This report is the separate non-financial declaration summarized for the Continental Corporation and Continental Aktiengesellschaft for fiscal year 2017 pursuant to sections 315b and 315c in conjunction with 289c to 289e of the German Commercial Code (Handelsgesetzbuch – HGB), which is publicly accessible in the Sustainability/Downloads section of Continental's website.
This report deals with issues that are necessary to understand the course of business, business performance, and the situation and effects of business activities with regard to non-financial aspects. It has been drawn up oriented toward the standards of the Global Reporting Initiative.

It highlights material aspects identified on the basis of their effects through Continental on the environment, employees, and society at large, as well as their relevance to the company's business. The issues have been analyzed with the involvement of the specialist departments responsible and representatives of the management.

Unless otherwise noted, all information refers to the parent company including all domestic and foreign companies that Continental AG incorporates according to the regulations of IFRS 10 or that are classified as joint arrangements or associated companies.

This report is also the separate non-financial declaration summarized for the Continental Corporation and Continental AG for fiscal 2017 pursuant to sections 289b and 315b of the German Commercial Code (Handelsgesetzbuch - HGB), which is publicly accessible in the Sustainability/Downloads section of Continental’s website.

Furthermore, the separate non-financial report summarized for the Continental Corporation and Continental AG for fiscal 2017 has been reviewed by the Supervisory Board of Continental AG. It has been audited on behalf of the Supervisory Board by financial auditors from KPMG AG in compliance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) “Assurance Engagements other than Audits or Reviews of Historical Financial Information”, published by the International Auditing and Assurance Standards Board (IAASB) for the purpose of obtaining limited assurance engagement in respect of the information required by law in accordance with sections 315b and 315c in conjunction with 289c to 289e HGB.

**Business Model**

Continental AG is one of the world’s largest automotive suppliers, with 235,473 employees, 554 locations, and sales of roughly €44.0 billion. The company has sites in 61 countries and is a major employer in those regions. In 2017, the corporation consisted of two core business areas comprising a total of 29 business units, as follows:

**Automotive Group:**
The Chassis & Safety division develops, produces and markets intelligent systems to improve driving safety and vehicle dynamics. It consists of four business units:

- Advanced Driver Assistance Systems
- Hydraulic Brake Systems
- Passive Safety & Sensorics
- Vehicle Dynamics

The Powertrain division combines innovative and efficient system solutions for the powertrains of today and tomorrow. It has five business units:

- Engine Systems
- Fuel & Exhaust Management
- Hybrid Electric Vehicle
- Sensors & Actuators
- Transmission

Specializing in information management, the Interior division develops and produces information, communication and network solutions. It comprises five business units:

- Body & Security
- Commercial Vehicles & Aftermarket
- Infotainment & Connectivity
- Instrumentation & Driver HMI
- Intelligent Transportation Systems

**Rubber Group:**
The Tire division is known for maximizing safety through short braking distances and excellent grip as well as reducing fuel consumption by minimizing rolling resistance. It is divided into six business units:

- Passenger and Light Truck Tire Original Equipment
- Passenger and Light Truck Tire Replacement Business, EMEA (Europe, Middle East, and Africa)
- Passenger and Light Truck Tire Replacement Business, The Americas (North, Central, and South America)
- Passenger and Light Truck Tire Replacement Business, APAC (Asia and Pacific region)
- Commercial Vehicle Tires
- Two-Wheel Tires

The ContiTech division develops, manufactures and markets functional parts, intelligent components and systems for machine and plant engineering, mining, agriculture, the automotive industry, and for other important sectors. Since the beginning of 2018, ContiTech has comprised seven business units instead of the previous nine owing to a reorganization:

- Air Spring Systems
- Benecke-Hornschuch Surface Group
- Conveyor Belt Group
- Industrial Fluid Solutions
- Mobile Fluid Systems
- Power Transmission Group
- Vibration Control
Continental processes a wide range of raw materials and semi-finished products. The Automotive Group uses primarily steel, aluminum, precious metals, copper and plastics. Key areas when it comes to purchasing materials and semi-finished products include electronics and electromechanical components. Natural rubber and oil-based chemicals such as synthetic rubber and carbon black are key raw materials for the Rubber Group.

Wherever possible and reasonable, we develop, manufacture and market our products locally. The same applies to our procurement. Continental obtains its production materials from approximately 4,600 suppliers.

Society

According to the World Health Organization (WHO), 1.25 million people die in road accidents every year, with another 51 million injured. Increasing pollution caused by emissions is also having an adverse effect on health. Consequently, legislative requirements are growing ever stricter, while expectations among the general public are rising at the same time. Job applicants, too, are increasingly likely to cast a critical eye over their future employers. Our products reduce emissions and make mobility safer. By constantly working to improve our products and services, we are safeguarding jobs, our market share and our competitive position while enhancing our reputation and attracting promising applicants. We are also taking systematic action to ensure high standards of quality for our products and avoid the need for recalls from customers.

Guidelines, structures, and processes

To us, good quality means securing our future. It is a key area of business expertise, a competitive advantage and the basis of our corporate success. With our environmental strategy, appropriate management and guidelines such as the Design for Environment and the Product Integrity corporate policy (which covers product safety and conformity), we are aiming for direct improvements in terms of customer satisfaction and product benefits, as well as for society as a whole. That is why our development and production operations meet stringent environmental and safety standards. All locations considered significant in terms of their environmental impact are certified in accordance with either of the ISO 9001 and IATF 16949 quality management systems. For the energy and resource efficiency of our products to be increased as well, we have systematically introduced a system of life-cycle assessment for products.

Using binding guidelines in all areas of research and development, we are continuously working to improve our use of resources for products and services in proportion to business volume. They govern the use of materials, increases in the amounts of recycled materials, and the development of alternative raw materials.

Continental fulfills all relevant regulations and legislation relating to the use of materials. Customers from the automotive industry that use the International Material Data System (IMDS) approve our products only once they have been informed of their composition in the form of suitable IMDS data sets.

Product safety is ensured throughout the entire life cycles of our products. Beginning with the process of coming up with ideas for new products and services and continuing through sourcing, development, production, use, and eventual disposal, we ensure that we meet the ever more exacting requirements applicable to the safety of our products and comply with statutory regulations.

Keeping a watchful eye on the market for our products helps us to analyze and evaluate potential risks at an early stage and to escalate them in line with the corporate policy on product integrity.

The revised quality strategy defines the strategic projects throughout the corporation that take future challenges into account as well. These strategic projects are complemented by quality initiatives from the divisions, business units and plants.

Objectives and results – road safety

High and dependable quality in product development lays the groundwork for safe products. In addition, we are constantly working on new systems to improve safety in all vehicle classes. Our goal is zero accidents, which we call Vision Zero. In keeping with that objective, our advanced driver assistance systems can keep vehicles in their lanes, monitor blind spots, brake of their own accord in emergencies, or call for aid when needed. Thanks to their excellent braking characteristics and optimized rolling resistance, our tires help to improve safety and cut emissions on the road.

In 2017, we began to revise our corporate product integrity policy. To make the enormous importance of quality an even more integral part of the corporation, we launched a major campaign in the form of a corporation-wide roadshow. Alongside the head of Corporate Quality and Environment, the CEO and other members of the Executive Board presented new projects relating to issues such as customer satisfaction with quality, sense of responsibility, leadership and transparency.

Objectives and results – sustainable products

We provide our customers with all the relevant information to make it easier for them to recycle our products. In the Automotive Group, this is achieved by means of a recycling passport, which includes component drawings and material data and explains the dismantling steps.

We also take responsibility by developing products that consume fewer natural resources. One particular priority is the RUBIN research project, which is working on obtaining natural rubber from Russian dandelions (Taraxagum). In collaboration with the Fraunhofer Institute and the University of Münster, we have developed a process that is intended to be used in the future to replace natural rubber from tropical rubber trees with rubber derived from the dandelion plant. This allows transport routes to be shortened and the rain forest to be conserved. We reduce energy consumption during use by means of lighter components or lower rolling resistance for tires as well as through improved injectors and telematics systems. The result is that not only is fuel consumption reduced but emissions are also cut significantly. Products that are energy-efficient or demonstrably lead to reduced emissions of pollutants or carbon dioxide emissions accounted for approximately 40% of consolidated sales in the year under review.

Environment

Given our status as a major player in the automotive industry, the environmental impact of our products comes primarily in the upstream supply chain and the usage phase, as well as in production. In the context of climate change, a rising global population and limited resources, we are witnessing an increase in social expectations, customer specifications, and regulatory requirements for companies. Handling resources responsibly and practicing efficient environmental management therefore not only establish the basis for our business but also enhance Continental’s reputation among all stakeholders. By achieving our goals for environmentally friendly production, we are making a contribution to climate protection and securing financial benefits, as well as improving our sustainability ratings.

Guidelines, structures and processes

Our environmental strategy for 2020 provides the framework for our environmental management policy and includes clear objectives, indicators and actions. The environmental strategy is currently being revised on the basis of the United Nations Sustainable Development Goals (SDGs) and new political circumstances with a view to 2030.

All production sites with environmental significance were certified to ISO 14001 at the end of 2017. By systematically applying our management system, we are continuously improving our environmental performance and ensuring environmentally friendly products through sustainable product development.

With regard to the use of groundwater, any extraction is coordinated with and approved by the relevant authorities. To ensure that we can respond more specifically to water risks and carry out water-saving projects at our sites, we are currently drawing up a strategy for areas susceptible to water risks. All waste water is pretreated where necessary or routed directly to the public sewer system. The statutory monitoring and approval requirements are fulfilled throughout these processes.

There is a five-stage hierarchy for waste at all locations: prevention, re-use, recycling, recovery of materials/energy, and disposal. Certified waste disposal companies collect our waste and recycle or dispose of it in the proper manner.

So that we can continue to improve our use of resources in relation to sales, we work with business partners on new approaches and with suppliers toward fulfilling core environmental principles and constantly enhancing their environmental performance.

The Corporate Quality and Environment department, which reports directly to the Chief Executive Officer, bears overall responsibility for environmental management. This department devises strategic specifications for environmental protection across the entire corporation. These are broken down by division and the resultant strategic requirements, objectives and programs ultimately implemented at each site by ESH (Environment, Safety, and Health) managers.

Objectives and results – climate protection

In the production departments, we are working on making processes more efficient and sustainable. We have set ourselves goals applicable to the entire corporation in this respect, for example, increasing the proportion of waste that is recycled and reducing the overall amount of waste and our water consumption by 20%. To achieve this, our locations are implementing the divisional programs associated with the environmental strategy. These include the company’s own Green Plant label, recycling programs, and special water-saving campaigns.

### Specific energy consumption (GJ/€ million in adjusted sales)

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
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<td></td>
<td>777</td>
<td>819</td>
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### Specific CO₂ emissions (100 kg/€ million in adjusted sales)

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<td>738</td>
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Objectives and results – waste and water

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### Objectives and results – climate protection

To protect the climate, Continental has set itself the goal of reducing energy consumption and CO₂ emissions in production by 20% based on adjusted sales by 2020 (compared with 2013).

The introduction of energy management systems and energy-saving campaigns will help to unlock potential for savings. The BEE (Be Energy Efficient) campaign rolled out across the corporation is a key part of energy management. It comprises three main elements intended to ensure that corporate energy targets are achieved:

- Introducing management systems in line with ISO 50001
- Measuring and analyzing consumption to boost efficiency
- Raising awareness and motivation among the entire organization

The actions involved include switching to LED lighting, implementing efficiency measures in air-conditioning and ventilation systems, and installing combined heat and power plants.

### Specific energy consumption (GJ/€ million in adjusted sales)

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</table>
Employees

Motivated, healthy employees working together effectively guarantee a successful future for our company. They not only propel us forward technologically but also increase the overall value creation for our customers and stakeholders. That is why we are tackling demographic challenges through the strategic development of individual talents and skills as well as attractive and fair working conditions. We are working to reduce the risks of work-related illness and make the working environment more inspiring. In doing so, we can successfully foster loyalty among our employees and keep down costs arising from staff turnover.

Guidelines, structures and processes

HR work is shaped by our core values – Trust, Passion To Win, Freedom To Act, and For One Another. We respect and promote human rights and base our good working conditions on the internationally accepted standards of the United Nations, the International Labour Organization (ILO), and the OECD Guidelines for Multinational Enterprises. Owing to the wide range of requirements and laws applicable to HR policy, responsibility for HR work is held at a national level, although it is adjusted by region and implemented on a customized basis at each location.

Diversity and equal opportunities are essential to Continental’s business operations and success. That is why we have signed the German Diversity Charter and undertaken to create a climate of acceptance and mutual trust. In connection with this, we review our HR processes and ensure that our employees are encouraged to develop their skills and talents to meet our performance standards.

Our corporate guidelines state “We promote lifelong learning along with personal and professional development. We make knowledge available to everyone in our company as quickly as possible and offer mutual support for enabling swift adjustment to changes within our environment.” Since Continental’s successful digital transformation calls for a constant learning process, this aspect is an integral part of our Human Relations strategy.

The strategic HR planning process was introduced across the corporation for the first time in 2017. This involves comparing the needs of each unit with the actual situation over several years and devising appropriate action. In addition, our programs for specific personnel development take into account the different development levels of individual employees. For example, while new employees receive information about strategy, processes and structures at Continental, managers are equipped with additional skills.

Part of the talent management process. Alongside in-person interactions and training based on e-learning. These programs are organized either at the locations or for multiple locations at once depending on their focus.

Responsibility for training is local to the regions or countries due to country-specific requirements. Responsibility for personnel development is organized either centrally or locally according to employee groups.

We hold annual conferences at which the management meets representatives of Human Relations (HR) and Talent Management to discuss potential for various executive levels. In addition, divisions, business units, local HR departments and the management offer further country-specific and business-specific development measures to promote learning at all levels and push rapid adaptation to individual learning needs.

Many locations use a management system that complies with OHSAS 18001 for occupational safety and health and safety management. Occupational safety and health (OSH) is based on the corporate Environmental Safety and Health (ESH) policy. This policy is also the basis for the ESH management handbook, which contains standards and minimum requirements to be implemented and complied with at all locations. The safety and health services provided at the locations are examined within the framework of an internal corporate audit system. The head of Corporate Safety & Health reports directly to the Executive Board member responsible for HR, who also bears overall responsibility for the matter. Action to be taken is communicated at country level and managed locally.

Important performance indicators and results are regularly reported to those responsible.

Objectives and results – equal opportunities

We do not tolerate discrimination of any kind and are committed to diversity among our employees and the creative ideas that come from their different perspectives, experiences and cultural backgrounds. We are working to increase the representation of women at management level, and the ratio is to be increased to at least 16% by 2020.

All business units have drawn up and implemented appropriate action plans to that end. At corporate level, the Diversity Summit was held twice in 2017, with managers from all departments meeting start-up companies to find new ideas for transformation processes.

In 2017, the ratio of female employees in management positions was 13.4%.

Objectives and results – training

Promoting qualifications and training for our employees is a matter of course for us. Lifelong learning for personal growth is the basis for successful development of employees and companies, especially in an era of digital transformation. We pursue a goal of conducting regular performance reviews and development plans as part of the talent management process. Alongside in-person interviews on site, we have introduced standardized IT-based employee appraisals for more than 80,000 employees to date across the entire corporation. In these appraisals, development opportunities are identified, as are measures for obtaining qualifications.
In addition to these appraisals, employees have the ability to influence their own development and that of the company via the annual employee survey. This is used to determine whether planned training courses are in fact held or whether development opportunities are regarded as adequate, for example. The question of whether employees had sufficient opportunities to improve their skills through training was answered in the affirmative by 69%. Not only that, but 69% also agreed that they had opportunities for personal development at Continental. The response rate for the overall employee survey was 74% in 2017.

Objectives and results – occupational safety and health

Our occupational safety and health management is aimed at the absolute avoidance of accidents and work-related illnesses – we go for zero incidents. The worldwide roll-out of a new ergonomics program began in 2017. In addition, we held a series of workshops on safety-first culture, global healthy leadership seminars, awareness seminars for managers, and modules such as STRESS CONTROL.

The accident rate, defined as the number of industrial accidents worldwide resulting in the loss of one or more working-day equivalents per million hours worked, was 3.2 in 2017.

Human Rights

Human rights issues are very important to Continental, especially as a result of its complex global supply chains as well as for the company itself. The Dodd-Frank Act, the UK Modern Slavery Act, and the German government’s National Action Plan on Business and Human Rights underscore the current trend toward taking a more thorough and transparent approach to inspecting and holding to account supply chains and suppliers. As a major international company, we are aware of our particular responsibility and have set out mandatory standards both within the corporation and for our supply chains.

The information on suppliers of production material applies to tier 1 suppliers.

Guidelines, structures and processes

Our business operations and actions are guided by the Universal Declaration of Human Rights of the United Nations. We condemn all forms of human rights violations such as child labor, forced labor, and the infringement of the rights of indigenous peoples. Continental AG and all its subsidiaries have therefore committed to maintaining honesty and integrity at all times. This is set in stone in our principles of corporate social responsibility and our Business Partner Code of Conduct (BPCoC) and reinforced by our participation in the United Nations Global Compact.

Since 2011, we have required all suppliers and service providers to uphold our Supplier Code of Conduct. This was revised in 2017 and approved by the Executive Board as the Business Partner Code of Conduct. There are also relevant obligations stipulated in the Automotive Group’s Strategic Supplier Contract and the Rubber Group’s Supply and Purchase Agreement. Since the BPCoC is part of every order generated in the SAP system, accepting an order automatically commits a supplier to complying with the Code of Conduct.

Before business is entered into with suppliers of non-production material, they must undergo a due diligence audit covering certain criteria from a risk analysis. All new suppliers of production material are also checked before supply relationships are established. The criteria include technological, financial and environmental factors as well as general business aspects. On-site spot checks can reveal identifiable shortcomings in terms of working conditions. Should countermeasures defined on the basis of these fail to produce the desired result, we reserve the right to decline to enter into a supply relationship.

Since codes and agreements also set standards for environmental aspects, there are regular checks on environmental compliance and effects on the supply chain as well.

Category Management is responsible for ensuring that suppliers sign the BPCoC. In the Automotive Group, the Supplier Information Management team is responsible for the supplier self-assessments, while the Supplier Development does the same for the Rubber Group. Both report to their respective procurement management units.

Objectives and results – supplier management

We aim to increase transparency and inspections among our suppliers and service providers. Since 2017, independent service providers have systematically examined selected suppliers with regard to sustainability criteria. In 2017, 640 suppliers were evaluated.

Compliance

Compliance with all the legal requirements that apply to Continental AG and its subsidiaries and its internal regulations by management and employees is an integral part of our corporate culture. Bribery and anti-competitive behavior are strictly prohibited. The Executive Board is firmly committed to the principle of zero tolerance with regard to corruption and antitrust violations.

Guidelines, structures and processes

This attitude is an integral part of our corporate culture and is reflected in our corporate guidelines, Corporate Governance Principles, and corporate social responsibility principles. Important documents at corporate level include the Employee Code of Conduct, the Anti-Corruption Policy, the Antitrust Manual, and the Environmental Policy. The Business Partner Code of Conduct governs the requirements applicable to our suppliers in respect of responsible business.

In order to fulfill its obligations, the Executive Board has set up the global Compliance organization with regional departments, with a particular focus on preventing corruption and violations of antitrust law. The Compliance organization reports directly to the Executive Board member for Finance, Controlling, Compliance, Law and IT. There are specific people at divisional level responsible for environmental compliance, and these are supported by local management.
Continental has a compliance management system based on a comprehensive analysis of potential compliance risks for the core areas of antitrust law and corruption prevention, and it was confirmed to be effective in accordance with the IDW PS 980 standard in 2016. We fulfill our duty of care in mergers and acquisitions with comprehensive risk assessments, which also incorporate compliance due diligence.

Checking that compliance-related requirements are adhered to is part of every audit by Corporate Audit.

Both employees and third parties can report compliance-related incidents to the Compliance & Anti-Corruption hotline. They can do so either by telephone or by e-mail anonymously, in their local languages and at any time of day. The Compliance department works with Corporate Audit to analyze the reports before deciding whether action is necessary. Employees can also contact their supervisors or go directly to the Compliance department and the compliance coordinators for their respective countries and locations.

Objectives and results – anti-corruption and fair competition

We aim to conduct regular compliance training. This takes place according to a risk-based in-person training plan focusing on specific target groups. In addition to this, employees with e-mail addresses are offered regular e-learning courses. In total, roughly 83,360 people received online and in-person training in compliance, antitrust law and corruption prevention in 2017. For online training, we aim for a completion rate of at least 95%.

We offer preventative consultation on all matters pertaining to compliance. In the year under review, we introduced a series of compliance tutorials to provide a new means of communication. These are available to employees as videos on the intranet and also serve as training material.

In 2017, we also revised the Supplier Code of Conduct. It was approved by the Executive Board in summer as the Business Partner Code of Conduct.

<table>
<thead>
<tr>
<th>Compliance training in 2017</th>
<th>approximate</th>
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</thead>
<tbody>
<tr>
<td>Online training sessions</td>
<td>83,100</td>
</tr>
<tr>
<td>In-person training sessions</td>
<td>260</td>
</tr>
<tr>
<td>Completion rate for online training</td>
<td>97%</td>
</tr>
</tbody>
</table>

Objectives and results – environmental compliance

Environmental legislation and requirements are currently being expanded in many countries. As part of our environmental management in accordance with ISO 14001, locations are also audited for compliance with environmental regulations. No infringements of environmental regulations leading to significant fines were identified in 2017.

Hanover, February 8, 2018

The Executive Board

To the Supervisory Board of Continental Aktiengesellschaft, Hanover

We have performed an independent limited assurance engagement on the Combined Separate Non-Financial Report (hereinafter “report”) of Continental Aktiengesellschaft and the Continental Corporation (hereinafter “Continental”) according to sections 315b and 315c in conjunction with 289c to 289e HGB (German Commercial Code) for the business year from January 1 to December 31, 2017.

Management’s Responsibility
The legal representatives of the entity are responsible for the preparation of the report in accordance with sections 315b and 315c in conjunction with 289c to 289e HGB.

This responsibility of the legal representatives includes the selection and application of appropriate methods to prepare the report and the use of assumptions and estimates for individual disclosures which are reasonable under the given circumstances. Furthermore, this responsibility includes designing, implementing and maintaining systems and processes relevant for the preparation of the report in a way that is free of - intended or unintended - material misstatements.

Independence and Quality Assurance on the Part of the Auditing Firm
We are independent from the entity in accordance with the requirements of independence and quality assurance set out in legal provisions and professional pronouncements and have fulfilled our additional professional obligations in accordance with these requirements.

Our audit firm applies the national statutory provisions and professional pronouncements for quality assurance, in particular the Professional Code for German Public Auditors and Chartered Accountants (in Germany) and the quality assurance standard of the German Institute of Public Auditors (Institut der Wirtschaftsprüfer, IDW) regarding quality assurance requirements in audit practice (IDW QS 1).

Practitioner’s Responsibility
Our responsibility is to express a conclusion on the report based on our work performed within our limited assurance engagement.

We conducted our work in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): ‘Assurance Engagements Other than Audits or Reviews of Historical Financial Information’ published by IAASB. This standard requires that we plan and perform the assurance engagement to obtain limited assurance of whether any matters have come to our attention that cause us to believe that the report of the entity has not been prepared, in all material respects, in accordance with sections 315b and 315c in conjunction with 289c to 289e HGB. We do not, however, provide a separate conclusion for each disclosure. In a limited assurance engagement the evidence gathering procedures are more limited than in a reasonable assurance engagement and therefore less assurance is obtained than in a reasonable assurance engagement. The choice of audit procedures is subject to the auditor’s own judgement.

Within the scope of our engagement, we performed amongst others the following procedures:

- Inquiries of personnel on the corporate level, who are responsible for the materiality analysis, in order to gain an understanding of the processes for determining material sustainability topics and respective reporting boundaries of Continental
- A risk analysis, including a media search, to identify relevant information on Continental’s sustainability performance in the reporting period
- Evaluation of the design and implementation of the systems and processes for determining, processing and monitoring of disclosures relating to environmental, employee and social matters, respect for human rights, and combating corruption and bribery, including the consolidation of the data
- Evaluation of suitability of the internally developed reporting criteria for determining the revenue share with products which are energy-efficient or contribute to the avoidance of pollutants or carbon emissions
- Inquiries of personnel on the corporate level, who are responsible for determining disclosures on concepts, due diligence processes, results and risks, for conducting internal controls and consolidation of the disclosures
- Evaluation of selected internal and external documentation
- Analytical evaluation of data and trends of quantitative disclosures, which are submitted by all sites for consolidation on the corporate level
- Evaluation of local data collection, validation and reporting processes as well as the reliability of reported data based on a sample at the sites in Korbach and Karben
- Assessment of the overall presentation of the disclosures

1 Our engagement applied to the German version of the Report 2017. This text is a translation of the Independent Assurance Report issued in German, whereas the German text is authoritative.
Conclusion
Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the report of Continental, for the business year from January 1 to December 31, 2017, is not prepared, in all material respects, in accordance with sections 315b and 315c in conjunction with 289c to 289e HGB.

Restriction of Use/Clause on General Engagement Terms
This assurance report is issued for the purposes of the Supervisory Board of Continental Aktiengesellschaft, Hanover, only. We assume no responsibility with regard to any third parties.

Our assignment for the Supervisory Board of Continental Aktiengesellschaft, Hanover, and professional liability is governed by the General Engagement Terms for German Public Auditors (Wirtschaftsprüfer) and German Public Audit Firms (Wirtschaftsprüfungsgesellschaften) (Allgemeine Auftragsbedingungen für Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften) in the version dated January 1, 2017, (https://www.kpmg.de/beschei-nigungen/lib/aab_english.pdf). By reading and using the information contained in this assurance report, each recipient confirms having taken note of provisions of the General Engagement Terms (including the limitation of our liability for negligence to €4 million as stipulated in No. 9) and accepts the validity of the General Engagement Terms with respect to us.

Hanover, February 22, 2018

KPMG AG
Wirtschaftsprüfungsgesellschaft

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