chain. These measures are improved on an ongoing basis, particularly based on the risk analysis. They include, among other things, environmental and occupational health and safety systems for our own business operations, appropriate procurement strategies and practices, contractual agreements and control mechanisms as well as training measures in relation to the supply chain.

In the case of substantiated and verified knowledge of risks from direct or indirect suppliers, appropriate preventive measures are agreed and tracked.

The implementation of the management system also includes risk-based controls with regard to the preventive measures taken.

Corrective measures

The management system also defines the framework for taking corrective measures within our own business operations, in relation to direct suppliers as well as, if necessary, in relation to indirect suppliers. Corrective measures are implemented promptly and appropriately in the event of violations within our own business operations. The corrective measures relating to direct suppliers follow the principle of endeavor and are aimed at rectifying the violation. If a violation cannot be rectified immediately, appropriate action plans are drawn up to end the violation or at least reduce it appropriately with respect to direct suppliers. Corrective measures relating to indirect suppliers also follow the best endeavor principle. As a last resort, Continental reserves the right to terminate the relevant business relationships in an appropriate manner.

Complaints procedure

Continental's existing group-wide complaints procedure, the Continental Integrity Hotline, has been supplemented within the framework of the legal requirements of the LkSG and is available to Continental employees and external parties. The Continental Integrity Hotline is open, among other things, for complaints regarding potential violations of human rights and environmental rights and lists these topics. The Continental Integrity Hotline and Integrity Platform are both publicly available and can be accessed, for example, via the [website](#). The legally required rules of procedure are also stored there. Reports can be made both in writing and by telephone. Availability by telephone is ensured through national and international telephone numbers. Both options are available 24/7. The instructions for using the Integrity Platform can be found under the keyword "Step-by-step reporting" and are available in multiple languages. Instructions for using the telephone hotline are also available in multiple languages.

Continental uses the services of EQS Group AG, one of the leading providers in the area of IT-supported reporting channels, for both complaint channels. This secure and anonymous whistleblowing system protects the whistleblower through an encrypted reporting channel. All informants can remain anonymous if they wish. Confidentiality is ensured within the framework of the legal provisions in the case of non-anonymous reporting. The persons entrusted with carrying out the complaint procedure are obliged to maintain confidentiality within the framework of the legal requirements and act independently. The effectiveness of the Continental Integrity Hotline and Integrity Platform with regard to relevant reports is assessed at least once a year as part of the review of the management system. Business partners, the respective employees, other stakeholders and rights holders in general are encouraged by the Business Partner Code of Conduct to report complaints via the Continental Integrity Hotline and Integrity Platform. The Business Partner Code of Conduct contains a link to the Continental Integrity Hotline and Integrity Platform and is publicly accessible online. Continental protects persons who provide information and does not tolerate any retaliatory measures that could be directed against these persons. The procedural steps are explained in the rules of procedure. Receipt of a complaint will

be confirmed and a discussion of the matter with the whistleblower on matters relating to the RVC Commitments is planned. Feedback is sent no later than three months after receipt of the notification has been confirmed.

In addition to the complaints procedure, further sources are used to investigate suspected cases of potential violations of protection rights and, if necessary, to implement preventative and corrective measures.

Reviews of effectiveness

As part of the annual system monitoring, the human rights officer reviews the appropriateness and effectiveness of the management system. This review is based, among other things, on the relevant

assessments within the business areas as well as on the assessment of the individual elements of the system by the human rights officer. The management system is designed as a learning system that is developed on an ongoing basis. This also includes membership in relevant associations and platforms, participation in multi-stakeholder dialogue formats as well as initiatives and industry dialogues.

Documentation, reporting and dialog

The implementation of the management system is internally documented, archived, communicated and coordinated with relevant decision-makers. External reporting on a responsible value chain and the implementation of our due diligence obligations is part of sustainability reporting and other reporting formats.

Hanover, December 14, 2023

Executive board of Continental AG

- › Nikolai Setzer, CEO
- › Katja Garcia Vila, member of the Executive Board
- › Philipp von Hirschheydt, member of the Executive Board
- › Christian Kötzt, member of the Executive Board
- › Philip Nelles, member of the Executive Board
- › Dr. Ariane Reinhart, member of the Executive Board
- › Olaf Schick, member of the Executive Board

Management of Continental Reifen Deutschland GmbH

- › Dr. Gabriele Fredebohm
- › Ferdinand Hoyos
- › Karin Seid

Management of Continental Automotive Technologies GmbH

- › Tobias Freundorfer
- › Dr. Andreas Listl
- › Frank Staiger
- › Harald Stuhlmann
- › Nicole Werner

Human rights officer of Continental AG

- › Dr. Kai-Niklas Krüger

Disclaimer:

This policy statement is a translation of the signed German version. In case of any needed clarification and interpretation of this policy statement, the German version prevails.