



# Progress Arises from Change.

## Investor Presentation June 2022 [Fact Book 2021]

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

Investor Relations

# Agenda

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## **Continental**

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Automotive

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Tires

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ContiTech

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Contract Manufacturing

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Corporate Governance

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Sustainability

---

Financials

---

Back-up

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# Continental

We Are a Global Powerhouse



**First to market** with  
**software-defined**  
vehicle architecture  
and a **leading player**  
in **autonomous**  
**mobility**

**Industry-**  
**benchmark**  
operational efficiency  
in **Tires**

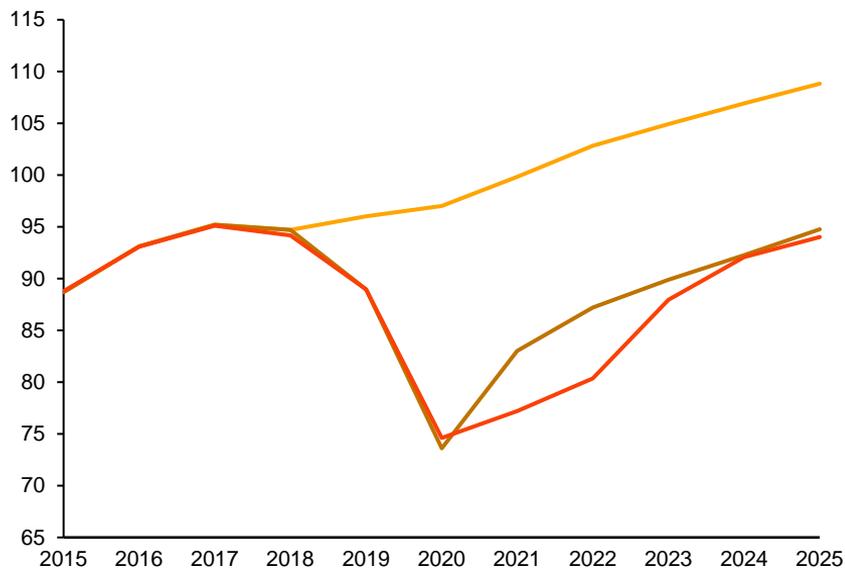
**Global Leader** in  
**Technical**  
**Rubber** and  
**Plastic Products**

**~192,000**  
**talented** and  
**dedicated**  
**employees**

# Changing Economic Environment

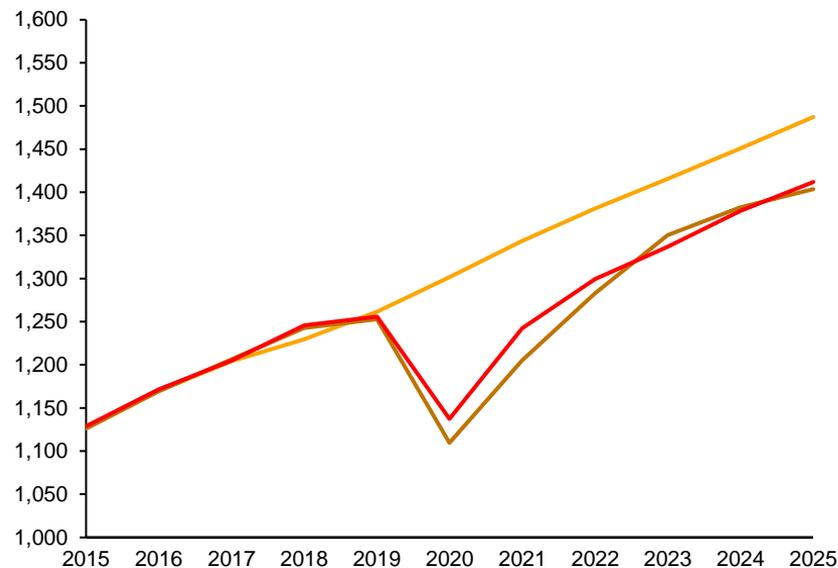
## Positive Mid-term Growth Outlook, but Well Below Dec. 2018 Expectations

### Light vehicle (LV) production (million units)



IHS LV production forecasts from: — Dec. 2018 — Nov. 2020 — May 2022

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



LMC LV repl. tire sales forecasts from: — Dec. 2018 — Dec. 2020 — Dec. 2021

# Our Objectives

What Drives Our Strategy?

**What do  
we want?**



**Emerge as a winner  
of the transformation.**



**Create value for all stakeholders.**

Customers, suppliers, employees,  
partners, communities and shareholders.

# Our Strategy

Emerge as a Winner of the Transformation

**1**

## Strengthen operational performance

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- › Right-size cost structure
- › Commitment to efficiency and quality

**2**

## Differentiate our portfolio

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- › Win in growth businesses
- › Manage value businesses for profitability and cash

**3**

## Turn change into opportunity

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- › Embrace sustainability
- › Focus on passion to win and transparency and ownership

# Strengthen Operational Performance

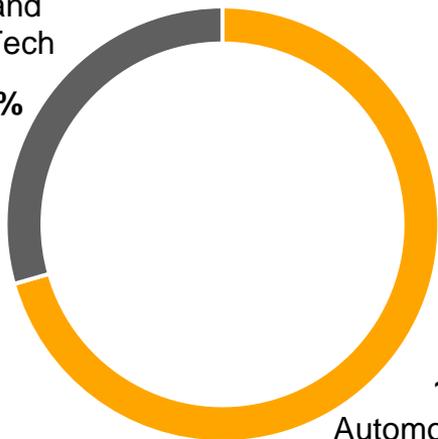
## Right-size Cost Structure Via Reductions and Shift to Best Cost

### Annual gross cost savings target

Total ~€850 mn by 2023

Tires and  
ContiTech

~30%



Automotive and  
Contract Manufacturing

~70%

### Continental's contribution

Best-cost  
share in  
manufacturing

2019  
~70%

Mid-term  
~75%

Best-cost  
share in R&D

~50%

~60%

# Strengthen Operational Performance

## Multiple Activities Underway to Improve Productivity and Quality

	Targets	Selected examples		
<b>Operational excellence</b>	Increase effectiveness, efficiency and flexibility	<b>Energy efficiency</b> 	<b>Automation/digitalization</b> 	<b>TiresGym 100</b> 
<b>Quality excellence</b>	Reduce quality-related incidents and costs	<b>Quality First program</b> 	<b>Total Quality Management CoC<sup>1</sup></b> 	<b>Continental Business System</b> 
<b>Standardization</b>	Leverage existing platforms, tools and processes	<b>Cooperation Portal</b> 	<b>Autosar</b> 	<b>One Project Management</b> 

<sup>1</sup> CoC = Center of Competence.

# Differentiate Our Portfolio

## Differentiation of Our Portfolio Between Growth and Value

### Automotive Technologies

### Tires

### ContiTech

#### Growth

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

**Software and Systems Excellence**



**Architecture and Networking**



**Autonomous Mobility**



**Smart Mobility**



**Fleet services, selective regions**



**Focus on five growth areas**



#### Value

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

**Safety**



**User Experience**



**EMEA business**



**Base business**



# Differentiate the Portfolio

## Focused Management Approaches to Best Crystallize Value

	How we manage			Strategic optionality
	Growth	Profitability	Investment	Considerations
Growth	Value-accretive outperformance	Long-term profitability	Innovation to expand market position	<ul style="list-style-type: none"><li>› Competitive <b>funding for investment needs</b></li><li>› Ability to <b>attract talents and potential partners</b></li></ul>
Value	Selective growth	Focus on profitability	Cash conversion	<ul style="list-style-type: none"><li>› Continuous <b>best owner review</b></li><li>› <b>Partnerships or divestitures</b></li></ul>

# Turn Change into Opportunity

## Embracing Sustainability in Everything We Do

### Targets<sup>1</sup>

Together with our value chain partners and latest by 2050, we strive for:

 **100%** Carbon neutrality

 **100%** Emission-free mobility and industry

 **100%** Closed resource

 **100%** Responsible value chain

### Activities

We actively unleash sustainable market potential in all business units

 Foster innovation and phase-in growth businesses

 Transform or phase-out non-viable businesses

 Advance sustainable business practices

### Accountability

#### Aligned with shareholders

Long-term incentive program utilizes three key performance indicators:



Share price



Relative TSR<sup>2</sup>



Sustainability

- › Environment
- › Engagement
- › Health & Safety
- › Diversity

<sup>1</sup> Selection, for more information <https://www.continental.com/en/sustainability>.

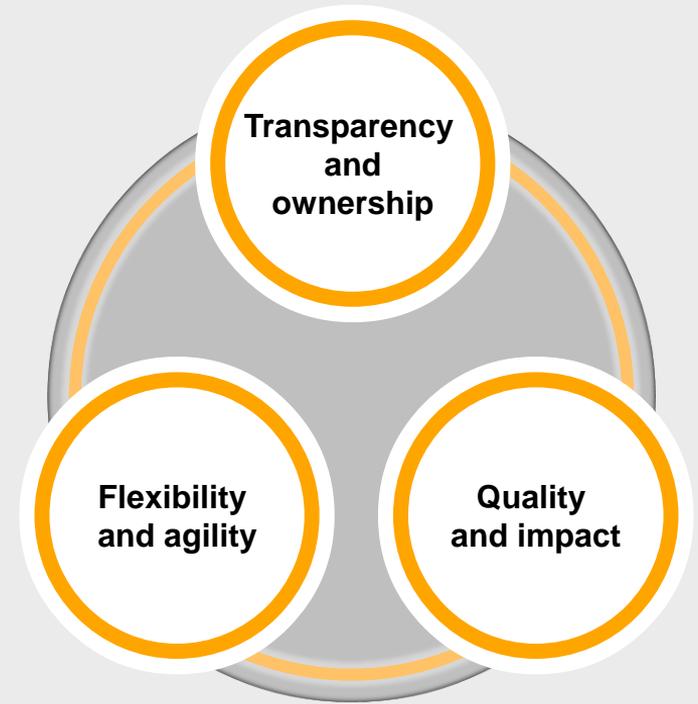
<sup>2</sup> Total Shareholder Return.

# Turn Change into Opportunity

“Passion to Win” and “Transparency and Ownership” Have Top Focus

Our Values

Our Mindset



# Agenda

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Continental

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**Automotive – Overview**

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Tires

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ContiTech

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Contract Manufacturing

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# Transformation of the Automotive Industry

## Six Dominating Trends Will Define the Future of Mobility

Autonomous  
Mobility



User  
Experience



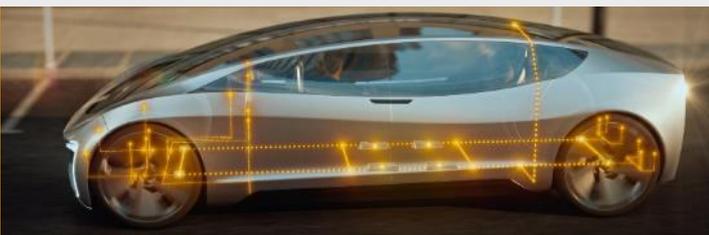
Smart  
Mobility



Safety  
and  
Motion



Architecture  
and  
Networking



Software  
(SW) and  
Systems  
Excellence



# Transformation of the Automotive Industry

## Expanding Value Creation Opportunities in All Trends

**New World:** Defined by Hardware and Software

**Old World:** Defined by Hardware

### Trends

Autonomous Mobility

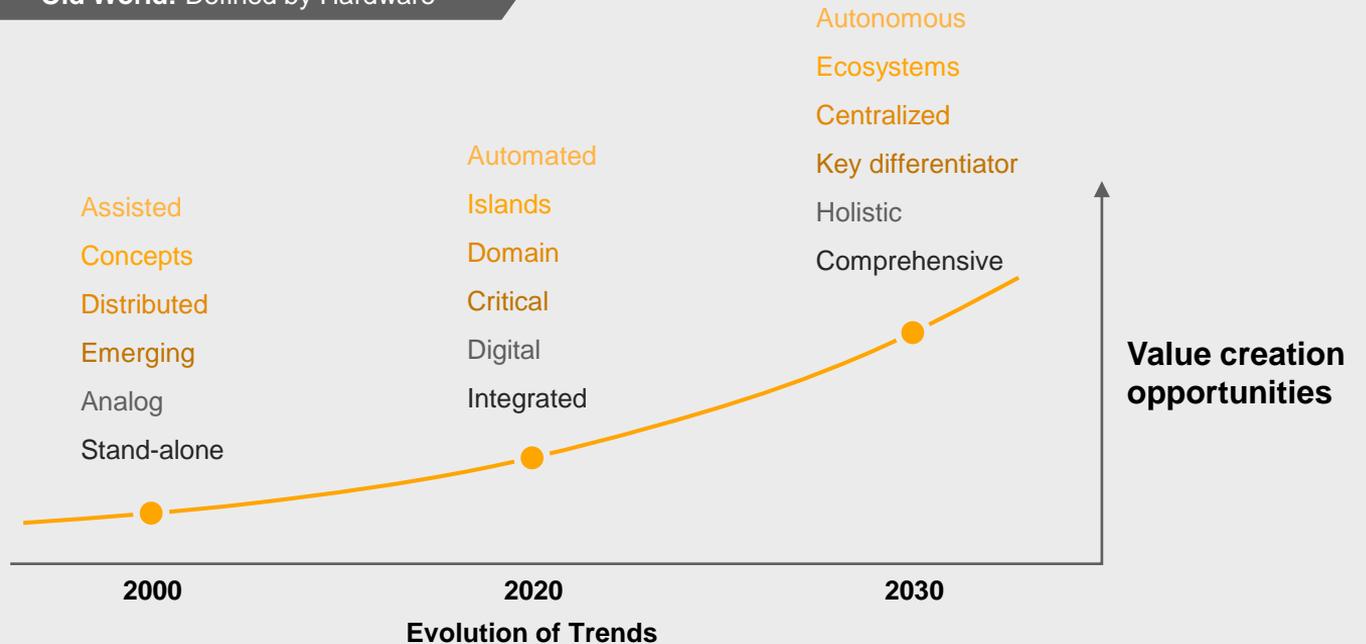
Smart Mobility

Architecture and Networking

SW and Systems Excellence

User Experience

Safety and Motion



# Transformation into Group Sector Automotive

Realigning Our Activities into Action Fields to Better Serve Trends

**Safe. Connected. Convenient.**  
We Drive the Future of Mobility.



Autonomous  
Mobility



Smart  
Mobility



User  
Experience



Safety  
and Motion



Software and Systems Excellence



Architecture and Networking

# Transformation into Group Sector Automotive

## Realignment Leverages Synergies Across Multiple Dimensions

### Project management

Managing **highest complexity** across action fields and parties

### Horizontal integration

- › Combining **functions across domains**
- › **Standardized** hardware and software platforms to realize **better economies of scale and scope**

### Vertical integration

Capable of providing **fully functional system stacks**

- › Cloud
- › Functions/services/apps
- › Middleware/OS
- › Basic software
- › Hardware

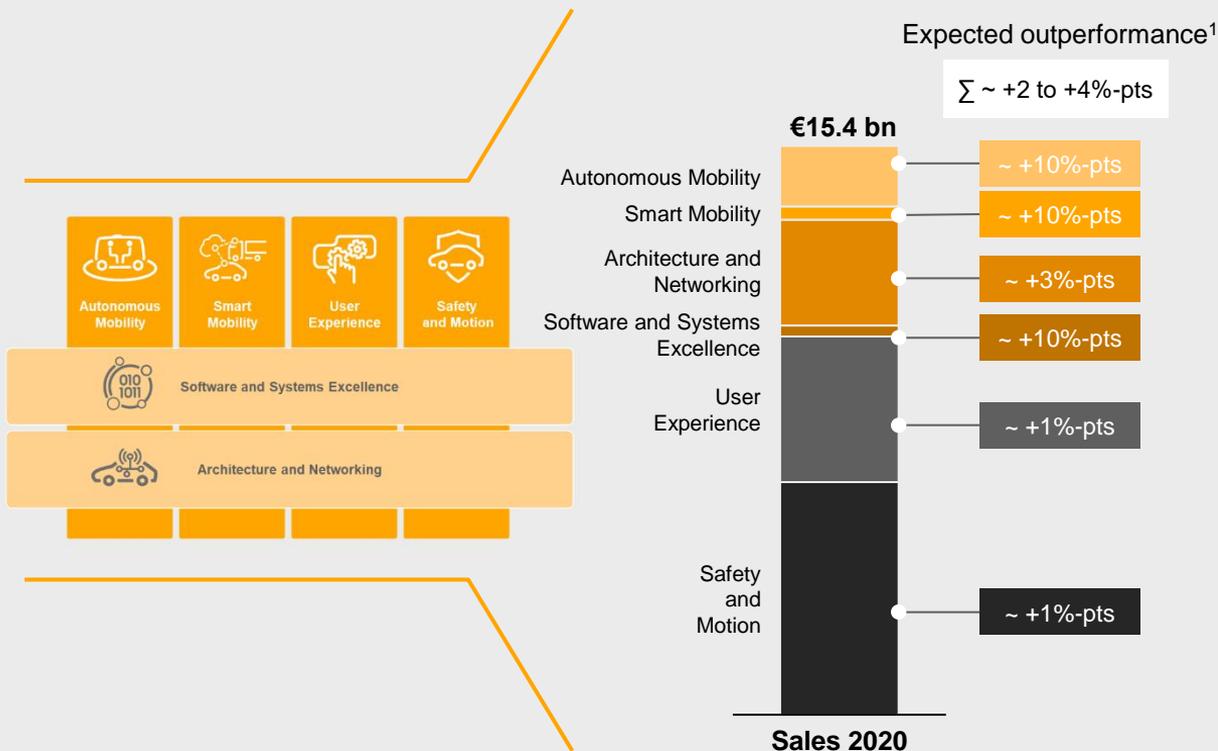


### Scalability across OEs and platforms

- › Most competitive **cost position**, fastest **time to market** and attractive **value proposition**
- › Unique portfolio **breadth and depth**

# Differentiate Our Automotive Portfolio

## Action Fields to be Managed as “Growth” or “Value”



### Growth

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

### Value

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

<sup>1</sup> Mid-term organic sales growth above IHS LVP.

# Automotive: Adjusted EBIT<sup>1</sup> Margin Bridge

We Strive for an Adjusted EBIT<sup>1</sup> Margin of ~ 6% to 8% in the Mid-term



<sup>1</sup> Before amortization of intangible assets from purchase price allocation, changes in the scope of consolidation, and special effects.

<sup>2</sup> IFRS 5 for Vitesco applied starting 2021. P&L figures have been adjusted for 2020.

# Agenda

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Continental

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## **Automotive – Strategic Action Fields**

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Tires

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ContiTech

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Contract Manufacturing

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Corporate Governance

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Sustainability

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# Strategic Action Field: Architecture and Networking

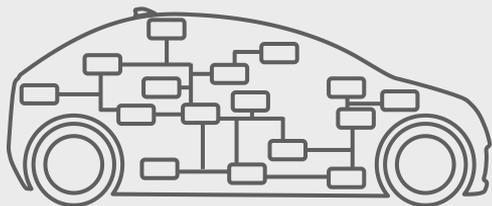
## Leading the Way Toward Software-defined Vehicles



# Leading the Way Toward Software-defined Vehicles

We Are Playing a Leading role in the Technology Transformation

Up2now

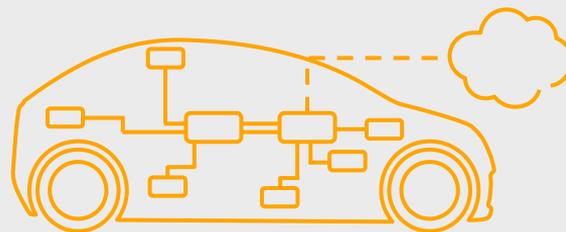


## Patchwork architecture

- › Up to ~100 ECUs, limited computing power
- › Functionality isolated in ECUs
- › Lots of wires
- › Limited cloud-based functionality

**User expectation:** pleasure, safety and convenience

Going forward



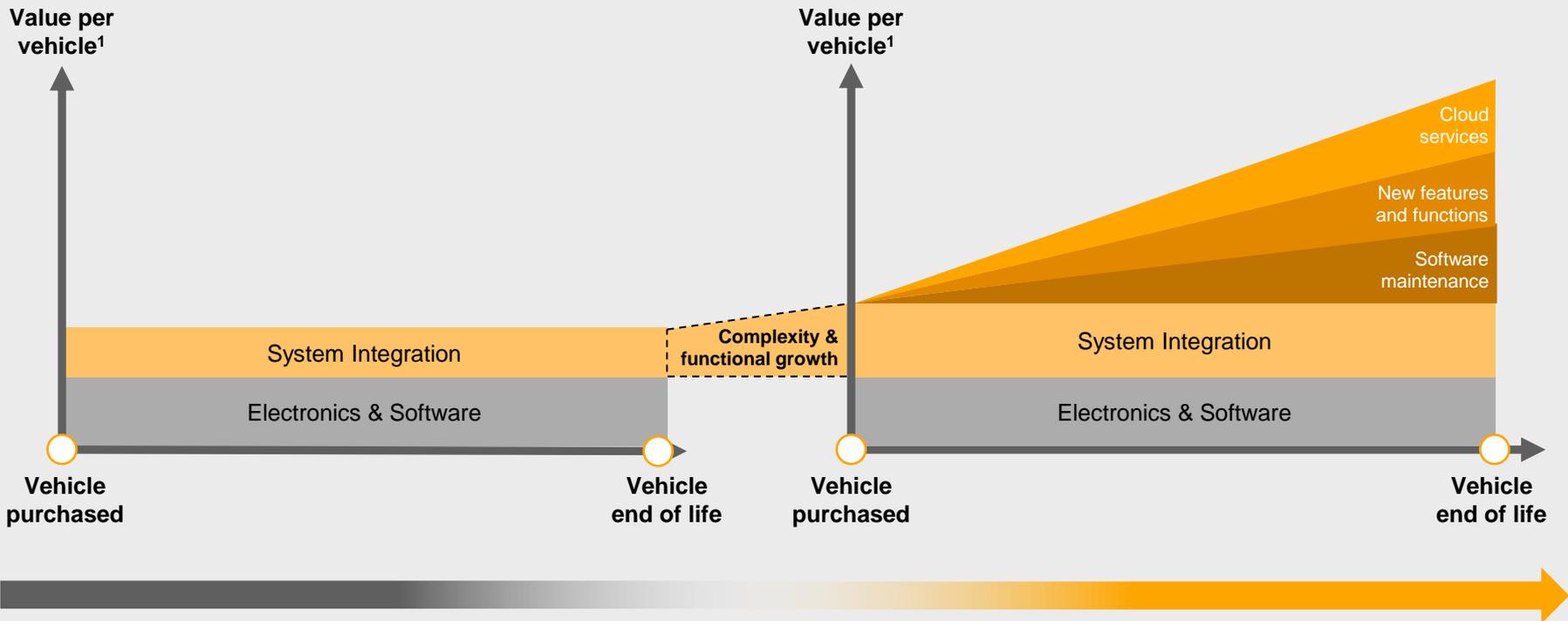
## Function-defined architecture

- › Few HPCs and zones, significant computing power
- › Functions defined by SW (HW abstraction)
- › ~50% reduction of wires
- › Always connected

**User expectation:** smart IoT device

# Understanding The New Business Needs

## We Are Capitalizing Directly on this Transformation



<sup>1</sup> Not to scale; for illustrative purposes only.



## Our Strategy:

We are **leveraging our** competence and **leadership in electronic control systems...**

**...to provide the backbone of the intelligent and connected vehicle**

# Understanding Our Customers

We Are Winning: Providing Solutions that Capture Value

Customer Challenges >

Continental Solutions >



**Integration of complex systems**

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- > **Capability** to provide fully **pre-integrated** and **cyber-secured** functional stacks



**Lack of software expertise**

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- > Superior capabilities **component to system**
- > Established **agile development** and collaboration **methods and tools**



**Managing new business models**

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- > Enabling **new recurring value streams**
- > Covering **complete vehicle lifecycle**

# Our Portfolio – Valuable Building Blocks

We Leverage our Legacy to Deliver Solutions to Meet Tomorrow's Needs

## Architecture

Enabling any function in the vehicle

Going forward



Zone Control Units



High Performance Computers



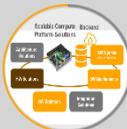
Body Electronic Solution Family



Actuator Control Electronics



SW and Services



Architecture, Integration and Services



Process, Dev Ops and Tools

## Networking

Connecting the vehicle to the IoT and beyond



OTA Updates & Security



4G/5G, Telematics & Antennae Solutions



Broadcast Antennae Solutions



V2X Communication



Digital Access Solutions



Access Solutions

Up2now

# Our Portfolio – Valuable Building Blocks

We Leverage our Legacy to Deliver Solutions to Meet Tomorrow's Needs

## Architecture

Enabling any function in the vehicle

Going forward



Zone Control Units



High Performance Computers



Body Electronic Solution Family



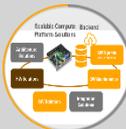
Actuator Control Electronics

Building High Performance Computer E2E solutions from our core building blocks...

Up2now



SW and Services



Architecture, Integration and Services



Process, Dev Ops and Tools

## Networking

Connecting the vehicle to the IoT and beyond



OTA Updates & Security



4G/5G, Telematics & Antennae Solutions



Broadcast Antennae Solutions



V2X Communication



Digital Access Solutions



Access Solutions

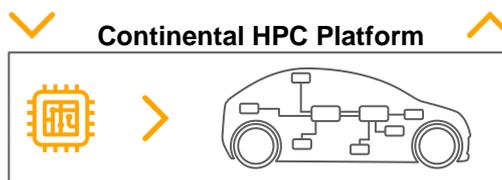
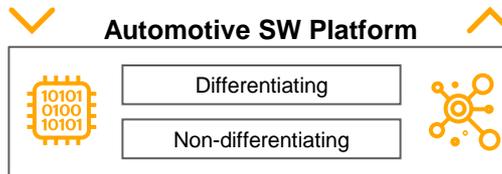
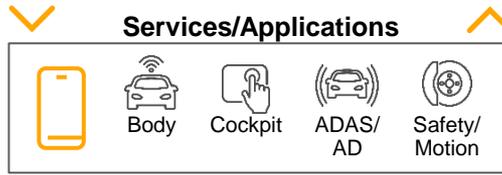
# Our Portfolio – Valuable Building Blocks

## Deep-Dive: End-2-End Solutions for High Performance Computers (HPCs)

### Building Blocks



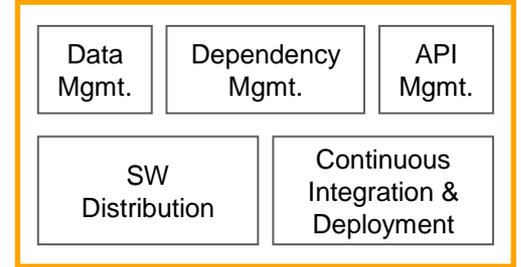
### System Integration



### Toolkit



### Tool Framework



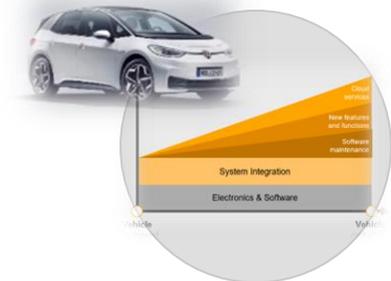
# Leadership in High Performance Computers (HPCs)

Achievement: ~ €5.5 bn Cumulative Life Time Sales (LTS) Since 2018

## First to market

For Volkswagen Group's MEB platform

~ 600,000 ICAS1 HPC units delivered since 2019



Adding value across the lifecycle through:

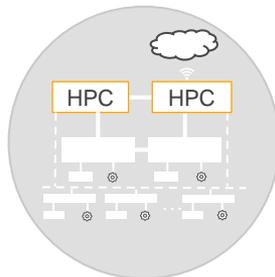
- › Software maintenance services
- › Functional improvement services

<sup>1</sup> ICAS: "In-Car Application Server"

## HPC LTS

HPCs for single domains

~ €5.5 bn cumulative LTS since 2018

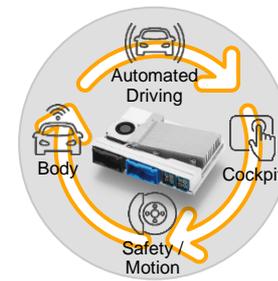


SOP	'20	'21	'22	'23	'24
Body					
Cockpit					
Automated Driving					

## Future

Cross-domain dominated HPC solutions

~15 active acquisitions running with SOPs starting from 2024 onwards



- › Continental as industry and innovation leader in cross-domain HPCs
- › Capitalizing on emerging new business models and creating tangible value for our Customers

# Strategic Action Field: Software and Systems Excellence

Our Strengths Overcome Software Challenges



Autonomous  
Mobility



Smart  
Mobility



User  
Experience



Safety  
and Motion



Software and Systems Excellence



Architecture and Networking

# Software-defined Vehicles...

## ... Face Numerous Challenges



### Explosion of complexity

- › Customer expectations and regulatory requirements
- › SW-defined differentiation



### High degree of variants

- › Regional requirements
- › Numerous models per OEM
- › Highly customizable models



### Long product lifetimes

- › Long-term maintenance period
- › Always up-to-date, safe and secure



### Vague standards

- › Generic industry standards
- › OEMs interpret standards individually



### Safety

- › Safety-critical mission
- › Defects can be life-threatening

# Our Strengths Overcome Software Challenges

We Cover the Entire Spectrum of Customer Needs

**60%**

**Non-differentiating  
software**

**Customer needs:**  
Economies of scale for most  
competitive cost position



**40%**

**Differentiating  
software**

**Customer needs:**  
Economies of scope to provide  
best support/expertise

Continental offers best-in-class  
**software and systems  
excellence** based on:



Competence



Technology



Workflow



Collaboration

# Our Strengths Overcome Software Challenges

Recognized Leader in Automotive Software Products and Services

## Core product areas

### › HPC and automotive OS:

solutions, tooling and cloud extensions



### › Real-time computing and automotive network software solutions



### › Cybersecurity and OTA<sup>1</sup> updates



<sup>1</sup> OTA: over-the-air (wireless delivery of new software, firmware or other data).

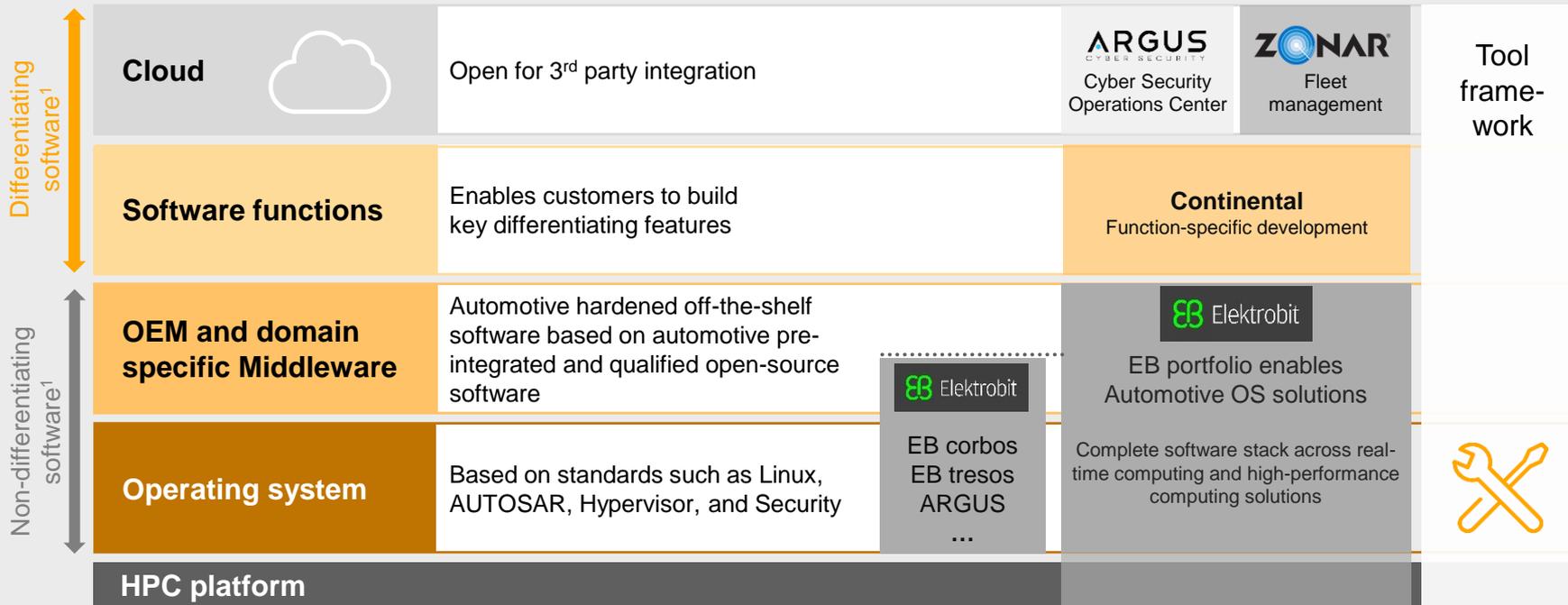
## Top strengths and USPs

- › **Completely safe and secure** automotive-grade **middleware** and **OS stack**, with proven mass-produced services
- › **Software and system competency**, especially HMI services, Android solutions and connected services from a single source
- › Track record in **integration and validation** services
- › **Maintenance** for automotive-grade and **safety-certified software**
- › **Global workforce** established in key regions and close to our customers

# Scalable, Integrated and Cloud-ready Platforms Needed

We Deliver Software Stacks for Present and Future Architectures

## Continental's Technologies



<sup>1</sup> Differentiating and non-differentiating software from an OEM point of view.

# Elektrobit Offers Full Coverage

## Products and Engineering Services to Enable Automotive OS Solutions

### / Application layer:

Vehicle functions such as safety, driving, braking, parking, lighting, locking, heating, charging, music and streaming

### / Platform Services:

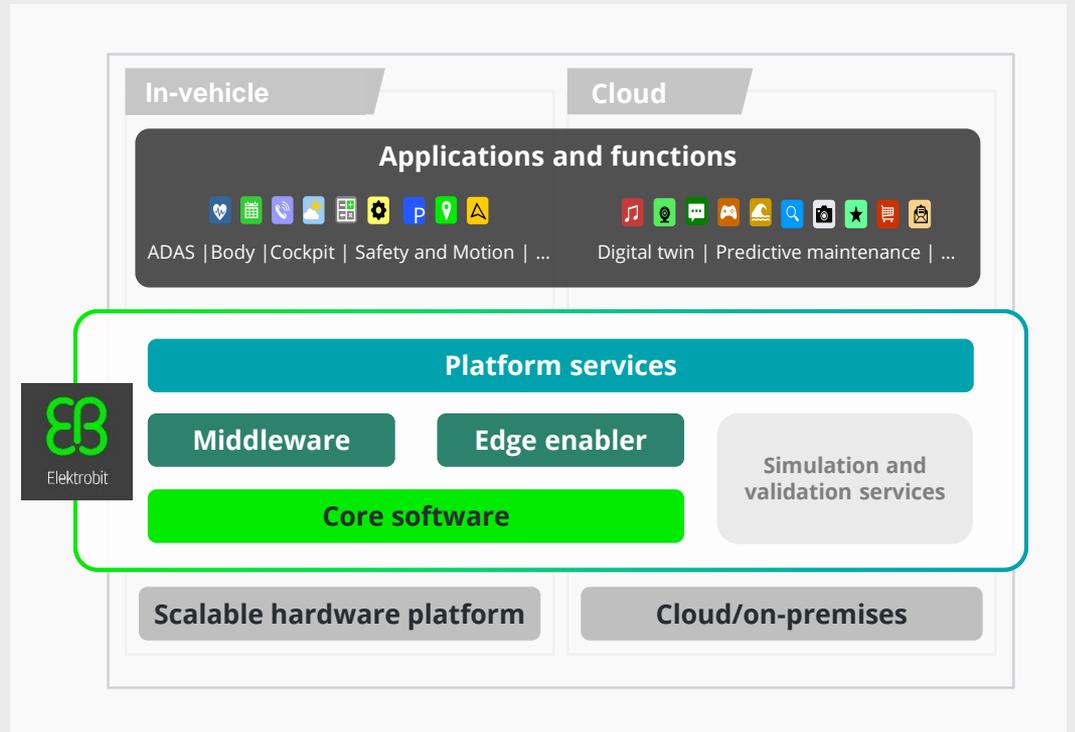
Platform services to manage functionality across different ECUs and vehicles, e.g. mode management, power state, time sync, FW update, log, trace and data, node supervision

### / Middleware:

HW-independent software and middleware, e.g. Adaptive and Classic AUTOSAR, Android framework

### / Core software:

HW-dependent software, real-time and dynamic operating systems, hypervisor, firmware, etc.



# Argus – State-of-the-art Cybersecurity

## Highlights



**65+ million vehicles** will be secured with Argus technology starting 2021 across **21 production projects, 20 manufacturers**



Reducing cyber security cost and complexity with **reusable software and direct OEM engagement**



**1000+ man years** invested to date in Argus technologies and research



**70+ granted and pending** automotive cyber security patents



**Seamless integration** across product portfolio



**Partnerships** with leading industry players



**~200 employees with** offices across the globe **Korea, Japan, Germany, France, & US**



**Automotive grade - ASIL-B ready and developed in alignment with ASPICE Level 2 requirements**

# Speed and Agility

## We Manage the Complexity of Software Integration End-2-End



**Continental  
software factory**

- > Continuous integration, testing and delivery
- > On-site and cloud resources
- > Embedded hardware



**Software delivery  
KPI reports**



**Continental  
Cooperation Portal**



**Real-time traceability**  
feature requests | bug  
reports | software



**External  
software factories**

OEMs and partners



Solution to integrate an exponentially growing amount of software



Automatization and standardization



Reduction in development time and costs, increase in software quality

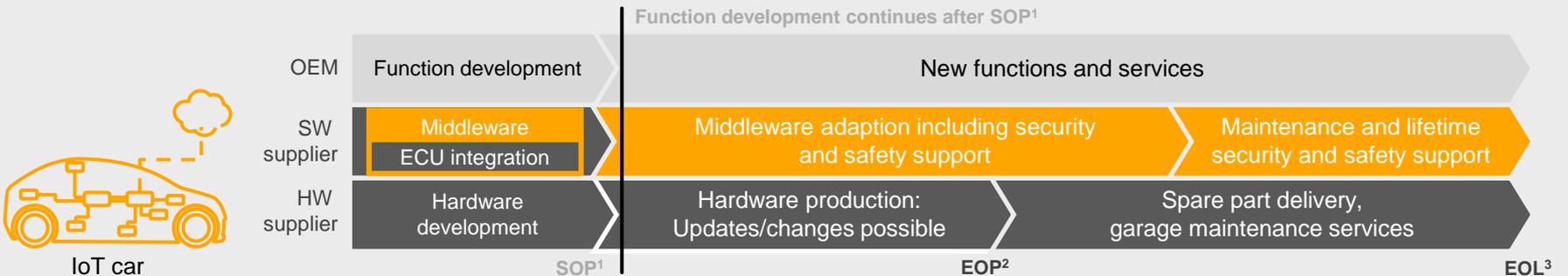
# Software-defined Vehicles Offer New Revenue Streams

## Trust-based Collaboration Models Required

### Hardware and function coupling – Software treated like hardware



### Software-defined vehicle needs a software platform partner throughout vehicle lifecycle



<sup>1</sup> SOP: Start of production, <sup>2</sup> EOP: End of production, <sup>3</sup> EOL: End of life

# Collaborations Based on Trust

## Our Strong Partnerships Within the Ecosystem

Technology



Dassault Systemes | Synopsys  
Ansys | dSPACE | SIEMENS |  
Canonical | IBM | TTTech |  
Windriver



Consortia



SOAFEE | Eclipse SDV |  
ADASIS | SENSORIS | ELISA  
Navigation Data Standard |  
AUTOMOTIVE GRADE LINUX  
VDA | TISA | ASAM | ZVEI |  
Safety Pool



Semiconductors



STMicroelectronics | NVIDIA |  
Qualcomm | arm | SemiDrive |  
Intel | SAMSUNG | Marvell |  
Texas Instruments



VW | BMW | Ford  
Toyota | Renault-Nissan Alliance | Hyundai  
General Motors | Honda | FCA | PSA | Suzuki | Daimler  
Geely | Mazda | Great Wall Motors | SAIC | Tata



We unite the right partners for  
building software-defined cars.



Telekom | Microsoft  
Google | Baidu百度apollo  
vodafone | TomTom | Equinix



Note: Any rights of trademark owners remain unaffected.

# Strategic Action Field: Autonomous Mobility

## On the Way to Autonomous Mobility



Autonomous  
Mobility



Smart  
Mobility



User  
Experience



Safety  
and Motion



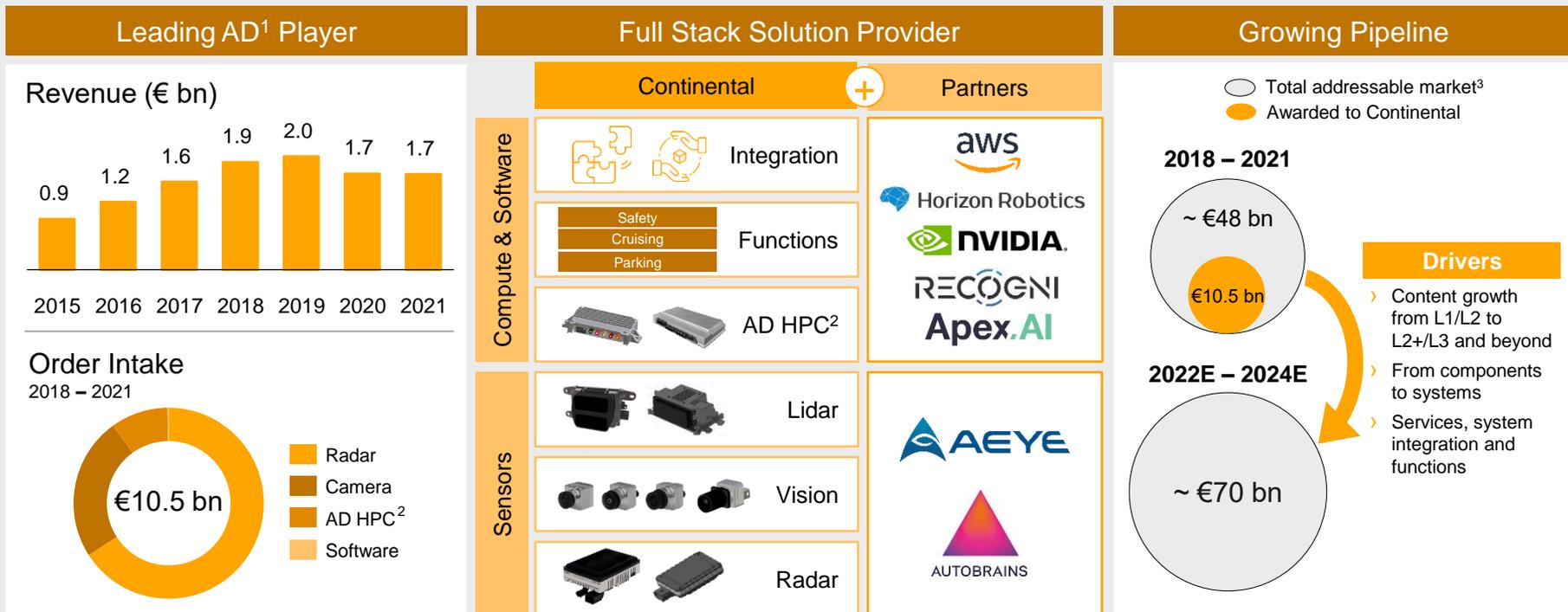
Software and Systems Excellence



Architecture and Networking

# Continental's Autonomous Mobility Business

## Leveraging Strong AD<sup>1</sup> Position to Capture Growth Opportunities



<sup>1</sup> Assisted/automated Driving. | <sup>2</sup> AD high-performance computer. | <sup>3</sup> Based on expected lifetime sales of orders awarded during the time period.

# On The Way Towards Level 4 (L4)

## Modular and Scalable Portfolio Needed



From assisted to autonomous driving and from surround-view to automated parking systems



# Continental's Portfolio for Automated Driving

## Level 2 Plus Solutions Addressing Significant Growth

Continental technology

in series

Partly Automated Driving (SAE L2)



in series

L2 "Performance"

"L2 Plus"

L2 "Premium"



HAD Ready

Highly Automated Driving (HAD) (SAE L3)



Software



Highway Assist  
NCAP<sup>1</sup> 5 stars



Traffic Jam Companion  
(hands-off ≤ 80 kph)



Highway Companion  
(hands-off ≤ 130 kph)  
L2 in extended  
"Operational Design  
Domain"



Cruising Chauffeur  
Traffic Jam Chauffeur

AD High  
Performance  
Computer

optional

1

1

2

Radars

1 – 5

5 – 7

5 – 7

7

Cameras

1 – 2

6

6

9

Lidars

optional

≥ 2

Content per vehicle

> 200 EUR

> 2x L2

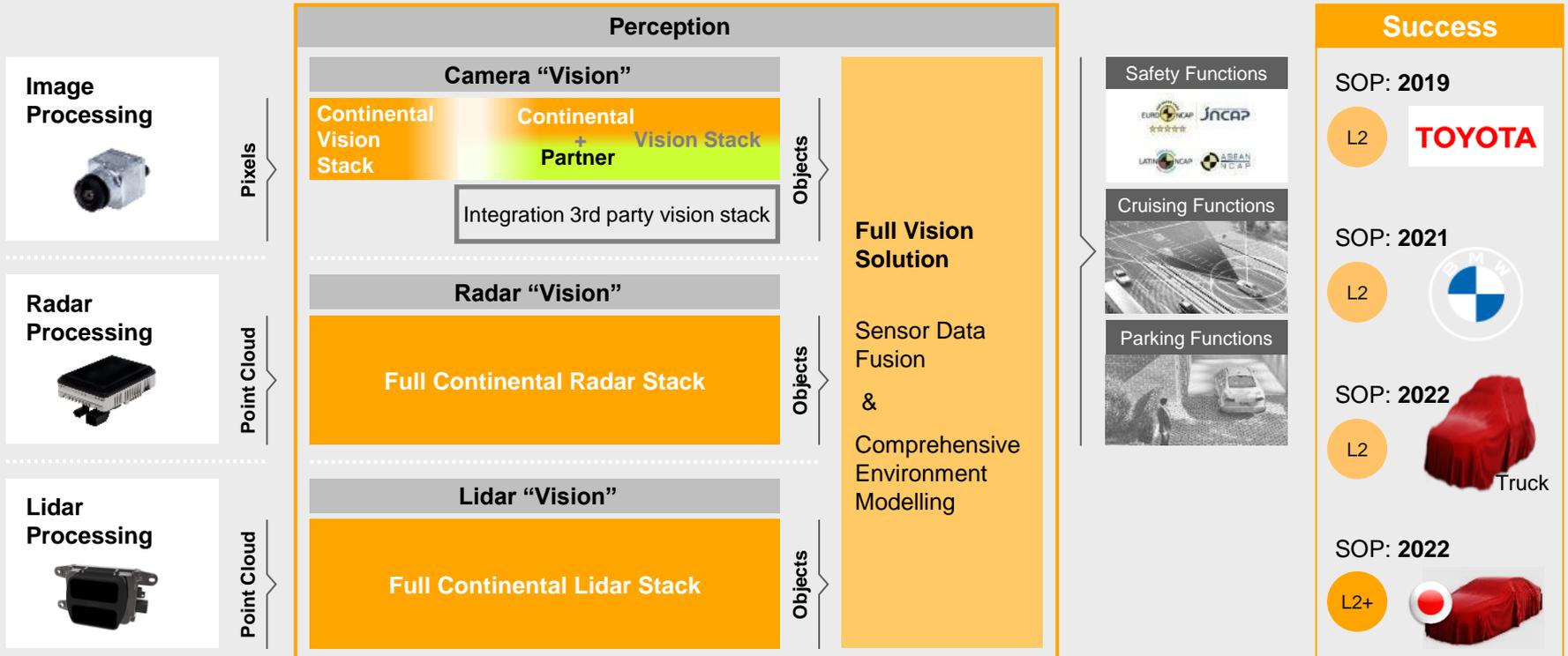
> 4x L2

> 10x L2

<sup>1</sup> New Car Assessment Programme.

# From Vision to Perception

## Sensor Know-how Enables Vision Solutions & Functions



# Software Stack and Hardware Platform Solutions

Modular & Scalable to Manage High Complexity

## Full Stack Capability

Driving and Parking Functions



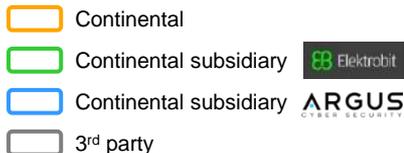
Perception



Operating System and Middleware



Software components from



## High Performance Computer (AD HPC)

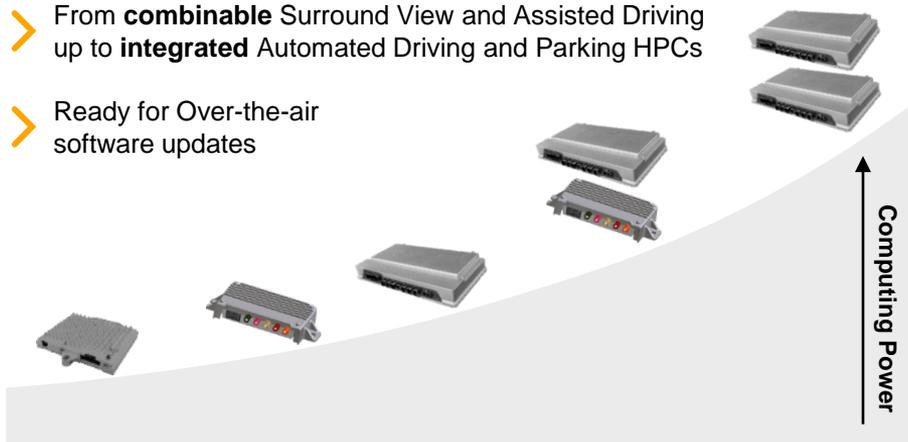
Partly Automated Driving (SAE L2)

"L2 Plus"  
Performance Premium

Highly Automated Driving (SAE L3)

Fully Automated Driving (SAE L4)

- > From **combinable** Surround View and Assisted Driving up to **integrated** Automated Driving and Parking HPCs
- > Ready for Over-the-air software updates



Success

SOP: 2022 L2+



SOP: 2022/23 L2

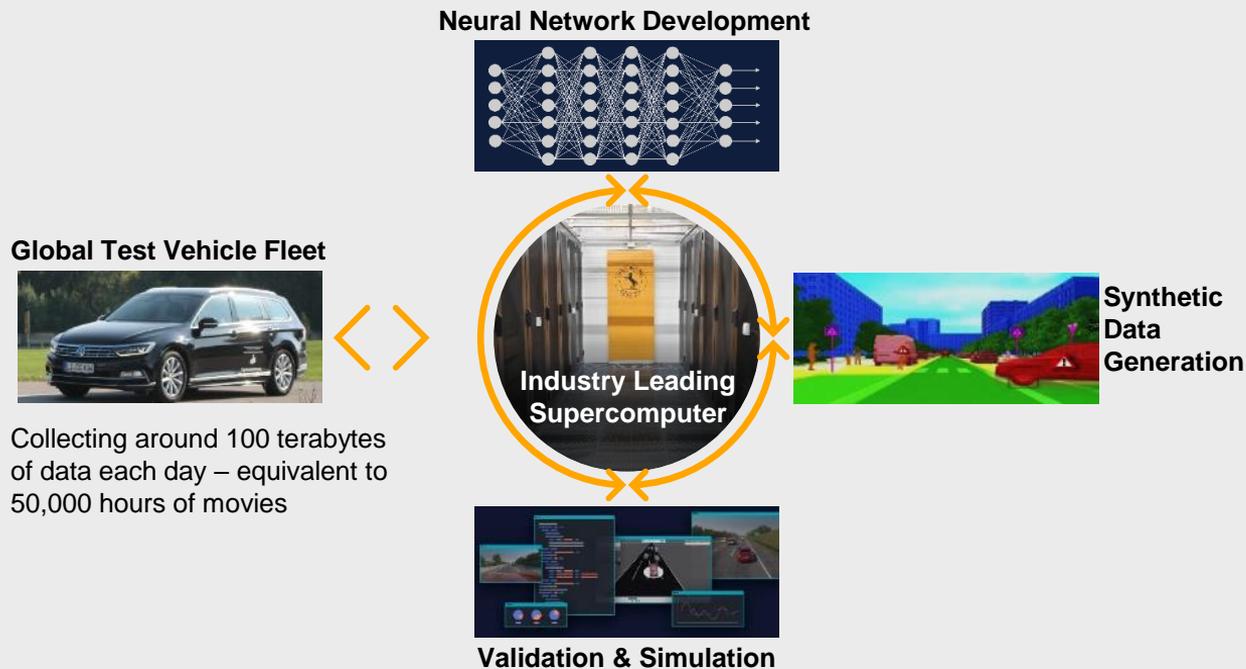
L2+



# We Are Ready for the Challenges of the Future

## AI and Simulation for the Next Era of AD Technologies

### The Vital Importance of Data Quality & Efficient Data Management



### AI Competence Center



- > **Core development** of AI technologies
- > **Roll-out** to product development teams

# Exploiting Additional Business Areas

## Markets of Interest

### Software as a Product



#### Relevance

- › Software will be a key differentiator within automotive
- › Defining business models for Software is crucial for ADAS

#### Continental Status

- › Business model implemented: Example "3D View" functionality

#### Continental Future

- › Full stack supplier to create best in class software solutions actively including partners

### Commercial Vehicles



- › First commercial autonomous fleet operations expected
- › Strong market growth within the next 5 years by push of legislation

- › Strong customer base established
- › Dedicated business within Continental

- › Full system and solution provider supporting commercial fleets

### Mobility Provider



- › Autonomous fleet operations expected within dedicated environments
- › Experiences gained through those fleets will be crucial for a data driven development

- › Established business relationship through sensor competency

- › Strong collaboration with fleet providers to test innovative technologies and improve software functions

# Strategic Action Field: Smart Mobility

## Becoming a Leader in Smart Mobility



# Becoming a Leader in Smart Mobility

## Smart Mobility Requires Smart Solutions

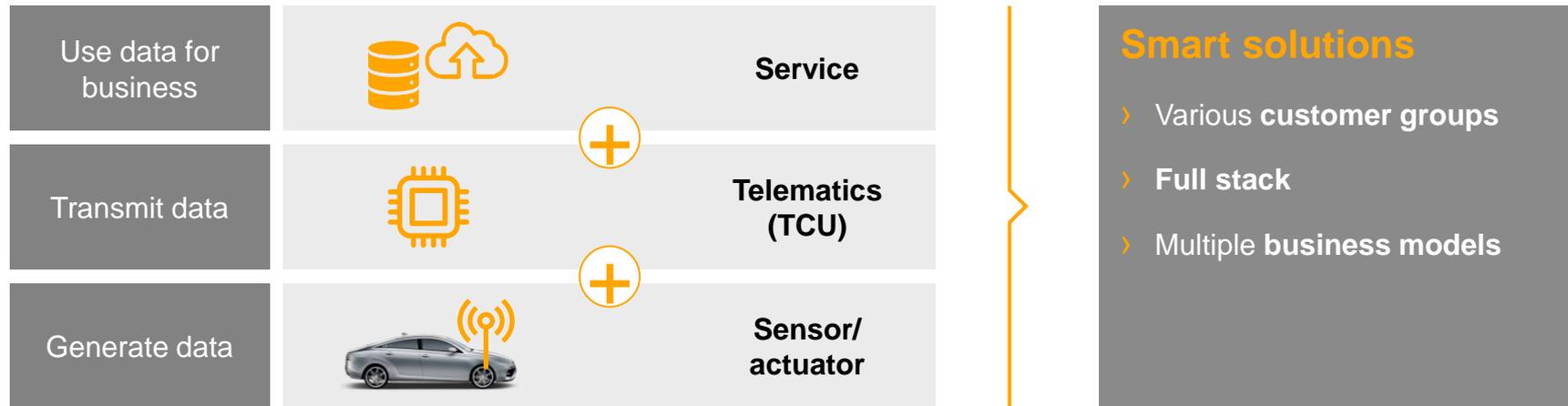
### Mobility today (partly smart):

Fragmented, mostly unconnected island solutions



### Smart mobility:

Connects data and uses knowledge to provide insights and recommendations



# Growing Need for Smart Mobility Solutions

## Converging Requirements and Demands from CV and PV Worlds



### Commercial vehicle fleet operators

- › **100% of trucks connected**
- › **Digital logistics** value chain drives CV **fleet services**
- › **Big data – analysis of data** across brands, vehicle types, sensors and markets

### Growth drivers

Digital logistics value chain

Regulations – safe, clean & fair

New mobility business models

Orchestrator solutions – cross-technology

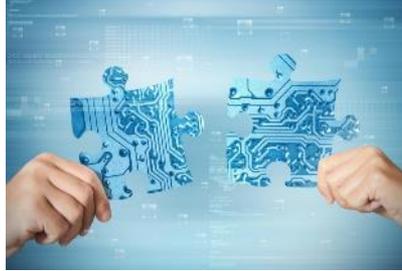


### Private users and passenger vehicle fleet operators

- › **New business models** such as sharing and hailing disrupt mobility
- › Fleet vehicles managed as **investment goods**
- › Demand for **total cost of ownership (TCO)** reducing services

# Key Challenges of Smart Mobility

Our Capabilities and Solutions Provide Customer Value



Scattered landscape  
of independent  
elements

**Modular full stack solutions and systems** from sensor to service



Difficult to interpret  
data from a multitude  
of sensors and  
actuators

Longstanding **experience** working with and profound **understanding** of automotive sensors, actuators and computing



Necessity to use  
several solutions  
in parallel

**Holistic end-to-end integrated systems** providing superior insights in an easy-to-use solution

Customer  
Challenges >

Continental  
Solutions >

# Comprehensive Smart Mobility Solutions

## Expanded Offerings to Cover Needs of Diverse Customer Groups

Customer group	CV OEMs	PV OEMs	Logistics fleets	Mass transit	Vocational & off-highway fleets	Breakdown service providers	Workshops & other AM applications	Mobility fleets	
Fleet type	Commercial vehicle fleets					Passenger vehicle fleets			
Continental solution	<ul style="list-style-type: none"> <li>★ Key as a service</li> </ul>					<ul style="list-style-type: none"> <li>★ Remote vehicle data</li> </ul>			
	<ul style="list-style-type: none"> <li>★ eHorizon</li> </ul>	<ul style="list-style-type: none"> <li>★ Remote vehicle data</li> </ul>	<ul style="list-style-type: none"> <li>★ Key as a service</li> </ul>		<ul style="list-style-type: none"> <li>★ Key as a service</li> </ul>				
	<ul style="list-style-type: none"> <li>★ Fleet management</li> </ul>	<ul style="list-style-type: none"> <li>★ Key as a service</li> </ul>	<ul style="list-style-type: none"> <li>★ Fleet management</li> </ul>	<ul style="list-style-type: none"> <li>★ Fleet management</li> </ul>	<ul style="list-style-type: none"> <li>★ Fleet management</li> </ul>		<ul style="list-style-type: none"> <li>★ Remote vehicle data</li> </ul>	<ul style="list-style-type: none"> <li>★ Remote vehicle data</li> </ul>	
	<ul style="list-style-type: none"> <li>★ Digital tachograph</li> </ul>	<ul style="list-style-type: none"> <li>★ eHorizon</li> </ul>	<ul style="list-style-type: none"> <li>★ Digital tachograph</li> </ul>	<ul style="list-style-type: none"> <li>★ Digital tachograph</li> </ul>	<ul style="list-style-type: none"> <li>★ Digital tachograph</li> </ul>	<ul style="list-style-type: none"> <li>★ Remote vehicle data</li> </ul>	<ul style="list-style-type: none"> <li>★ Digital tachograph</li> </ul>	<ul style="list-style-type: none"> <li>★ Key as a service</li> </ul>	

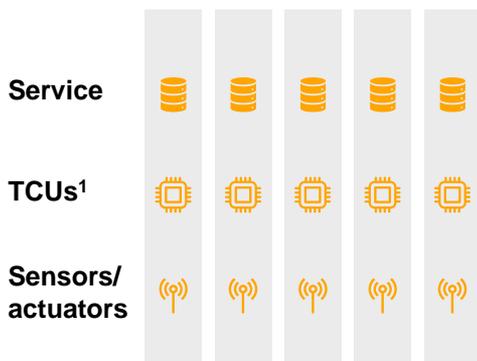
★ In the market ☆ In development

# Continental Established in Full Stack

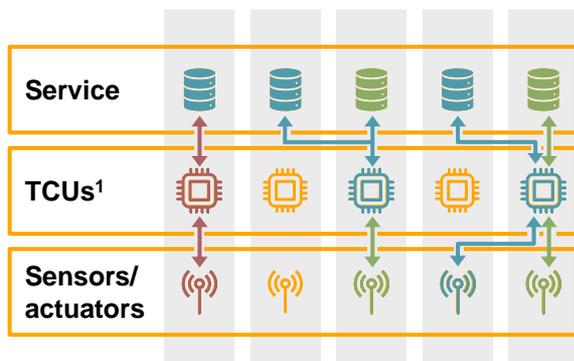
## Modular Architecture for More Service Opportunities



Vertical stand-alone architecture



Horizontal coherent and modular building blocks



Past

Future and Continental's offering

### Established service

Existing back-end infrastructure and running services (fleet management system, tire information system, ContiTech (e.g. conveyor services))

### Solid market position for TCU<sup>1</sup>

OB<sup>2</sup>-II Dongle in production  
Solid position in 3G, 4G, 5G telematics  
Established in digital tachographs

### Large portfolio of sensors/actuators

Bluetooth low energy, tire sensor, door-access-controls, on-board weighing, NOx sensor

<sup>1</sup> TCUs: telematic control units.  
<sup>2</sup> OBD: on-board diagnostics.

# Strategic Action Field: User Experience

Joy of Use, Ease of Use and Safe Driving





# User Experience

Buying Decisions Are Influenced by UX More Than Ever



**EXPERIENCE  
EASE OF USE**

**CREATE  
UNIQUENESS**

## Consumer: need for emotion

- › Ease and joy of use lead to customer satisfaction
- › Willingness to pay

## OEM: need for differentiation

- › Traditional differentiators are losing significance
- › High-value interior as key brand identifier

# User Experience

## UX Matters: Holistic User Experience Portfolio

### Visual

- › Display solutions
- › Head-up displays
- › Cabin sensing

### Software and system

- › UX assets

### Audial

- › Sound solutions

### System integration

- › Cockpit HPC<sup>1</sup>

### Tactile

- › ShyTech
- › Haptics

More than one in three cars are equipped with our UX parts!

<sup>1</sup> HPC: high-performance computer.

# User Experience

## What Makes Us Successful: Leading in All Four Core Competencies

TODAY

### DESIGN



Flat 2D displays

### TECHNOLOGY



Separate devices

### INTEGRATION



Stand-alone functions

### PRODUCTION



Specific product set-up per customer

TOMORROW

- › Large curved displays
- › 3D

- › Latest CE technology qualified for automotive use
- › Interactive ShyTech surfaces; switchable privacy

- › Integration of camera and haptic functions into display solutions

- › Standardized production of various display shapes in mega factories with high complexity

# User Experience

Our Designs Enable OEMs to Differentiate

## IN LAUNCH<sup>1</sup>



L-shape display + cockpit HPC<sup>2</sup>



C-shape display + cockpit HPC<sup>2</sup>



V-shape display

## UPCOMING LAUNCHES



C-shape OLED display



V-shape display

**> €5.5 bn in lifetime sales**  
for display solutions with SOP ≥ 2022

## NEW ACQUISITIONS UNDERWAY



ShyTech display

<sup>1</sup> Pictures featured on this page belong to their respective owners.  
<sup>2</sup> High-performance computer.

# User Experience: ShyTech Display

## Reduced to the Maximum



- User experience highlights:**
- › ShyTech displays **combine a subtle design with new functions**
  - › Functions appear **when relevant for the driver (magic effect)**
  - › **High-value interior** with living room feel inside the vehicle

- Technology highlights:**
- › **Semi-transparent surface** with natural texture and haptics achieved by gravure print technology
  - › **High-brightness backlight** (for perfect contrast and high image quality w/o postcard effect)





# User Experience: Switchable Privacy

## 100% Entertainment, 0% Distraction

### User experience highlights:

- › Switchable privacy displays allow co-drivers to enjoy full range of **entertainment**, including watching videos during driving
- › **No driver distraction**, as less than 1% of light emitted is visible to the driver

### Technology highlights:

- › **Dual backlight systems** allow user to switch between public and privacy mode
- › Compact packaging, narrow border and highest picture quality in terms of contrast, luminance, image homogeneity and energy efficiency



# User Experience

We Integrate Innovative Features, Increasing Our Value



## High-quality surfaces:

- › Daylight readability
- › **Optical bonding** for crystal clear image
- › **Narrow border** design

## Next-level interaction design:

- › **Haptic feedback**
- › **Touch, proximity** and **gesture** detection
- › **Pre-shaped designs** with finger guidance

## Technology (r)evolution:

- › New **backlight technology**
- › **Natural 3D** experience

## Software IP:

- › **Camera eyeball tracking**
- › **3D** display content
- › **UX** software

## Integration expertise:

- › **Infrared camera integrated** behind cover lens

<sup>1</sup> PCB: printed circuit board

# User Experience

## Deep Knowledge of Manufacturing Complex Products Is Our Core



With our extensive know-how and experience, we master the production of complex solutions.

### The result

Trendsetting C-shape, L-shape, V-shape and pillar-to-pillar displays

## PRODUCTION CAPABILITY



We increase the interoperability of our production equipment and drive digitalization in our plants.

### The result

Standard lines for highly customized products

## EQUIPMENT STANDARDIZATION



With our mega plant approach, we gain higher efficiency and utilize our available experience and know-how.

### The result

Premium-quality products with reduced investment

## MEGA PLANTS

# Strategic Action Field: Safety and Motion

Safety Is Not Negotiable



Autonomous  
Mobility



Smart  
Mobility



User  
Experience



Safety  
and Motion



Software and Systems Excellence



Architecture and Networking

# Our Vision Zero

Safe Mobility Is Our Passion – Saving Lives Our Devotion



**Normal Driving**

**Hydraulic Brake System**  
“Safe Stop and Stand Still”



**Hazardous Situations**

**Electronic Brake System**  
“Stabilize and Emergency Brake”



**Crash**

**Restraint System**  
“Mitigate the Impact”

All our solutions are based on:



**Sense Plan Act**

# Sensors Are the Base for Safety and Automation

## Strong Position Today. Extending Portfolio for Tomorrow's Opportunities

Automotive trends drive increase of vehicle functions



Sensors are essential for functions



Need for more and new sensors



### Today

Strong position leveraging our engineering and manufacturing expertise.

**>300 mn sensors<sup>1</sup>**  
delivered in 2019

### Tomorrow

Assert position through portfolio refinement and extension.

**3% outperformance<sup>2</sup>**  
2020 – mid-term

### Wheel Speed Sensors

High resolution, AD<sup>3</sup> ready



2022



### Battery Sensors

Electrical vehicles



2022



### Tire Information System

Tire & road condition



**>15**  
SOPs



<sup>1</sup> Excluding airbag satellite sensors. | <sup>2</sup> Mid-term organic sales growth above IHS LVP. | <sup>3</sup> AD: automated driving.

# All Future Cars Need a Brake System

## Friction Brakes with Electronic Brake System Stay the Dominating Solution



**Normal Braking**



**Emergency Braking**



**Stabilization**



**Standstill Management**



**Fail Operational**

**Friction Brake & EBS**



**Recuperation only**



# All Future Cars Need a Brake System

## Top Market Position by Translation of Trends into Tangible Products

### Market 2025



**Corrosion robustness**



**Brake dust reduction**



### The New Generation of Drum Brakes

- > Low brake dust emissions
- > Corrosion resistant
- > Integrated electric parking brake
- > Patented design

Ø EPB<sup>3</sup> content per car



Today



Mid-term

**Two Trends**  
One solution: **EPB Si**

**1<sup>st</sup> to Market**  
with VW ID.3



**+7** additional awards

<sup>1</sup> EV = electrical vehicle (BEV, HEV, 48V). | <sup>2</sup> ICE = internal combustion engine. | <sup>3</sup> EPB = electric parking brake.

# All Future Cars Need a Brake System

## Integration Increases Content per Car

**Conventional** = different components



**One Box** = integration into one unit



- > Superior performance
- > Full recuperation
- > HAD<sup>1</sup> ready
- > Better packaging

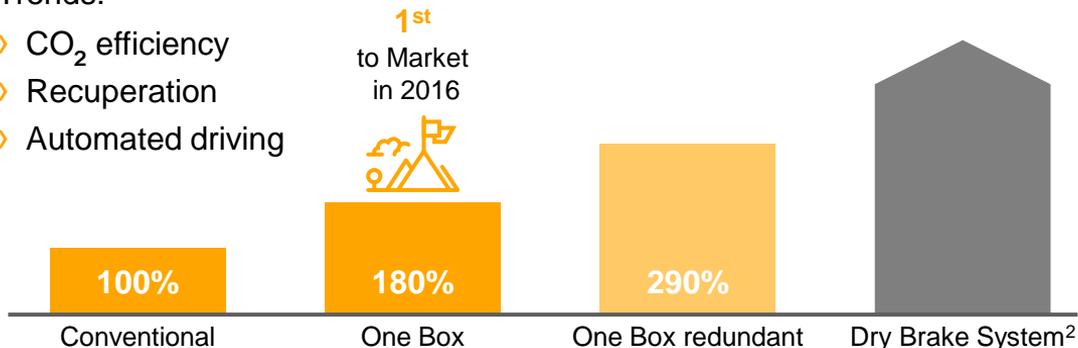
**One Box Installation Rates<sup>4</sup>**



**Typical content per car**

Trends:

- > CO<sub>2</sub> efficiency
- > Recuperation
- > Automated driving



**~1.8 mn Units** delivered in 2021

**9 OEMs** current business in 2022  
**32 SOPs<sup>3</sup>**

**42 Awards** until April 2022

<sup>1</sup> HAD: highly automated driving. | <sup>2</sup> Feasibility study. | <sup>3</sup> SOP: start of production. | <sup>4</sup> Internal outlook based on customer awards and request for quotation. | <sup>5</sup> LTS: lifetime sales.

# Restraint Systems Become Anticipatory and Connected

Continued Top Market Position. Leverage In-house Portfolio and Expertise

## Trends



Near Field Environment Model  
Occupant Safety Monitoring

## New Functions

PreCrash Safety Monitoring  
Adaptive Deployment Strategies



29 Awards  
2020



21 Awards  
2021



~20 mn Units  
supplied in 2021



~90 mn Satellites  
supplied in 2021



Enablers

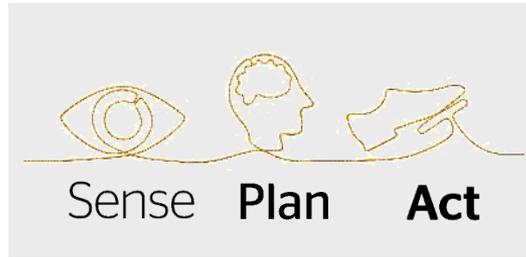
# System and Integration Expertise Is Key For Safety

Well Prepared for Next Step of Vertical and Horizontal Function Integration

## All Driving Situations



## Complete Chain of Effects



## Comprehensive Portfolio



Extensive knowledge and understanding of the system – from the individual components up to the whole vehicle

**Makes us partner of choice in the global safety market**

# Agenda

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Continental

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Automotive

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**Tires**

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ContiTech

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Contract Manufacturing

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Corporate Governance

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Sustainability

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Financials

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Back-up

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# Tires

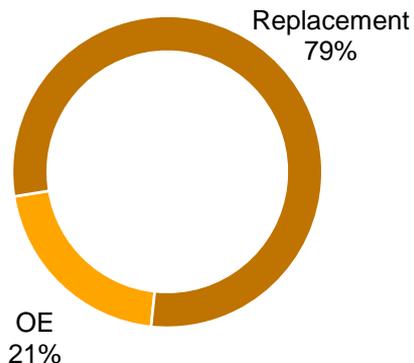
## A Decade of Outstanding Profitable Growth – and There is More to Come

### Key Achievements

2009		2021
€5.8 billion	 Sales	€11.8 billion
31% outside EMEA	 Sales balance	45% outside EMEA
€0.8 billion	 Adj. EBIT <sup>1</sup>	€1.7 billion

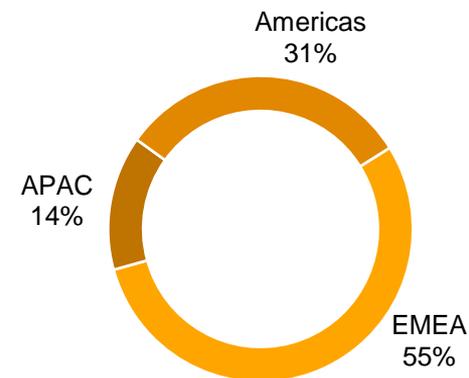
### Business Split 2021

#### By Customer Segment



High share of non-OE business

#### By Region

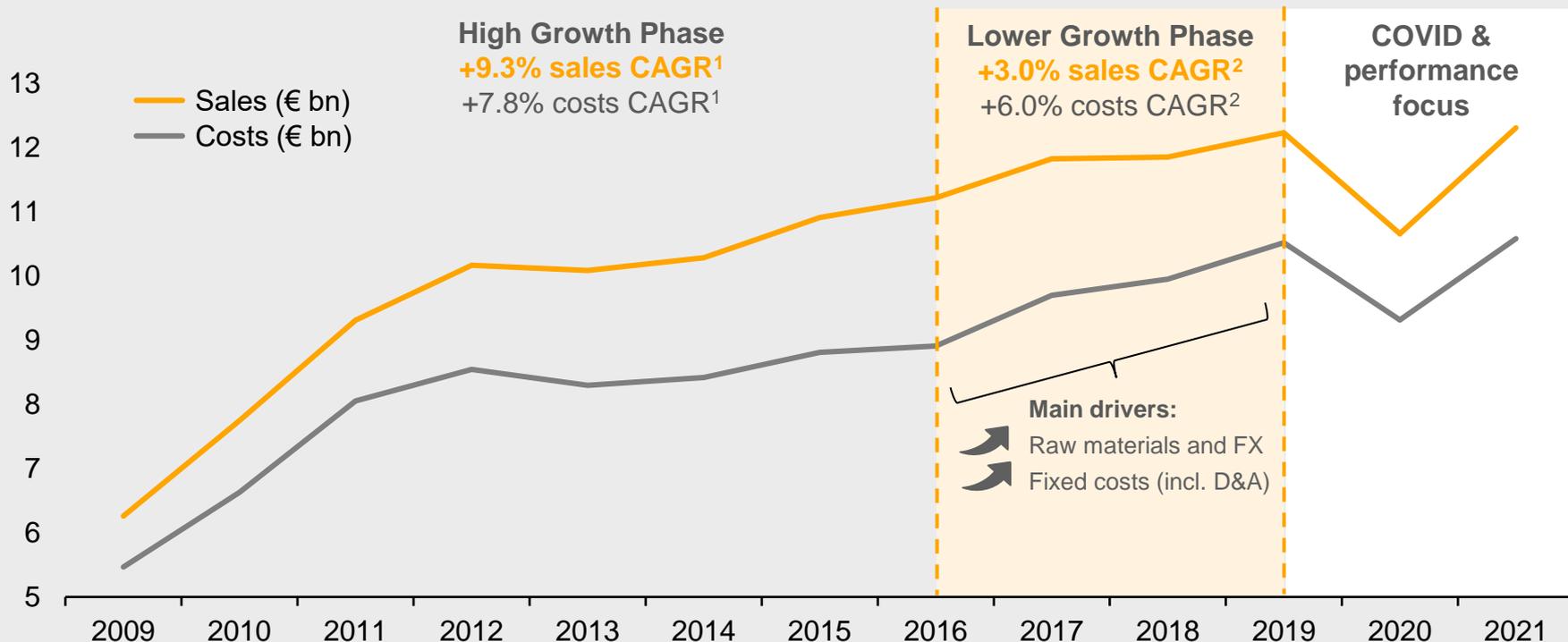


Significant growth opportunities outside EMEA

<sup>1</sup> Before amortization of intangible assets from purchase price allocation, changes in the scope of consolidation, and special effects.

# Tires: Business Development

## Outstanding Growth Slowed Down While Costs Continued to Rise



<sup>1</sup> CAGR 2009 - 2016 of sales and costs in EUR.

<sup>2</sup> CAGR 2016 - 2019 of sales and costs in EUR.

# Tires: Vision 2030

We are inspired every day to make your mobility safer, smarter and more sustainable.

**VISION**  
2030

## OUR CORE

Excellent tires remain our DNA. We stand for profitable growth, establishing us among the top tire companies.

## OUR OPPORTUNITY

We will be the #1 tire solution provider.

**We put customers first.**

## OUR RESPONSIBILITY

We will be the most progressive tire company in terms of environmental and social responsibility.

## OUR TEAM

We are Tires. Each and every one of us takes ownership. We will win as one global team.

# Tires: Vision 2030

## Strategically Enhancing Our Successful Business Model

### Differentiation / Growth

Balance global footprint and strengthen service network



Expanding value-adding digital solutions business



Sustainable solutions along the entire value chain



Above-average growth in high-value products



### Excellence / Efficiency

Industry-leading operational efficiency



Top-notch technology and product portfolio



Strong brand equity with effective application of multi brand portfolio



Excellent supply chain performance and flexibility



# Tires: Our Core – Leading Tire Technology

Customer-approved: Advanced Technology Ready to Capture EV Growth

## EV tire challenges

Low rolling resistance

Higher torque

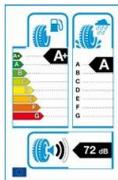
Higher vehicle weight

Larger tire dimensions

Higher tire pressure

Low noise level

## Our technology solutions



First to market “A+ tire,” exceeding level A requirements by 16%



First to market new “HL tire,” exceeding standard load capacity by 25%



**ContiSilent** technology reduces noise level by up to 9 decibels (A)

## Our BEV customer awards



To learn more about EV tires, please follow this link: <https://www.continental-tires.com/car/tire-knowledge/tire-basics/electric-vehicle-tires>

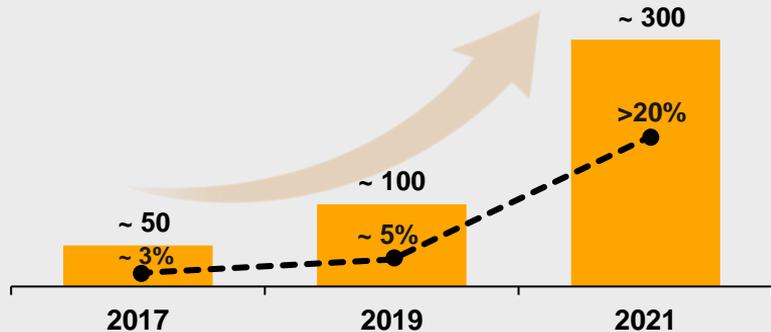
# Tires: Our Core – Leading Tire Technology

Positive Mix Driven By EV Strength and UHP<sup>1</sup> Contributions



## OE homologations for EVs

■ EV homologations ● EV share of all homologations

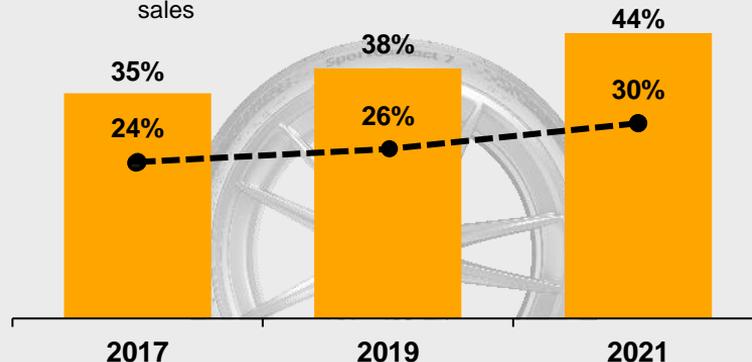


Trusted partner of leading EV manufacturers, including:



## Ultra-high-performance tires

■ UHP share of PLT<sup>2</sup> sales ● UHP share of PLT<sup>2</sup> units



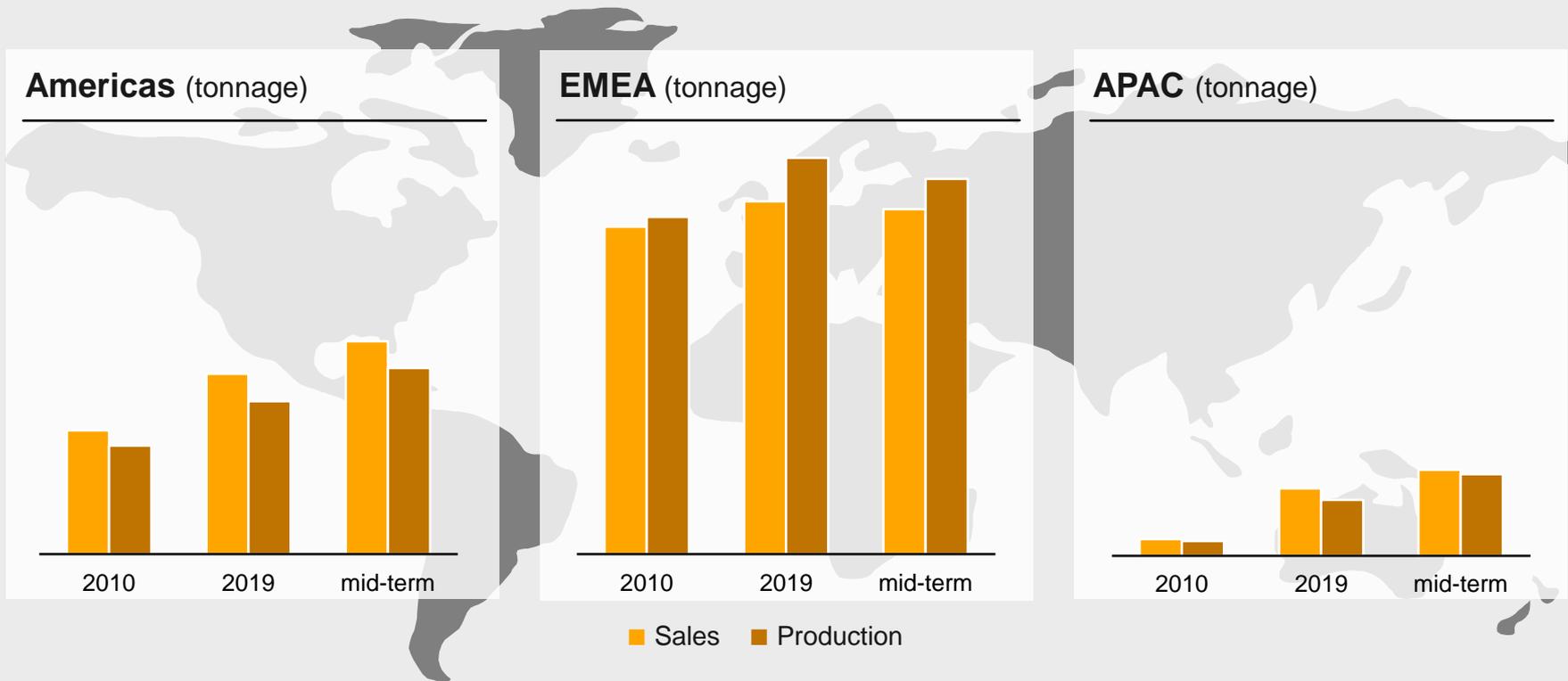
Innovating with cutting-edge technologies



<sup>1</sup> Ultra-high-performance tires are tires ≥18".  
<sup>2</sup> PLT: passenger car and light truck tires.

# Tires: Our Core – In the Market for the Market

## Growth Outside Europe Achieved with More Localized Production



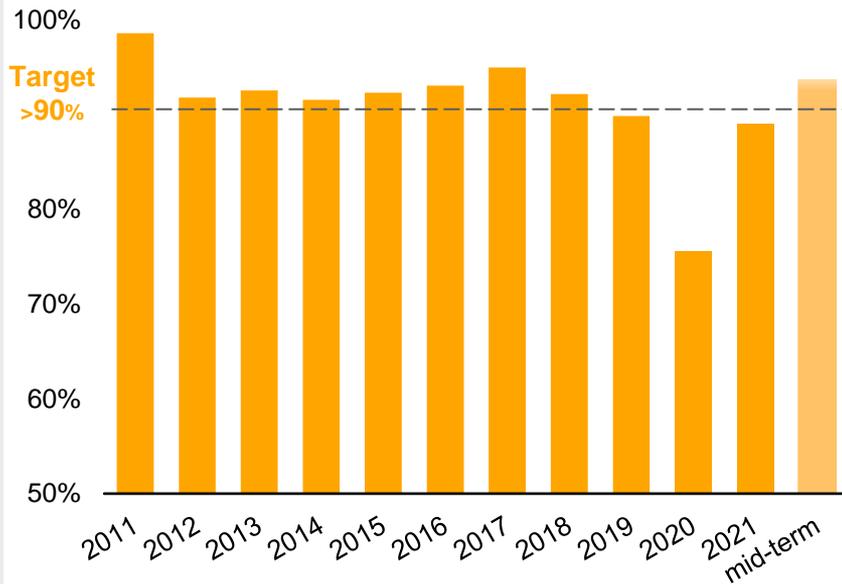


# Tires: Our Core – Excellence in Operational Efficiency

## Sustained High Utilization While Differentiated Product Portfolio Drives Mix

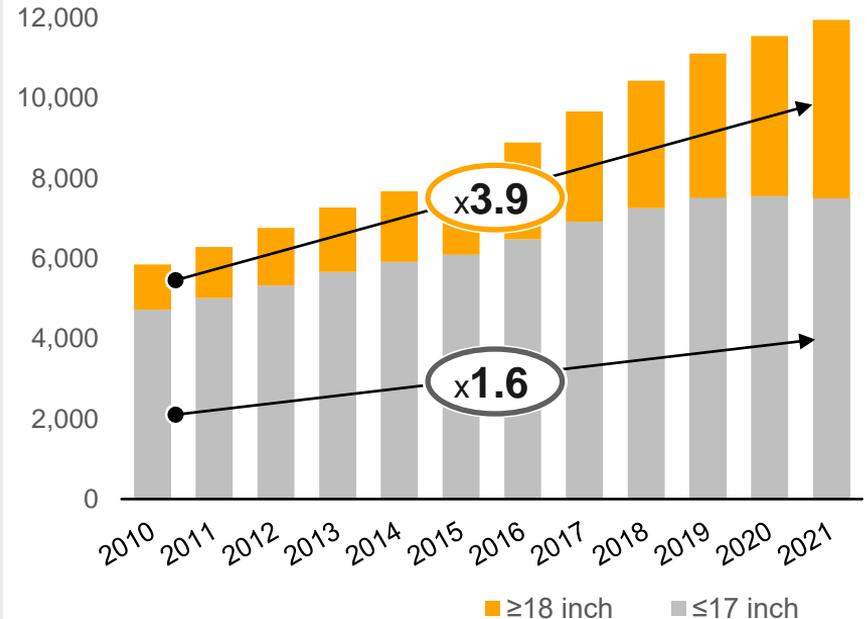
### Ensuring highest efficiency levels ...

Capacity utilization (tonnage, in %)



### ... while capturing profitable mix gains!

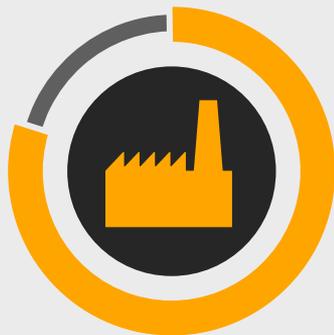
Complexity (# of different PLT articles)



# Tires: Our Core – Targets

We Stand for Industry-leading Operational Excellence

>80%



**Capacity in  
mega plants  
(>100kt p.a.)<sup>1</sup>**

>75%



**Best-cost  
locations<sup>1</sup>**

>90%



**Capacity  
utilization<sup>1</sup>**

>6 inventory  
turns



**Highly flexible  
and efficient  
supply chain**

<sup>1</sup> Targets. As of 2021 –75% mega plant and –74% in best-cost share and utilization slightly below 90%.

# Tires: Our Opportunity

Fleets, Connectivity and New Mobility Drive Demand for New Solutions

**Fleets**



**New Mobility**



**Connectivity**



---

## New Customer Needs

**Data-driven services**

**Integrated solutions**

**New business models**

# Tires: Our Opportunity

## From Tires and Services to Integrated Solutions Provider

Leveraging existing competencies within Continental

Heading toward

Coming from tires



+



Offering tires

Single services

Moving to selling value

+



Bundling single services

Embracing digitalization



ContiPressureCheck™

ContiConnect™

Intelligent tire

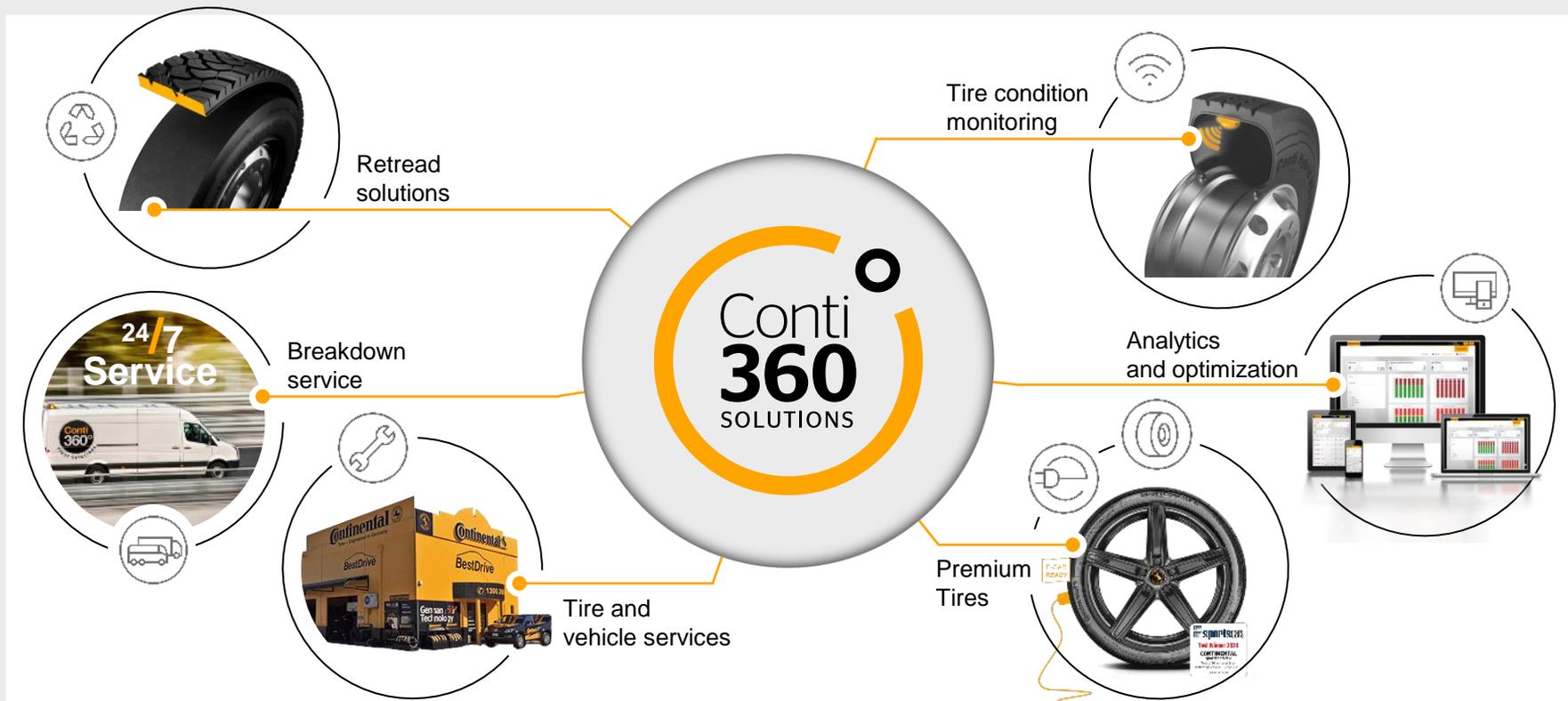


Integrated solutions provider



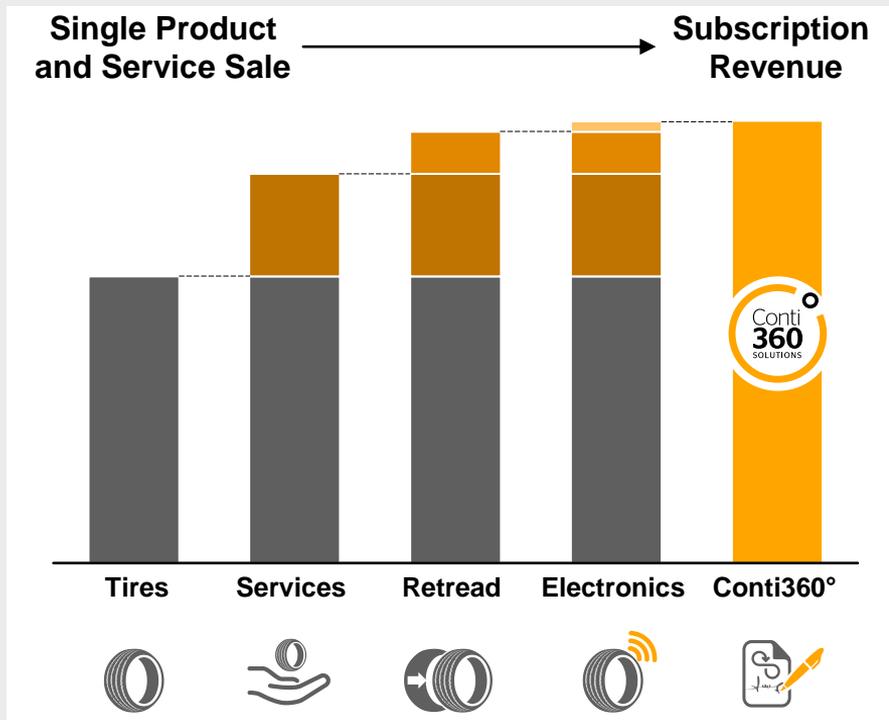
# Tires: Our Opportunity

## Conti360: Holistic Solution Portfolio to Fulfill Evolving Customer Needs



# Tires: Our Opportunity

## Increasing Value Creation and Customer Retention



### Growth

through new revenue streams

### Margins

through increased services

### Stability

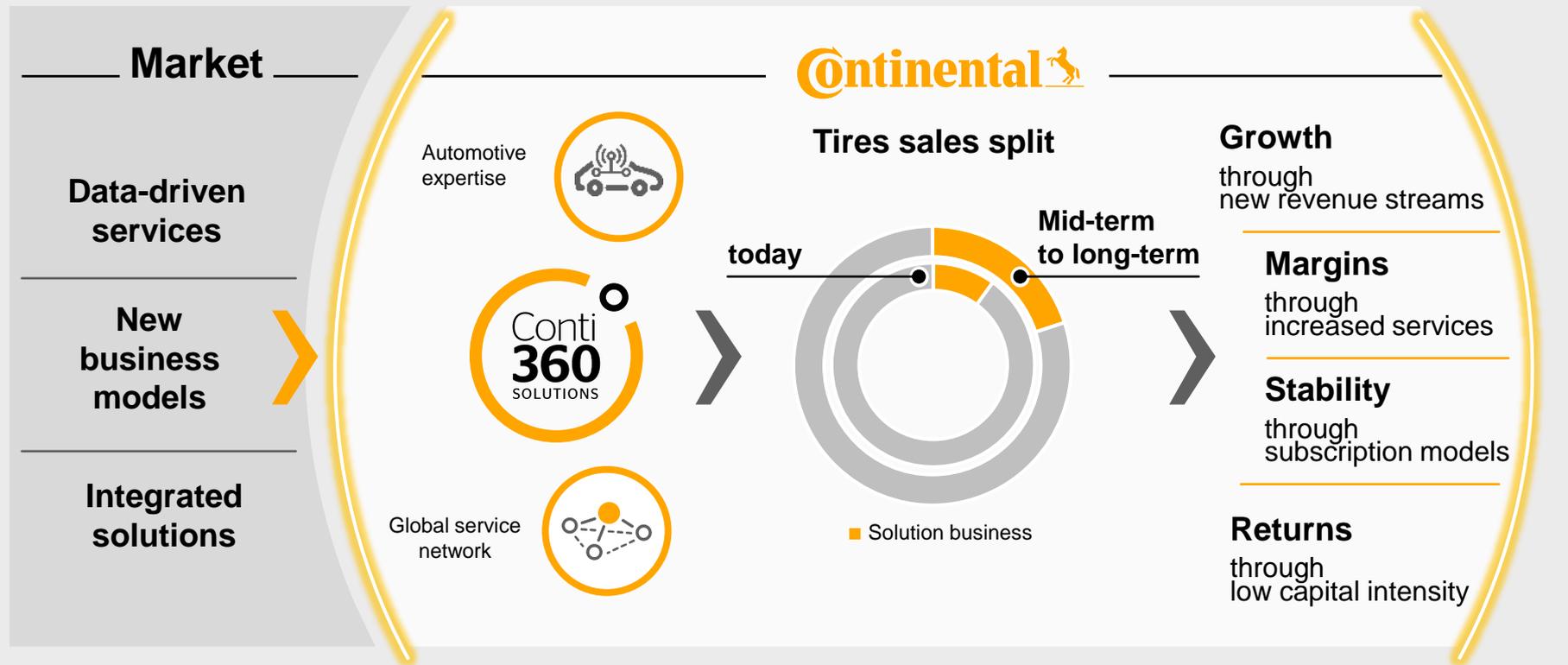
through subscription models

### Returns

through low capital intensity

# Tires: Our Opportunity

## Commercializing New Opportunities into Sustainable Value Creation



# Tires: Our Responsibility

A Key Differentiator for Our Future Success

We will be the **most progressive** tire company in terms of environmental and social responsibility.



## Our Proof Points



### Material Sourcing

- › Sustainable materials sourced fairly



### Operations

- › Highly energy and resource efficient operations



### Use Phase

- › Safe, energy efficient and long-lasting products



### End of Use

- › 100% renewed and recycled tires

**Driving profitable growth through sustainable solutions along the entire value chain.**

# Tires: Our Responsibility

Our Eight Strategic Fields Cover all Four Phases of the Value Chain



# Tires: Our Responsibility

## Achievements Along the Value Chain



### Material Sourcing

#### ContiRe.Tex Technology successfully launched

- › **Jointly developed technology**
- › Production readiness in record time
- › **First tire manufacturer** to launch volume production of tires containing **recycled polyester** yarn obtained from **PET plastic bottles**
- › 40 recycled PET bottles in a set of standard passenger car tires



### Operations

#### Tires is leading in water and energy efficiency

- › Energy consumption 17% lower and water usage 20% lower compared to all competitors



### Use Phase

#### Top ratings for energy efficiency and wet grip performance

- › Original equipment tire with a significantly improved rolling resistance
- › **Energy efficiency classification exceeds EU tire label rating A** by ~ 17%
- › EU tire label "A" rating for wet braking performance.
- › Remarkable since reduction of rolling resistance and exceptionally high braking performance are **conflicting physical targets**



### End of Use

#### Expansion of circular economy activities

- › **Recycling of end-of-life tires through pyrolysis further optimized and expanded**
- › **Development agreement with Pyrum Innovations**
- › Medium-term aim: obtain particularly high-quality recovered carbon black
- › Long-term goal: closed-loop recycling concept for end-of-life tires

# Tires: Our Responsibility

## The GreenConcept: The Most Progressive Tire In Terms of Sustainability

### Sustainable

>50% of renewable and recycled materials!

### Lightweight

40% less weight with our innovative lightweight construction!

### Efficient

Low rolling resistance exceeding A-Label requirements by 25%!



Current Technologies

Emerging Technologies



Vegetable Oils and Resins



Recycled Carbon Black



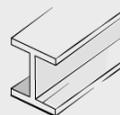
Refreshable Tread



Lightweight Construction



Rubber from Worn Tires



Recycled Steel



Recycled PET Plastic Bottles



Natural Rubber from Dandelions<sup>1</sup>



Eco-friendly rubber bonding



Silicate from Ashes of Rice Husks

COKOON

<sup>1</sup> Dandelion already in series production for Continental Bicycle Tires

# Tires: Our Responsibility

## Links to Further Insights about Projects and Engagements



Please click on the logos for more information.



ecovadis

# Tires: Adjusted EBIT<sup>1</sup> Margin Bridge

## Industry-leading Profitability



<sup>1</sup> Before amortization of intangible assets from purchase price allocation, changes in the scope of consolidation, and special effects.

# Agenda

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Continental

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Automotive

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Tires

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**ContiTech**

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Contract Manufacturing

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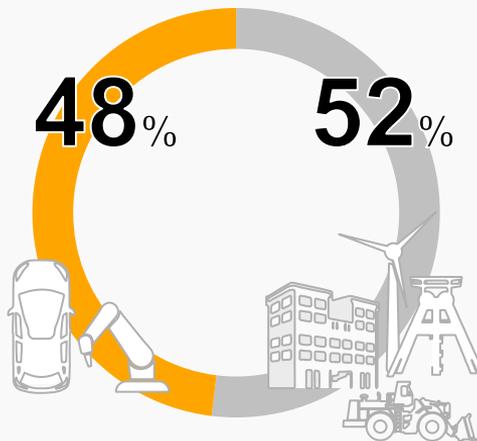
# ContiTech – Serving Our Industries Since 1871

Global Leader in Technical Rubber and Plastic Products

## Passenger and Commercial Vehicle Original Equipment



## Sales Distribution (2021)



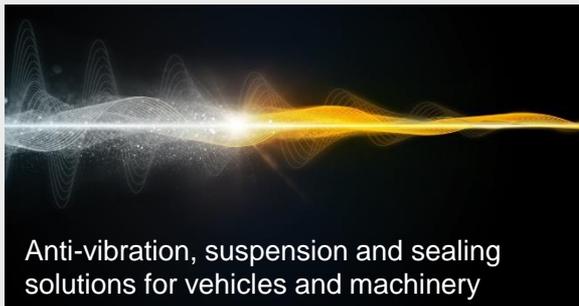
## Industry and Replacement Business



# ContiTech

## Our Business Areas and Portfolio

### Advanced Dynamics Solutions



### Conveying Solutions



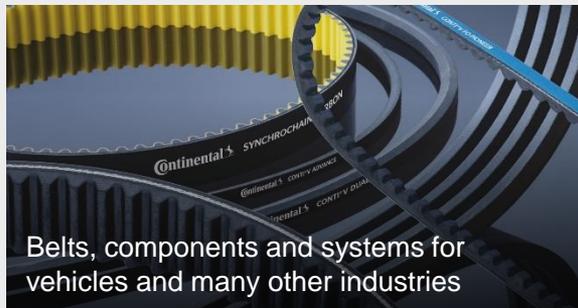
### Industrial Fluid Solutions



### Mobile Fluid Systems



### Power Transmission Group



### Surface Solutions



# ContiTech

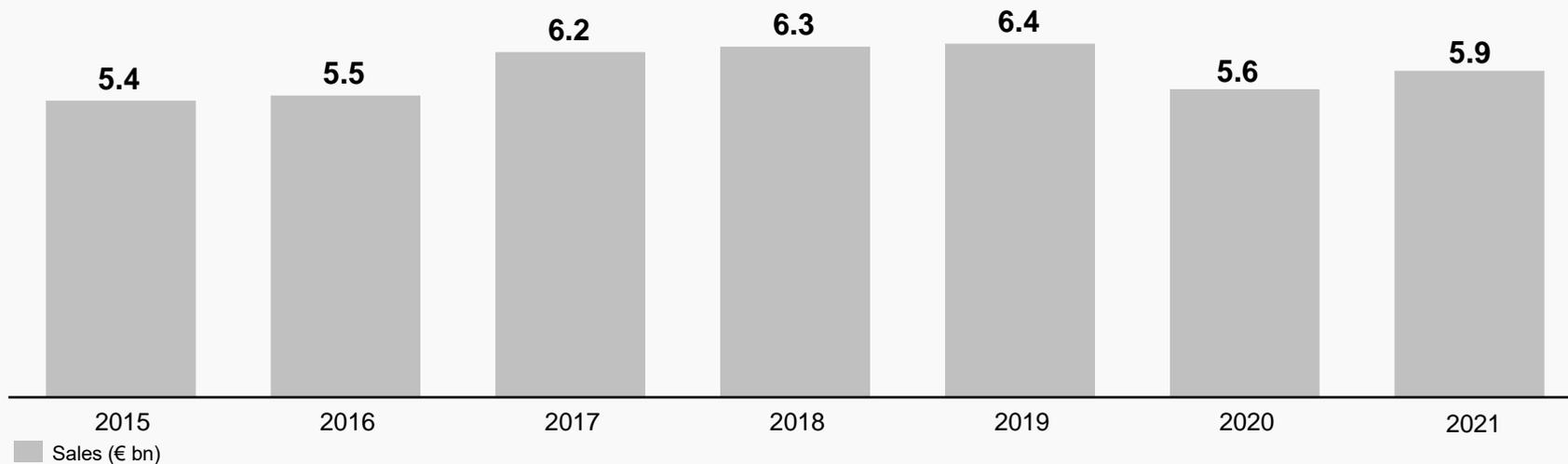
## Sales Development

Major acquisitions



Slowdown in key markets

Corona virus crisis



# ContiTech

## Benefitting from Industrial Megatrends



### Infrastructure changes

- › Trainlines and transportation
- › Alternative energies



### Automation

- › Automated harvesting
- › Automated production



### Industry solutions

- › Predictive maintenance
- › Connectivity
- › Internet of Things in production



# ContiTech

## Benefitting from Automotive Megatrend Electrification of the Powertrain



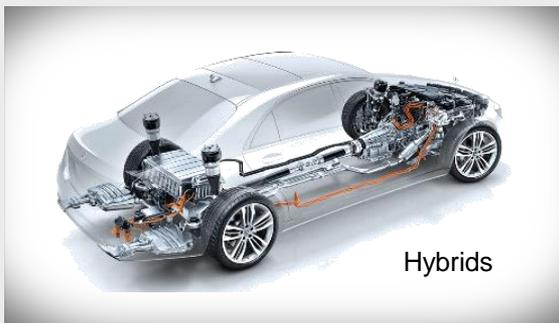
ICE<sup>1</sup> Technology

### Gasoline engine

- > ~ 78 connections
- > ~ 14.3 m plastic lines
- > Up to 6 sensors

**€135**

Content per vehicle



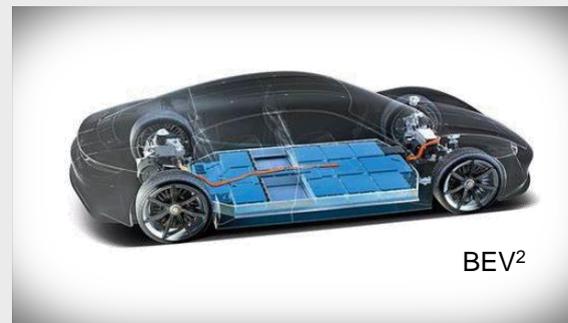
Hybrids

### Hybrids

- > ~ 89 connections
- > ~ 20.7 m plastic lines
- > Up to 9 sensors

**€215**

Content per vehicle



BEV<sup>2</sup>

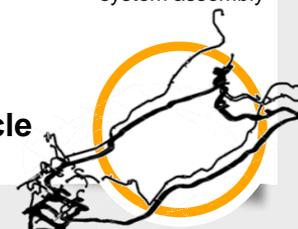
### Electrified powertrain engines

- > ~ 95 connections
- > ~ 26.8 m plastic lines
- > Up to 12 sensors

**€265**

Content per vehicle

3 m long  
system assembly



1 ICE: Internal combustion engine.  
2 BEV: Battery electric vehicles.

# ContiTech – Innovative Solutions

## ContiHome – Demonstrating the Workability of Our Surface Materials

### Problem

- › Processing of materials with high requirements for functionality, quality and modern design demands extensive material and process know-how
- › Demonstrator/holistic concept needed

### Our solution

- › 32 m<sup>2</sup> of floor space to **showcase our surface know-how**
- › Furniture, floors, walls, window profiles, doors, façades and deck are all covered in easy-care and long-lasting surfaces from Continental
- › Demonstrates the workability of our surface materials for numerous applications



# ContiTech – Innovative Solutions

## Smart Sensor Air Spring for Commercial Vehicle Level Control Solutions

### Problem

- › Mechanical solutions involve more plant operations for the customer, increased service handling and logistic challenges
- › Mechanical level control solutions are vulnerable to external road conditions

### Our solution

- › Pre-assembled solution to the air spring, pre-calibrated for streamlined OEM plant processes
- › **Plug and play system** with integrated ultrasonic height and pressure sensor (contactless)
- › Reduction of conventional mechanical components and wiring harness handling
- › Secure, constant function over lifetime
- › Enabled for future **smart service solutions** and autonomous vehicle control



# ContiTech – Innovative Solutions

## CrimpIQ™ & CrimpCloud® – Single Connection Solution

### Problem

- › Customer needs immediate crimping<sup>1</sup> of hydraulic and industrial hoses to minimize downtime

### Our solution

Continental's cloud-based crimping solution:

- › **CrimpIQ™** – intelligent, cloud-based controller offering up-to-date crimp specifications and much more
- › **CrimpCloud®** – easy way to manage and analyze assembly operations, track assemblies or ensure crimp quality



<sup>1</sup> Crimping here means joining a piece of metal with a hose by deforming the metal piece to hold the hose. The deformity is called the crimp.

# ContiTech – Innovative Solutions

## CONTI LoadSense & CONTI+ – Taking Conveying to the Next Level

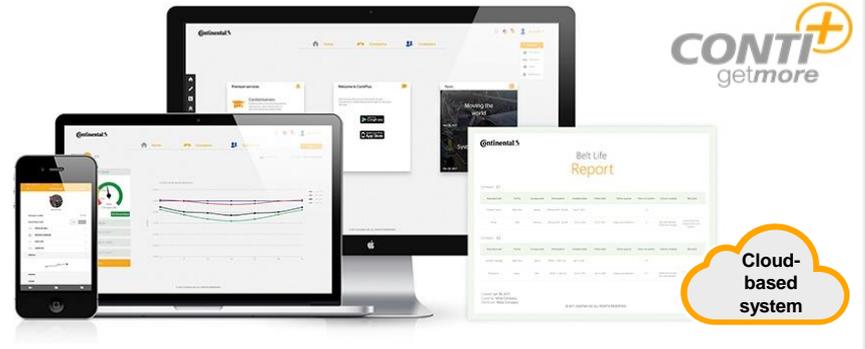
### Problem

- › Customer wants to optimize routine maintenance and regular condition checks to minimize failures and downtime

### Our solution

Continental's cloud-based solution:

- › **CONTI LoadSense** – stationary conveyor monitoring system that determines risk of material spillage and tracks conveyor performance by utilizing radar and ultrasonic technologies
- › **CONTI+** – web and mobile app service platform and centralized database and toolbox, storing all technical data, belt life history and predictions, inspection reports and failure mode register.



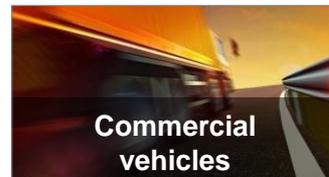
# ContiTech

## Focus on Highly Attractive Growth Opportunities

Focus on five **growth areas**

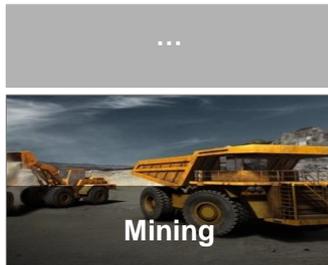
**Market growth: ~ 3-5% p.a.**

**Outperformance: ~ 3%**



**ContiTech growth fields**

**Market growth: ~ 0-2% p.a.**



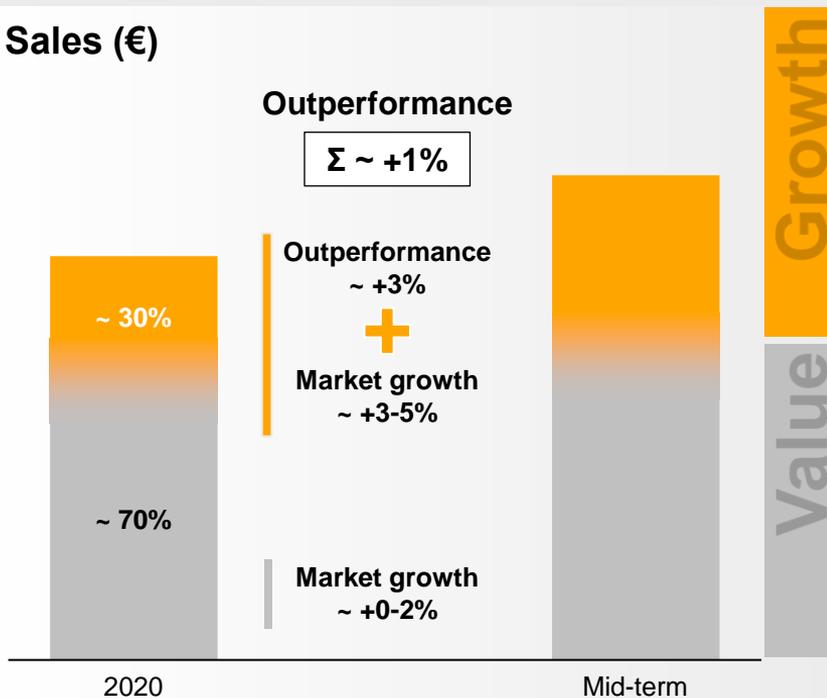
**ContiTech value fields<sup>1</sup>**

<sup>1</sup> Only a selection.

# ContiTech

## Well Positioned to Accelerate Growth and Capture Value

### Sales (€)



### Growth fields

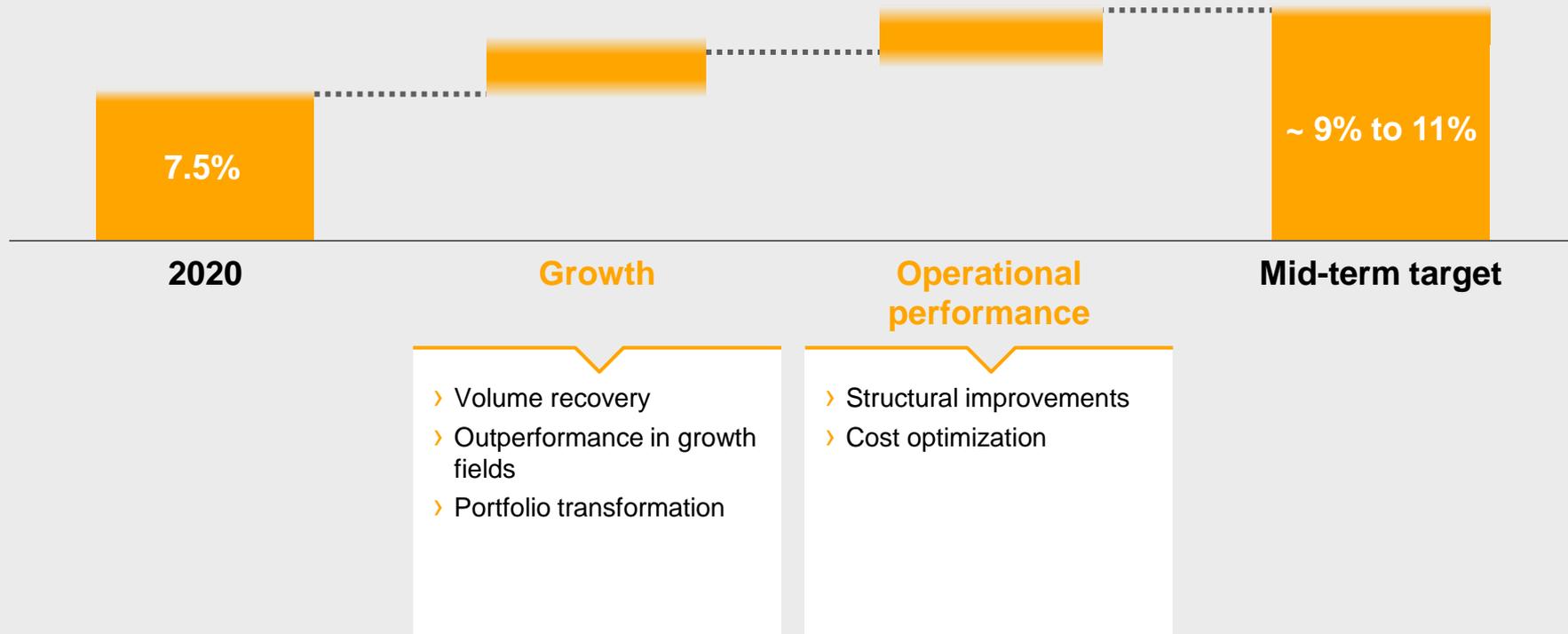
- › Focus on **outperformance** of market development
- › **Differentiate** through material and digital expertise
- › **Capture organic and inorganic** growth opportunities

### Value fields

- › **Maximize profitability**
- › **Deliver growth** in line with market performance
- › **Optimize** costs, processes and capital allocations
- › **Divest and phase out** selected businesses

# ContiTech – Adjusted EBIT<sup>1</sup> Margin Bridge

We Strive For ~ 9% to 11% in the Mid-term



<sup>1</sup> Before amortization of intangible assets from purchase price allocation, changes in the scope of consolidation, and special effects.

# Agenda

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Continental

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Automotive

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Tires

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ContiTech

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**Contract Manufacturing**

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Corporate Governance

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Sustainability

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Financials

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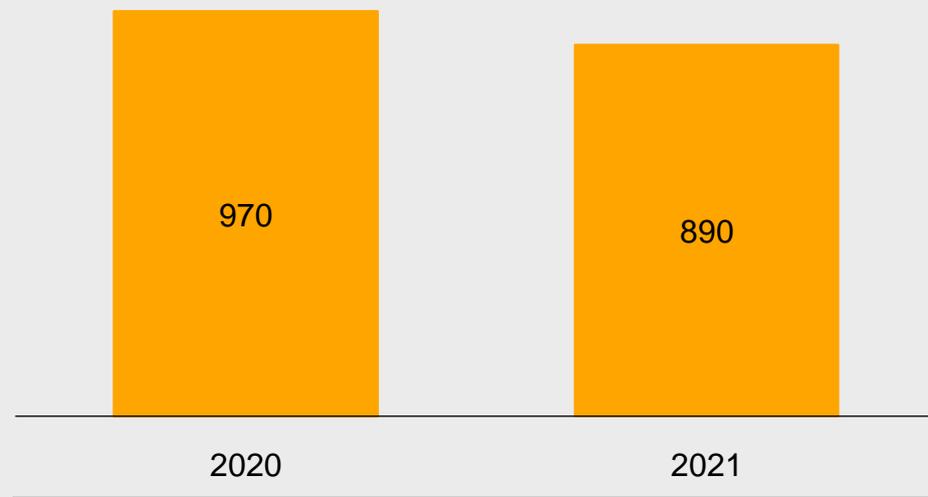
Back-up

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# Contract Manufacturing

## Remaining Business With Vitesco Technologies Will Phase-out

Sales (in € million)



- › Following the spin-off of Vitesco Technologies, the **Contract Manufacturing** group sector was reported 2021 for the first time.
- › It comprises the **continuing operations of the former Powertrain Technologies** group sector.
- › All key figures reflect this over the entire reporting period and are restated accordingly for the comparative period.
- › Contract Manufacturing is **not intended to be a permanent situation**. Rather, the operational separation of production will be promoted in the coming years, and the volume of contract manufacturing reduced.

# Agenda

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Continental

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Automotive

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Tires

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ContiTech

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Contract Manufacturing

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**Corporate Governance**

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Sustainability

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Financials

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Back-up

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# Corporate Governance

## Two-Tier Board System – Corporate Bodies

Corporate bodies of the company

### Shareholders' Meeting

Shareholders exercise their rights of participation and control

∨ Elects  
shareholder  
representatives

∨ Discharges ∨ Reports

∨ Discharges ∨ Reports

### Supervisory Board

Chairman's Committee <

20 members

Audit Committee <

10 shareholder representatives  
10 employee representatives

Nomination Committee <

Mediation Committee <

Involvement in decisions of fundamental  
significance to the company

Appoints,  
monitors  
and advises >

< Reports

### Executive Board

5 members

Responsible for managing the  
company in accordance with the  
law, the Articles of Incorporation,  
and the By-Laws of the Supervisory  
and Executive Boards, while taking  
into account the resolutions of the  
Shareholders' Meeting

# Corporate Governance

## Executive Board of Continental AG



**Nikolai Setzer**  
Chairman of the Executive Board

Chairman of the Automotive Board,  
Group Compliance, Group Law and Intellectual  
Property, Group Communications and Public  
Affairs, Group Quality, CBS and Environment,  
Group Strategy, co-pace (Start-up Organization),  
Contract Manufacturing



**Katja Dürrfeld**

Group Finance and Controlling,  
Group Information Technology



**Christian Kötz**

Group Sector Tires  
Group Purchasing



**Philip Nelles**

Group Sector ContiTech



**Dr. Ariane Reinhart**

Group Human Relations, Director of Labor  
Relations, Sustainability,

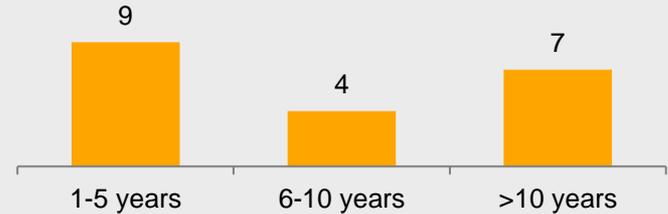
# Corporate Governance

## Supervisory Board – Key Facts

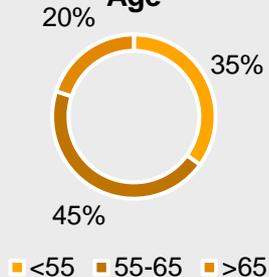
### 20 board members



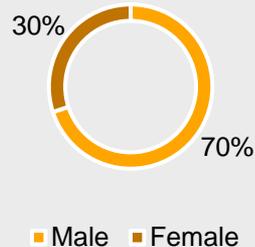
### Supervisory board tenure



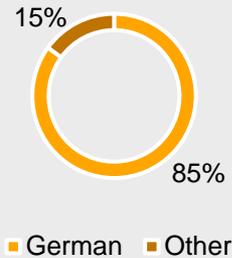
### Age



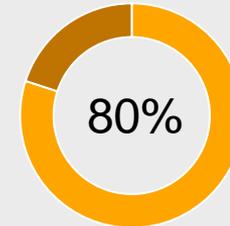
### Gender



### Nationality



### Independence of shareholder representatives<sup>1</sup>



<sup>1</sup> Independence definition acc. to German Corporate Governance Code (GCGC).

# Corporate Governance

## Supervisory Board of Continental AG

### Shareholder representatives

**Prof. Dr.-Ing. Wolfgang Reitzle**, born 1949  
Chairman of the Supervisory Board  
Elected until the end of the 2024 ASM (since 2009)

**Dorothea von Boxberg**, born 1974, elected until 2024 (since 2022)

**Stefan E. Buchner**, born 1960, elected until 2024 (since 2022)

**Dr. Gunter Dunkel**, born 1953, elected until 2024 (since 2009)

**Satish Khatu**, born 1952, elected until 2024 (since 2019)

**Isabel Corinna Knauß**, born 1972, elected until 2024 (since 2019)

**Sabine Neuß**, born 1968, elected until 2024 (since 2014)

**Prof. Dr. Rolf Nonnenmacher**, born 1954, elected until 2024 (s. 2014)

**Klaus Rosenfeld**, born 1966, elected until 2024 (since 2009)

**Georg F. W. Schaeffler**, born 1964, elected until 2024 (since 2009)

### Employee representatives

**Christiane Benner**, born 1968  
Deputy Chairwoman of the Supervisory Board  
Elected until the end of the 2024 ASM (since 2018)

**Hasan Allak**, born 1970, elected until 2024 (since 2019)

**Francesco Grioli**, born 1972, elected until 2024 (since 2018)

**Michael Iglhaut**, born 1964, elected until 2024 (since 2006)

**Carmen Löffler**, born 1972, elected until 2024 (since 2021)

**Dirk Nordmann**, born 1960, elected until 2024 (since 2004)

**Lorenz Pfau**, born 1961, elected until 2024 (since 2019)

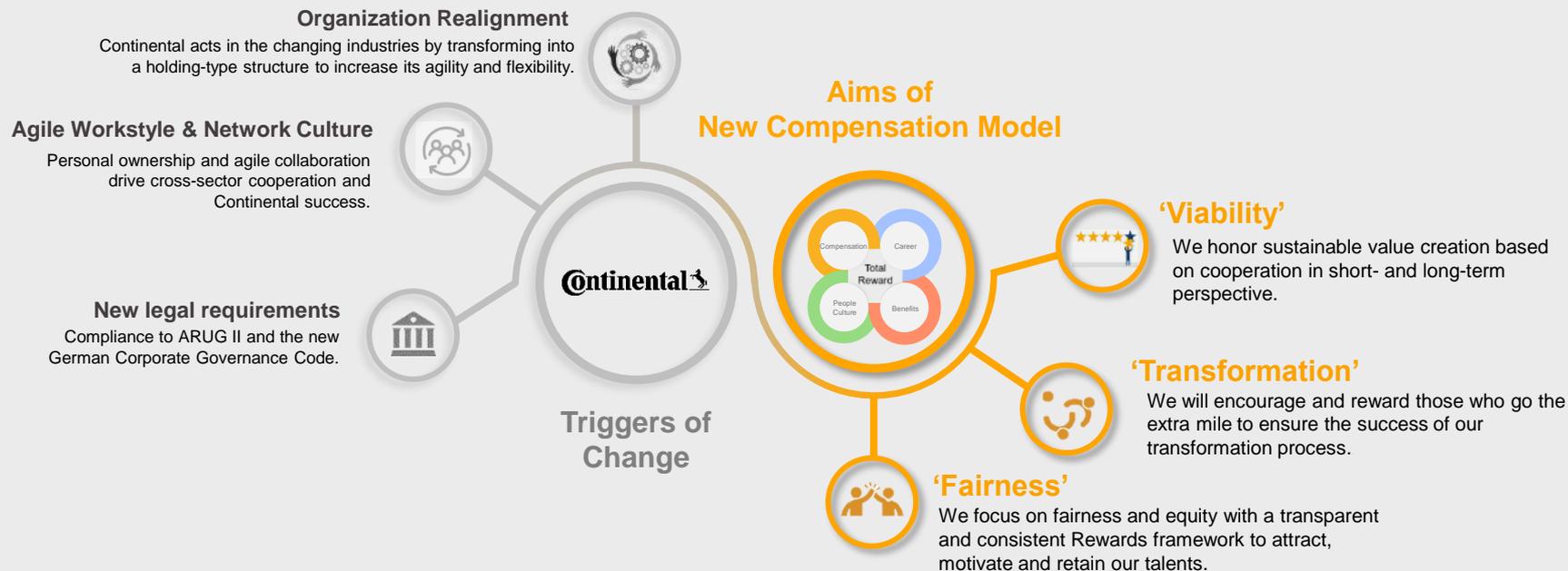
**Jörg Schönfelder**, born 1966, elected until 2024 (since 2004)

**Stefan Scholz**, born 1965, elected until 2024 (since 2015)

**Elke Volkmann**, born 1959, elected until 2024 (since 2014)

# Corporate Governance

## New Remuneration System for the Executive Board 2020 Onwards<sup>1</sup>



**With a fair compensation model, we drive our transformation to shape a successful future**

<sup>1</sup> Approved by the supervisory board on February 19, 2020.

# Corporate Governance

We Emphasize Performance, Collaboration and Sustainability



## FAIRNESS



## VIABILITY



## TRANSFORMATION

### Consistent

- › Uniform system for Executive Board, Senior Executives and Executives

### Rewards collaboration

- › 75% of short-term incentive
- › Based on Group, Group Sector and Business Unit results
- › Based on financial targets, i.e. EBIT, ROCE and Free Cash Flow

### Rewards outperformers

- › 25% of short-term incentive
- › Top performers above-average compensated

### Competitive

- › Comparable to other employers in markets where we operate

### Collective

- › 88% of Executives participated in voluntary salary reductions during 2020
- › Continental Value Sharing Bonus will not be paid during 2020 to 2023

### Balanced

- › Compensation structure takes both long-term and short-term perspectives into account

### Aligned with shareholders

Long-term incentive program utilizes three key performance indicators:



#### Share price



#### Relative TSR<sup>1</sup>



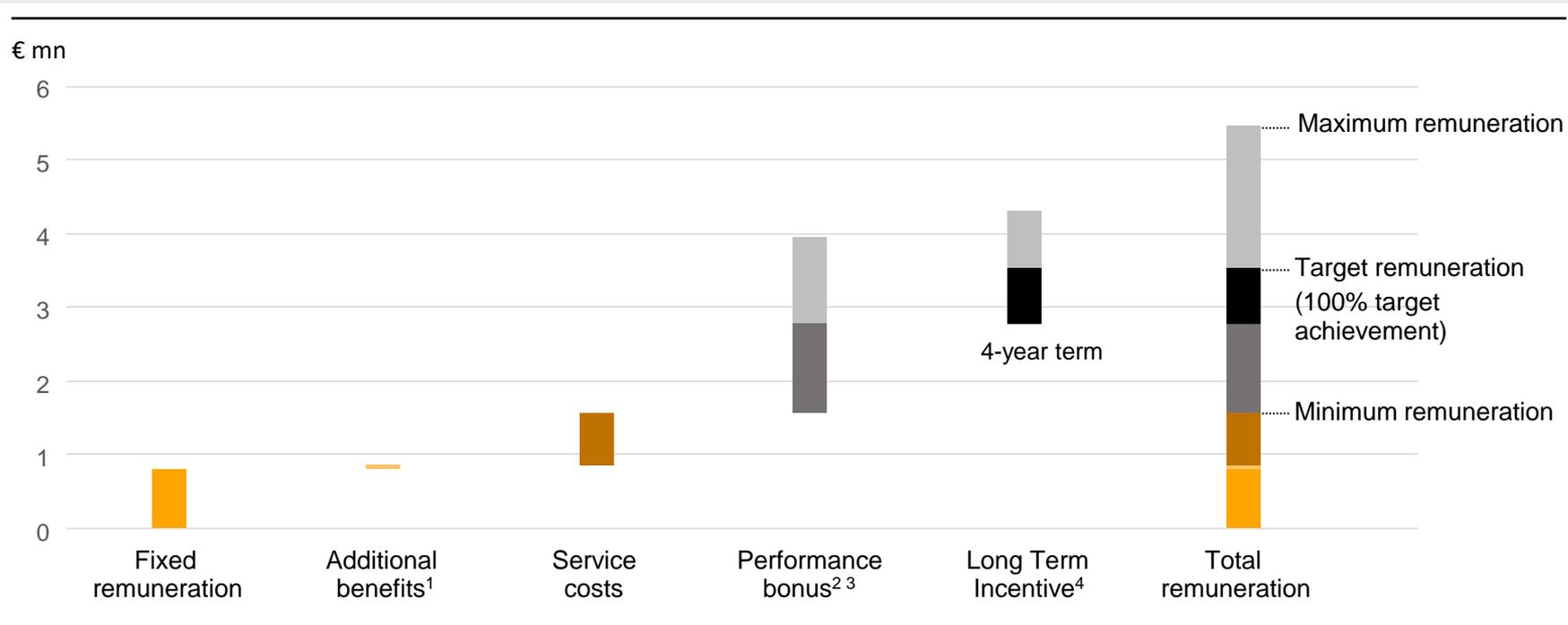
#### Sustainability

- › Environment
- › Engagement
- › Health & Safety
- › Diversity

<sup>1</sup> Total shareholder return of Continental relative to STOXX® Europe 600 Automobiles & Parts.

# Corporate Governance

## Remuneration of an Executive Board Member Responsible for a Business Area



<sup>1</sup> Average figure for 2021.

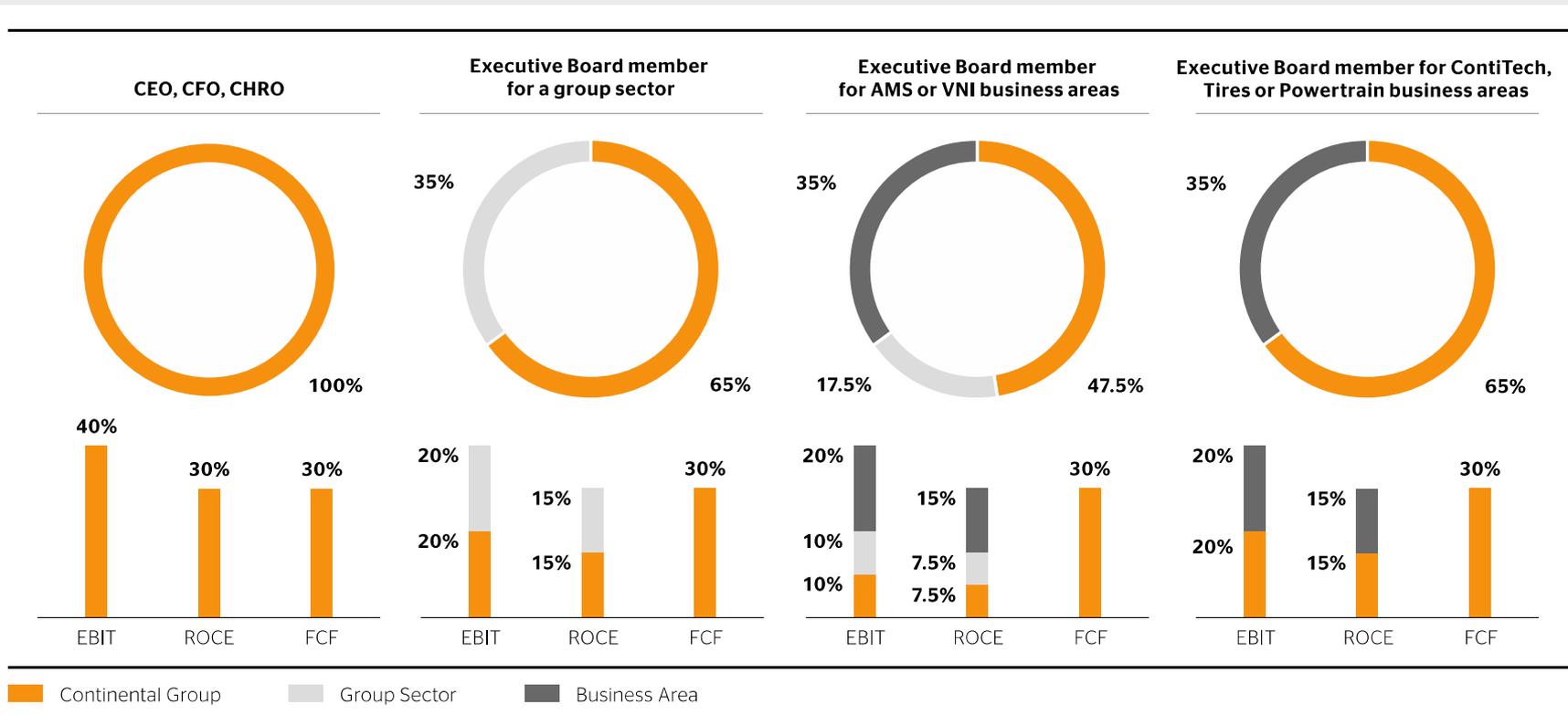
<sup>2</sup> Based on a target amount (here €1.167 million) for 100% achievement of defined EBIT, ROCE and FCF targets as well as a personal contribution factor (PCF) of 1.0. A maximum of 200% of the target amount can be achieved.

<sup>3</sup> From the net inflow of the performance bonus, shares of Continental AG with a value of 20% of the gross payout amount must be purchased and held for a period of three years.

<sup>4</sup> Based on the allotment value, which is converted into virtual shares of Continental AG. The payment amount depends on the relative total shareholder return, the sustainability criteria achieved and the share price before the payment. A maximum of 200% of the allotment value can be achieved.

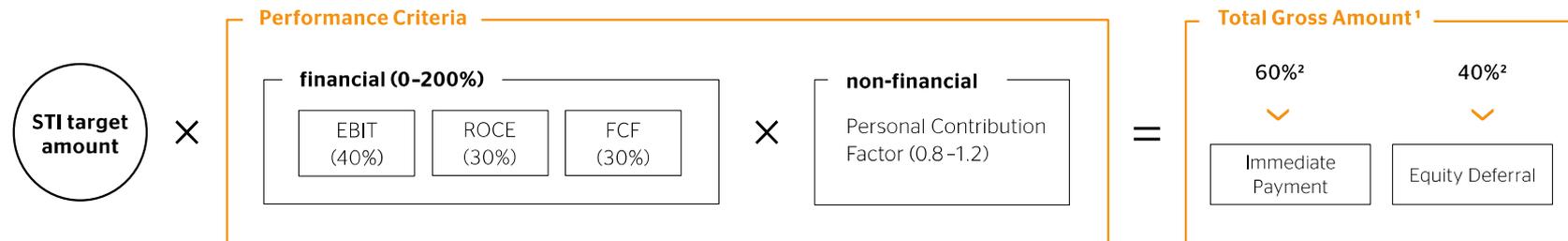
# Corporate Governance

## Consideration of Business Responsibility for Short-Term Incentive (STI)



# Corporate Governance

## Structure of the Performance Bonus (STI)



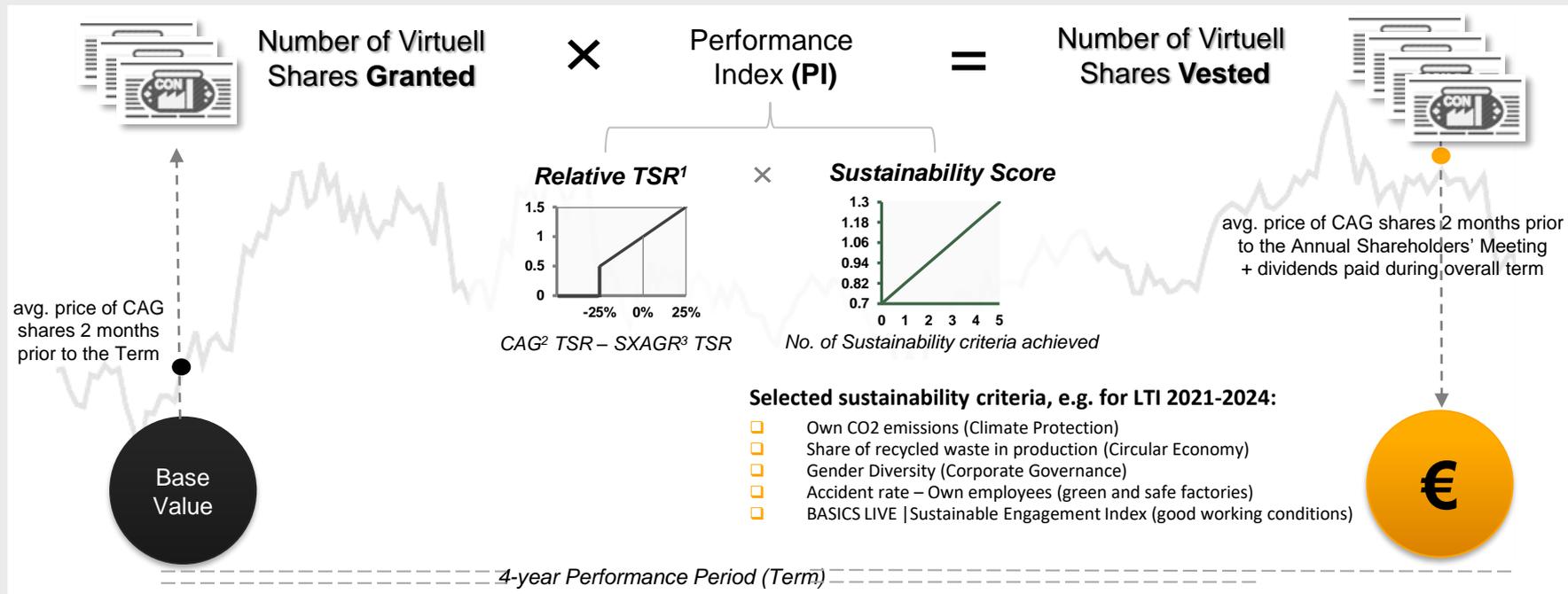
<sup>1</sup> A maximum of 200% of the target amount can be achieved.

<sup>2</sup> Net amount: from the net inflow of the performance bonus, shares of Continental AG with a value of 20% of the total gross amount of the performance bonus must be purchased and held for a period of three years; the corresponding gross amount was calculated assuming a tax and contribution ratio of 50% flat.

# Corporate Governance

## Consideration of TSR and Sustainability for Long-Term Incentive (LTI)

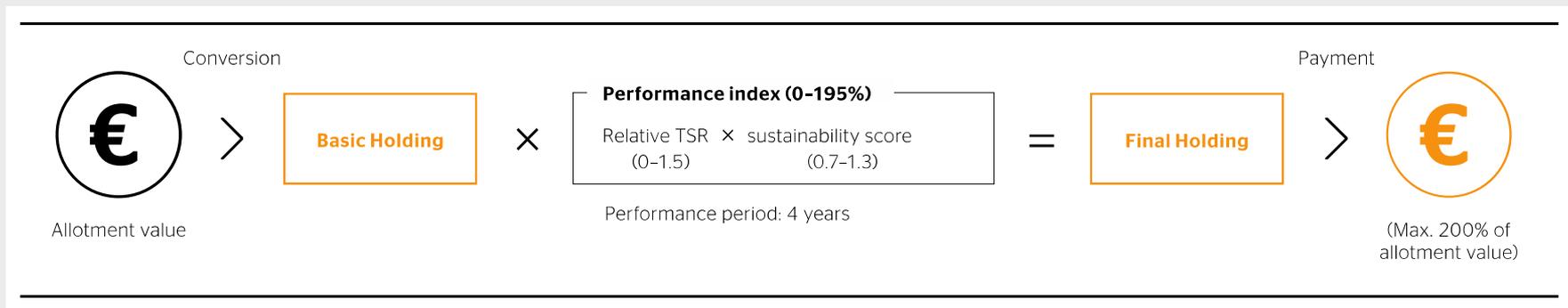
Adjusted to fulfill the DCGK legal requirements and investor's expectations



<sup>1</sup> TSR = Total Shareholder Return = Share price appreciation + Dividends paid. | <sup>2</sup> "CAG" = Continental AG. | <sup>3</sup> "SXAGR" = STOXX® Europe 600 Automobiles & Parts (Gross Return).

# Corporate Governance

## Structure of the 2021 Long-Term Incentive (2021-2024 LTI)



# Agenda

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Continental

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Automotive

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Tires

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ContiTech

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Contract Manufacturing

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Corporate Governance

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**Sustainability**

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Financials

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Back-up

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# Continental's Sustainability Ambition

## Providing the Framework to Turn Change into Opportunities

### Our Key Ambitions

 **100% Carbon Neutrality**  
along our entire value chain

 **100% Emission-free mobility & industry**  
(no harmful emissions)

 **100% Circular Economy**

 **100% Responsible Value Chain**

 by 2050 at the latest  and together with our value chain partners



### + 8 Essentials

-  Good working conditions
-  Green and safe factories
-  Innovations and digitalization
-  Benchmark in quality
-  Safe mobility
-  Long-term value creation
-  Sustainable management practices
-  Corporate citizenship

Of central importance for our ambition are the requirements and speed of transformation of our customers, industries and markets.

# Implementation of the Sustainability Ambitions at all Stages in the Value Chain

## Our Value Chain

-  Carbon neutrality along our entire value chain
-  Emission-free mobility and industry
-  Closed resource and product cycles
-  Responsible sourcing and business partnerships

	Supply Chain	Own Operations	Products & Customers
Carbon neutrality along our entire value chain	●	●	●
Emission-free mobility and industry	●	●	●
Closed resource and product cycles	●	●	●
Responsible sourcing and business partnerships	●	●	●



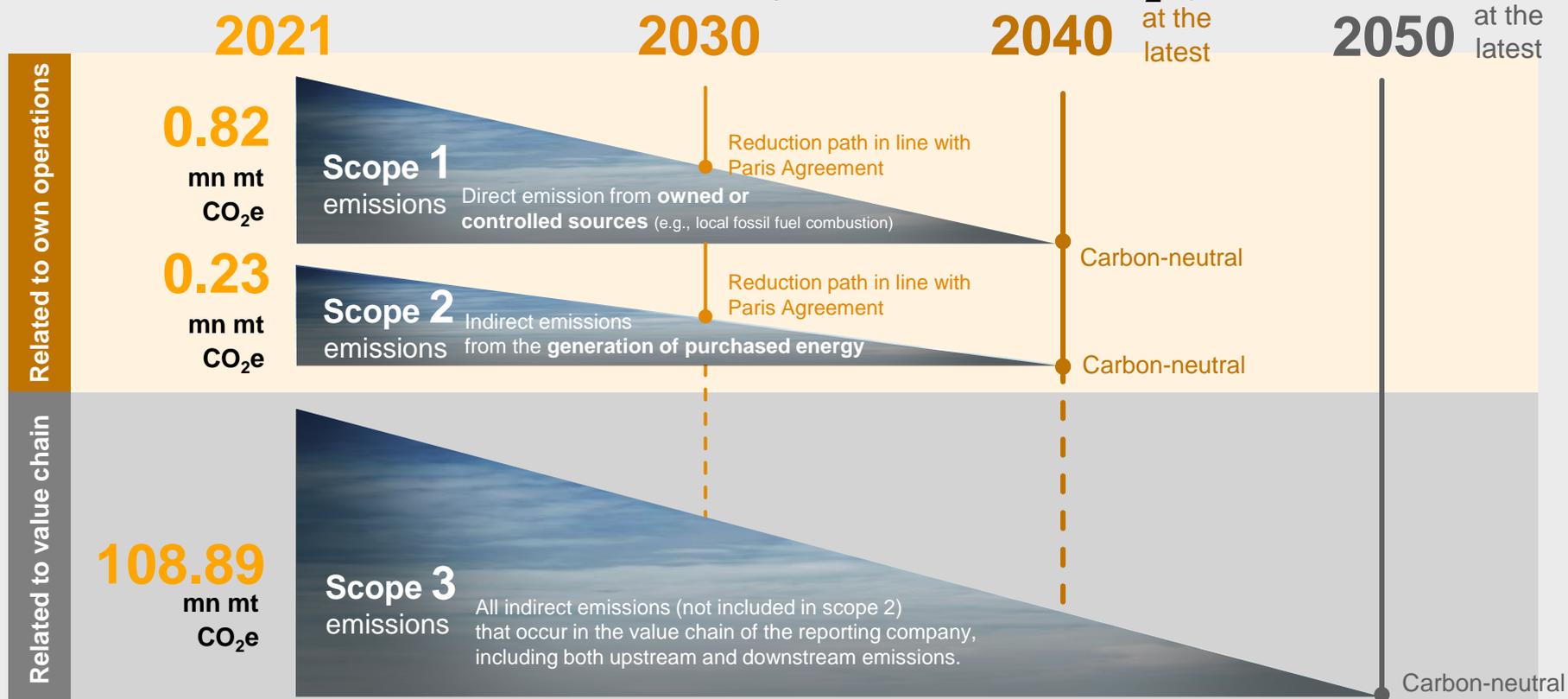
Product example:  
Components for ID.4



Supply chain initiative  
example: Rubberway

# Our Pathway to Net Zero

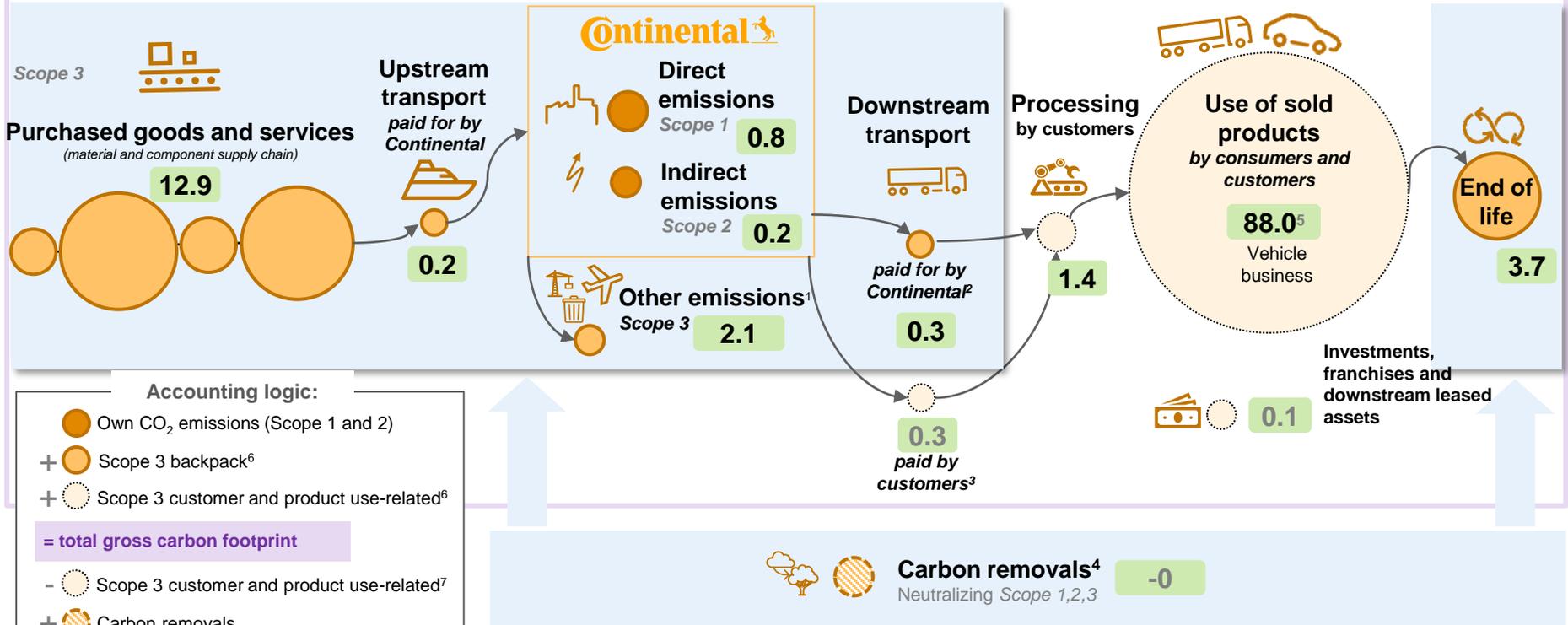
Continental's Total Carbon Footprint (109.94 mn mt CO<sub>2</sub>e)



Remark: The scopes are not shown to the exact scale for the purpose of better overview, but only indicate the relation of the scopes to each other.

# In Depth: Overview and Terminology of Carbon Neutrality at Continental

Total gross carbon footprint in 2021: ~110 mn metric tons CO<sub>2</sub>e



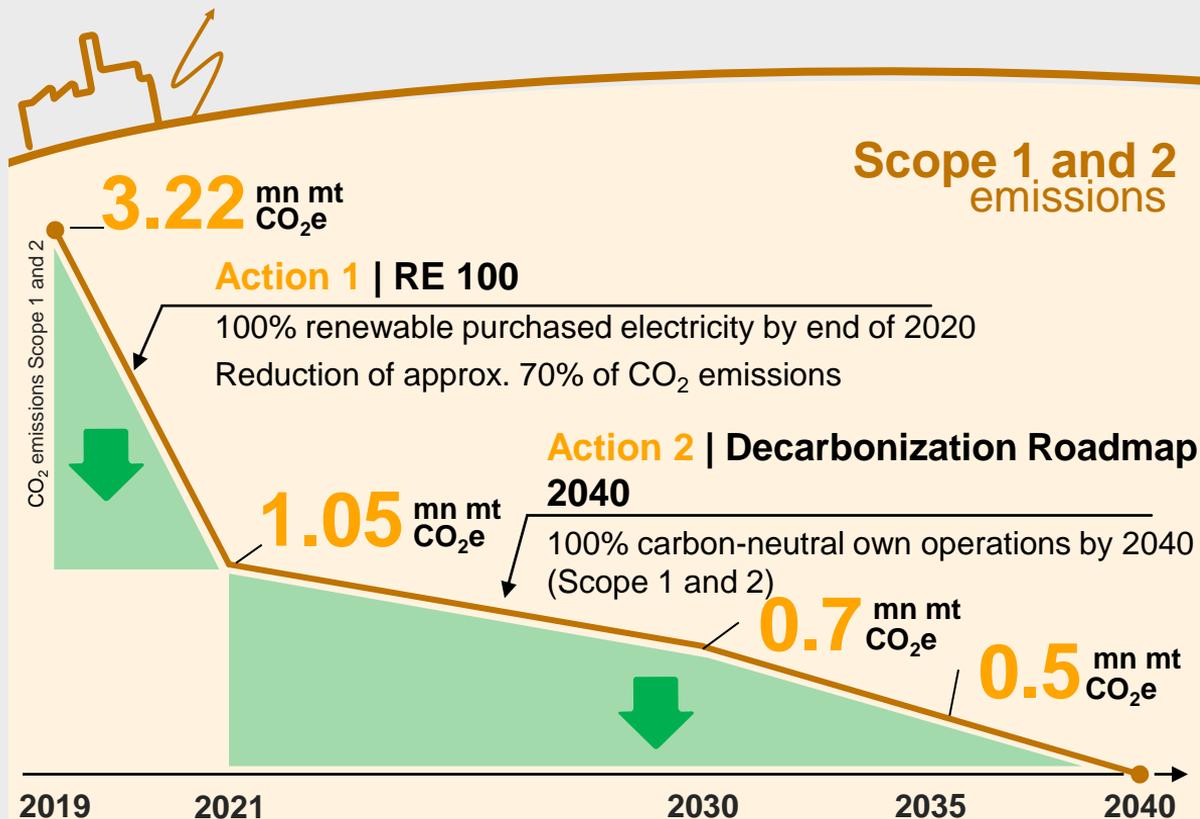
## Accounting logic:

- Own CO<sub>2</sub> emissions (Scope 1 and 2)
- + Scope 3 backpack<sup>6</sup>
- + Scope 3 customer and product use-related<sup>6</sup>
- = total gross carbon footprint**
- Scope 3 customer and product use-related<sup>7</sup>
- + Carbon removals
- = total net carbon backpack**

1 Other emissions include the reporting categories "Business travel," "Fuel- and energy-related activities (not included in Scope 1 or 2)," "Waste generated in operations," "Capital goods," "Employee commuting" and "Upstream leased assets."  
 2 Formally part of the Scope 3 category "Upstream transportation and distribution."  
 3 Formally part of the Scope 3 category "Downstream transportation and distribution."  
 4 Via the program Net|Zero|Now from 2022.

5 Excluding the industrial business of the ContiTech business area due to an accounting approach that is currently missing.  
 6 Scope 3 backpack includes the reporting categories "Purchased goods and services," "Capital goods," "Fuel- and energy-related activities (not included in Scope 1 or 2)," "Upstream transportation and distribution," "Business travel," "Employee commuting," "Upstream leased assets" and "End-of-life treatment of sold products."  
 7 Customer and product use-related CO<sub>2</sub> emissions include the reporting categories "Downstream transportation and distribution," "Processing of sold products," "Use of sold products," "Downstream leased assets," "Franchises" and "Investments."

# How Will We Reach Our CO<sub>2</sub> Targets for Own Operations?



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

- Reduction of CO<sub>2</sub> emissions by energy efficiency
- Switch to renewable purchased electricity (RE100)
- Substitution of fossil fuels
- Neutralization of unavoidable CO<sub>2</sub> emissions by carbon removal

# Key Levers for Most Relevant Scope 3 Categories

## Purchased goods and services



### Key levers

- › Substantial use of **renewable and recycled materials** (as substitutes)
- › Substantial **reduction in material consumption**
- › Footprint-optimized **product design**
- › Substantial use of renewable energy along supply chain (**tier 1-n**)

Taraxagum



Eco-friendly garden hose



Skai VyP coffee fabric

## Use of sold products



### Key levers

- › Rapid expansion of **ZTEV portfolio**

Thermal management



E-highway

## End-of-life treatment



### Key levers

- › Product **reuse and recycling**
- › Substantial use of **renewable materials** (and carbon-neutral thermal recovery)



Pyrum



Remanufactured display

# Indirect CO<sub>2</sub> Emissions Along the Value Chain (Scope 3)

In millions of metric tons of CO<sub>2</sub><sup>1</sup>

	2020 (continuing and discontinued operations)	2021 (continuing operations)
Category 1: indirect CO <sub>2</sub> emissions (Scope 3) – Purchased goods and services	14.65	12.90
Category 2: indirect CO <sub>2</sub> emissions (Scope 3) – Capital goods	n. a.	1.23
Category 3: indirect CO <sub>2</sub> emissions (Scope 3) – Fuel- and energy related activities (not included in Scope 1 and 2)	0.41	0.61
Category 4: indirect CO <sub>2</sub> emissions (Scope 3) – Upstream transportation and distribution	0.70	0.47
Category 5: indirect CO <sub>2</sub> emissions (Scope 3) – Waste generated in operations	0.04	0.04
Category 6: indirect CO <sub>2</sub> emissions (Scope 3) – Business travel	0.02	0.02
Category 7: indirect CO <sub>2</sub> emissions (Scope 3) – Employee commuting	n. a.	0.19
Category 8: indirect CO <sub>2</sub> emissions (Scope 3) – Upstream leased assets	n. a.	0.02
Category 9: indirect CO <sub>2</sub> emissions (Scope 3) – Downstream transportation and distribution	0.50	0.30
Category 10: indirect CO <sub>2</sub> emissions (Scope 3) – Processing of sold products <sup>2</sup>	1.42	1.42
Category 11: indirect CO <sub>2</sub> emissions (Scope 3) – Use of sold products <sup>3</sup>	86.88	87.95
Category 12: indirect CO <sub>2</sub> emissions (Scope 3) – End-of-life treatment of sold products	3.42	3.66
Category 13: indirect CO <sub>2</sub> emissions (Scope 3) – Downstream leased assets	n. a.	0.01
Category 14: indirect CO <sub>2</sub> emissions (Scope 3) – Franchises	n. a.	0.01
Category 15: indirect CO <sub>2</sub> emissions (Scope 3) – Investments	n. a.	0.05
<b>Total indirect CO<sub>2</sub> emissions along the value chain (Scope 3)</b>	<b>n. a.</b>	<b>108.89</b>

<sup>1</sup> Definitions in accordance with the GHG Protocol. CO<sub>2</sub> emission factors correspond to CO<sub>2</sub> equivalents (CO<sub>2</sub>e). Optional reporting aspects for Scope 3 are currently not taken into account.

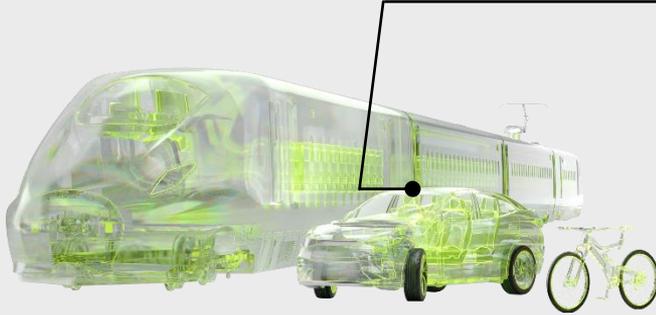
<sup>2</sup> Excluding the industrial business of the ContiTech business area due to an accounting approach that is currently missing.

<sup>3</sup> Excluding the industrial business of the ContiTech business area due to an accounting approach that is currently missing, as well as single business operations insignificant in terms of CO<sub>2</sub> of the Automotive Technologies group sector (two-wheel business) and the Tires business area (e.g. ContiTrade business, parts of the Speciality Tires business unit).

# We Are Already a Relevant Player in Emission-Free Mobility

around **1** bn €

allocated ZTEV<sup>1</sup> business in 2021



- High-performance computer
- Advanced surface materials
- Drum brakes with electromechanical parking brake function
- Sophisticated thermal management
- High performance tires
- And many more

**100%** emission-free mobility and industries latest by **2050**

<sup>1</sup> ZTEV = zero-tailpipe-emission vehicles (vehicles without direct drive emissions).

# Speeding up Our Emission-free Business with Net|Zero|Now

## A Unique Offer in the Automotive Supplier Industry

WE OFFER OUR CUSTOMERS THE  
NEUTRALIZATION OF OUR CARBON  
BACKPACK



## Net|Zero|Now

... provides the **necessary speed for our customers** to reach their ambitious decarbonization targets.



... meets the requirements of the **Paris Agreement** by **extending the global carbon budget**.



With Net|Zero|Now, we offer our customers the neutralization of our business carbon backpack through negative emissions. The offer focuses on business with zero-tailpipe-emission vehicles but can now also be used for other business.

# In a Circular Economy There is No Waste – Just Material in the Wrong Place

**100%** closed product and resource cycles latest by **2050**



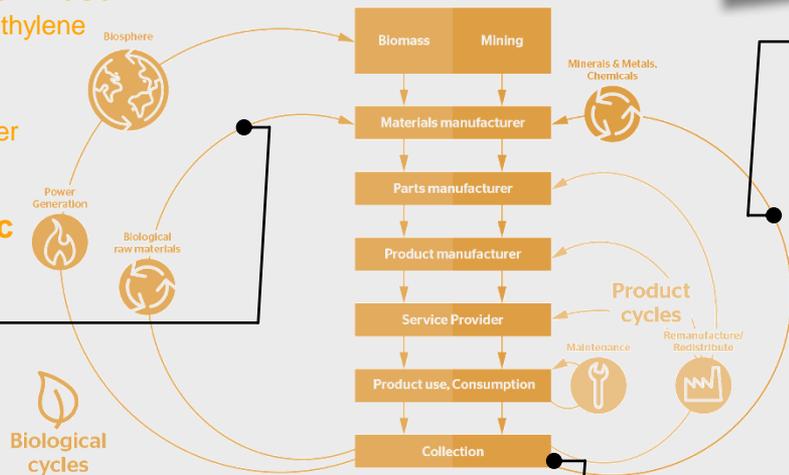
**Eco rubber garden hose**  
made of sugar cane ethylene



**Bicycle tires**  
made of natural rubber from dandelions



**Upholstery fabric**  
made from coffee grounds



**Refurbished air springs**  
for urban trains in Hamburg



**Recycled carbon black**  
recovered from end-of-life tires



**Retreaded tires**  
for commercial vehicles



**Remanufactured displays**  
for longer use of the components



**95% recycling quota in own operations until 2030**

# Reducing Waste in Our Own Operations

## We Reach Our Targets by Striving for Closed Resource Cycles

### The Challenges

- › Globally around 90 billion tons of materials are used each year to fuel our economy
- › Most of the resources follow a linear value chain model.
- › Closed material cycles are necessary to mitigate negative impact on our business.

### Our Approach

#### The waste hierarchy



**2 %**

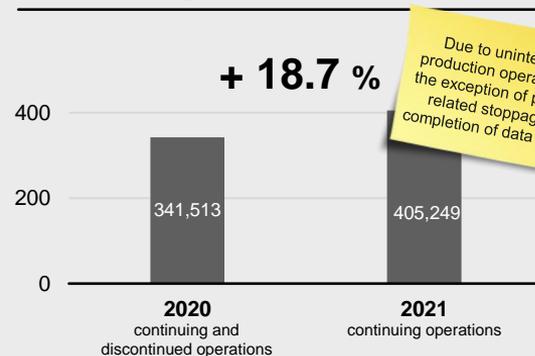
reduction of waste generation per year based on sales

**95 %**

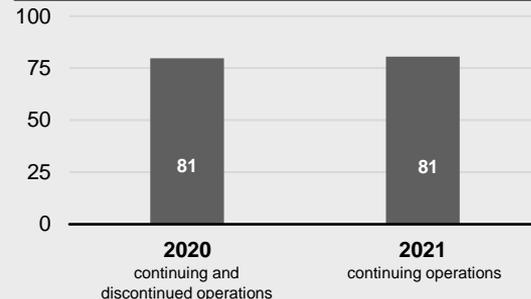
waste recycling quota by 2030

### Our Results

#### Total waste generation [in metric tons]



#### Waste recycling quota [in %]



# Saving Water in Our Own Operations

## Reduction of Water Intensity Driven by Risk-Based Approach

### The Challenges

- › Water is an existential and important resource
- › Water scarcity and water scarcity risks in the value chain must be mitigated effectively

### Our Approach

Risk-based targets for water security and a global framework for water programs:



**4 %**

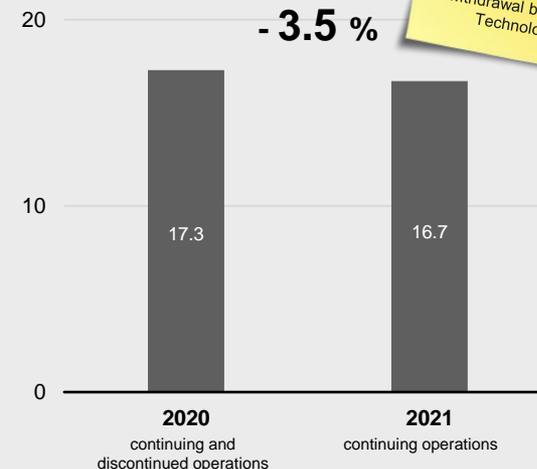
reduction of water demand per year based on sales in water stress high risk areas

**2 %**

reduction of water demand per year based on sales in water stress medium and low risk areas

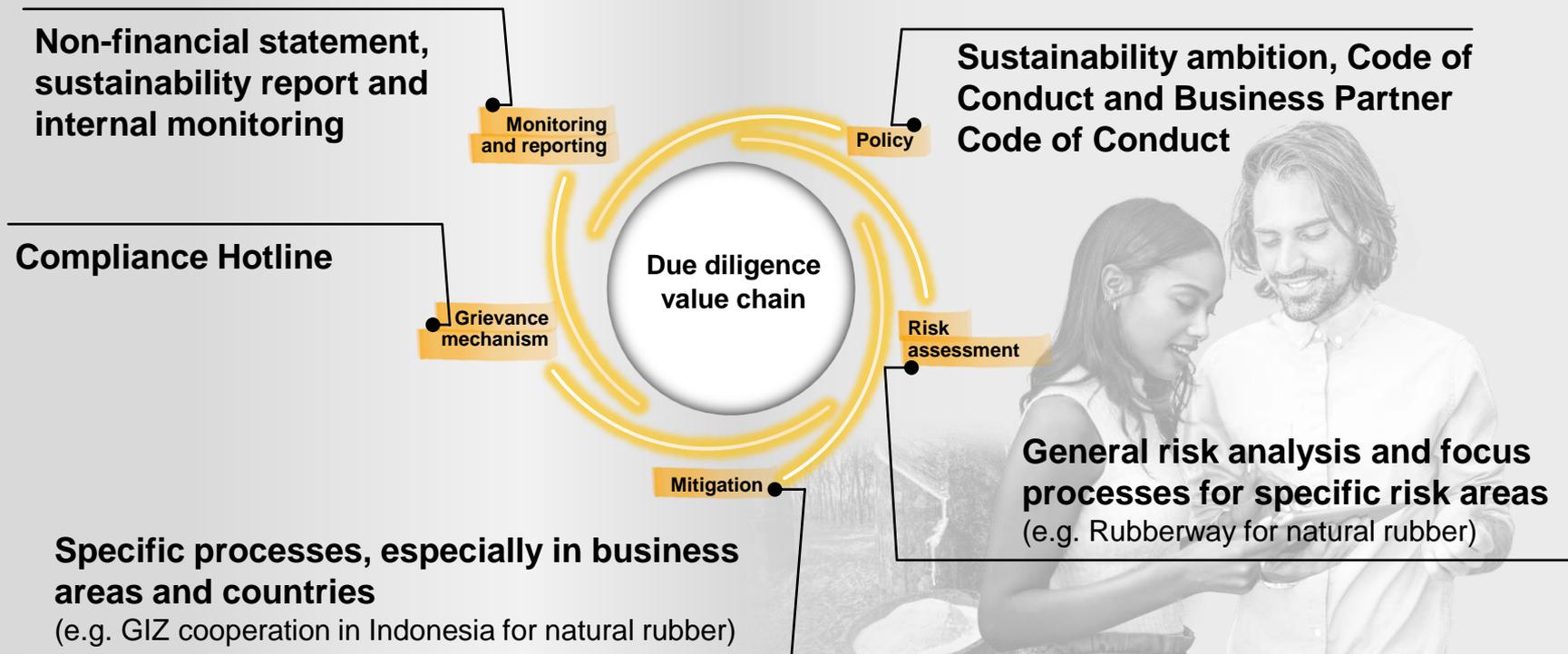
### Our Results

**Water withdrawal** [in million m<sup>3</sup>]



Due to discontinued reporting of water withdrawal by Vitesco Technologies

# Our Approach to Responsible Value Chains Follows the Due Diligence Cycle



# Group Sustainability Scorecard (I)

## Performance Indicators for Sustainability Strategy Controlling

	2020 (continuing and discontinued operations)	2021 (continuing operations)
<b>Carbon neutrality</b>		
Direct CO <sub>2</sub> emissions (Scope 1) in millions of metric tons of CO <sub>2</sub>	0.78 <sup>4,5</sup>	0.82 <sup>2</sup>
Indirect CO <sub>2</sub> emissions (Scope 2) in millions of metric tons of CO <sub>2</sub> <sup>3</sup>	0.21 <sup>4</sup>	0.23 <sup>2</sup>
Total own CO <sub>2</sub> emissions (Scope 1 and 2) in millions of metric tons of CO <sub>2</sub>	0.99 <sup>4</sup>	1.05 <sup>2</sup>
<b>Emission-free mobility and industries</b>		
Allocated zero-tailpipe-emission vehicles business in € millions <sup>6,7</sup>	826	986
Allocated low-carbon business beyond zero-tailpipe-emission vehicles business in € millions <sup>8</sup>	n. a.	6
Allocated business with emission-free mobility and industry in € millions	n. a.	991
<b>Circular economy</b>		
Waste recycling quota in % <sup>9</sup>	81 <sup>4</sup>	81 <sup>2</sup>
<b>Responsible value chain</b>		
Number of available, valid supplier self-assessment questionnaires (as at Dec. 31) <sup>10</sup>	696	631
<b>Good working conditions</b>		
OUR BASICS Live Sustainable Engagement index in % <sup>11,12</sup>	82	80
Sickness rate in % <sup>13,14</sup>	3.5	3.7
Unforced fluctuation rate in % <sup>14,15</sup>	4.6	7

# Group Sustainability Scorecard (II)

## Performance Indicators for Sustainability Strategy Controlling

	2020 (continuing and discontinued operations)	2021 (continuing operations)
<b>Green and safe factories</b>		
Environmental protection management system certifications (ISO 14001), Employee coverage quota (as at Dec. 31) in % <sup>16</sup>	82	76
Energy management system certifications (ISO 50001), Employee coverage quota (as at Dec. 31) in % <sup>16</sup>	51	40
Occupational safety and health management system certifications (ISO 45001 or similar), Employee coverage quota (as at Dec. 31) in % <sup>16</sup>	69	62
Accident rate (number of accidents per million working hours) <sup>17, 18</sup>	2.9	2.6
<b>Benchmark in quality</b>		
Quality management system certifications (ISO 9001 or similar), Employee coverage quota (as at Dec. 31) in % <sup>16</sup>	91	84
New field quality events (as at Dec. 31) <sup>19</sup>	18	36
<b>Sustainable management practice</b>		
Gender diversity – share of female executives and senior executives (as at Dec. 31) in %	16.1	17.8
<b>Innovation and digitalization</b>		
Research and development expenses (net) in € millions	3,381.8	2,586.8
in % of sales	9.0	7.7

# Group Sustainability Scorecard

## Footnotes

1 Definitions in accordance with the GHG Protocol. Scope 1 includes emissions from the burning of fossil fuels as part of Continental's own processes, and Scope 2 includes emissions from purchased electricity, steam and heat. CO<sub>2</sub> emission factors correspond to CO<sub>2</sub> equivalents (CO<sub>2</sub>e).

2 Contains a small amount of imputed data for parts of the Continental Group that have not reported directly.

3 Calculated using the market-based calculation method of the GHG Protocol. Where contract-specific emission factors were not available, the standard emission factors from Defra (September 2020) were used.

4 Includes the relevant production and research and development locations.

5 CO<sub>2</sub> emissions from fleet consumption for company cars (leased vehicles) are only partially and not systematically included.

6 Definition: allocated business with zero-tailpipe-emission vehicles comprises all business with products for vehicles transporting goods and people that count as taxonomy-eligible low-carbon technologies for transport under the delegated regulation (2021/2800) for climate change mitigation and adaptation of the Taxonomy Regulation (2020/852).

7 The business can be allocated via the vehicle manufacturer, the vehicle platform or the product specification, for example. The data includes both pure business and attributable business, such as in the case of combined vehicle platforms. For the Tires, ContiTech and Contract Manufacturing business areas, the sales reported at the end of the year were included. For Contract Manufacturing, this was based on an estimation by the customer Vitesco Technologies. In the case of the Automotive Technologies group sector, a calculation was carried out for passenger cars and light commercial vehicles using internal, vehicle-specific planning data for sales and external data for production quantities, and for medium and heavy commercial vehicles this was based on the relevant customer portfolio.

8 Definition: allocated low-carbon business beyond business with zero-tailpipe-emission vehicles measures business that enables our customers to significantly contribute to climate change mitigation and is considered taxonomy-eligible under the delegated regulation (2021/2800) for climate change mitigation and adaptation of the Taxonomy Regulation (2020/852), excluding low-carbon technologies for transport.

9 Definition: proportion of waste that has been sent for material recycling, thermal recovery or any other form of recycling or reuse.

10 Based on the self-assessment questionnaires via the sustainability platforms EcoVadis and NQC by suppliers selected for this process.

11 Definition: employee agreement on topics relating to sustainable engagement in the employee survey OUR BASICS Live.

12 This is based on the responses of 47,472 participants (PY: 4,918 participants) as a representative random sample of Continental's group sectors and countries.

13 Definition: sickness-related absence relative to contractual worktime.

14 Excluding leasing personnel (i.e. permanent staff only).

15 Definition: voluntary departure of employees from the company relative to the average number of employees.

16 Valid certifications and concluded recertification processes were counted, as well as ongoing recertification processes, if the achievement of recertification was considered highly probable.

17 Definition: number of accidents during working hours per million paid working hours. Counted from more than one lost day, i.e. with at least one lost day beyond the day of the accident.

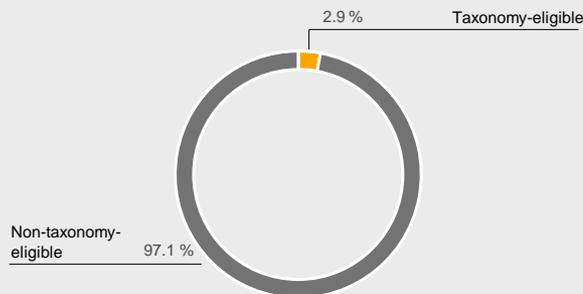
18 Excluding leasing personnel (i.e. permanent staff only) and way-to-work accidents.

19 Definition: a field quality event is a risk-minimizing measure for a product manufactured and/or sold by Continental based on a safety-related defect and/or non-compliance with regulations that was initiated by Continental, a customer and/or an authority.

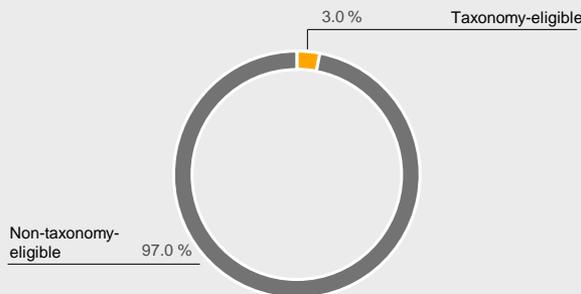
# Legal Disclosures acc. to EU Taxonomy Regulation

## Turnover, Capex and Opex Associated with Eligible Business Activities

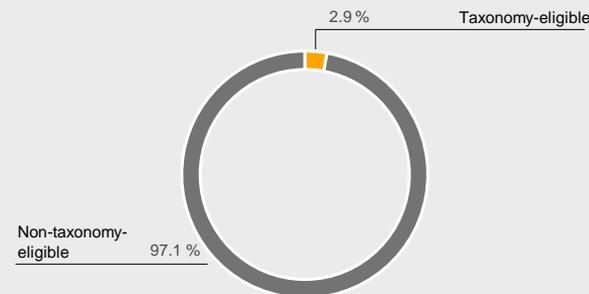
Taxonomy-eligible turnover in 2021



Taxonomy-eligible capex in 2021



Taxonomy-eligible opex in 2021



Continental's eligible business activities include:

- the allocated ZTEV business
- the allocated low-carbon business beyond ZTEV (e.g. business with products for renewable energy production, wastewater and waste recycling and infrastructure for low-carbon water transport)

# Integrated Sustainability Reporting



Download Non-financial Statement and Sustainability Report:

[www.continental-sustainability.com/downloads](http://www.continental-sustainability.com/downloads)



- Long history in sustainability reporting since FY 2011
- Combined non-financial statement in accordance with Sections 315b and 315c in conjunction with Sections 289b to 289e HGB for the Continental Group and Continental AG which has been issued an unqualified opinion by the independent auditor (reasonable assurance)
- Additional Integrated Sustainability Report in orientation towards GRI Standards, TCFD, UN Global Compact, SDG, SASB

# Sustainability

## Memberships and Initiatives



Please click on the logos for more information.

# Sustainability

## Ratings and Indexes

- › Continental is listed in the following indexes:



# DAX® 50 ESG

- › Ratings:



February 2022:

- › Prime (C+)

December 2021:

- › Climate: Score B
- › Water: Score B
- › Supply chain: Score A
- › Supplier engagement leader board

December 2021:

- › Score: 73/100
- › 98th percentile

February 2022:

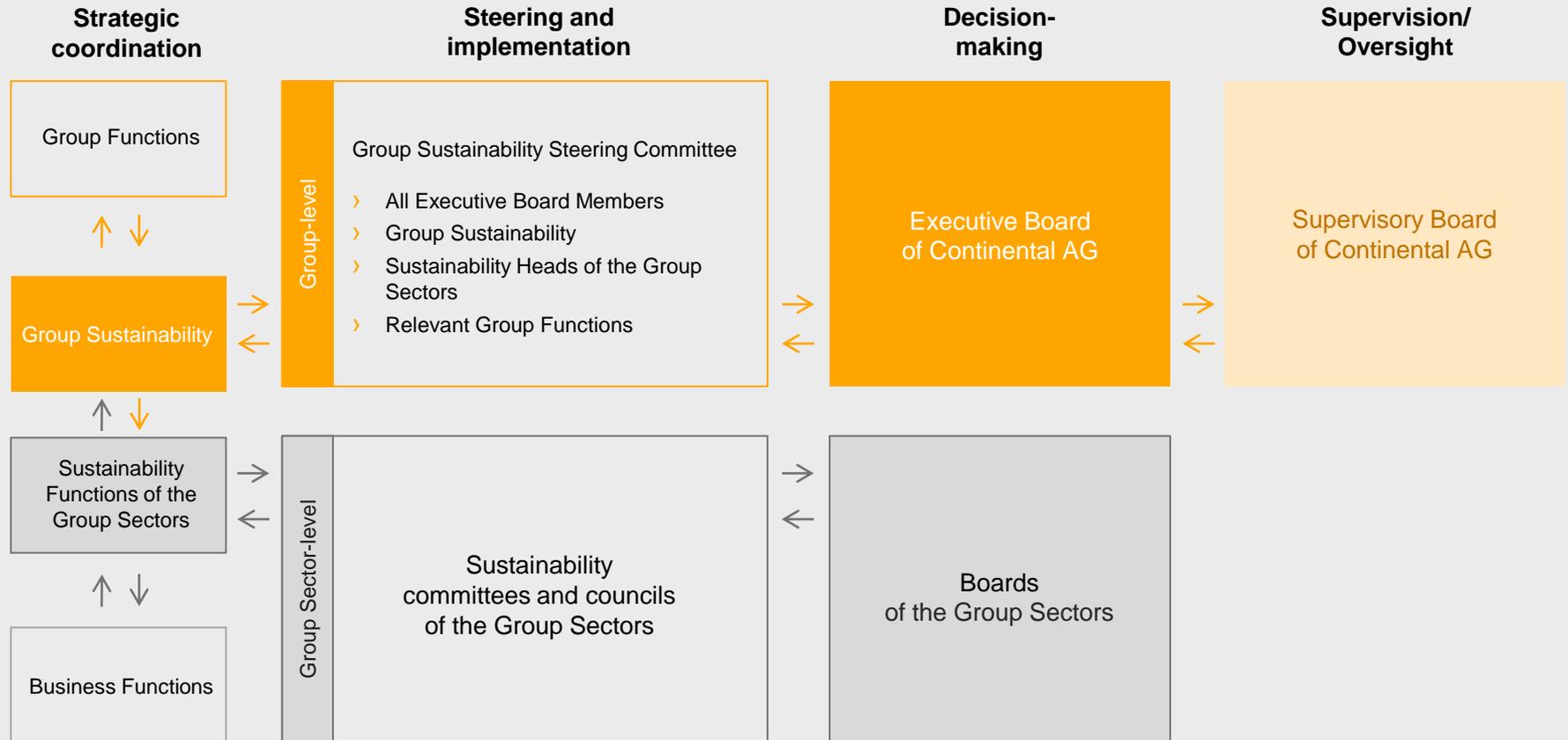
- › BBB

December 2021:

- › 13.2 (low risk)
- › Auto Components: Rank 10/210
- › Auto Parts: Rank 6/181

Sources: <https://www.ecpigroup.com>; <https://www.cdp.net>; <https://www.sustainalytics.com>; <https://www.msci.com>; <https://www.ecovadis.com/>.

# We Build on a Systematic Sustainability Governance



# Agenda

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Continental

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Automotive

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Tires

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ContiTech

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Contract Manufacturing

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Corporate Governance

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Sustainability

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**Financials**

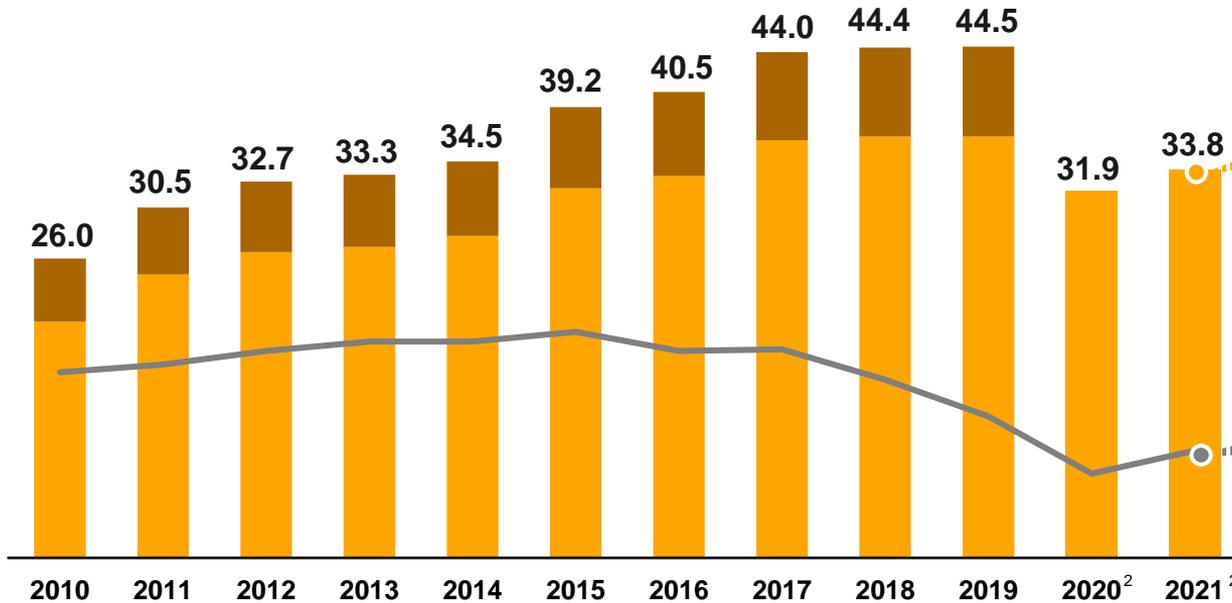
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Back-up

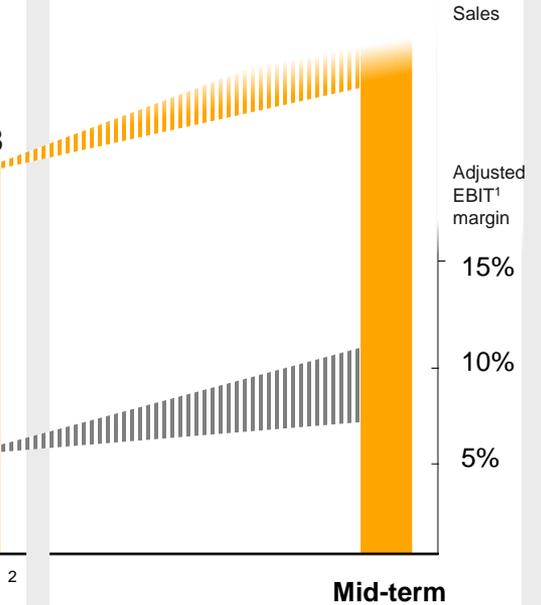
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# Business Development

## Continental (€ bn)



## Continental



■ Sales Continental excl. Powertrain Technologies 
 ■ Sales Powertrain Technologies 
 — Adjusted EBIT<sup>1</sup> margin

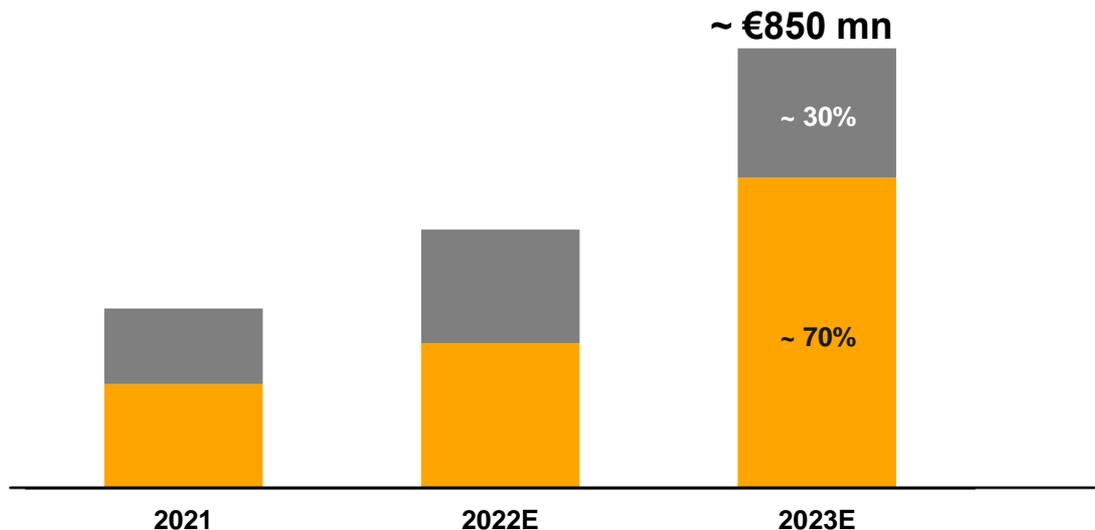
<sup>1</sup> Before amortization of intangible assets from purchase price allocation, changes in the scope of consolidation, and special effects.

<sup>2</sup> Numbers show only the figures for continuing operations in the reporting and comparative period.

# Mid-term Measures

## Implementation of Structural Measures on Track

### Targeted annual gross cost savings



■ Automotive and Contract Manufacturing ■ Tires and ContiTech

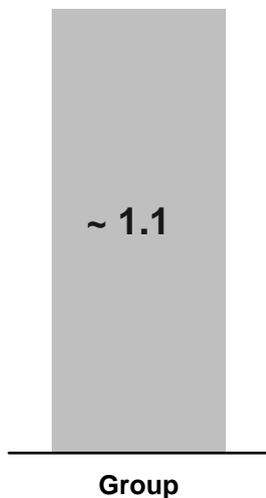
### Program details

- › Includes footprint, structures and processes
- › Contributions from central functions and business units
- › Around 23,000 jobs worldwide affected
  - › Major portion in high-cost countries
  - › Negotiations with employee representatives ongoing

# Mid-term Measures

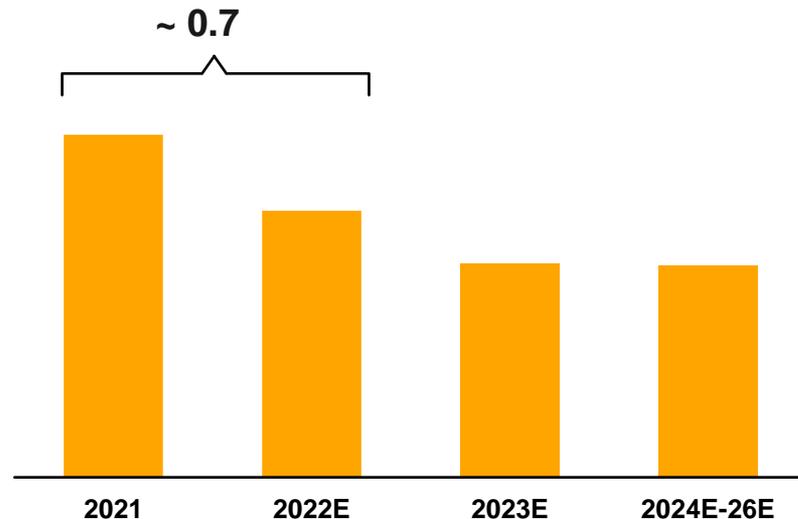
## Cash Outflow for Restructuring Predominantly in 2021 and 2022

Restructuring costs (€ bn)



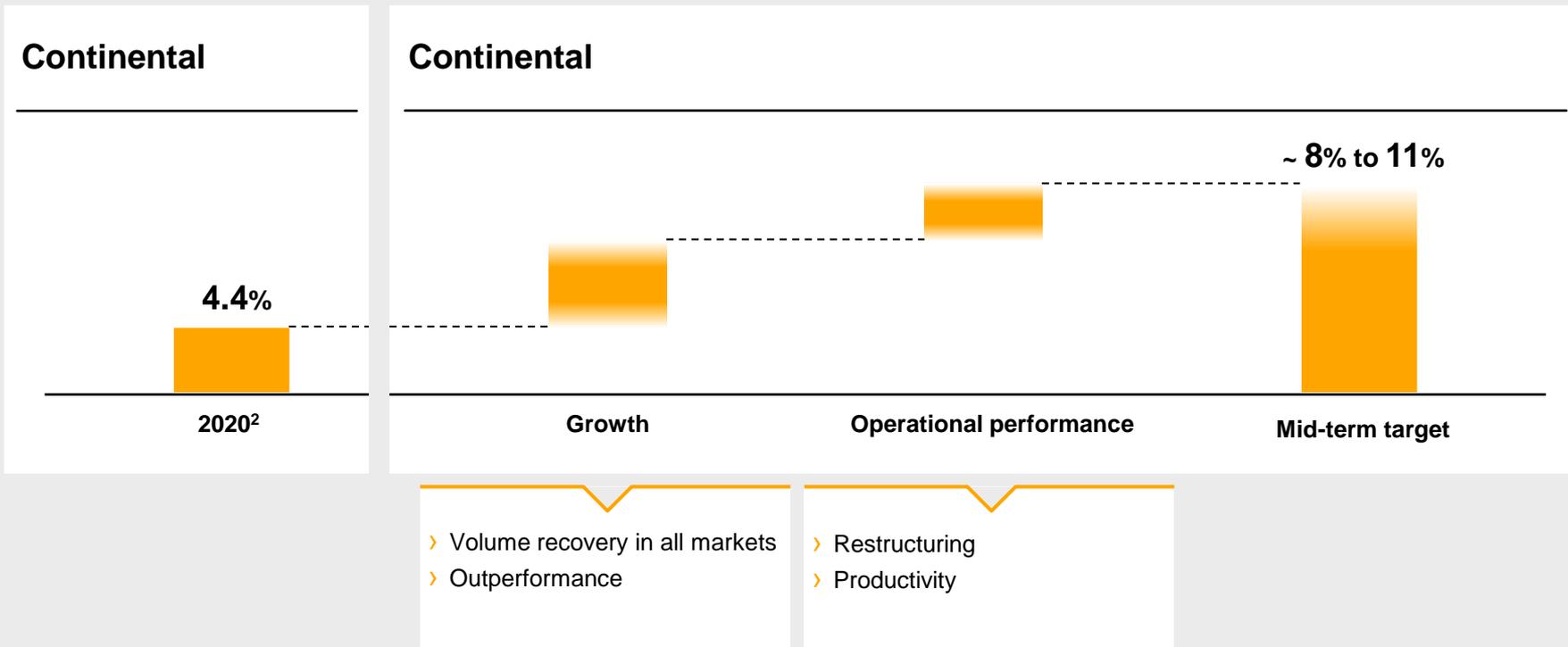
■ Total costs, predominantly booked in 2019/2020

Cash outflow for restructuring (€ bn)



# Financial Targets

## Mid-term Adjusted EBIT<sup>1</sup> Margin



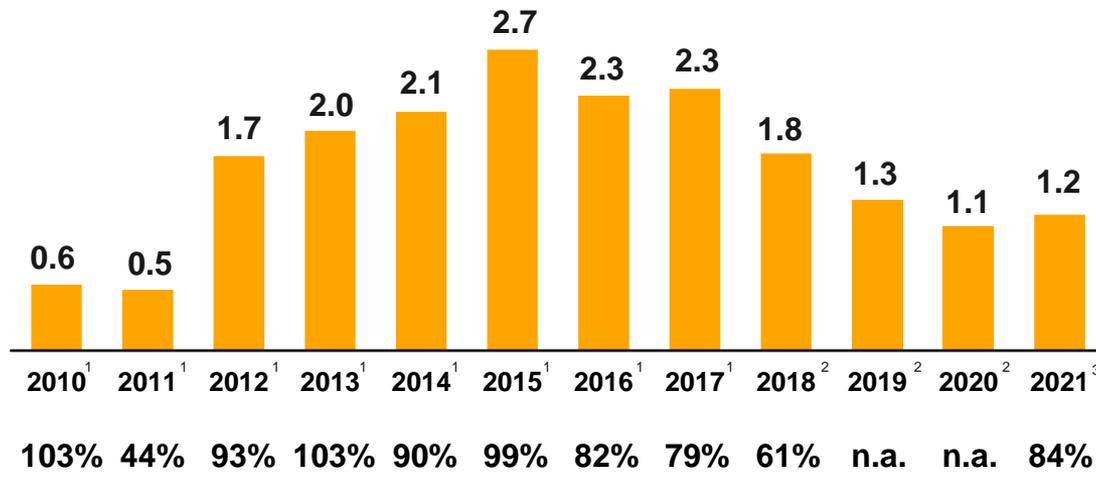
<sup>1</sup> Before amortization of intangible assets from purchase price allocation, changes in the scope of consolidation, and special effects.

<sup>2</sup> IFRS 5 for Vitesco applied starting 2021. P&L figures have been adjusted for 2020.

# Cash Flow Development

## Cash Conversion Supported by Cost Improvements

### Continental Free Cash Flow (€ bn)



### Continental

Mid-term target:  
Cash conversion<sup>5</sup>  
> 70%



Mid-term<sup>4</sup>

<sup>1</sup> Cash flow before financing activities and acquisitions.

<sup>2</sup> Cash flow before financing activities, acquisitions and carve-out effects.

<sup>3</sup> Cash flow before financing activities, acquisitions, divestments, and carve-out effects.

<sup>4</sup> Cash flow before financing activities, M&A, restructuring and restructuring-related effects and carve-out effects.

<sup>5</sup> Ratio of cash flow as defined above to net income attributable to the shareholders of the parent.

■ Cash flow<sup>1,2,3,4</sup>

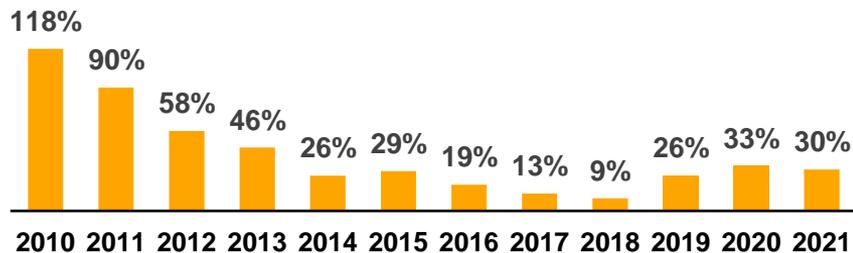
# Credit Profile

## Committed to Investment Grade

### Continental's mid-term targets:

› Rating	<b>BBB / BBB+</b>
› Gearing ratio <sup>1</sup>	<b>below 40%</b>
› Equity ratio <sup>2</sup>	<b>above 30%</b>
› Cash conversion <sup>3</sup>	<b>above 70%</b>

### Gearing ratio<sup>1,2</sup>



<sup>1</sup> Net indebtedness divided by equity. Starting 2021 the gearing ratio only reflects continuing operations.

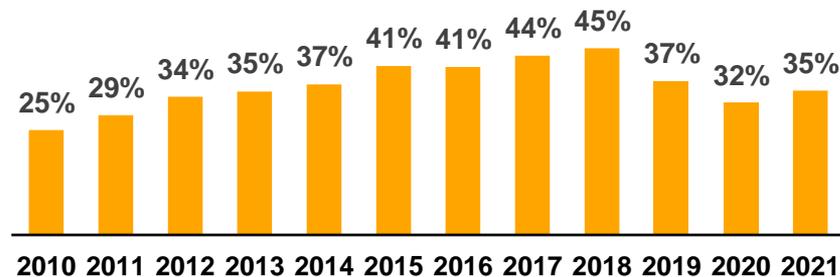
<sup>2</sup> IFRS 16 applied starting 2019. Starting 2021 the equity ratio only reflects continuing operations.

<sup>3</sup> Ratio of cash flow before financing activities, M&A, restructuring and restructuring-related effects and carve-out effects to net income attributable to the shareholders of the parent. IFRS 5 for Vitesco applied in 2021. P&L figures have been adjusted for 2020, B/S not adjusted for 2020, CF reflecting continuing and discontinued operations for 2020 and 2021.

### Continental's current credit rating:

› Fitch (since April 20, 2020)	BBB, outlook stable
› S&P (since March 30, 2020)	BBB, outlook negative
› Moody's (since March 13, 2020)	Baa2, outlook negative

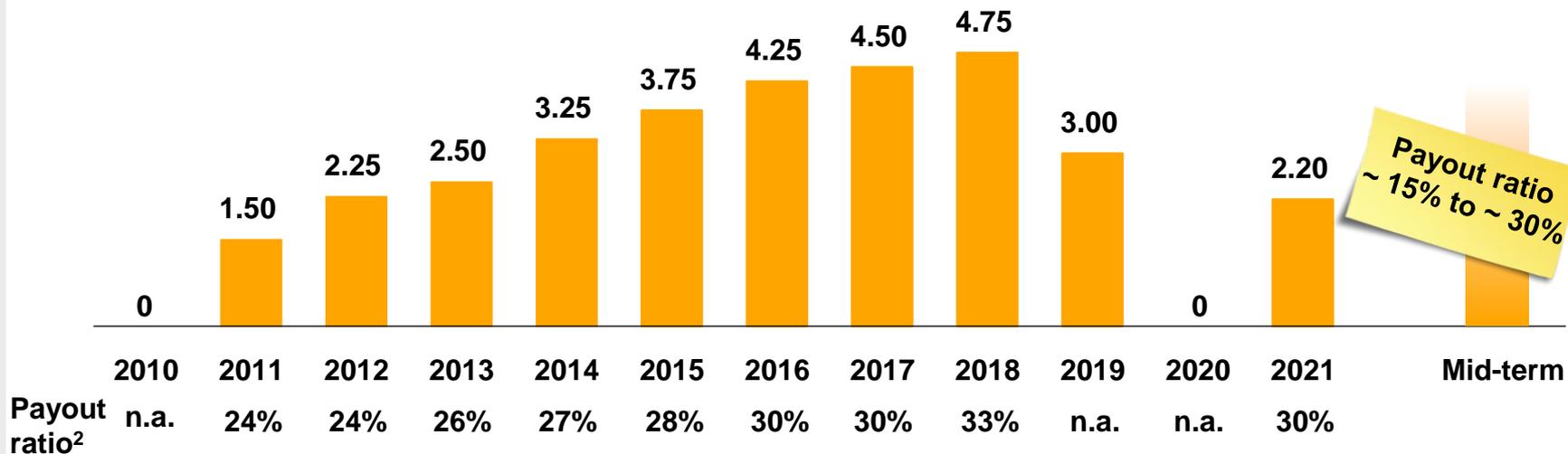
### Equity ratio<sup>2</sup>



# Dividend

## Payout Reflects Commitment to Dividend Policy

Dividend per share<sup>1</sup> (€)



<sup>1</sup> Dividend paid for the respective fiscal year, payout in the subsequent year.

<sup>2</sup> Ratio of dividend for the fiscal year to net income attributable to the shareholders of the parent.

# Summary

## Invest in a Winner of the Transformation

### Mid-term targets<sup>1</sup>

**~ 8 to 11%**

Adj. EBIT<sup>2</sup> margin

**~ 15 to 20%**

Return on capital employed<sup>3</sup>

**≥ 70%**

Cash conversion<sup>4</sup>

Automotive	~ 6% to 8%
Tires	~ 12% to 16%
ContiTech	~ 9% to 11%

Automotive	> 15%
Tires	> 20%
ContiTech	> 20%

<sup>1</sup> Underlying condition is a minimum production of 90 million light vehicles p.a.

<sup>2</sup> Before amortization of intangibles from PPA, consolidation and special effects.

<sup>3</sup> Ratio of EBIT to average operating assets for a fiscal year.

<sup>4</sup> Ratio of cash flow before financing activities, M&A, restructuring and restructuring-related effects and carve-out effects to net income attributable to the shareholders of the parent.

# Agenda

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Continental

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Automotive

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Tires

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ContiTech

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Contract Manufacturing

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Corporate Governance

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Sustainability

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Financials

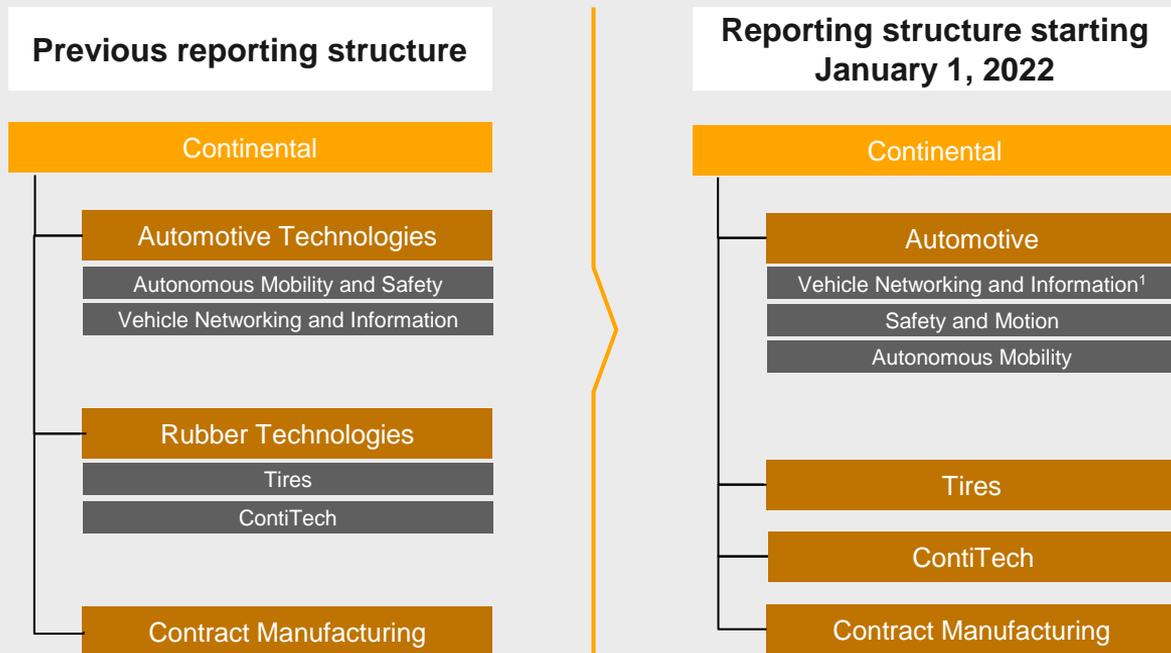
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**Back-up**

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# Reporting Structure

Adapted to Match Strategy and Increase Transparency



■ Group Sector | ■ Business Area

<sup>1</sup> More detailed financial disclosure planned starting 2023.

# Key Figures

## Continental Group

	2020		2021	
Continental Group (€ mn)		% of sales		% of sales
<b>Sales</b>	<b>31,864.4</b>	-	<b>33,765.2</b>	-
EBITDA	2,763.5	8.7	4,104.2	12.2
EBIT	-428.0	-1.3	1,845.8	5.5
Operating assets (average)	19,565.7	-	18,416.1	-
Research and development expenses (net)	2,700.7	8.5	2,586.8	7.7
CapEx <sup>1</sup>	1,779.7	5.6	1,947.4	5.8
Depreciation and amortization <sup>2</sup>	3,191.5	-	2,258.4	-
- thereof impairment <sup>3</sup>	800.1	-	29.1	-
		% of adj. sales		% of adj. sales
Adjusted sales <sup>4</sup>	31,648.8	-	33,754.3	-
<b>Adjusted operating result (adjusted EBIT)<sup>5</sup></b>	<b>1,379.9</b>	<b>4.4</b>	<b>1,900.4</b>	<b>5.6</b>

The tables on the key figures for the group sectors show only the figures for continuing operations in the reporting and comparative periods for all group sectors.

IFRS 5 for Vitesco applied starting 2021. P&L figures have been adjusted for 2020, B/S not adjusted for 2020, CF reflecting total group.

<sup>1</sup> Capital expenditure on property, plant and equipment, and software.

<sup>2</sup> Excluding impairment on financial investments.

<sup>3</sup> Impairment also includes necessary reversal of impairment losses. Expenses from derecognitions of brand values are likewise included.

<sup>4</sup> Before changes in the scope of consolidation

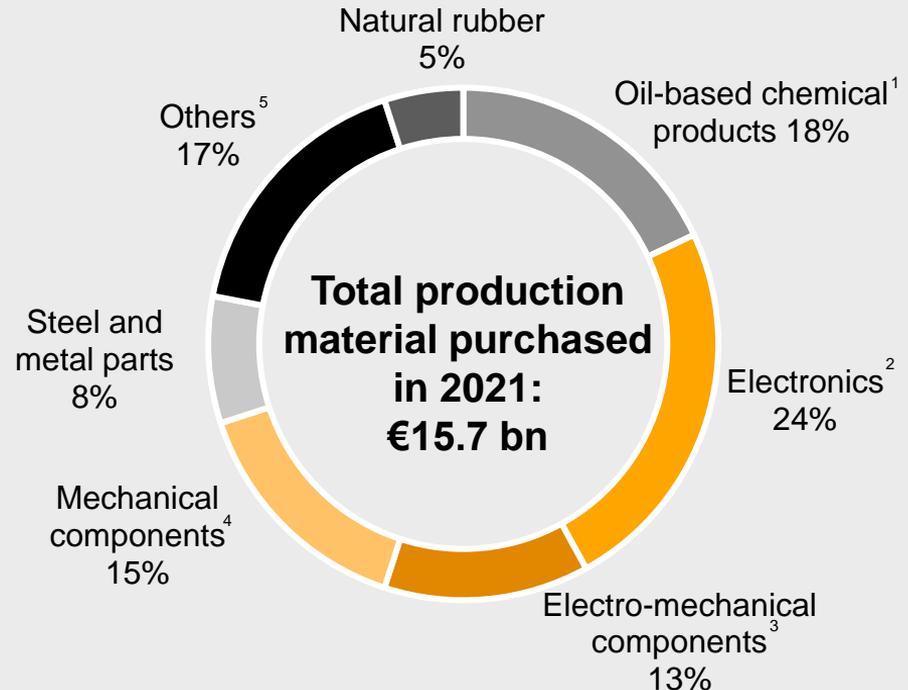
<sup>5</sup> Before amortization of intangible assets from purchase price allocation (PPA), changes in the scope of consolidation, and special effects.

# Key Figures

## Continental Group Purchasing – Production Materials of Continental

### Purchasing contracts

- › Continental has a wide range of sources for production materials worldwide.
- › A specific strategy for each production material group is set up and the appropriate supplier panel is selected. This way we ensure the competitiveness and availability of the materials.
- › For some materials, prices might have a long lead time until they become fully reflected in the cost of our final products.



<sup>1</sup> E.g. synthetic rubber, carbon black, chemicals.

<sup>2</sup> E.g. discrete/ standards, microcontroller, LCDs.

<sup>3</sup> E.g. printed circuit boards, mechatronics, motors, components.

<sup>4</sup> E.g. stamped parts, engine system specific forgings, bearings, fasteners.

<sup>5</sup> E.g. textiles, plastics.

# Automotive

## Key Figures

	2020		2021	
<b>Automotive Technologies (€ mn)</b>		% of sales		% of sales
<b>Sales</b>	<b>15,435.6</b>	-	<b>15,357.4</b>	-
EBITDA	382.3	2.5	666.8	4.3
EBIT	-1,494.9	-9.7	-374.6	-2.4
Operating assets (average)	8,675.4	-	8,110.5	-
Research and development expenses (net)	2,279.8	14.8	2,136.6	13.9
CapEx <sup>1</sup>	960.0	6.2	1,046.2	6.8
Depreciation and amortization <sup>2</sup>	1,877.2	-	1,041.4	-
- thereof impairment <sup>3</sup>	753.3	-	12.5	-
		% of adj. sales		% of adj. sales
Adjusted sales <sup>4</sup>	15,242.5	-	15,346.6	-
<b>Adjusted operating result (adjusted EBIT)<sup>5</sup></b>	<b>-335.1</b>	<b>-2.2</b>	<b>-197.1</b>	<b>-1.3</b>

IFRS 5 for Vitesco applied starting 2021. P&L figures have been adjusted for 2020, B/S not adjusted for 2020, CF reflecting total group.

<sup>1</sup> Capital expenditure on property, plant and equipment, and software.

<sup>2</sup> Excluding impairment on financial investments.

<sup>3</sup> Impairment also includes necessary reversal of impairment losses. Expenses from derecognitions of brand values are likewise included.

<sup>4</sup> Before changes in the scope of consolidation

<sup>5</sup> Before amortization of intangible assets from purchase price allocation (PPA), changes in the scope of consolidation, and special effects.

# Tires

## Key Figures

	2020		2021	
<b>Tires (€ mn)</b>		% of sales		% of sales
<b>Sales</b>	<b>10,158.6</b>	-	<b>11,807.6</b>	-
EBITDA	1,864.9	18.4	2,525.9	21.4
EBIT	1,012.3	10.0	1,700.6	14.4
Operating assets (average)	7,080.7	-	6,625.5	-
Research and development expenses (net)	268.0	2.6	293.8	2.5
CapEx <sup>1</sup>	535.5	5.3	626.0	5.3
Depreciation and amortization <sup>2</sup>	852.6	-	825.3	-
- thereof impairment <sup>3</sup>	11.8	-	5.9	-
		% of adj. sales		% of adj. sales
Adjusted sales <sup>4</sup>	10,158.6	-	11,807.5	-
<b>Adjusted operating result (adjusted EBIT)<sup>5</sup></b>	<b>1,343.4</b>	<b>13.2</b>	<b>1,729.3</b>	<b>14.6</b>

<sup>1</sup> Capital expenditure on property, plant and equipment, and software.

<sup>2</sup> Excluding impairment on financial investments.

<sup>3</sup> Impairment also includes necessary reversal of impairment losses. Expenses from derecognitions of brand values are likewise included.

<sup>4</sup> Before changes in the scope of consolidation

<sup>5</sup> Before amortization of intangible assets from purchase price allocation (PPA), changes in the scope of consolidation, and special effects.

# ContiTech

## Key Figures

ContiTech (€ mn)	2020		2021	
		% of sales		% of sales
<b>Sales</b>	<b>5,578.6</b>	-	<b>5,912.6</b>	-
EBITDA	628.7	11.3	833.7	14.1
EBIT	254.1	4.6	514.7	8.7
Operating assets (average)	3,281.2	-	3,070.3	-
Research and development expenses (net)	149.7	2.7	156.5	2.6
CapEx <sup>1</sup>	179.6	3.2	204.4	3.5
Depreciation and amortization <sup>2</sup>	374.6	-	319.0	-
- thereof impairment <sup>3</sup>	25.1	-	-3.1	-
		% of adj. sales		% of adj. sales
Adjusted sales <sup>4</sup>	5,556.1	-	5,912.6	-
<b>Adjusted operating result (adjusted EBIT)<sup>5</sup></b>	<b>416.0</b>	<b>7.5</b>	<b>456.8</b>	<b>7.7</b>

<sup>1</sup> Capital expenditure on property, plant and equipment, and software.

<sup>2</sup> Excluding impairment on financial investments.

<sup>3</sup> Impairment also includes necessary reversal of impairment losses. Expenses from derecognitions of brand values are likewise included.

<sup>4</sup> Before changes in the scope of consolidation

<sup>5</sup> Before amortization of intangible assets from purchase price allocation (PPA), changes in the scope of consolidation, and special effects.

# Contract Manufacturing

## Key Figures

	2020		2021	
Contract Manufacturing (€ mn)		% of sales		% of sales
<b>Sales</b>	<b>969.9</b>	-	<b>889.6</b>	-
EBITDA	-22.1	-2.3	194.2	21.8
EBIT	-94.0	-9.7	130.4	14.7
Operating assets (average)	326.8	-	450.2	-
Research and development expenses (net)	3.2	0.3	-0.1	0.0
CapEx <sup>1</sup>	32.8	3.4	19.9	2.2
Depreciation and amortization <sup>2</sup>	71.9	-	63.8	-
- thereof impairment <sup>3</sup>	9.9	-	13.8	-
		% of adj. sales		% of adj. sales
Adjusted sales <sup>4</sup>	969.9	-	889.6	-
<b>Adjusted operating result (adjusted EBIT)<sup>5</sup></b>	<b>55.8</b>	<b>5.8</b>	<b>104.0</b>	<b>11.7</b>

Following the spin-off of Vitesco Technologies, the Contract Manufacturing group sector is being reported for the first time. It comprises the continuing operations of the former Powertrain Technologies group sector.

IFRS 5 for Vitesco applied starting 2021. P&L figures have been adjusted for 2020, B/S not adjusted for 2020, CF reflecting total group.

<sup>1</sup> Capital expenditure on property, plant and equipment, and software.

<sup>2</sup> Excluding impairment on financial investments.

<sup>3</sup> Impairment also includes necessary reversal of impairment losses. Expenses from derecognitions of brand values are likewise included.

<sup>4</sup> Before changes in the scope of consolidation

<sup>5</sup> Before amortization of intangible assets from purchase price allocation (PPA), changes in the scope of consolidation, and special effects.

# Continental Shares and ADRs

## Share Data / American Depositary Receipt (ADR) Data

### Share Data

Type of share	No-par value share
Bloomberg Ticker	CON
Reuters Ticker	CONG
German Security Identification Number (WKN)	543 900
ISIN	DE0005439004
Shares outstanding as at December 31, 2021	200,005,983

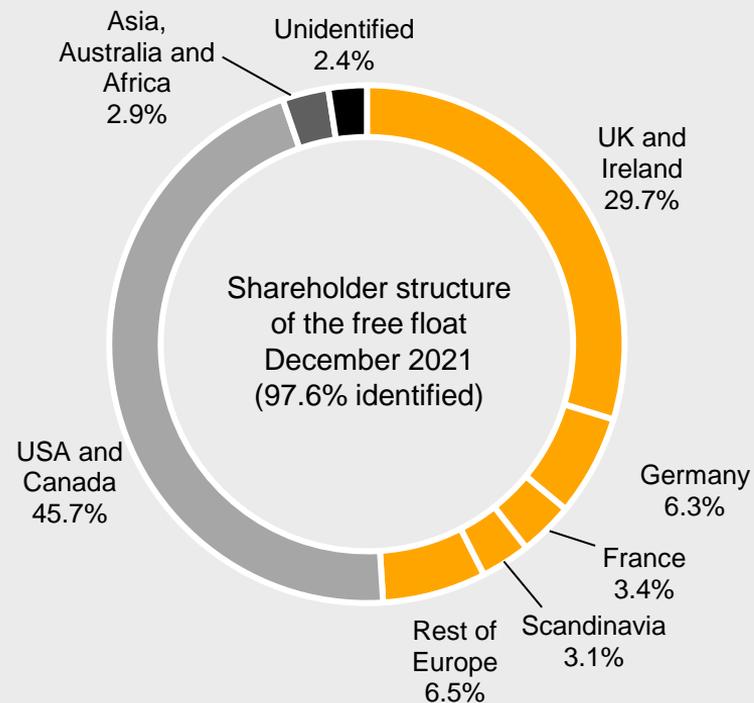
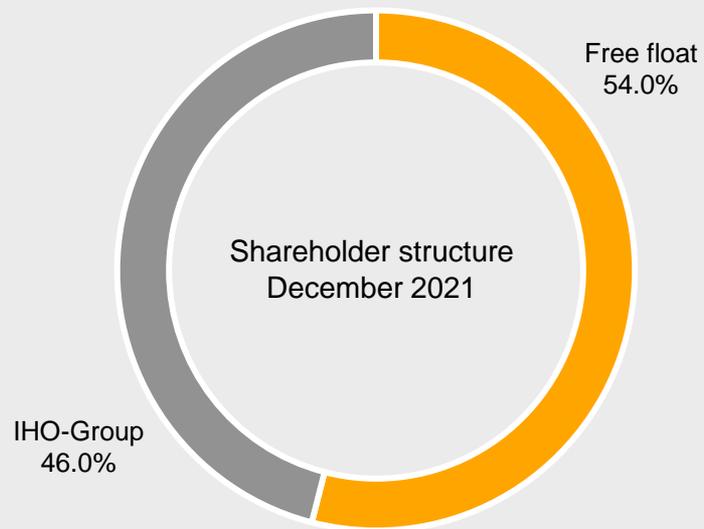
### ADR Data

Ratio	1:10 (ordinary share : ADRs) <sup>1</sup>
Bloomberg Ticker	CTTAY
Reuters Ticker	CTTAY.PK
ISIN	US2107712000
ADR Level	Level 1
Exchange	OTC
Sponsor	Deutsche Bank Trust Company Americas

<sup>1</sup> Before October 29, 2018, split was 1:5.

# Continental Shares

## Shareholder Structure / Free Float by Region



# Investor Relations

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