



Excerpt from the Invitation to the Annual Shareholders' Meeting¹

– further information on agenda items –

**Liability and Coverage Settlement between Continental, the Former
Executive Board Members, the Former CCO and the D&O Insurers,
including the Annex (settlement agreement between Continental and
Wolfgang Schäfer)**

¹*Convenience translation - legally not binding*

Liability and Coverage Settlement

zwischen

1. Continental Aktiengesellschaft, Continental-Plaza 1, 30175 Hanover ("**Continental**"), represented by the Supervisory Board and the Executive Board,

and

2. AIG Europe S.A., German Branch, Neue Mainzer Straße 46-50, 60331 Frankfurt am Main ("**AIG**"),

and

3. XL Insurance Company SE, German Branch, Colonia-Allee 10-20, 51067 Cologne ("**AXA XL**"),

and

4. Zurich Insurance Europe AG, German Branch, Platz der Einheit 2, 60327 Frankfurt am Main ("**Zurich**")

(the insurance companies 2 to 4, including their co-insurers pursuant to Section I. B., hereinafter referred to as the "**Insurers**")

and

5. Dr. Karl-Thomas Neumann, represented by *[removed for invitation to the Annual Shareholders' Meeting]*,

and

6. Mr. Manfred Wennemer, represented by *[removed for invitation to the Annual Shareholders' Meeting]*,

and

7. Dr. Alan Hippe, represented by *[removed for invitation to the Annual Shareholders' Meeting]*,

and

8. Mr. Wolfgang Schäfer, represented by *[removed for invitation to the Annual Shareholders' Meeting]*,

and

9. Mr. José Avila, represented by *[removed for invitation to the Annual Shareholders' Meeting]*,

and

10. Dr. Elmar Degenhart, represented by [removed for invitation to the Annual Shareholders' Meeting],

(Dr. Neumann, Mr. Wennemer, Dr. Hippe, Mr. Schäfer, Mr. Avila, and Dr. Degenhart hereinafter collectively referred to as "**Former Members of the Executive Board**" and individually as "**Former Member of the Executive Board**"),

and

11. [Name of the former General Counsel and Chief Compliance Officer removed for invitation to the Annual Shareholders' Meeting], represented by [removed for invitation to the Annual Shareholders' Meeting],

(the *Former Members of the Executive Board* and [Name of the former General Counsel and Chief Compliance Officer removed for invitation to the Annual Shareholders' Meeting] hereinafter collectively referred to as the "**Defendants**", *Continental*, the *Insurers*, and the *Defendants* hereinafter also each individually referred to as a "**Party**" and collectively as the "**Parties**").

Insofar as an *Insurer* has the lead in an excess contract in accordance with Section I. B. of the preamble, it acts both in its own name and on behalf of the co-insurers of the respective excess contract, unless explicitly stated otherwise in this liability and coverage settlement. Any provision relating to the *Insurers* shall also apply to or against all co-insurers of the *Insurers* on the basis of the agreed lead clauses, unless otherwise explicitly stipulated in this liability and coverage settlement.

Preamble

I. Parties and D&O insurance

- A. *Continental* is a German automotive supplier based in Hanover. Since September 1, 1990, *Continental* has held D&O insurance with *AIG* ("**Basic Contract**") (insurance policy no. Y 55 151 1256). This provides for an insured sum of EUR 25 million (in words: twenty-five million euros). The *Basic Contract* is supplemented by various excess insurance contracts (together with the *Basic Contract*, the "**Continental D&O**"; the insurers participating in *Continental D&O* in the 2020 insurance period are collectively referred to as the "**D&O Insurers**"). *Continental D&O* grants insurance coverage to persons defined in the insurance contracts ("**Insured Persons**") who are or were employed by the respective policyholder or by co-insured companies within the meaning of the insurance terms and conditions (Section 1.5.1 of the AVB ULHV 2016-E (AIG) in the version according to Addendum No. 37 ULHV 2016-E (AIG)), in particular in the event of claims for damages and in the event of official proceedings being initiated against them. *Insured Persons* include, in particular, former and current members corporate bodies of *Continental*. The provision on the so-called notification of circumstances states that a claim based on a circumstance is deemed to have been asserted at the time of a precautionary notification. *Continental* notified the *D&O Insurers* on November 10, 2020, and August 5, 2021, on a precautionary basis, based on Section 6.3 of the AVB ULHV 2016-E (AIG) in the version pursuant to Section 7 of Addendum No. 37 ULHV 2016-E (AIG).

Continental did not submit any further notifications to the *Insurers* based on Section 6.3 of the AVB ULHV 2016-E (AIG) in the version pursuant to Section 7 of Addendum No. 37 ULHV 2016-E (AIG) for the 2020 insurance period.

B. For the 2020 insurance period, the *Continental* insurance program consisted of the following insurance contracts (collectively, the "**Insurance Program**"):

1. *Basic contract* with an insured sum of EUR 25 million with *AIG* (100%),
2. First excess layer with an insured sum of EUR 75 million (xs EUR 25 million), consisting of co-insurance contracts with AXA Corporate Solutions Assurance S.A. ("**AXA CorSo**") (33.33%) as the leading insurer, as well as the participating insurers XL Insurance Company SE, German Branch, Colonia-Allee 10-20, 51067 Cologne ("**XL**") (33.33%) and Liberty Mutual Insurance Europe SE, German Branch, Im Klapperhof 7-23, 50670 Cologne, (33.33%) ("**First Excess**"); since the acquisition of XL Group Ltd. by AXA S.A. and the merger of *AXA CorSo* with *XL* with effect from December 31, 2019, the brand presence for the industrial insurance liability business has been under *AXA XL* with *XL* as the risk carrier,
3. Second excess layer with an insured sum of EUR 150 million (xs EUR 100 million), consisting of co-insurance contracts with *Zurich* (23.333%) as the leading insurer and the participating insurers Swiss RE International SE, German branch, Arabellastraße 30, 81925 Munich (16.667%), QBE Europe SA/NV, German branch, Breite Straße 31, 40213 Düsseldorf (16.667%), Generali Versicherung AG, Adenauerring 7, 81737 Munich (10%), HDI Global SE, HDI-Platz 1, 30659 Hanover (10%), R+V Allgemeine Versicherung AG, Raiffeisenplatz 1, 65189 Wiesbaden (10%), MSIG Insurance Europe AG, German Branch, An den Dominikanern 11-27, 50668 Cologne ("**MSIG**") (6.67%) and Newline Europe Versicherung AG, Schanzenstraße 38, 51063 Cologne (6.67%) ("**Second Excess**"); since the merger of *MSIG* with *MS Amlin Insurance SE*, Boulevard Roi Albert II 37, 1030 Brussels (Schaerbeek), Belgium, effective June 30, 2025, the latter has been operating under the name *MSIG Europe SE*,
4. Third excess layer with an insured sum of EUR 100 million (xs EUR 250 million), consisting of co-insurance contracts with *AIG* (25%) as the leading insurer and the participating insurers Allianz Global Corporate & Specialty SE, Königinstraße 28, 80802 Munich (25%), *MSIG* (25%) and Tokio Marine Europe S.A., branch office for Spain, Torre Diagonal Mar Josep Pla 2, 08031 Barcelona, Spain (25%).
5. Fourth excess layer with an insured sum of EUR 50 million (xs EUR 350 million), consisting of co-insurance contracts from Great Lakes Insurance SE, Königinstraße 107, 80802 Munich (50%) as the leading insurer and the participating insurer Beazley Insurance dac, branch office for Germany, Rosental 4, 80331 Munich (50%).

The total sum insured under *the Insurance Program* is therefore EUR 400 million.

With effect from January 1, 2021, as agreed between the *D&O Insurers* and *Continental*, the *D&O Insurers* excluded coverage for claims asserted for the first time in

connection with the "provision of illegal defeat devices for vehicle engines" under the *Continental D&O* by means of a specific matter exclusion. The *Insurers* and *Continental* are of the opinion that the *Continental D&O* does not provide coverage for directors' and officers' liability claims in connection with the *Settled Matter* (as defined in Section 2.1) for which less than three years has elapsed since their occurrence. The *Defendants* do not share this view.

II. Diesel issue

- A. It is alleged that several *Former Members of the Executive Board* and former executives of *Continental* violated their duties of care in connection with the "**Diesel Issue**." In this context, the term "Diesel Issue" refers to the development, installation, distribution, and other use of certain software functions in the engine control system for engines such as the EA 189 1.6 I from Volkswagen AG ("**VW** ") and other engine control projects, which led to deviations between emissions in test bench and real-world operation, and all related facts, in particular the facts arising from the contents of the *Continental Letters* (as defined in Section III.A of the preamble), the allegations pursuant to Section III.B of the preamble, as well as the investigation and review at *Continental* following the publication of the Notice of Violation by the US Environmental Protection Agency on September 18, 2015, against *VW*.
- B. The public prosecutor's office in Hanover investigated several – but not all – *Former Members of the Executive Board* of *Continental*, among others. Following the discontinuation of all other investigations, only one criminal proceeding involving, among others, a *Former Member of the Executive Board* of *Continental* is currently still pending.
- C. According to *Continental*, *Continental* and its subsidiaries and other subordinate and affiliated companies within the meaning of Section 15 of the German Stock Corporation Act (*Aktiengesetz – AktG*) ("**Continental Group**") as well as subsidiaries that were involved in the *Diesel Issue* but are no longer part of the *Continental Group* ("**Former Subsidiaries**") have spent a total of at least EUR 296 million in connection with the *Diesel Issue*. This amount includes, among other things, fines, costs of internal investigations, and other legal and consulting fees.

III. Defendants

- A. The Supervisory Board of *Continental* has initiated an internal investigation and the examination of possible directors' and officers' liability claims due to possible breaches of duty of care in connection with the *Diesel Issue*. On this basis, *Continental* has come to the conclusion that the *Former Members of the Executive Board* violated their duties in connection with the *Diesel Issue*. As a result, the Supervisory Board of *Continental*, on behalf of the company, asserted claims for damages against the *Former Members of the Executive Board* for breaches of duty under Section 93(2) Sentence 1 *AktG*; this was done in writing to the *Former Members of the Executive Board* – after sending the drafts of the letters of claim on December 10, 2024, together with attachments – by letter dated August 1, 2025, together with attachments (the drafts of the letters of claim together with attachments and the letters dated August 1, 2025, together with attachments, collectively referred to as the "**Continental Letters**"). *Continental* has not to date asserted any claims for damages against [Name of the former General Counsel and Chief Compliance Officer removed for invitation to the Annual Shareholders' Meeting].

- B. *Continental* alleges that the *Defendants* breached their duty of care by (i) failing to establish a system to ensure compliance with legal requirements for the products of the Engine Systems business unit, (ii) failing to investigate, remedy, and, if necessary, punish specific indications of possible misconduct by employees of the *Continental Group* and *Former Subsidiaries* that came to their attention in connection with the *Diesel Issue*, and/or (iii) failing to report this properly to the entire Executive Board and the Supervisory Board. The allegations differ with regard to the individual *Defendants*. The *Defendants* reject the claims for damages on the merits (including the alleged breaches of duty of care) and in terms of the amount.
- C. Mr. Wolfgang Schäfer is asserting various claims arising from the termination agreement, which terminated his employment in connection with the *Diesel Issue* as of January 31, 2022. These claims are settled in a separate settlement agreement, which is attached as an *Annex* to this liability and coverage settlement.

In the interest of avoiding lengthy disputes and the associated litigation and cost risks, the *Parties* intend

- while maintaining their respective positions,
- without acknowledging any legal obligation and
- without prejudice to any legal disputes

to reach a settlement on the liability and coverage claims in connection with the *Diesel Issue*, which shall be comprehensive and final. In particular, the conclusion of this *agreement* does not imply any acknowledgment of any breach of duty and/or liability on the part of the *Defendants* or any obligation on the part of the *Insurers* to provide coverage.

With this in mind, the *Parties* enter into the following agreement (the "**Agreement**"):

1. PAYMENT

- 1.1 *AIG* shall pay *Continental* an amount of EUR 17,417,770.00 (in words: seventeen million four hundred and seventeen thousand seven hundred and seventy).
- 1.2 The co-insurers in the *First Excess* will pay *Continental* a total amount of EUR 23,802,000.00 (in words: twenty-three million eight hundred and two thousand). Of this amount, EUR 15,868,000.00 is payable by AXA XL and EUR 7,934,000.00 by Liberty Mutual Insurance Europe SE, German branch.
- 1.3 The co-insurers in the *Second Excess* shall pay *Continental* a total amount of EUR 2,500,000.00 (in words: two million five hundred thousand). Of this amount, EUR 583,325.00 shall be paid by *Zurich*, EUR 416,636.96 by Swiss RE International SE, EUR 416,636.96 by QBE Europe SA/NV, German branch, EUR 249,977.18 by Generali Versicherung AG, EUR 249,977.18 by HDI Global SE, EUR 249,977.18 by R+V Allgemeine Versicherung AG, EUR 166,734.77 by MSIG Europe SE, and EUR 166,734.77 by Newline Europe Versicherung AG.

- 1.4 The payments pursuant to Sections 1.1 to 1.3 of this *Agreement* (each a "**Settlement Payment**," hereinafter collectively referred to as the "**Settlement Amount**") shall be due within one month after the conditions for this settlement to take effect pursuant to Section 4.1 have been met and *Continental* has notified the *Insurers* thereof in writing. Each *Insurer* is entitled to make payment before it falls due. From the date of their due date until payment, the amounts shall bear interest at 9 percentage points above the base interest rate.
- 1.5 The *Insurers* owe the *Settlement Amount* as several debtors, each for their respective share. There is no joint and several liability between the *Insurers* – including between the respective co-insurers for the *First Excess* and *Second Excess*.
- 1.6 The *Settlement Amount* shall be paid to the following *Continental* account: IBAN: [removed for the invitation to the Annual Shareholders' Meeting], BIC: [removed for the invitation to the Annual Shareholders' Meeting].
- 1.7 The payments due under Sections 1.1 to 1.3 of this *Agreement* shall be allocated to the 2020 insurance period. They shall exhaust the sums insured under the *Insurance Program* in full.
- 1.8 The *Parties* agree that the *Settlement Payments* are genuine compensation payments and that, consequently, no sales tax is payable on the *Settlement Payments*. *Continental* shall bear any legal risk with regard to sales tax. For the *Insurers*, the *Settlement Payments* are also final in this respect. However, they will provide *Continental* with all information and documents that are relevant for reviewing the tax consequences or that are necessary or useful for submission to the tax authorities, within reasonable limits.

2. SETTLEMENT AND RELEASE AGREEMENT

- 2.1 Upon the occurrence of the condition precedent specified in Section 4.1 of this *Agreement* and the payments of the amounts due by *AIG* and *AXA XL* pursuant to Sections 1.1 and 1.2, all claims and rights, in particular claims for damages, (hereinafter referred to as the "**Relevant Claims**") by *Continental* against the *Defendants* and against other *Insured Persons*, in each case arising from or in connection with their activities for the *Continental Group* and arising from and/or in connection with the *Diesel Issue*, shall be finally and conclusively settled and discharged. The same applies to *Relevant Claims* of the companies of the *Continental Group* and *Former Subsidiaries* against the *Defendants* and against other *Insured Persons*, in each case based on or in connection with their activities for companies of the *Continental Group* or *Former Subsidiaries* and based on and/or in connection with the *Diesel Issue*. This applies regardless of whether the *Relevant Claims* are current or future, known or unknown, conditional or unconditional, foreseeable or unforeseeable, arising from their own rights or transferred rights. The other *Insured Persons* pursuant to Section 2.1, Sentence 1, are entitled to invoke the settlement and discharge pursuant to this Section 2.1 directly (contract in favor of third parties). The facts referred to in Section 2.1, Sentences 1 and 2, of this *Agreement* are collectively referred to below as the "**Settled Matter**".

Continental also undertakes to not or no longer assert, assign, or otherwise transfer any *Relevant Claims* against the *Defendants* and other *Insured Persons* based on and/or in connection with the *Settled Matter*, either in or out of court. *Continental* will also ensure, to the extent legally permissible, that other

permanently refrain from asserting, assigning, or otherwise transferring *Relevant Claims* against the *Defendants* and other *Insured Persons* based on and/or in connection with the *Settled Matter*, either in or out of court.

The settlement and release pursuant to this Section 2.1 shall have limited overall effect (*beschränkte Gesamtwirkung*). The *Parties* expressly agree that the agreed settlement and release shall not cover claims of the *Continental Group* or *Former Subsidiaries* against third parties who are not *Insured Persons* on the basis of and/or in connection with the *Diesel Issue*, nor shall it cover claims and rights arising from this *Agreement*.

- 2.2 Furthermore, upon fulfillment of the condition precedent specified in Section 4.1 of this *Agreement* and upon payment by *AIG* and *AXA XL* in accordance with Sections 1.1 to 1.2, all claims and rights of the *Continental Group*, the *Former Subsidiaries*, the *Defendants* and all other *Insured Persons* against *AIG* and *AXA XL* on the basis of and/or in connection with the *Settled Matter* shall be finally and conclusively settled and discharged. The settlement and discharge shall apply regardless of whether the claims are present or future, known or unknown, foreseeable or unforeseeable, arising from their own rights or transferred rights. After the occurrence of the condition precedent specified in Section 4.1 of this *Agreement* and the performance of payments by *AIG* and *AXA XL* in accordance with Sections 1.1 to 1.2, the same shall apply with regard to the other *Insurers* as soon as they have paid their respective share of the *Settlement Payments* in full in accordance with Sections 1.2 to 1.3 of this *Agreement*.
- 2.3 Finally, without prejudice to the claims under Section 3 of this *Agreement* – upon the occurrence of the condition precedent specified in Section 4.1 of this *Agreement* and the performance of the payments pursuant to Sections 1.1 to 1.2, all possible claims by the *Defendants* for compensation for expenses incurred in connection with the *Settled Matter*, including any damages against the *Continental Group* or *Former Subsidiaries*, shall be finally and conclusively settled and discharged. The settlement and discharge shall apply regardless of whether the claims are present or future, known or unknown, foreseeable or unforeseeable, in connection with the *Settled Matter*, arising from their own rights or transferred rights. The *Defendants* undertake to not or no longer assert any claims they may have against third parties (in particular other – including former – members of the executive bodies or employees of *Continental*) arising from or in connection with the *Diesel Issue*, either in or out of court. This applies regardless of whether the claims are current or future, known or unknown, foreseeable or unforeseeable, in connection with the *Settled Matter*, arising from their own rights or transferred rights. The third parties concerned are entitled to invoke the waiver in accordance with this Section 2.3 directly (contract in favor of third parties).
- 2.4 The *Insurers* shall not assert any recourse or compensation claims against the *Continental Group* or *Former Subsidiaries*, *Insured Persons* or third parties on their own behalf or on the basis of transferred rights, in particular under Section 86 of the German Insurance Contract Act (*Versicherungsvertragsgesetz – VVG*), for services rendered by them. The *Insurers* shall assign such claims to *Continental* upon request, unless this would lead to a violation of the prohibition of unjust enrichment under tort law, taking into account the total damage incurred by *Continental*. The *Insured Persons* and third parties concerned are entitled to invoke the *Insurers'* waiver of recourse claims directly (contract in favor of third parties).

- 2.5 Pursuant to Section 93 (4) Sentence 3 *AktG*, claims for directors' and officers' liability cannot be waived if less than three years has elapsed since their inception at the time of the resolution of the Annual Shareholders' Meeting. Such claims are therefore excluded from the provisions of Section 2 of this *Agreement*, although *Continental* has no indication of any such claims in connection with the *Diesel Issue*.
- 2.6 *Continental* hereby warrants that it has not assigned, and will not assign in the future, any of its own claims in connection with the *Settled Matter* against *Defendants*, other *Insured Persons*, or *Insurers* (prohibition of assignment).

3. INDEMNIFICATION

- 3.1 In the event that, after signing this *Agreement*, an *Insured Person* and/or an *Insurer* is sued by a company of the *Continental Group* or a *Former Subsidiary* on the basis of and/or in connection with the *Settled Matter* on its own behalf or on the basis of transferred rights, *Continental* shall indemnify the respective *Insured Person* and/or *Insurer* individually against any legally binding court decisions or court decisions established with the written consent of *Continental*, or at least provisionally enforceable court decisions, by way of settlement or acknowledgment. In the case of provisionally enforceable court decisions, *Continental* shall only indemnify the *Defendants* if they assign to *Continental* their claims for reimbursement of payments under the provisionally enforceable title. In addition, *Continental* shall indemnify the *Insured Persons* and/or *Insurers* against the necessary and reasonable legal defense costs incurred by them as a result of the claim, in particular the costs of their legal representatives.

The same applies if a company of the *Continental Group* or a *Former Subsidiary* causes legal defense costs for *Insured Persons* through comparable actions (in particular, third-party notices, requests to waive the statute of limitations).

- 3.2 In the event that third parties assert claims against *Insured Persons* by way of internal recourse or on any other legal basis and/or *Insurers* assert claims on their own behalf or on behalf of transferred rights on the basis of and/or in connection with the *Settled Matter*, *Continental* shall indemnify the *Insured Persons* and/or *Insurers* individually against legally binding court decisions or court decisions established with the written consent of *Continental*, or at least provisionally enforceable court decisions, by way of settlement or acknowledgment. In the case of provisionally enforceable court decisions, *Continental* shall only indemnify the *Defendants* if they assign their claims for reimbursement of payments made to *Continental* on the basis of the provisionally enforceable title. In addition, *Continental* shall indemnify the *Insured Persons* and/or *Insurers* against the necessary and reasonable legal defense costs incurred by them as a result of the claim, in particular the costs of their legal representatives.

The same shall apply if third parties cause legal defense costs to be incurred by *Insured Persons* as a result of and/or in connection with the *Settled Matter* through comparable actions (in particular, notices of dispute, requests to waive the statute of limitations).

- 3.3 The *Insured Persons* and/or *Insurers* shall immediately notify *Continental* of any assertion of claims against them covered by Sections 3.1 and 3.2, any announcement of such an assertion, and any action that incurs legal defense costs for *Insured Persons* (in particular, notices of dispute, requests to waive the statute of limitations) or any action that incurs legal defense costs for

Insurers. The *Insured Persons* and/or *Insurers* undertake not to make any acknowledgment or waiver of defenses or objections and not to conclude any settlement or other binding agreement regarding such a claim without the consent of *Continental*. To the extent legally permissible, *Continental* itself, or on behalf of the respective *Insured Persons* and/or *Insurers*, is entitled to take all legally permissible measures to defend against or otherwise settle a claim. The respective *Insured Persons* and/or *Insurers* shall support *Continental* in defending against or settling the claim.

- 3.4 In the event that, after this *Agreement* has been signed, administrative or criminal proceedings arise on the basis of and/or in connection with the *Settled Matter*, resulting in defense costs for *Insured Persons*, *Continental* shall indemnify the *Insured Persons* individually for the necessary and reasonable legal defense costs incurred by the respective proceedings, in particular the costs of their legal representatives. Reimbursed or yet to be reimbursed legal defense costs already incurred shall continue to be subject to the right of recovery with regard to legally established breaches of duty in accordance with the respective existing cost assumption agreements; Section 2.1 Sentence 1 of this *Agreement* shall not apply in this respect.
- 3.5 The indemnification obligation towards the *Insurers* shall also apply in the event that *Insured Persons* assert coverage claims against the *Insurers* in the constellations described in Sections 3.1, 3.2, and 3.4 of this *Agreement*.

The indemnification obligation of *Continental* under Sections 3.1, 3.2, and 3.4 of this *Agreement* shall not apply if indemnification would violate mandatory legal provisions, nor shall it apply to the respective *Insured Persons* if coverage would be excluded under Section 4.1 of AVB ULHV 2016-E (AIG) in the version according to Addendum No. 37 ULHV 2016-E (AIG) (in this respect, however, the obligation to indemnify with regard to legal defense costs shall remain in force until the exclusion is determined by settlement, express written acknowledgment, or final court judgment).

4. SUSPENSIVE CONDITION AND REIMBURSEMENT

- 4.1 With the exception of Section 5 (Waiver of Statute of Limitations) and Section 7 (Communication) of this *Agreement*, this *Agreement* shall only become effective in its entirety (condition precedent) if the Annual Shareholders' Meeting of *Continental* approves this settlement agreement and *Annex* and no minority whose shares together amount to one tenth of the share capital raises an objection for the record (Section 93 (4) Sentence 3 *AktG*). The condition precedent shall be deemed to have finally failed if it has not been fulfilled by December 31, 2026.
- 4.2 Notwithstanding the legal consequences stipulated in Section 9.3 regarding a (partial) invalidity of a provision of this *Agreement*, if the nullity and/or invalidity of this *Agreement* is legally established or if an action for rescission or nullity against the resolution of the Annual Shareholders' Meeting of *Continental* approving this *Agreement* and its *Annex* is legally upheld, the validity of this *Agreement* as a whole, with the exception of this Section 4.2, 4.3 (with subparagraphs) and 5 (Waiver of Statute of Limitations) shall be deemed invalid. In this case, the *Insurers* shall be entitled to an immediately due repayment claim against *Continental* with regard to any *Settlement Amounts* already paid, excluding the defenses under Sections 814 and 818 (3) of the German Civil Code. A right of retention or the possibility of offsetting is expressly excluded. In the event that the *Insurers* therefore do not make the payments in full in accordance

with Sections 1.1 to 1.3 or demand full or partial reimbursement of payments made, *Continental* reserves the right to hold the *Defendants* liable again for damages arising from or in connection with the *Settled Matter*.

- 4.3 If, in such a case as stipulated in Section 4.2, *Continental* obtains an enforceable judgment, it will not enforce this judgment against the (other) private assets of the respective *Defendant* and will not offset claims against the *Defendants* arising from company pension schemes (including pensions). Enforcement may therefore only be carried out against the *Defendant's* indemnification claims against *Insurers* or against other debtors, in particular joint and several debtors, arising from or in connection with the *Settled Matter*. However, the above restriction on enforcement shall only apply
- 4.3.1 if the respective *Defendant* assigns his indemnification claims against the *Insurers* or his recourse claims against other debtors with regard to the liability damage awarded in the judgment in full to *Continental* or a third party to be named by *Continental* upon request (see Section 4.3.2 below) and
- 4.3.2 if the respective *Defendant* has not committed any breach of obligation toward the *Insurers* that would result in the total or partial loss of his D&O coverage. In the event of a partial loss of insurance coverage, this shall only apply to the extent that the insurance coverage has been lost as a result.

In the case of this Section 4.3, *Continental* may demand that the respective *Defendant* transfer his indemnification claims against the *Insurers*, insofar as these are related to claims for damages asserted by *Continental*, but not his claims for defense costs against the *Insurers*, in whole or in part, to *Continental* or to a third party to be named by *Continental* in writing. The *Defendants* guarantee that they have not encumbered the indemnification claims with third-party rights, but they do not guarantee the existence and enforceability of the indemnification claims. *Continental* is then entitled, but not obligated, to bring a direct action against the *Insurers*.

- 4.4 Notwithstanding the above provisions in Sections 4.1 and 4.2, Sections 5 (Waiver of Statute of Limitations) and 7 (Communication) of this *Agreement* shall become effective upon signature by all *Parties* and transmission of the email in accordance with Section 8.5.2 and shall apply from that point in time in the relationship between the respective *Defendant*, *Continental*, and the *Insurers*. The provisions in Section 5 are not reciprocally linked to the obligations of *Continental*.

5. WAIVER OF STATUTE OF LIMITATIONS

- 5.1 Until this *Agreement* takes effect, the *Defendants* waive the statute of limitations defense with regard to any claims for damages by *Continental* against them based on and/or in connection with the *Settled Matter*, insofar as these claims for damages were not yet time-barred on September 15, 2025. The waiver of the statute of limitations does not include claims under Section 2.5 of this *Agreement*. At the same time, however, the *Defendants* also waive the statute of limitations defense among themselves until this *Agreement* takes effect with regard to any compensation or recourse claims among themselves in connection with the *Settled Matter*, insofar as these claims were not yet time-barred on September 15, 2025 (these claims pursuant to Sentences 1 and 2 are hereinafter collectively referred to as the "**Non-Time-Barred Claims**").

- 5.2 In the event that this *Agreement* has not become effective by December 31, 2026, in accordance with Section 4.1, the *Defendants* waive the statute of limitations defense with regard to the *Non-Time-Barred Claims* until June 30, 2027.
- 5.3 In the event that an action for rescission or annulment is brought against the resolution of the Annual Shareholders' Meeting of *Continental* approving this *Agreement* and its *Annex*, the *Defendants* shall waive the statute of limitations defense until the date that is six months after (i) a final determination of the nullity and/or invalidity of this *Agreement*, or (ii) a final and binding decision upholding the action for rescission or annulment against the resolution of the Annual Shareholders' Meeting of *Continental* approving this *Agreement* and its *Annex*, the *Defendants* shall waive the statute of limitations defense with respect to the *Non-Time-Barred Claims*.
- 5.4 *Continental* and the *Defendants* accept the waiver of the statute of limitations in accordance with Sections 5.1 to 5.3.
- 5.5 During the term of the waiver of the statute of limitations pursuant to Sections 5.1 to 5.3, the statute of limitations with regard to the *Non-Time-Barred Claims* is suspended in each case in accordance with Sections 204 and 209 of the German Civil Code.

6. COSTS

The *Parties* shall each bear their own costs incurred in connection with the conclusion of this *Agreement*. Furthermore, the *Parties* shall bear their own legal fees. There shall be no compensation for costs.

7. COMMUNICATION

- 7.1 The *Parties* undertake to take the legitimate interests and reputation of the other *Parties* into account as far as possible in press releases, publications, statements, and any other communication to third parties not involved in this *Agreement* with regard to the conclusion and content of this *Agreement* and the *Settled Matter*. The *Parties* agree that it is in their legitimate interests to treat the existence and content of this *Agreement* as strictly confidential as long as the *Agreement* has not been disclosed for the purpose of passing a resolution in accordance with Section 93(4) Sentence 3 *AktG* in the course of convening the Annual Shareholders' Meeting of *Continental*.
- 7.2 For clarification purposes, it is noted that Section 7.1 of this *Agreement* does not prevent the disclosure (i) to the Annual Shareholders' Meeting of *Continental* pursuant to Section 93 (4) Sentence 3 *AktG* and the provision of information to shareholders at the Annual Shareholders' Meeting of *Continental* pursuant to Section 131 *AktG*, (ii) within the scope of other statutory disclosure and information obligations of *Continental* (iii) within the scope of the pursuit of claims by *Continental* against third parties, and (iv) by the *Parties* vis-à-vis (former) affiliated companies (and their legal successors), reinsurers, and external advisors, auditors, authorities, or courts who are bound to secrecy.
- 7.3 *Continental* will provide the invitation documents to the *Insurers* and the *Defendants* in advance for information purposes.

8. NOTIFICATIONS

All notices and declarations based on or in connection with this *Agreement* must be made in writing and also sent in advance by email to:

8.1 For the *Insurers*:

AIG:
BLD Bach Langheid Dallmayr Rechtsanwälte PartGmbH
[removed for invitation to the Annual Shareholders' Meeting]

AXA XL:
DLA Piper UK LLP
[removed for invitation to the Annual Shareholders' Meeting]

Zurich:
Zurich Insurance Europe AG, German branch
[removed for invitation to the Annual Shareholders' Meeting]

8.2 For *Continental*:

Skadden, Arps, Slate, Meagher & Flom LLP
[removed for invitation to the Annual Shareholders' Meeting]

8.3 For the *Defendants*:

The legal representatives named in the heading for the respective *Defendants*.

8.4 *Continental* shall immediately notify the *Defendants* of the receipt of payments from *AIG* and *AXA XL* in accordance with Section 1.1 and 1.2, as well as the occurrence of the conditions precedent in accordance with Section 4.1.

8.5 The *Parties* further agree with regard to the effectiveness of this *Agreement* and its *Annex*:

8.5.1 *Continental* has appointed and authorized Skadden, Arps, Slate, Meagher & Flom LLP ("**Skadden**") to receive and transmit all notices and declarations in connection with this *Agreement* and its *Annex*. Similarly, the *Insurers* shall appoint and authorize BLD Bach Langheid Dallmayr Rechtsanwälte PartGmbH ("**BLD**"). Any change in these authorized representatives for notifications and declarations must be notified to the other *Parties* two weeks in advance. For the *Defendants*, the legal representatives remain those specified in Section 8.3 of this *Agreement*.

8.5.2 Each *Party* shall send to *Skadden*:

a scanned copy of the *Agreement*, signed and initialed on each page, by email in advance;

eleven originals of the complete *Agreement*, initialed on each page, including the handwritten signature pages, by courier.

- 8.5.3 Mr. Schäfer and *Continental* shall additionally send *Skadden* signed versions of the *Annex* in accordance with Section 8.5.2.
- 8.5.4 The *Parties* irrevocably authorize *Skadden* to compile the originals of the signature pages into one original copy of this *Agreement*, including the *Annex*, and to send it to the *Parties*. Accordingly, the *Parties* irrevocably authorize *Skadden* to compile the scans sent in advance by email into an electronic document.
- 8.5.5 This *Agreement* shall be concluded when *Skadden* has sent the electronic document created in accordance with the above provision by email to *BLD* and to the above-mentioned legal representatives of *the Defendants*. The written form requirement pursuant to Section 9.1 shall not apply in this respect. Section 4 shall remain unaffected.

9. FINAL PROVISIONS

- 9.1 There are no side agreements between the *Parties* to this *Agreement* and its *Annex*. Amendments, supplements, and side agreements to this *Agreement*, including this written form requirement, must be made in writing. Agreements between the *Defendants* and *AIG* regarding the reimbursement of defense costs shall remain unaffected.
- 9.2 This *Agreement* is governed by German law. The civil courts of the Federal Republic of Germany shall have jurisdiction over all disputes arising from and/or in connection with this *Agreement*. The exclusive place of jurisdiction is Hanover, to the extent permitted by law.
- 9.3 If any provision of this *Agreement* or the *Annex* is wholly or partially invalid or later loses its legal validity, this provision shall, to the extent legally permissible, be replaced by an appropriate provision that comes as close as possible to what the *Parties* intended or would have intended if they had considered the invalidity of the provision. The applicability of Section 139 of the German Civil Code is excluded. The same applies to any gaps in this *Agreement*. If it is not possible to replace invalid provisions or gaps in accordance with Sentences 1 and 3, this shall only affect the validity of this *Agreement* or the *Annex* if it can be assumed that this *Agreement* or the *Annex* would not have been concluded without the invalid part or with the gap.

[Signature pages for invitation to the Annual Shareholders' Meeting removed]

The Annex (settlement agreement between Continental and Wolfgang Schäfer) to the Liability and Coverage Settlement reads as follows:

Final settlement of claims arising from employment agreement and waiver of statute of limitations

between

1. Continental Aktiengesellschaft, Continental-Plaza 1, 30175 Hanover ("**Continental**" or "**Continental AG**"), represented by the Supervisory Board,

and

2. Mr. Wolfgang Schäfer, represented by [*removed for the invitation to the Annual Shareholders' Meeting*]

(*Continental* and Mr. Schäfer hereinafter individually referred to as a "**Party**" and collectively as the "**Parties**").

Preamble

- A. The *Parties* enter into this Agreement as an annex to the Liability and Coverage Settlement between *Continental*, Mr. Schäfer, other *Former Members of the Executive Board*, [*Name of the former General Counsel and Chief Compliance Officer removed for invitation to the Annual Shareholders' Meeting*], and *Insurers* ("**Liability and Coverage Settlement**"). Unless otherwise specified herein, terms written in italics shall have the same meaning as in *the Liability and Coverage Settlement*.
- B. Mr. Schäfer was a member of the Executive Board of *Continental* from January 1, 2010, through November 17, 2021, and was responsible for the "Finance, Controlling, IT, and Legal" division, which also included Legal Compliance from 2011 onwards. His employment was terminated by a Termination Agreement dated November 18, 2021, effective January 31, 2022 ("**Termination Agreement**").
- C. Section 4.1 of the *Termination Agreement* stipulates that Mr. Schäfer is entitled to outstanding remuneration. *Continental* has reserved the right to offset this claim under the *Termination Agreement* against potential claims for damages by *Continental* after a specified period of time. In addition, Section 5.1 of the *Termination Agreement* stipulates that Mr. Schäfer is entitled to payment in the amount of EUR 6,692,920.14 gross, unless, at the time of conclusion of the *Termination Agreement*, there was good cause within the meaning of Section 626 (1) of the German Civil Code for extraordinary termination of the employment agreement with Mr. Schäfer due to a breach of duty by Mr. Schäfer in connection with specified proceedings and investigations relating to the *Diesel Issue*.

- D. *Continental* is of the opinion that it has a claim for damages against Mr. Schäfer, since Mr. Schäfer violated his duty of care in connection with the *Diesel Issue*. On this basis, *Continental* believes that it can offset its own claims for damages against the claim under Section 4.1 and that the claim under Section 5.1 of the *Termination Agreement* did not arise.

Mr. Schäfer has rejected the allegation of a breach of duty of care and disputed the legal grounds and the amount of the claim for damages. Mr. Schäfer believes that the claim under Section 5.1 of the *Termination Agreement* has arisen and is asserting this claim as well as the claim under Section 4 of the *Termination Agreement*. He also points out that the criminal investigations against him referred to in Section 4.2 of the *Termination Agreement* have all been discontinued by the public prosecutor's office. On this basis, he is demanding payment of a total of EUR 8,734,664.50 plus interest. In connection with the criminal investigations against Mr. Schäfer, which have since been discontinued, and the fulfillment of his obligations to provide information to *Continental* in connection with the *Diesel Issue*, Mr. Schäfer also incurred costs for his criminal defense and criminal law advice, which are to be covered in Section 4.3 of the *Termination Agreement* and which have not yet been fully reimbursed due to a disagreement about the validity and scope of the existing cost coverage agreement. The alleged claims of Mr. Schäfer listed under C and D are the "**Alleged Claims**".

- E. Against the background of and in connection with the *Liability and Coverage Settlement*, the *Parties* agree to a settlement for the final resolution of Mr. Schäfer's *Alleged Claims* against *Continental* arising from his employment relationship (the "**Final Settlement**" or "**Annex**") in order to avoid long-standing disputes over the asserted claims in the mutual interest of the *Parties* and to reach an amicable settlement while maintaining their respective positions.

Now therefore, the *Parties* agree:

1. SETTLEMENT OF CLAIMS ARISING FROM THE EMPLOYMENT RELATIONSHIP / TERMINATION AGREEMENT

- 1.1 To settle the claim under Section 4.1 of the *Termination Agreement*, *Continental* shall pay Mr. Schäfer EUR 2,041,744.36 (in words: two million forty-one thousand seven hundred and forty-four euros and thirty-six cents) plus default interest. The default interest shall be paid from the due date of the claims, i.e., the fixed monthly salary for December 2021 from January 1, 2022, the fixed monthly salary for January 2022 from February 1, 2022, the performance bonus for fiscal 2021 from June 1, 2022, and the performance bonus for fiscal 2022 from June 1, 2023. The provision in Section 4.2 of the *Termination Agreement* shall not apply in this case.
- 1.2 To settle the Alleged Claim under Section 5.1 of the *Termination Agreement*, *Continental* shall pay Mr. Schäfer a total of EUR 2,850,000.00 (in words: two million eight hundred and fifty thousand euros). This claim has been due since February 1, 2024; default interest shall accrue from this date. The provisions in Section 5.2 and 5.3 of the *Termination Agreement* shall not apply in this regard.
- 1.3 In settlement of the claim under Section 4.3 of the *Termination Agreement*, *Continental* shall reimburse Mr. Schäfer for the costs of his criminal defense and criminal law advice, insofar as the legal advice was necessary and the costs were reasonable. *Continental* shall compensate for the fact that the assumption of costs for Mr. Schäfer constitutes a benefit in kind (*geldwerter Vorteil*).

- 1.4 The payments pursuant to Sections 1.1, 1.2, and 1.3 of this *Final Settlement* shall be made four weeks after the conditions for the *Final Settlement* pursuant to Section 2.1 have been met. With regard to Sections 1.1 and 1.2, this also includes the default interest arising in accordance with Section 288 (1) of the German Civil Code from the date on which they became due, at a rate of 5 percentage points above the base interest rate, which must be specified as such when the payment is made.
- 1.5 Payments pursuant to Sections 1.1, 1.2, and 1.3 shall be made to the following account: IBAN: [removed for the invitation to the Annual Shareholders' Meeting], BIC: [removed for the invitation to the Annual Shareholders' Meeting].
- 1.6 All *Alleged Claims*, including any interest claims, shall be settled with the payments pursuant to Sections 1.1, 1.2, and 1.3 of this agreement. The *Parties* agree that thereafter, no claims against *Continental* for remuneration or reimbursement of costs arising from criminal defense and advice in connection with the preliminary investigations or from the civil action brought by *Continental AG* against Mr. Schäfer shall remain.
- 1.7 Claims arising from the company pension scheme and for the transfer and payment of deferred compensation in accordance with Aufbaukonto II and Section 8 of the service contract between *Continental* and Mr. Schäfer dated April 15, 2020, shall remain unaffected, as stipulated in Section 4.4 of the *Termination Agreement*.
- 1.8 Any obligations of Mr. Schäfer under Sections 2.4 to 2.10, inclusive, of the *Termination Agreement* (including obligations to provide information and cooperate) have been fulfilled and settled in full.

2. EFFECTIVENESS

- 2.1 With the exception of Section 3, this *Final Settlement* is subject to the condition precedent that
 - (a) Mr. Schäfer signs the *Liability and Coverage Settlement*, and
 - (b) the Annual Shareholders' Meeting of *Continental AG* approves the *Liability and Coverage Settlement*, including this *Annex*, and no minority whose shares together amount to one-tenth of the share capital of *Continental AG* raises an objection for the record (Section 93 (4) Sentence 3 of the Stock Corporation Act (*Aktiengesetz – AktG*)).
- 2.2 If, after the condition precedent has been fulfilled, the nullity and/or ineffectiveness of this *Annex* is established with legally binding effect, or an action for rescission or nullity against the resolution of the Annual Shareholders' Meeting of *Continental AG* approving the *Liability and Coverage Settlement*, including the *Annex*, (the "Annual Shareholders' Meeting Resolution") is upheld with legal effect, the *Parties* shall negotiate a new settlement that shall come as close as possible to the contents of this *Final Settlement*, taking into account the circumstances leading to the nullity and/or ineffectiveness. The *Parties* agree that Section 3 shall remain effective even if the nullity and/or invalidity of parts of the *Final Settlement* is established with legally binding effect, or if an action for rescission or annulment against the *Annual Shareholders' Meeting Resolution* is upheld with legal effect.

3. WAIVER OF STATUTE OF LIMITATIONS

- 3.1 Until the *Liability and Coverage Settlement* takes effect, *Continental* waives the right to claim limitation with respect to the *Alleged Claims* insofar as these claims were not yet time-barred on September 15, 2025.
- 3.2 Should the cases described in Sections 5.2 or 5.3 of the *Liability and Coverage Settlement* occur, the waiver of the statute of limitations by *Continental* with regard to the *Alleged Claims* shall apply until a date 15.5 months after the end of Mr. Schäfer's waiver of the statute of limitations in accordance with Sections 5.1 to 5.3 of the *Liability and Coverage Settlement* in favor of *Continental*.
- 3.3 Mr. Schäfer accepts the waiver of the statute of limitations pursuant to Sections 3.1 to 3.2.
- 3.4 During the term of the waiver of the statute of limitations pursuant to Sections 3.1 to 3.2, the statute of limitations with regard to the *Alleged Claims* shall be suspended in accordance with Sections 204 and 209 of the German Civil Code.
- 3.5 The waiver of the statute of limitations stipulated in this Section 3 shall apply regardless of the validity of the remaining provisions of this *Final Settlement*.

4. MISCELLANEOUS

- 4.1 Amendments to this *Final Settlement*, including this written form requirement, must be made in writing in accordance with Section 126 of the German Civil Code, excluding Section 127 (2) of the German Civil Code. Notifications must be made in writing.
- 4.2 Claims for damages by *Continental AG* within the meaning of Section 93 (2) *AktG* are not subject to this *Final Settlement*, but are reserved for the *Liability and Coverage Settlement*.
- 4.3 Should any provision of this *Final Settlement* be or become invalid or unenforceable in whole or in part, or should a loophole become apparent in the implementation of this *Final Settlement*, the validity of the remaining provisions shall remain unaffected. The invalid, unenforceable, or missing provision shall be replaced by an appropriate and legally permissible provision that comes as close as possible to the economic intent of the *Parties* or what they would have intended if they had considered the invalidity, unenforceability, or incompleteness.

[Signature pages for invitation to the Annual General Meeting removed]

End of the excerpt from the Invitation to the Annual Shareholders' Meeting