Continental
The Future in Motion

Capital Market Days 2020

Autonomous Mobility and Safety

Safe and Dynamic Driving Toward Vision Zero

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

Frank Jourdan, Member of the Executive Board
December 16, 2020

This Is Autonomous Mobility and Safety

Our Vision and Mission

Safe and Dynamic Driving Toward Vision Zero – SensePlan**Act**

Safe Mobility Is Our Passion – Saving Lives Our Devotion.

- We integrate **safety** technologies and master vehicle dynamics to realize safe and enjoyable driving.

- With our components and system competencies we pave the way toward **autonomous mobility.**

Key Facts

Sales 2020E:

~ €7.5 billion

Employees[1]:

~ 47,000 worldwide

Customers:

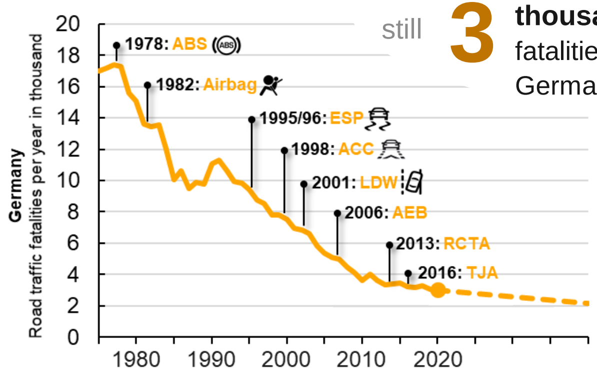
Major OEMs in **all regions**

[1] Year-end 2020E

This Is Autonomous Mobility and Safety

We Make Vision Zero Happen

Traffic Fatalities[1]



still **3** **thousand** fatalities in Germany annually

Over **1.35** **million** people worldwide **die** in road accidents every year

Another **50** **million** are injured.

Twofold Approach

Increase performance and automation to reduce human error

Increase installation rates of established safety systems

[1] Sources: Data for 2019, Federal Statistics Office, Germany (Destatis) | Global Status Report on Road Safety 2018, World Health Organization
ABS: Antilock Braking System | ESP: Electronic Stability Program | LDW: Lane Departure Warning | AEB: Autonomous Emergency Braking | RCTA: Rear Cross Traffic Alert | TJA: Traffic Jam Assist

This Is Autonomous Mobility and Safety

Comprehensive Product Portfolio Along the Chain of Effects

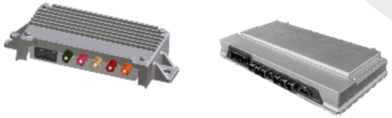
Autonomous Mobility

Radar

Camera

Lidar

AD[1] HPC[2]/
AD control units



Sense Plan Act

Functions

Assisted and Automated Driving	Safety and Motion Control

Safety

Sensors

Hydraulic brake systems

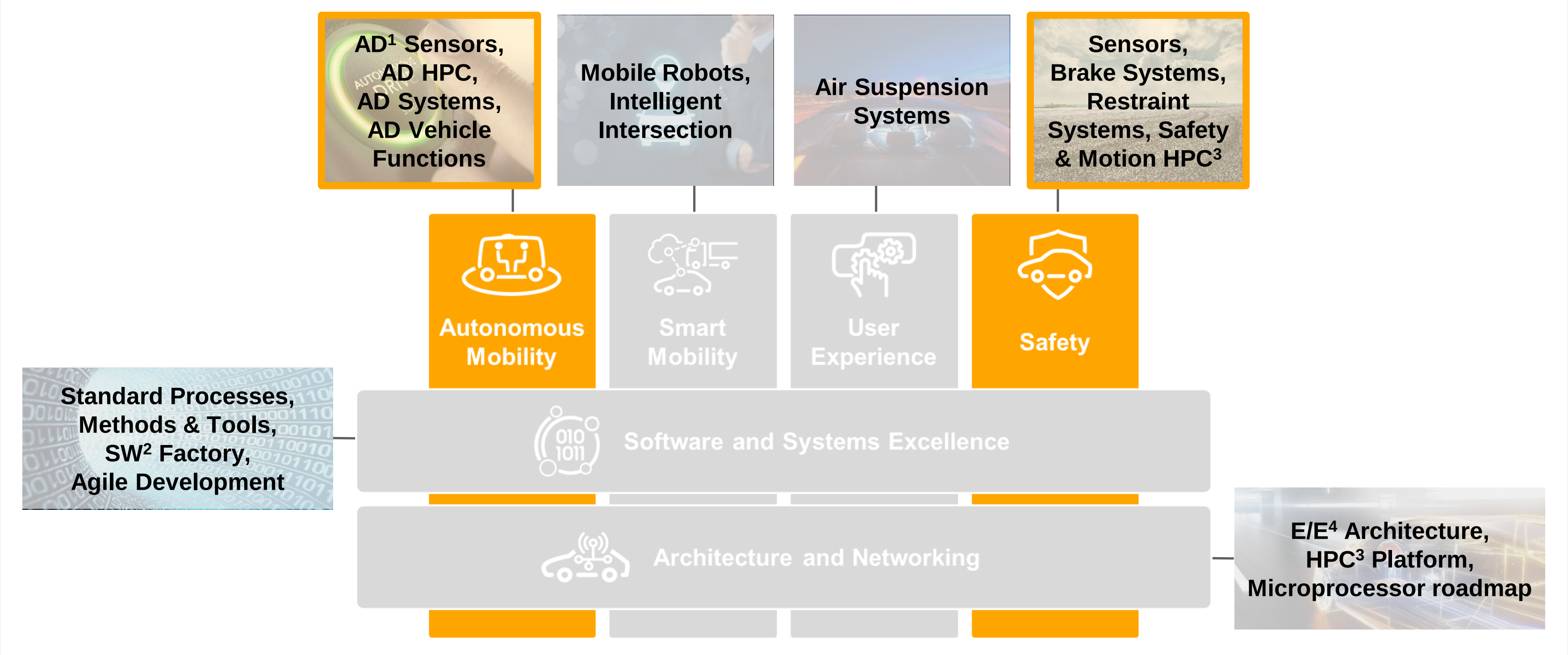
Electronic brake systems

Restraint systems

[1] Assisted/automated Driving | [2] High-performance computer

This Is Autonomous Mobility and Safety

Embedded in Automotive Strategic Framework

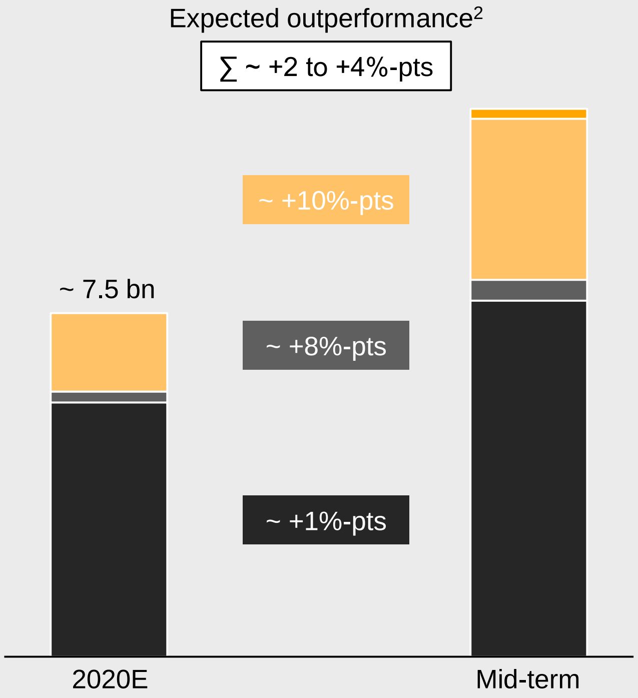


[1] Assisted/automated Driving | [2] Software | [3] High-performance computer | [4] Electric/electronic

This Is Autonomous Mobility and Safety (AMS)

Our Sales Contribution to the Action Fields

AMS Sales in Action Fields[1] (€)



Smart Mobility

Autonomous Mobility

User Experience

Safety

Growth

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

Value

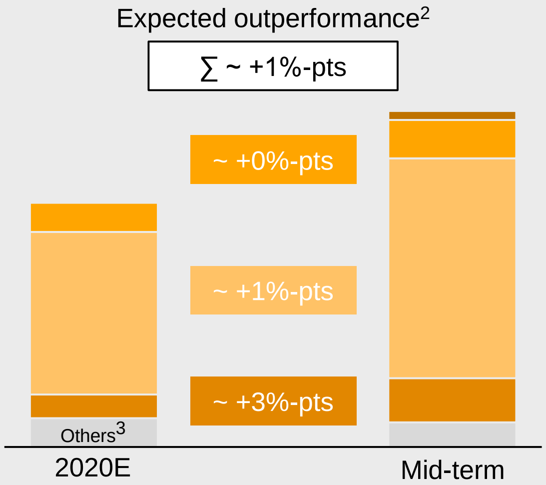
- Stable, mature markets
- Profitable business
- Focus: profitability and cash conversion

[1] Based on mid-term IHS light vehicle production (LVP) forecast from November 2020 | [2] Mid-term organic sales growth above IHS LVP forecast

Value Contributor: Safety

Strong and Solid Business

AMS Sales in Action Field[1] (€)



Safety & Motion High-performance Computer

› Offers new opportunities. With our extensive safety expertise & understanding of systems we are the partner of choice

Restraint Systems

› Become anticipatory and connected. Continued top market position. Leverage in-house portfolio & competencies

Brake Systems

› Will be needed in all future cars. Portfolio adaptation, extension to cover automotive trends & increase content

Sensors

› Are the base of each vehicle function. Strong position today. Extending portfolio to tackle tomorrow's opportunities

40	OEMs
100	Brands
> 300	Models

> 400 mn

sensors delivered

2019
Speed, inertial, battery, position, satellites, …

> 45 mn

units delivered

2019
Airbag control unit, electronic brake system

[1] Based on mid-term IHS light vehicle production (LVP) forecast from November 2020 | [2]Mid-term organic sales growth above IHS LVP forecast | [3]Others: washer systems, build to print

Value Contributor: Safety

Integration Increases Content per Car

Conventional = different components

One Box = integration into one unit

- Superior performance
- Full recuperation
- HAD[1] ready
- Better packaging

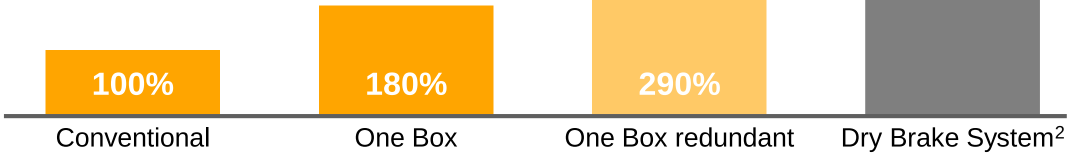
One Box Installation Rates[3]

Typical content per car

Trends:

- CO_2 efficiency
- Recuperation
- Automated driving

1st to market in 2016



6 OEM, 53 SOPs[4] to date

~1 mn units delivered in 2019

37 awards in backlog

All platforms of a premium OEM (recent award with additional €1.8 bn LTS[5])

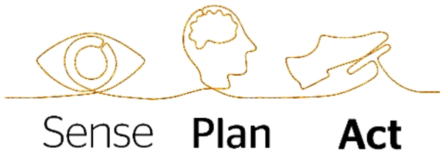
[1] HAD: Highly Automated Driving | [2] Feasibility Study | [3] Internal outlook based on customer awards and request for quotation | [4] SOP: Start of Production | [5] LTS: lifetime sales

Value Contributor: Safety

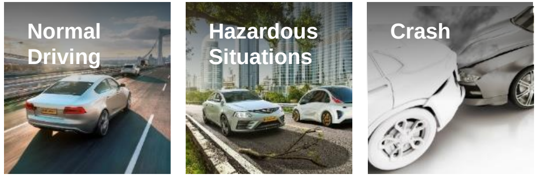
Well Prepared for Vertical and Horizontal Function Integration

Comprehensive Portfolio

Complete Chain of Effects



All Driving Situations



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

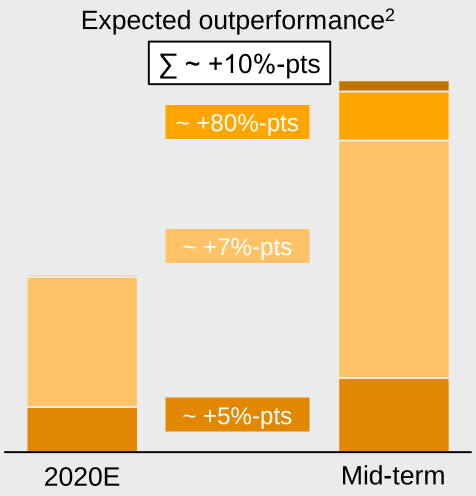
Value

› We create value by translating market trends into tangible solutions
› We increase content by vertical and horizontal integration
› Manage for profitability and cash conversion

Growth Driver: Autonomous Mobility

Sustainable Growth Through Our Increasing Content per Vehicle

AMS Sales in Action Field[1] (€)



High Resolution Lidars

› Complete portfolio from short to long range. Leverage experience with strong partner. Introduction in ≥ L3 systems, additional integration in ≥ L2 Plus systems

AD Control Units / AD High-Performance Computer (AD HPC)

› Scalable software and high-performance computing platforms guarantee future readiness

Radar

› Securing technology leadership with next generation (4D). Fusion with camera enables outstanding perception. Rising number of radars in ≥ L2 Plus systems (“radar belt”)

Camera

› Leading surround view systems. Work together with partners to improve. Leveraging 360° vision for automated driving. High quantity of satellite cameras in ≥ L2 Plus

25	OEMs
50	Brands
> 300	Models

> 100 mn units delivered — 2017 – 2019 Radars, cameras, lidars, AD control units

> 15 % sales CAGR — 2017 – 2019

[1] Based on mid-term IHS light vehicle production (LVP) forecast from November 2020 | [2] Mid-term organic sales growth above IHS LVP forecast

Growth Driver: Autonomous Mobility

Our Level 2 Plus Solutions Addressing Significant Growth

Continental technology	in series **Partly Automated Driving (SAE L2)**	in series **"L2 Plus"** **L2 "Performance"**	from 2021 **L2 "Premium"** **HAD ready**	from 2021/22 **Highly Automated Driving (HAD [2]) (SAE L3)**
Plan **Software**	**Highway Assist** **NCAP[1] 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
Sense **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**

[1] NCAP: New Car Assessment Program | [2] HAD: Highly automated driving

Growth Driver: Autonomous Mobility

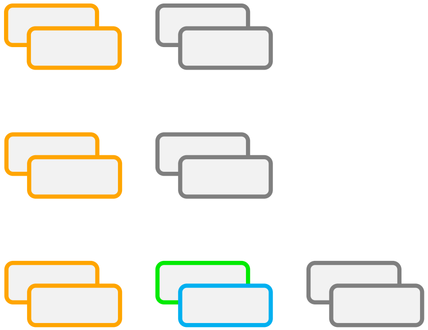
Modular Software & Hardware Platforms to Manage High Complexity

Full Stack Capability

Driving and Parking Functions

Perception

Operating System and Middleware

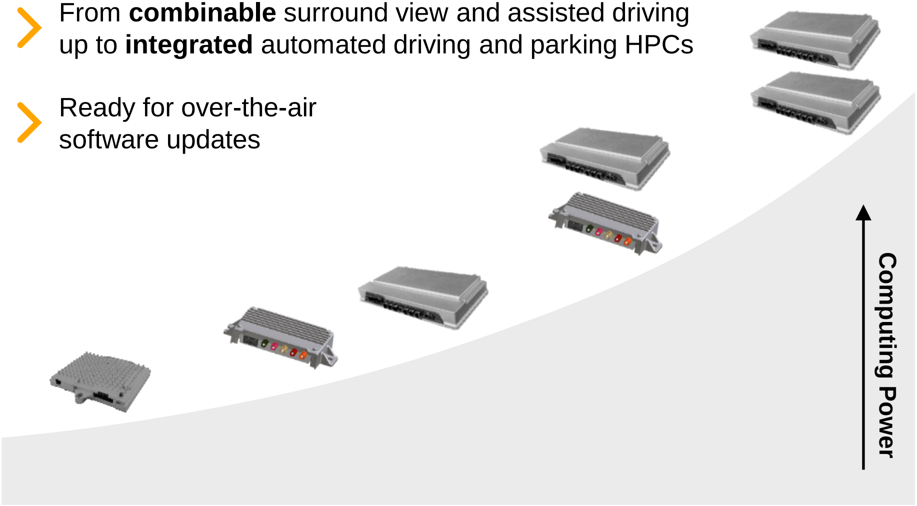


Software components from
- Continental
- Continental subsidiary Elektrobit
- Continental subsidiary ARGUS CYBER SECURITY
- 3rd party

Scalable Computing Platform

Partly Automated Driving (SAE L2)	"L2 Plus" Performance	"L2 Plus" Premium	Highly Automated Driving (SAE L3)	Fully Automated Driving (SAE L4)

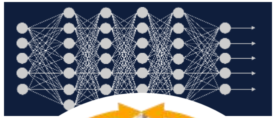
- From **combinable** surround view and assisted driving up to **integrated** automated driving and parking HPCs
- Ready for over-the-air software updates



Growth Driver: Autonomous Mobility

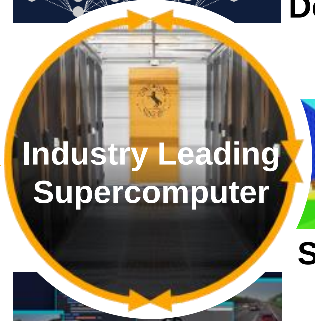
Enabling the Monetization of Software

Data & AI-driven Software Stack Development



Neural Network Development

Global Test Vehicle Fleet



Synthetic Data Generation

Validation & Simulation

Business Model
Licenses & Update fees
for Software Stacks

Leading Edge Software Integration Processes

Driving & Parking Functions

Perception

Operating System and Middleware

Continuous Integration Platform

Virtual Testing & Validation

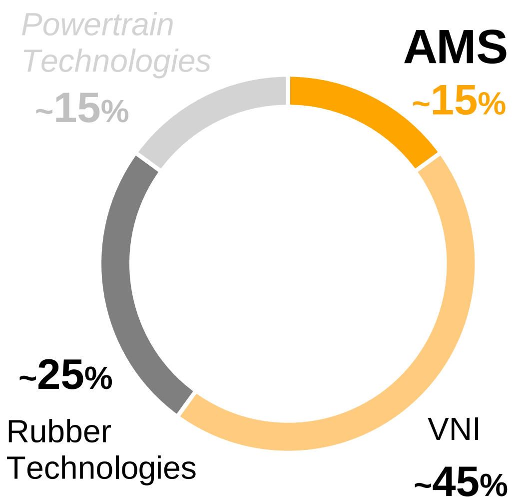
Business Model
Engineering Service
for „Integration & Validation“

Strengthen Operational Performance

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

Annual gross cost savings target

Total > €1 bn by 2023

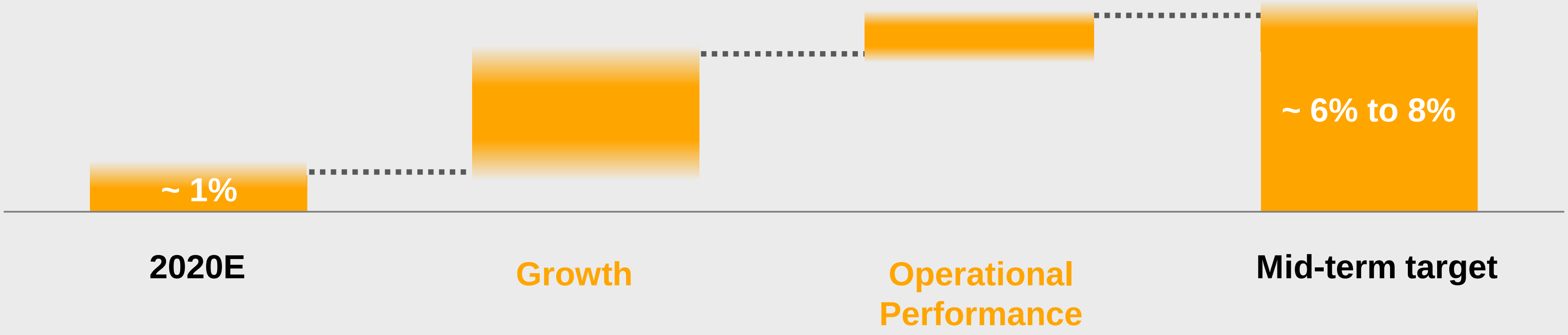


Contribution from AMS

	2019	Mid-term
Best cost share in manufacturing	~75%	~80%
Best cost share in R&D	~50%	~60%

Adjusted EBIT[1] Margin Bridge AMS

We Strive for an Adjusted EBIT Margin of ~ 6% to 8% in the Mid-term



- Based on mid-term IHS light vehicle production forecast from November 2020
- **Strong outperformance** of the action field **autonomous mobility**

- **Right-size cost structure** in terms of manufacturing and R&D
- **Best cost share optimization**
- Focus on **operational excellence,** quality excellence and standardization

[1] Before amortization of intangible assets from purchase price allocation, changes in the scope of consolidation and special effects

Summary

Growth in Autonomous Mobility; Value in Safety

This is Autonomous Mobility and Safety:
Sense, **plan** and **act** in Safety and Autonomous Mobility **together** to reach our **Vision Zero**

Value Contributor – Safety:
New products to **secure the solid business**

Growth Driver – Autonomous Mobility:
Technology leadership and scalable solutions ensure **over-proportional growth**

Recovery of Adjusted EBIT Margin Profile:
Outperform the market with **~ +2 to +4%-pts mid-term**; improved operational performance to increase profitability

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The Future in Motion