



150 Years of Continental



Investor Presentation March 2021 [Fact Book 2020]

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

Investor Relations

Agenda

Continental – Overview and Strategy

Group Sector Automotive Technologies

Business Area Autonomous Mobility and Safety

Business Area Vehicle Networking and Information

Group Sector Rubber Technologies

Business Area Tires

Business Area ContiTech

Corporate Governance

Sustainability

Financials

Back-up

Continental

We Are a Global Powerhouse



A leading player
in **autonomous
mobility**

First to market
with **software-
defined**
vehicle architecture

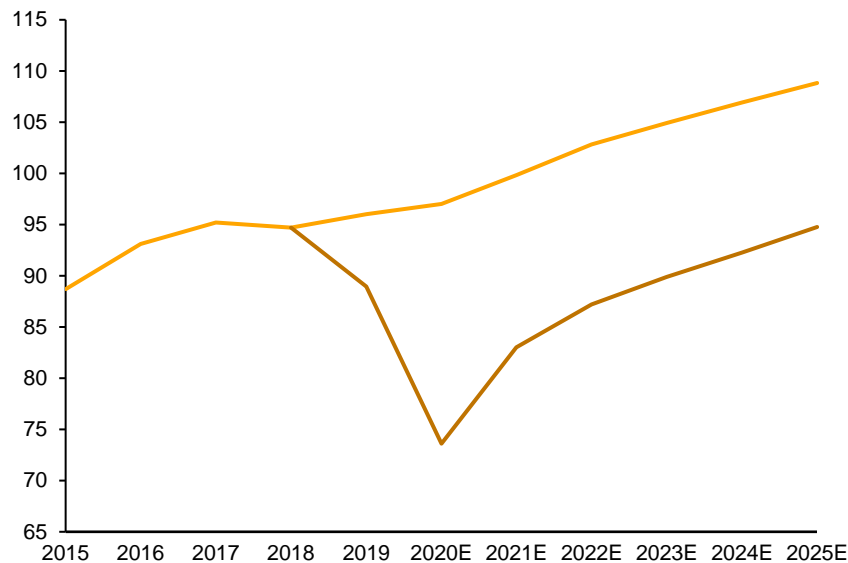
Industry-
benchmark
operational efficiency
in **Tires**

~236,000
**talented and
dedicated
employees**

Changing Economic Environment

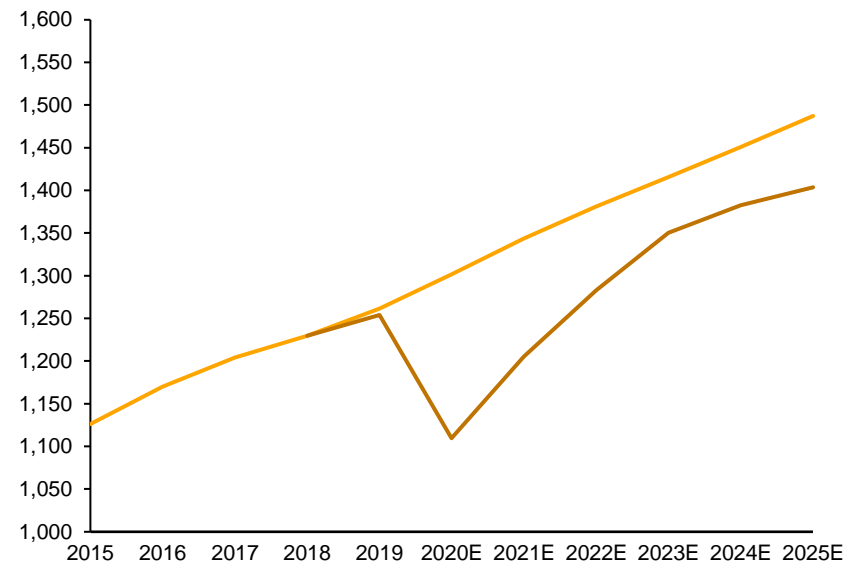
Positive Mid-term Growth Outlook, but Well Below Previous Expectations

Light vehicle (LV) production (million units)



IHS LV production forecasts from: — December 2018 — November 2020

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



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

Technological and Societal Changes

Challenges and Opportunities



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

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

2

Differentiate our portfolio

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

3

Turn change into opportunity

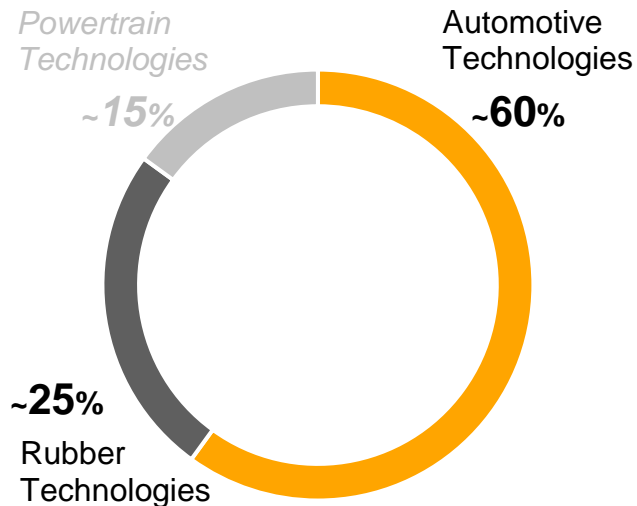
- › Embrace sustainability
- › Focus on passion to win and transparency and ownership

Strengthen Operational Performance

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

Annual gross cost savings target

Total >€1 bn by 2023



Continental's contribution excluding powertrain

**Best-cost
share in
manufacturing**

2019

~70%

Mid-term

~75%










**Best-cost
share in R&D**

~50%

~60%

Strengthen Operational Performance

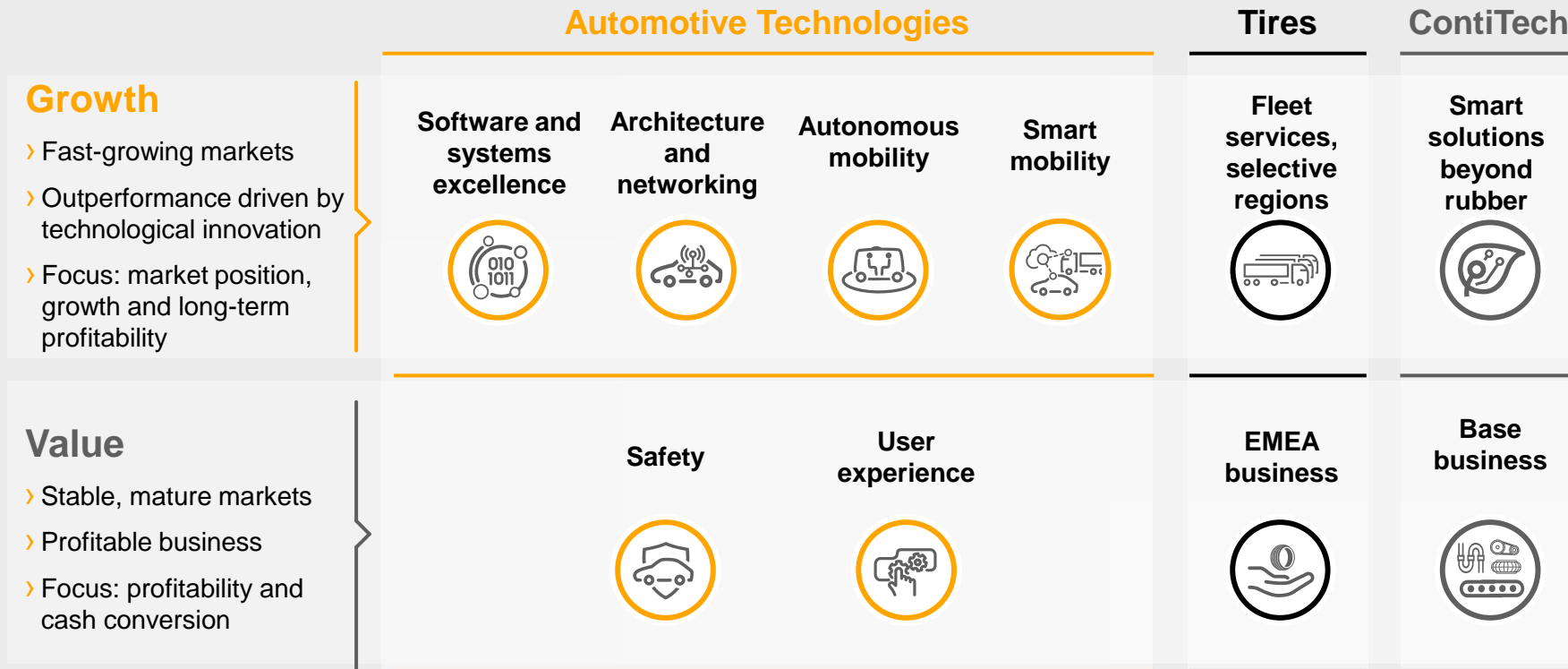
Multiple Activities Underway to Improve Productivity and Quality

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

¹ CoC = Center of Competence.

Differentiate Our Portfolio

Differentiation of Our Portfolio Between Growth and Value



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">› Competitive funding for investment needs› Ability to attract talents and potential partners
Value	Selective growth	Focus on profitability	Cash conversion	<ul style="list-style-type: none">› Continuous best owner review› Partnerships or divestitures

Turn Change into Opportunity


Embracing Sustainability in Everything We Do

Targets¹

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 TSR²



Sustainability

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

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

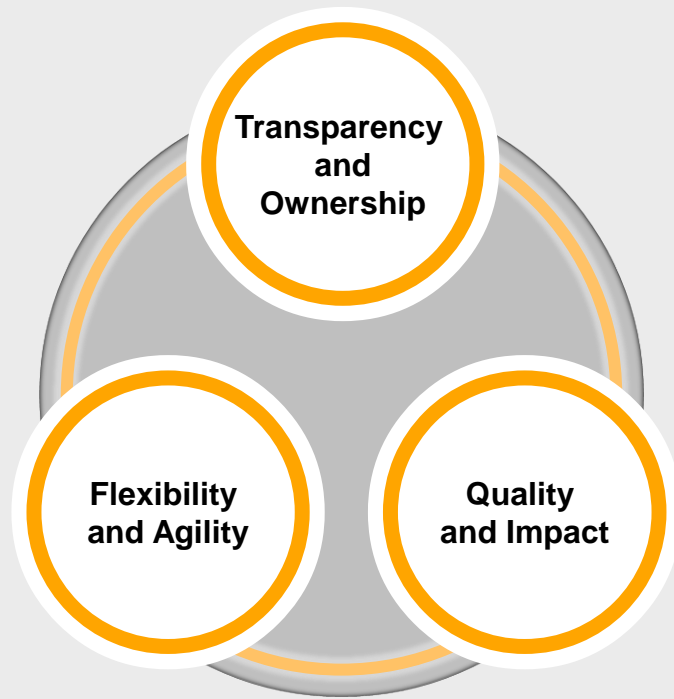
² Total Shareholder Return.

Turn Change into Opportunity

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

Our Values

Our Mindset



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Continental

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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

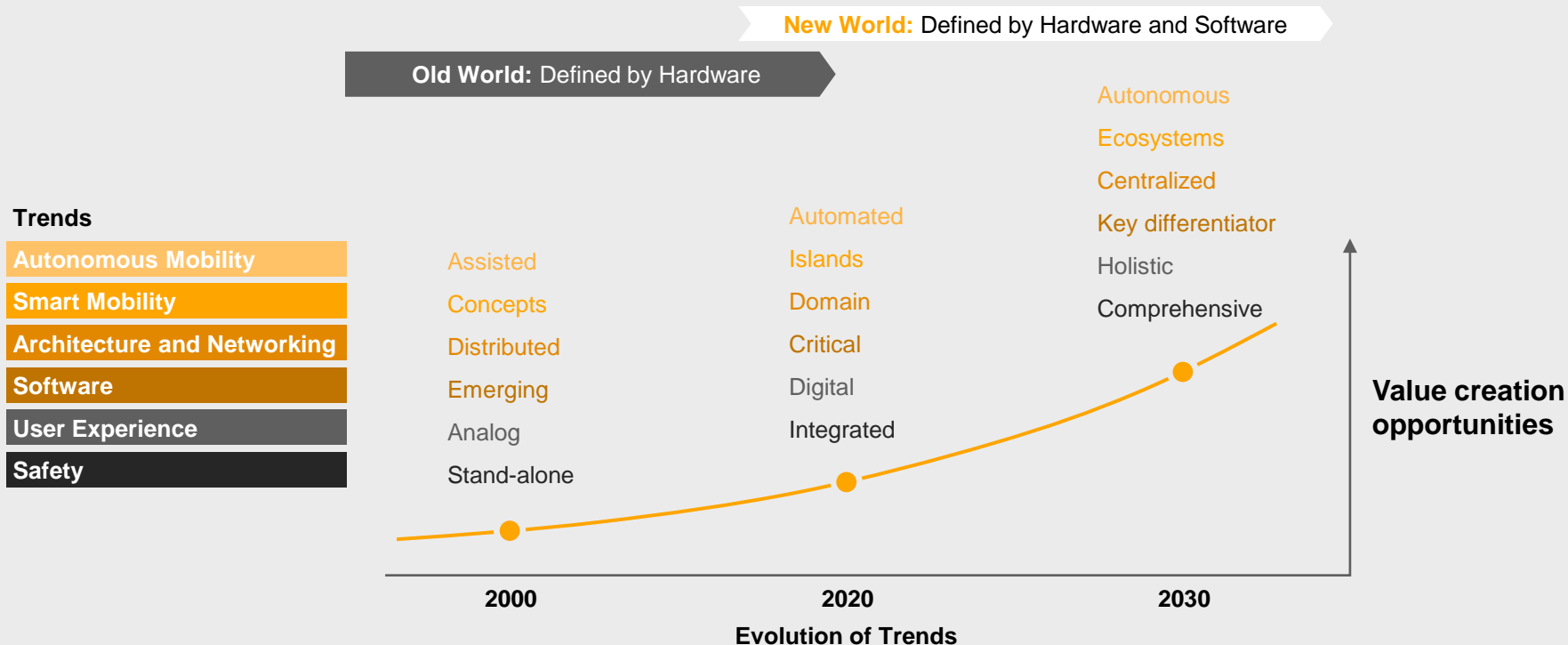
**Architecture
and
Networking**



Software

Transformation of the Automotive Industry

Expanding Value Creation Opportunities in All Trends



Transformation into Automotive Technologies

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



Software and Systems Excellence



Architecture and Networking

Transformation into Automotive Technologies

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

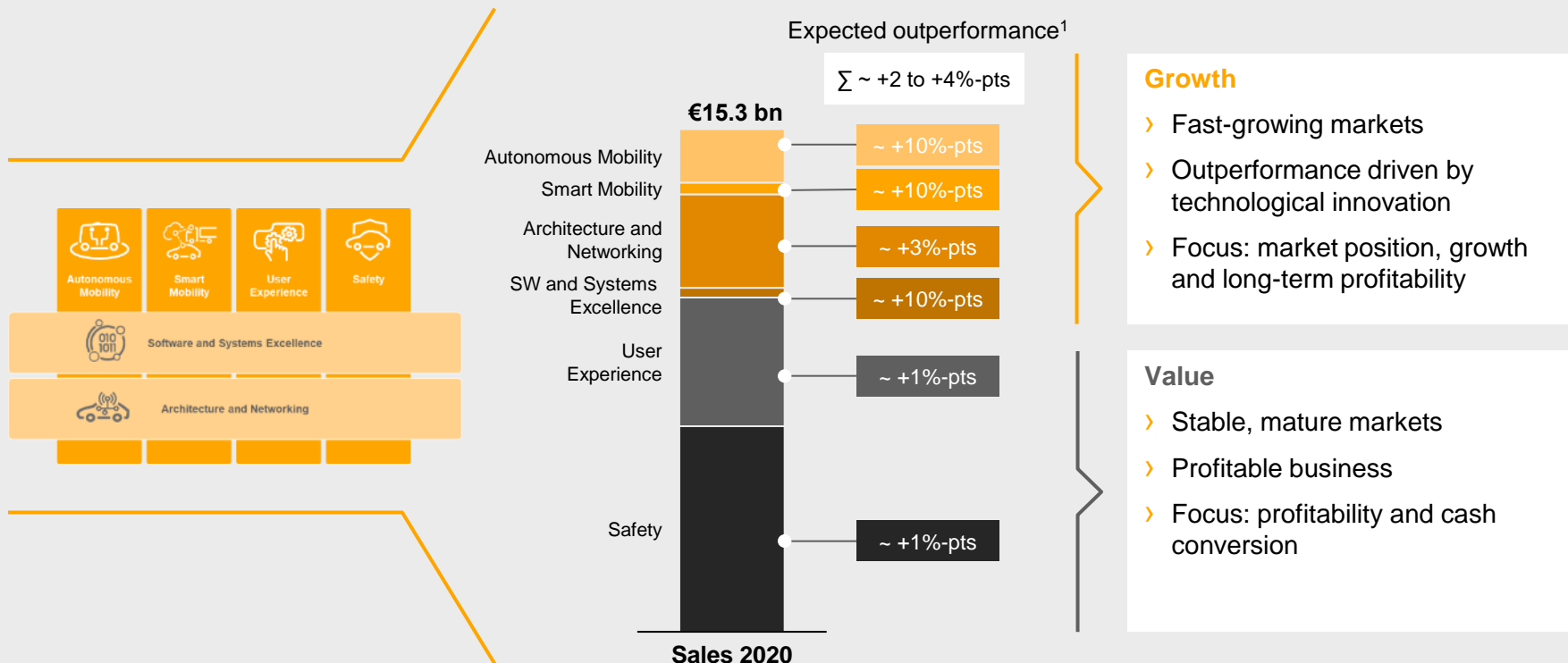


Scalability across OEs and platforms

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

Differentiate Our Portfolio

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



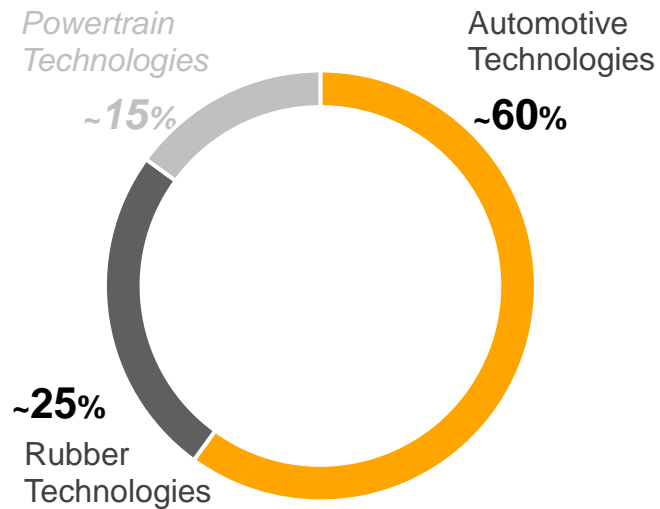
¹ Mid-term organic sales growth above IHS LVP.

Strengthen Operational Performance

Adjust Our Cost Structure to Deliver Targeted Cost Savings

Annual gross cost savings target

Total > €1 bn by 2023

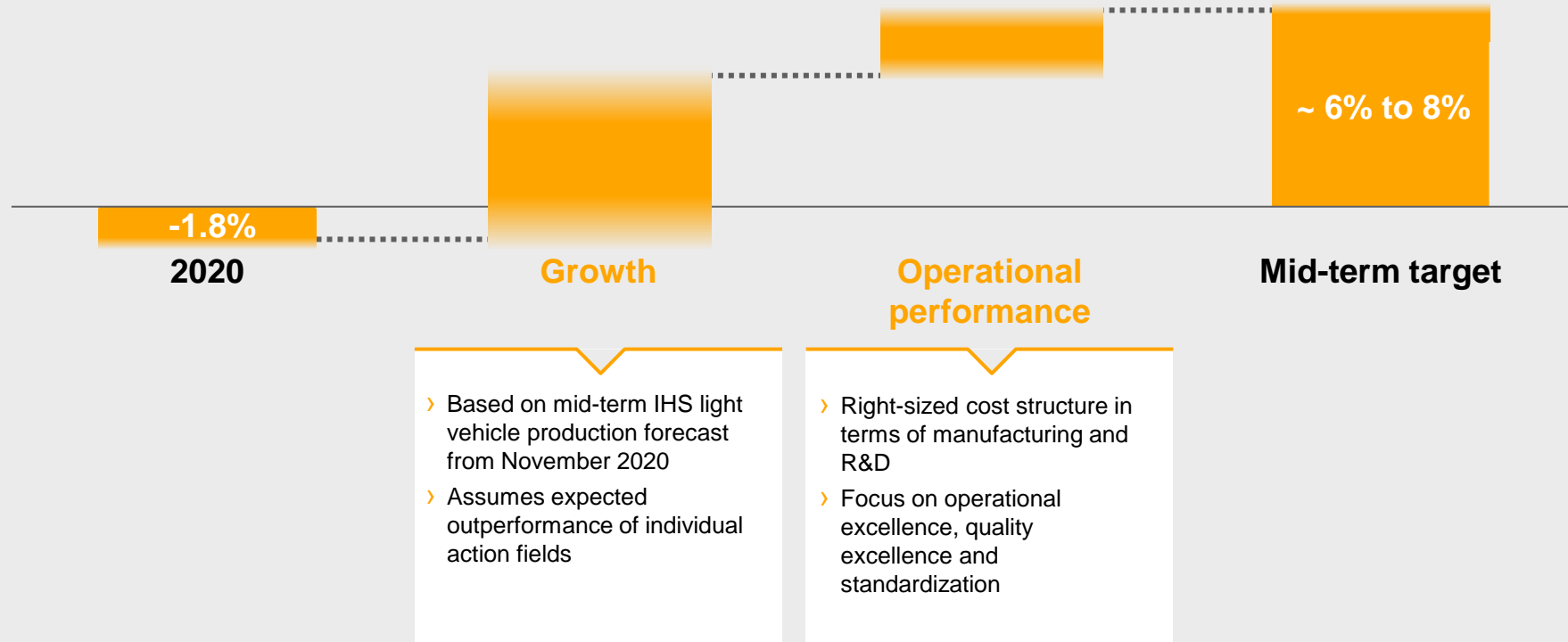


Contribution from Automotive Technologies

	2019	Mid-term
Best-cost share in manufacturing	~75%	~85%
Best-cost share in R&D	~50%	~60%

Automotive Technologies: Adjusted EBIT¹ Margin Bridge

We Strive for an Adjusted EBIT¹ Margin of ~ 6% to 8% in the Mid-term



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

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Continental

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Strategic Action Field: Architecture and Networking

Leading the Way Toward Software-defined Vehicles



Leading the Way toward Software-defined Vehicles

Complexity and Functional Growth Is Limited by Current Approach

Up2now



› **Conventional** architecture and functions

Based on gateway, body controller, other ECUs

Going forward



› **Function-defined** architecture

Based on ICAS1 High Performance Computer (HPC)

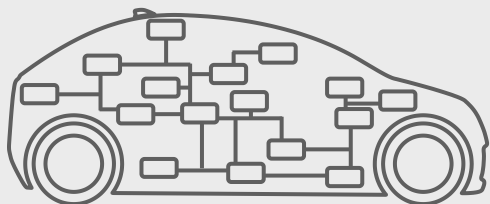
› **Scalable** across platforms

› **New functions & value streams**

Leading the Way toward Software-defined Vehicles

Complexity and Functional Growth Is Limited by Current Approach

Up2now

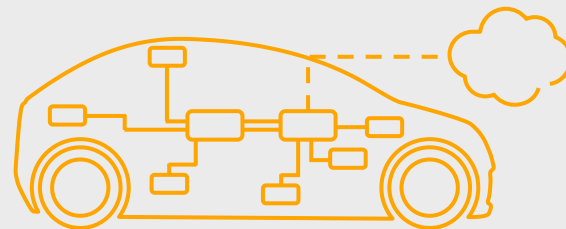


Patchwork architecture

- › 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



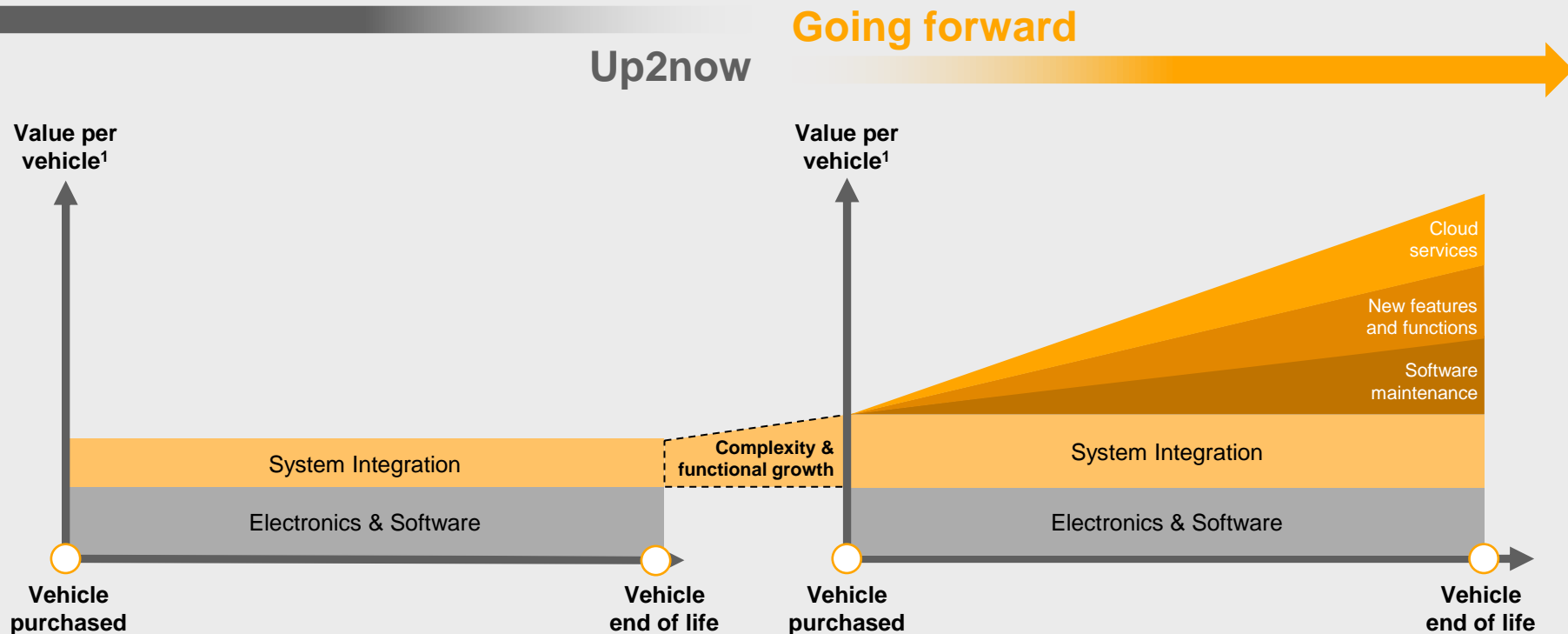
Function-defined architecture

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

User expectation: smart IoT device

Leading the Way toward Software-defined Vehicles

Vehicle as De-facto IoT Device – New Value Streams Across Lifecycle



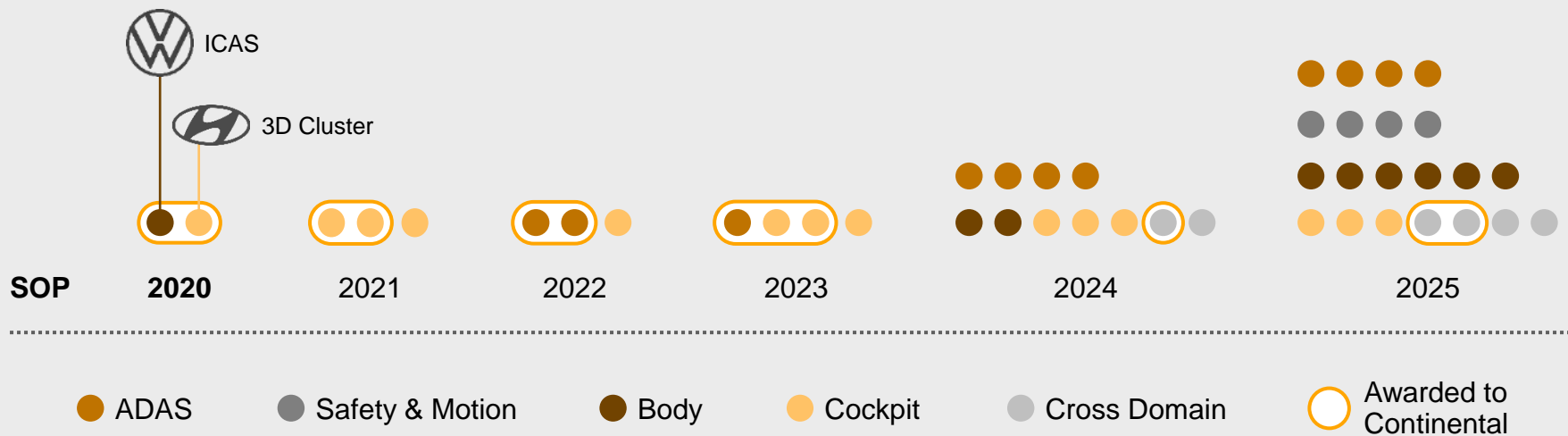
¹ Not to scale; for illustrative purposes only.

Leading the Way toward Software-defined Vehicles

We Are First-to-market and Top Player in X-domain Computing Solutions

HPC projects won and in acquisition (#)

Total order intake so far: > €4 bn LTS



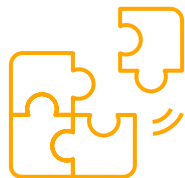
Leading the Way toward Software-defined Vehicles

Why We Have Been Winning: Providing Solutions that Capture Value

Customer
Challenges



Continental
Solutions



Integration of
complex systems

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



Lack of software
expertise

- › Superior capabilities **component to system**
- › Established **agile development & collaboration methods & tools**

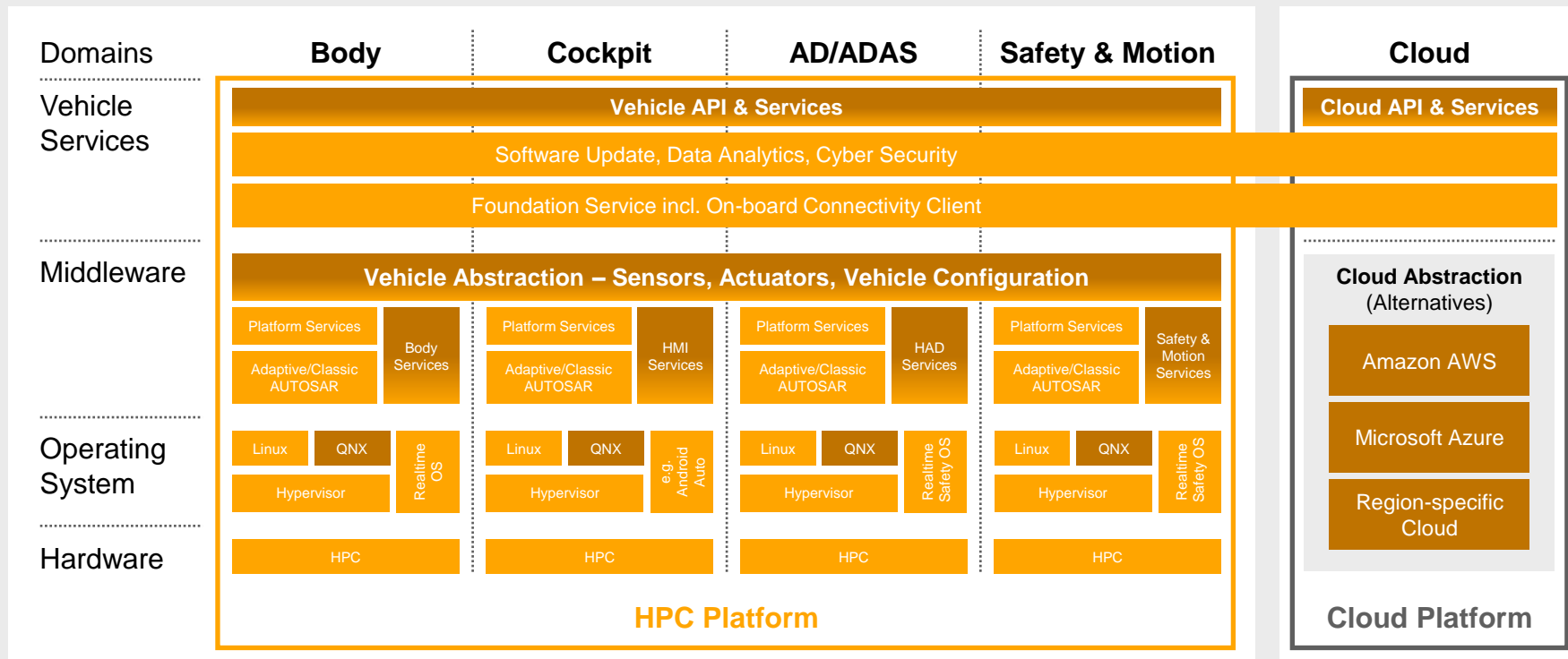


Managing new
business models

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

Leading the Way toward Software-defined Vehicles

Unique Capability to Provide Fully Integrated Functional Stacks



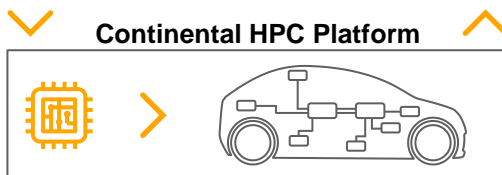
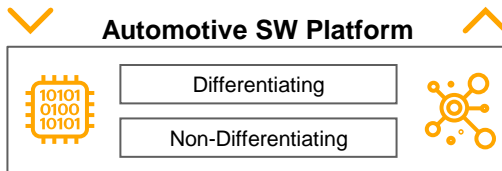
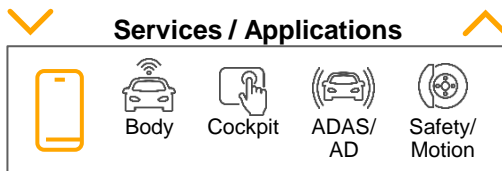
Leading the Way toward Software-defined Vehicles

Unique Capability to Provide Fully Integrated Functional Stacks

Building Blocks



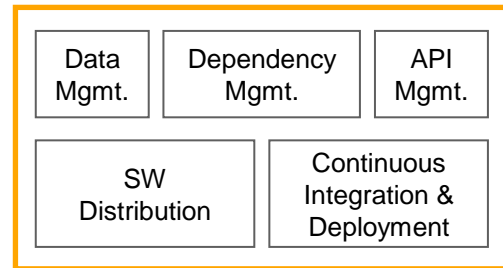
System Integration



Toolkit



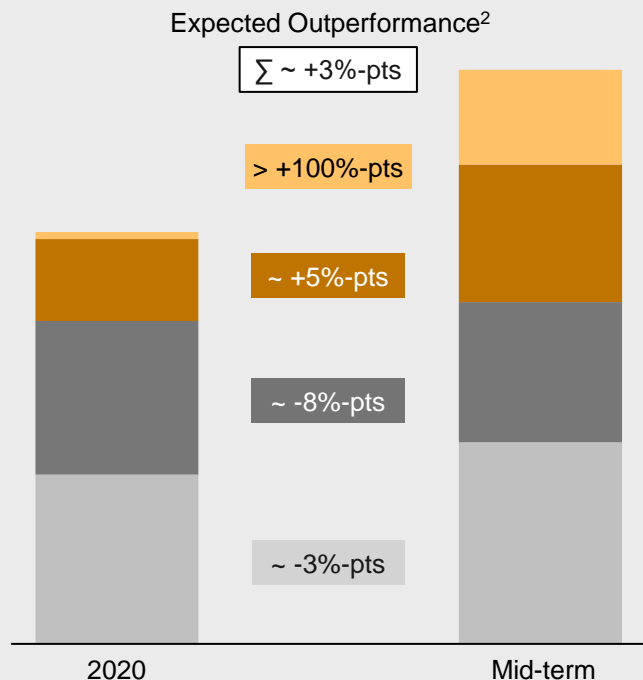
Tool Framework



Leading the Way toward Software-defined Vehicles

Strong Business Growth Enabled by Future Architecture Competency

Sales in Action Field¹ (€)



Additional growth across all strategic action fields

Additional HPCs

- › ADAS/AD
- › Safety and motion
- › Cross domain

Software and systems

- › System integration
- › Software maintenance
- › New features and functions
- › Cloud services

Body and Cockpit HPCs + zone ECUs

Connectivity

Legacy ECUs

- › Body control modules, gateways, in-vehicle infotainment

Other products

- › Power closures, seat control, other ECUs

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

Strategic Action Field: Software and Systems Excellence

Our Strengths Overcome Software Challenges



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

- › Common functionality required of all vehicles, regardless of brand, OEM, trim level, etc.
- › **Customer needs:**
Economies of scale for most competitive cost position



40%

Differentiating software

- › Unique functionality for specific OEMs, models, regions, customer groups, etc.
- › **Customer needs:**
Economies of scope to provide best support/expertise

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



Competence



Technology



Workflow

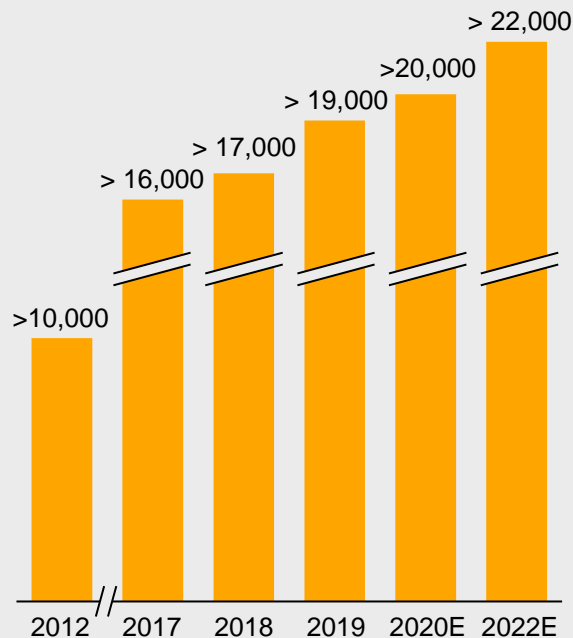


Collaboration

Software Experts in Every Field

Continuously Improving with New Specialist Staff, Acquisitions and Training

Number of software and IT specialists



Software-related acquisitions

- 2015**  **Elektrobit**
 Expanded software and systems expertise
- 2016**  **ZONAR**
 Access to fleet management market
- 2017**  **ARGUS**
 Leading automotive cyber security expertise

In-house Software Academy

Boost software expertise

- › **Effective on-boarding** new hires
- › **Systematic up-skilling** to new technologies
- › **Extensive cross-skilling** non-software engineers on software topics

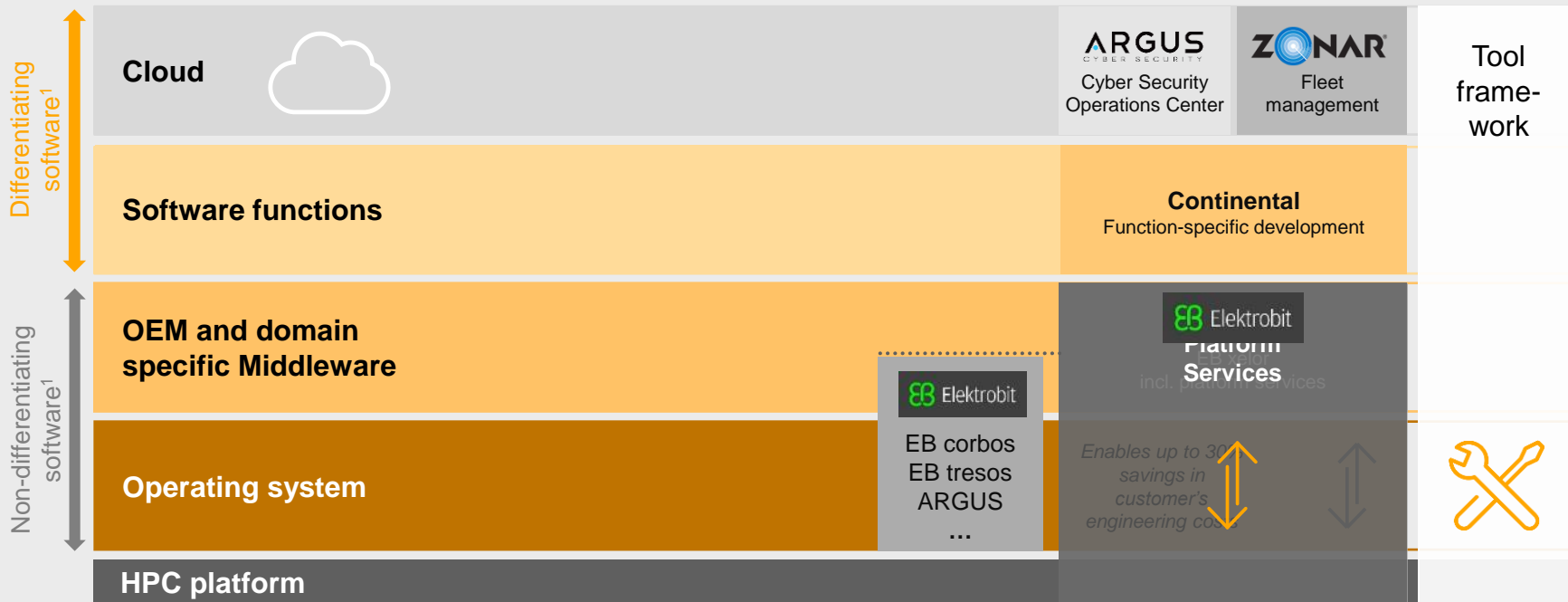
State-of-the-art learning

- › **+319% YoY** completed learning items
- › **Agile:** +100 training units added in 2020
- › **Artificial Intelligence:** ~1,900 employees with knowledge in the area of AI by 2022
- › **Cyber security:** 20k+ training units attended
- › **New formats:** Hackathons, hands-on,...

Scalable, Integrated and Cloud-ready Platforms

We Deliver Software Stacks for Present and Future Architectures

Continental's Technologies



¹ Differentiating and non-differentiating software from an OEM point of view.

Speed and Agility

We Manage the Complexity of Software Integration End2End



**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

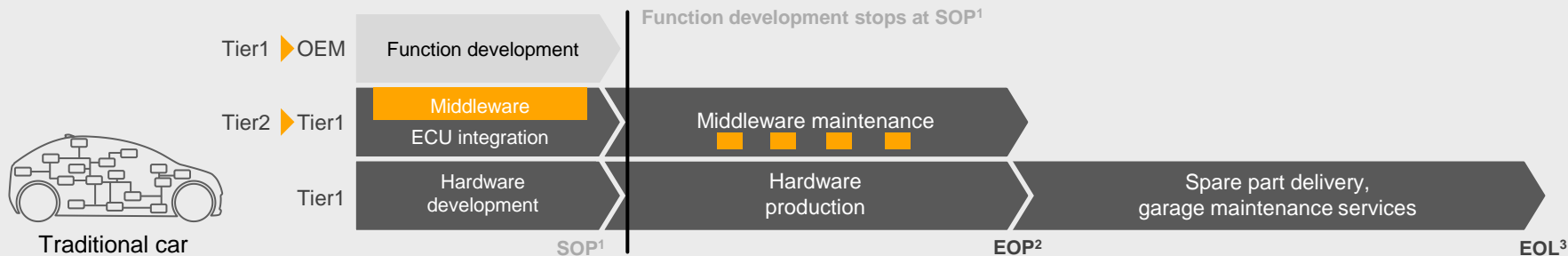


Reduction in development time and costs, increase in software quality

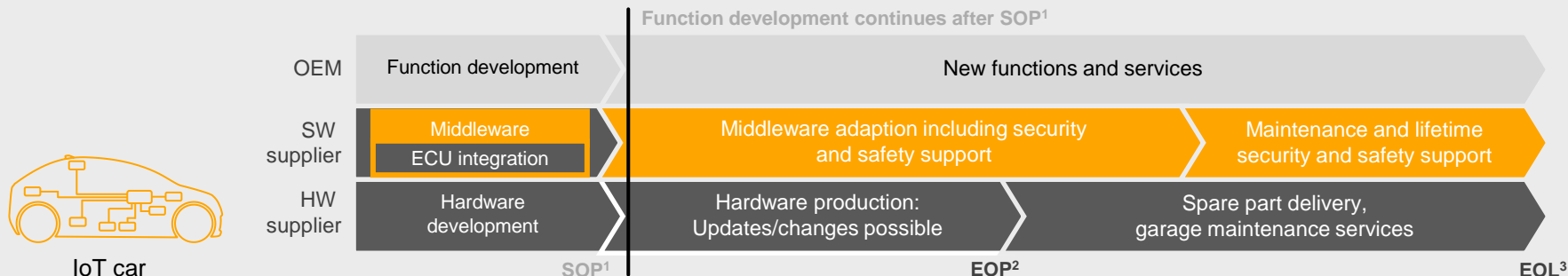
Collaborations Based on Trust

Software-defined Vehicles Require a New Collaboration Model

Hardware and function coupling – Software treated like hardware



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



¹ SOP: start of production. | ² EOP: end of production. | ³ EOL: end of life.

Collaborations Based on Trust

Our Strong Partnerships Within the Ecosystem

Technology



Dassault Systemes | HPE
Pioneer | Sennheiser | Synopsys
Ansys | dSPACE | SIEMENS
IBM



Consortia



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



Semiconductors



NVIDIA | Qualcomm | arm
HUAWEI | Intel | SAMSUNG
STMicroelectronics



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



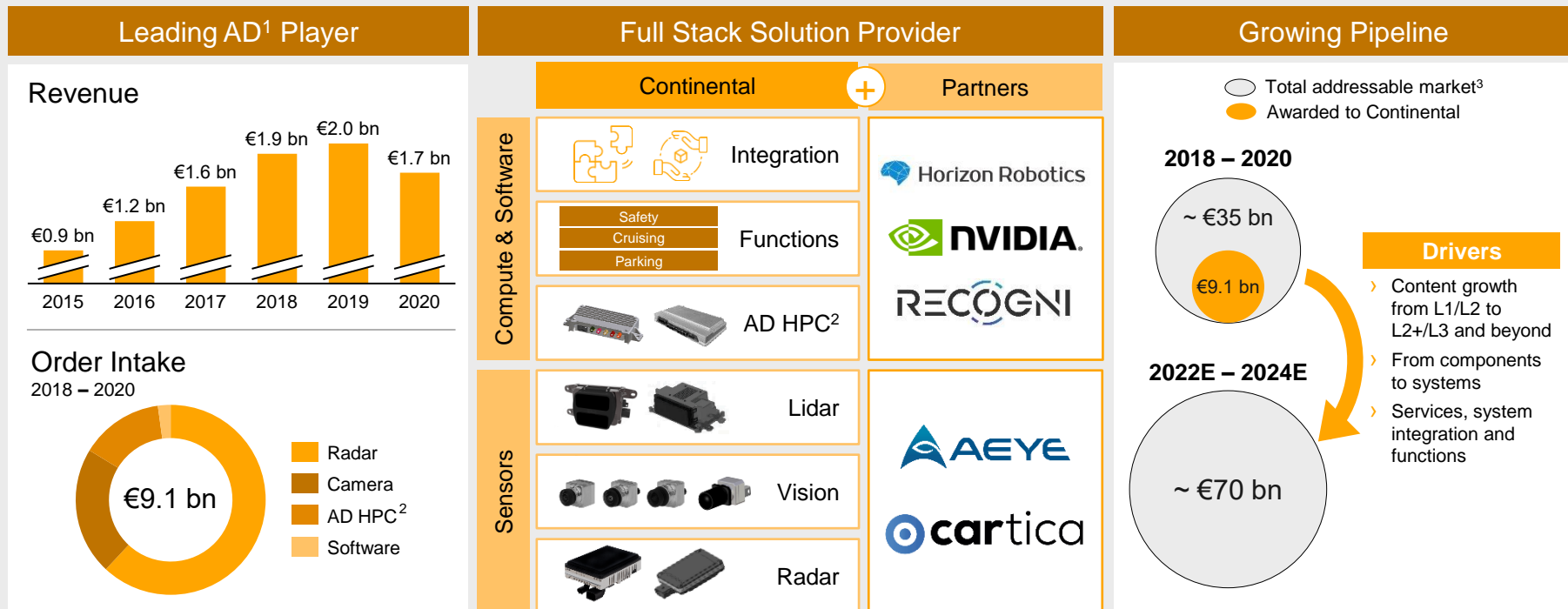
Strategic Action Field: Autonomous Mobility

On the Way to Autonomous Mobility



Continental's Autonomous Mobility Business

Leveraging Strong AD¹ Position to Capture Growth Opportunities



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

Continental's Portfolio for Automated Driving

Level 2 Plus Solutions Addressing Significant Growth

Continental technology

in series

in series

from 2021

from 2021/22

Partly Automated Driving
(SAE L2)

L2 "Performance"

"L2 Plus"

L2 "Premium"

Highly Automated Driving (HAD)
(SAE L3)



HAD Ready



Software



Highway Assist
NCAP¹ 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

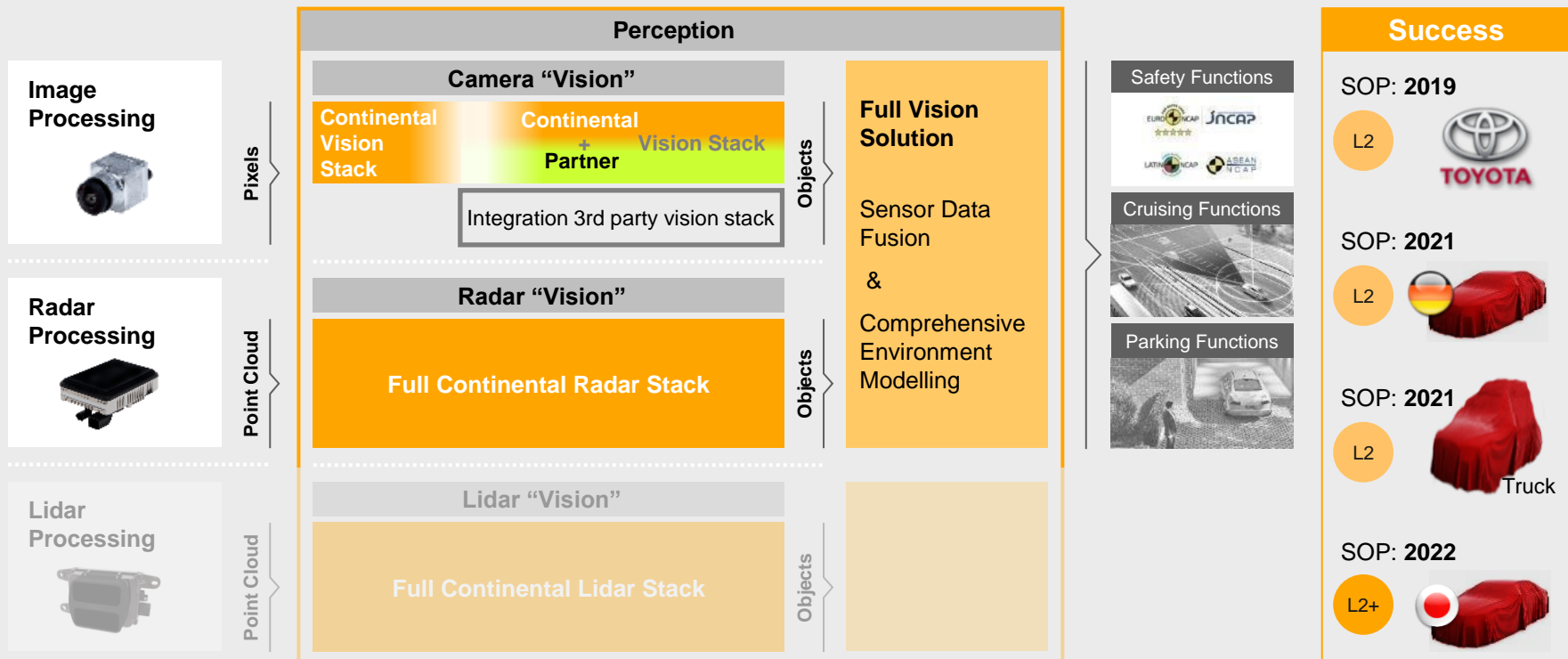
> 4x L2

> 10x L2

1 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



Continental



Continental subsidiary



Continental subsidiary



3rd party

High Performance Computer (AD HPC)

Partly Automated Driving (SAE L2)

"L2 Plus"

Performance

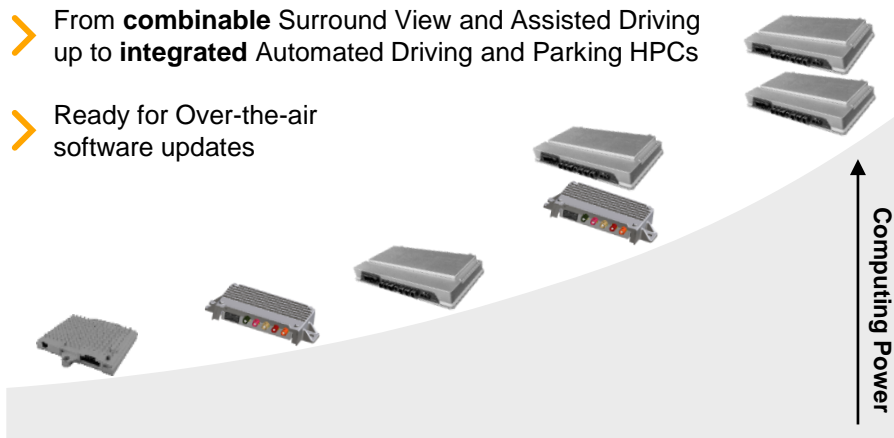
Premium

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

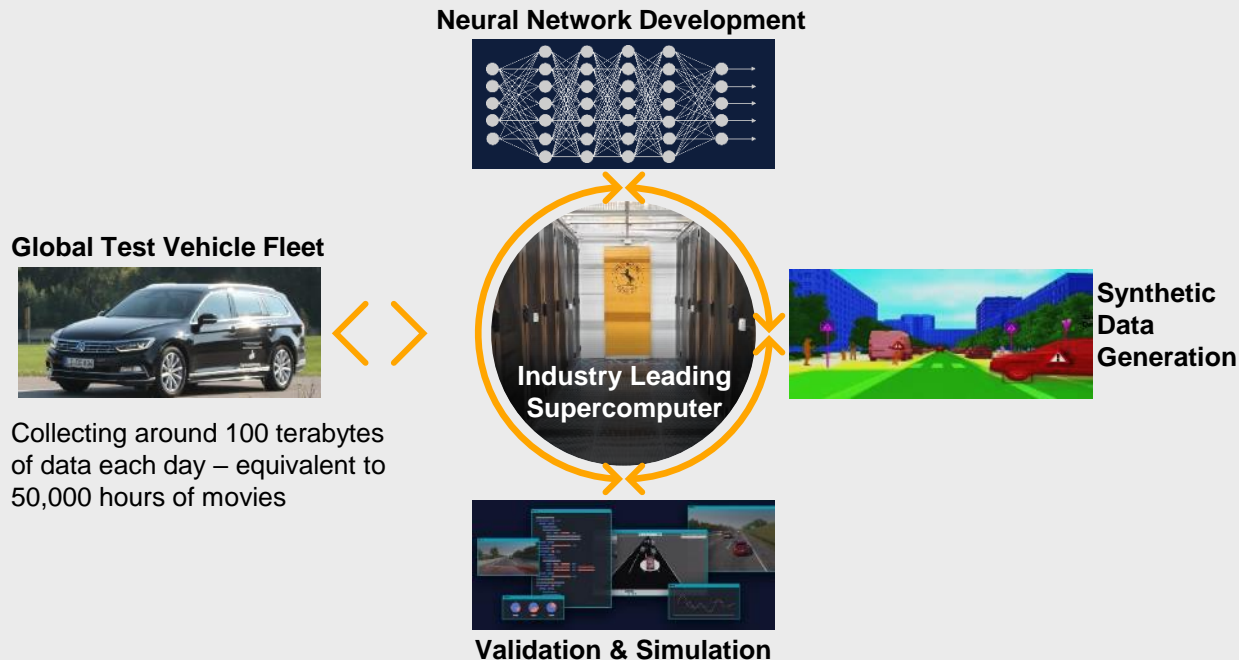
L2+



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 unit 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

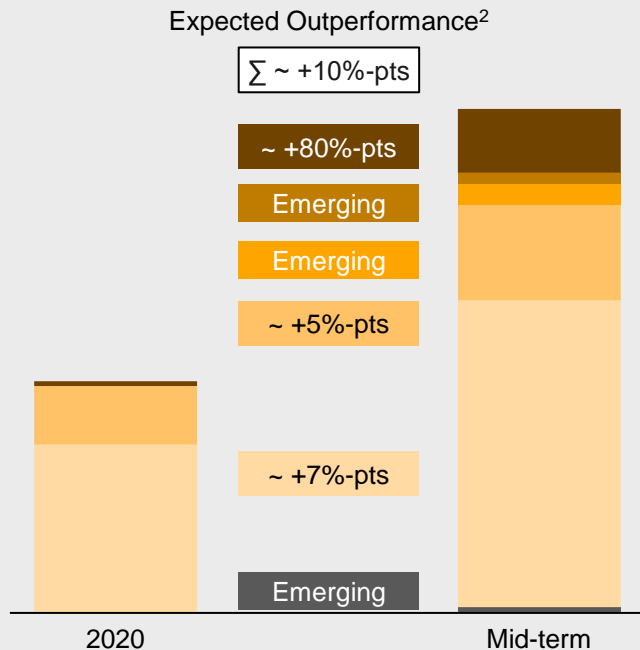
- › Established business relationship through sensor competency

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

Continental's Autonomous Mobility Business

Sustainable Growth Through Our Increasing Content per Vehicle

Sales in Action Field¹ (€)



Future Growth Drivers

Software as a Product

- › Licenses and updates



System Integration

AD Control Units / AD High Performance Computer

- › Scalable software and computing platforms guarantee future readiness

High Resolution Lidars

- › Introduction in \geq L3 systems, additional integration in \geq L2 Plus systems

Cabin Sensing

- › Driven by legislation (e.g. driver monitoring, child presence detection)

Cameras

- › High quantity of satellite cameras in \geq L2 Plus systems ("camera belt")

Radars

- › High quantity of radars in \geq L2 Plus systems ("radar belt")
- › Next generation radars with exceptional performance (e.g. 4D radar)

Ultrasonic Sensors

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

Strategic Action Field: Smart Mobility

Becoming a Leader in Smart Mobility



Smart Mobility

Key Statements/Executive Summary

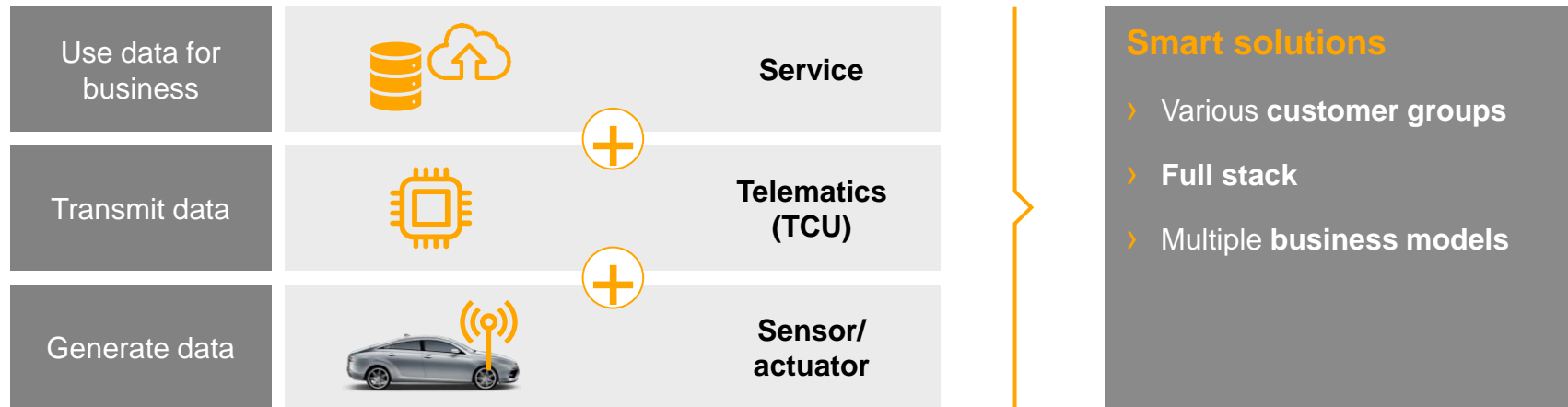
Mobility today partly smart:

Fragmented, most unconnected, island solutions



Smart mobility:

Connects data and uses knowledge to provide insights and recommendations



Growing Need for Smart Mobility Solutions

Converging Requirements & 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 & Fleet Operators of Passenger Vehicles

- › **New business models** like sharing & 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

Customer
Challenges



Scattered landscape
of independent
elements

Continental
Solutions



**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

Comprehensive Smart Mobility Solutions

Expanding Offerings to Cover Needs of Diverse Customer Groups

Customer Groups	CV OEMs	PV OEMs	Logistics Fleets	Mass Transit	Vocational & Off-Highway Fleets	Breakdown Service Providers	Workshops & other AM Applications	Mobility Fleets
Fleet type	CV Fleets				PV Fleets			
Continental Solution	★ Key as a Service				★ Remote Vehicle Data			
	★ eHorizon	★ Remote Vehicle Data	★ Key as a Service		★ Key as a Service			
	★ Fleet Management	★ Key as a Service	★ Fleet Management	★ Fleet Management	★ Fleet Management		★ Remote Vehicle Data	★ Remote Vehicle Data
	★ Digital Tachograph	★ eHorizon	★ Digital Tachograph	★ Digital Tachograph	★ Digital Tachograph	★ Remote Vehicle Data	★ Digital Tachograph	★ Key as a Service

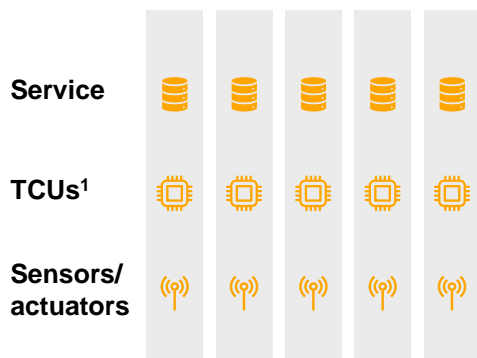
★ In the market ☆ In development

Continental Established in Full Stack

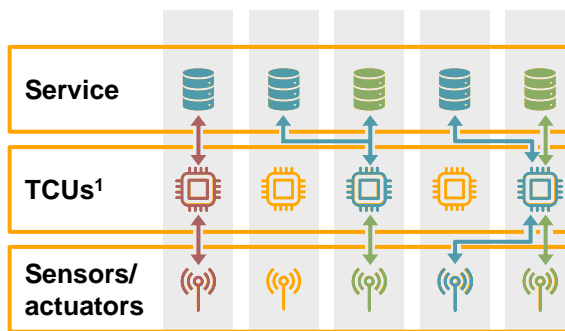
Modular Architecture for More Service Opportunities



Vertical stand-alone architecture



Horizontal coherent and modular building blocks



Established service

Existing back-end infrastructure and running services (ContiTech, fleet management system, Tire information system)

Solid market position for TCU¹

OB2-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

Past

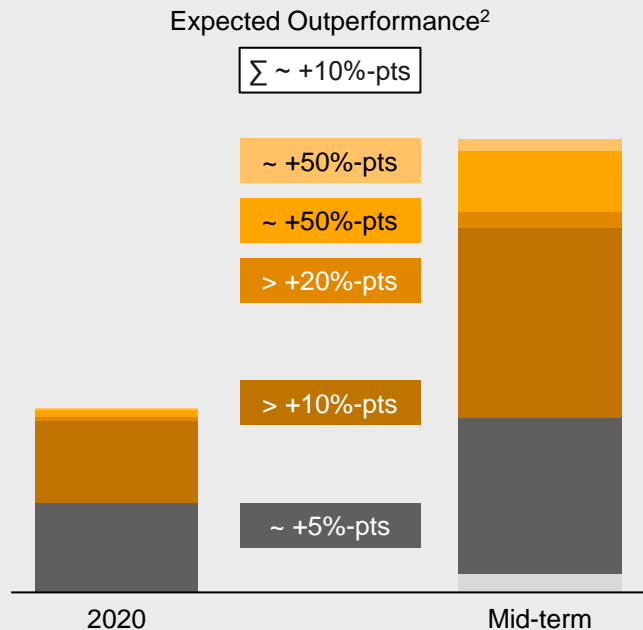
Future and Continental's offering

¹ TCUs: telematic control units.
² OBD: on-board diagnostics.

Continental's Smart Mobility Business

Comprehensive Portfolio of Solutions to Drive Strong Growth

Sales in Action Field¹ (€)



Remote Vehicle Data

- › Cross-brand vehicle data access solution

Key as a Service

- › Established OE and fleet smartphone integration for car access

eHorizon

- › Proven OE integrated solution for CO₂ and fuel consumption reductions

Fleet Management Solutions

- › Solid position in fleet management provider in NA and EU

Digital Tachograph

- › Established business in tachographs in EU and future trust center

Other

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

Strategic Action Field: User Experience

Joy of Use, Ease of Use and Safe Driving



User Experience (UX)

UX Matters: Joy of Use, Ease of Use and Safe Driving

Visual

- › Display Solutions
- › Head Up Displays
- › Cabin Sensing

Software & System

- › Augmented Reality
- › 3D Content
- › Monitoring algorithms

Audial

- › Sound Solutions

System Integration

- › Cockpit HPC¹

Tactile outside

- › Secure digital car, access via key or phone

Tactile inside

- › Shytech
- › Haptic Controls

We deliver > 120 mn
UX products per year
to more than 25 OEMs!

¹ HPC: high-performance computer.

User Experience

What Makes Us Successful: Leading in All Four Core Competences

TODAY

DESIGN



Flat 2D displays

TECHNOLOGY



Separated devices

INTERACTION



One-way communication

INTEGRATION



Stand-alone HMI¹ controllers

TOMORROW

- › Large displays, 3D
- › Interactive “Shytch” surfaces

Integration of features into display solutions

Perfect networking of all UX components

High-performance computers connect domains and enable holistic UX

¹ Human Machine Interface.

User Experience

Creating Uniqueness Through Design

Launched

VW
TOUAREG



Curved Center
Stack



1ST to market

Upcoming

C-Shape



SOP 2022

Future

Interactive Shytech Surfaces



MB E-/S-
Class



Side by Side



1ST to market

L-Shape



SOP 2021

Kinematic Pillar-to-Pillar &
Cabin Solutions



From Design to Award



User Experience

We Integrate Innovative Features Increasing Our Value

Own hardware value creation and refinement by Continental

Purchased parts

Front glass
Display panel

Backlight
mech. components

Backlight
LED PCB¹

Electronic
PCBs¹

Camera + infrared
(IR) illumination

Die cast
housings

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**
- › Enabling **natural 3D** experience

Integration expertise:

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

Software IP:

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

¹ PCB: printed circuit board.

User Experience

We Orchestrate the "One" Holistic Experience

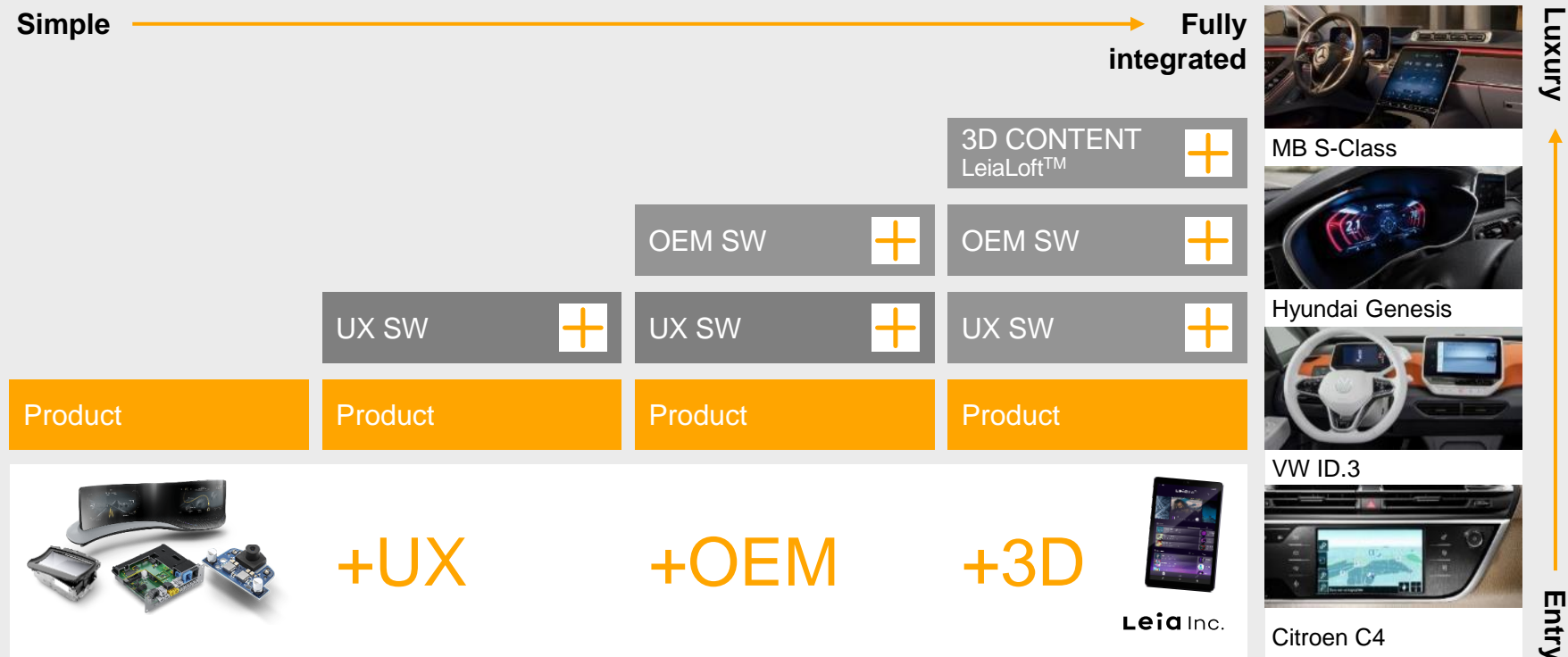


User Experience

Simply Scalable

Simple

Fully integrated



Pictures featured on this page belong to their respective owners.

User Experience

Horizontal Knowledge Drives Our Innovations

All UX domains



Display
Solutions



Interior
Camera



Head Up
Display



High
Performance
Computers

Cockpit

Body

Safety and
Motion

ADAS



Cabin Sensing,
Health, Wellbeing



Augmented Reality



Driver Monitoring

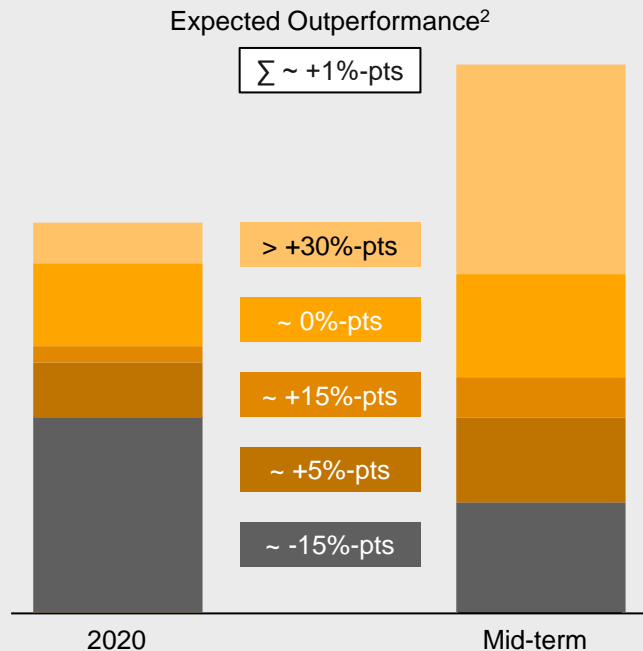


3D Transparent
Hood

Continental's User Experience Business

Driving Our Digital Transformation: We Outperform the Market

Sales in Action Field¹ (€)



Further growth in system integration

Related HPCs

- › Cockpit HPC



Related Cabin Sensing

- › Camera and Sensors



Further growth in software and systems

Software and Systems

- › UX content
- › UX services



Display Solutions

- › Design, extended features, joy of use and legal requirements



Full Digital Clusters

- › Design, joy of use and legal requirements



Head Up Display

- › Less driver distraction and augmented reality



Access

- › Comfortable and secure digital car access



Legacy Business

- › Instrument clusters, haptic controls, car radios



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

Strategic Action Field: Safety

Safety Is Not Negotiable



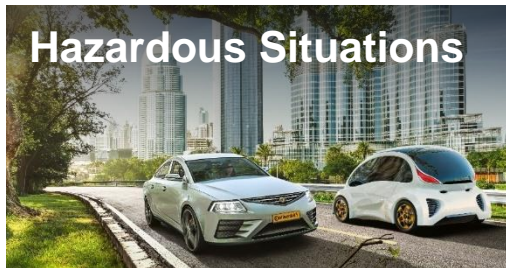
Our Vision Zero

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 sensors¹
delivered in 2019

Tomorrow

Assert position through
portfolio refinement
and extension.

3% outperformance²
2020 – mid-term

Wheel Speed Sensors
High resolution, AD³ ready



2022



Battery Sensors
Electrical vehicles



2022



Tire Information System
Tire & road condition



**>15
SOPs**



¹ Excluding airbag satellite sensors. | ² Mid-term organic sales growth above IHS LVP. | ³ 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 EPB³ content per car



100%

Today

~125%

Mid-term

Two Trends
One solution: **EPB Si**

1st to Market
with VW ID.3



+7 additional awards

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

All Future Cars Need a Brake System

Integration Increases Content per Car

Conventional = different components

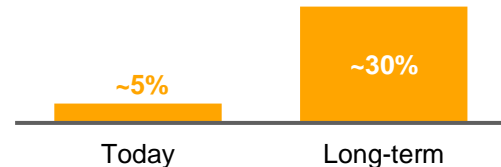


One Box = integration into one unit



- › Superior performance
- › Full recuperation
- › HAD¹ ready
- › Better packaging

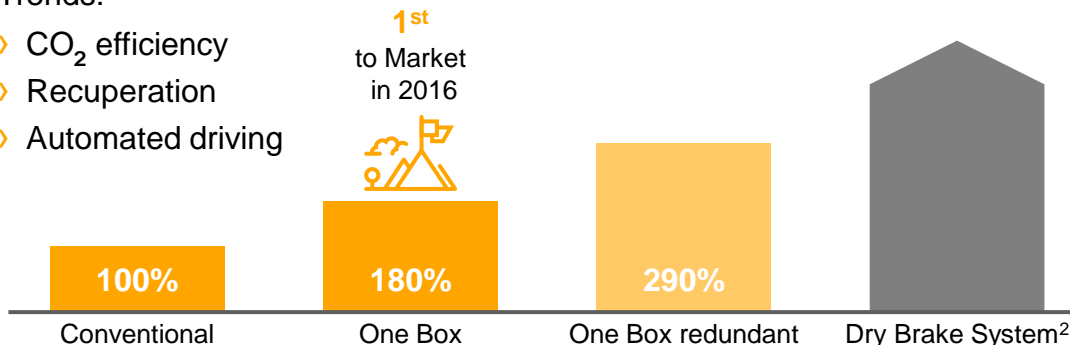
One Box Installation Rates⁴



Typical content per car

Trends:

- › CO₂ efficiency
- › Recuperation
- › Automated driving



6 OEM, 53 SOPs³ 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 LTS⁵)

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

Restraint Systems Become Anticipatory and Connected

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

Trends



Occupant
Freedom



Vehicle
Designs



Safety
Standards



ADAS



Cabin
Sensing



Smart
Infrastructure

Near Field Environment Model
Occupant Safety Monitoring

New Functions

PreCrash Safety Monitoring
Adaptive Deployment Strategies



30 Awards
2018



30 Awards
2019



~22 mn Units
supplied in 2019



~100 mn Satellites
supplied in 2019

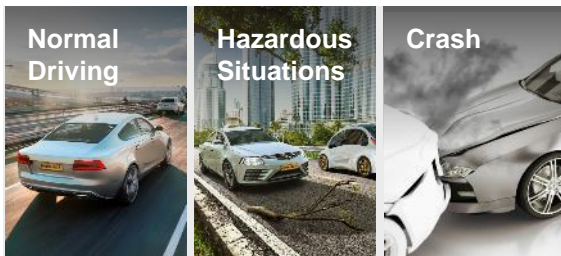


Enablers

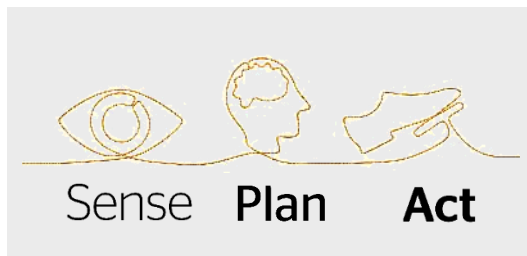
System and Integration Expertise Is Key For Safety

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

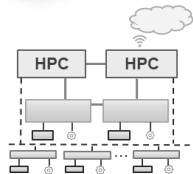
Safety & Motion HPC Will Be the Future

Our Expertise Makes Us the Right Development and Integration Partner

Growth in Enhanced Functions/Features

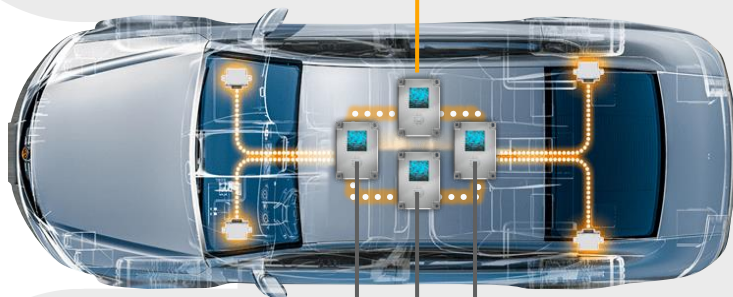


Rolling Chassis



ECU³ Consolidation to Central Servers

Safety & Motion HPC¹

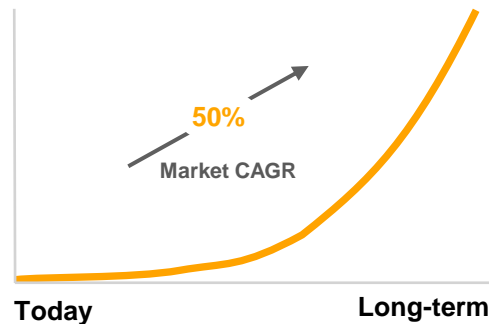


Body HPC

AD HPC

Cockpit HPC

Market Outlook



Source: Continental own estimates

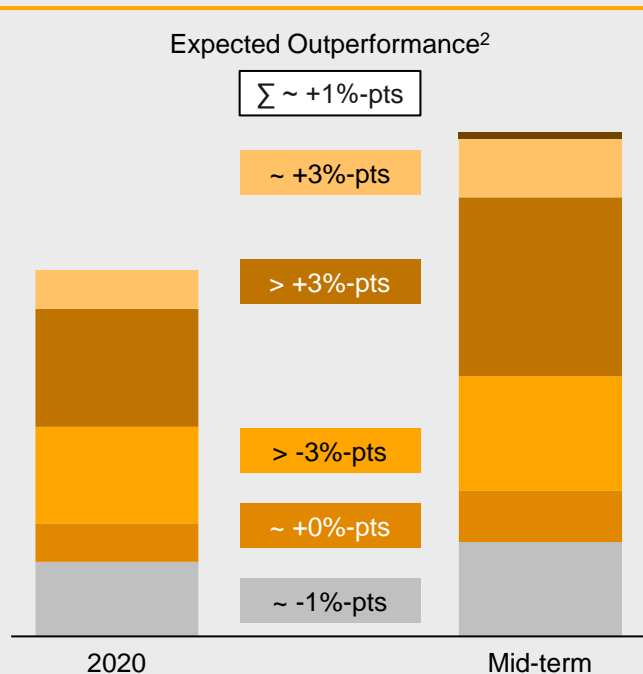
4 RFIs² running with targeted SOP in 2025

¹ HPC: high performance computer. | ² RFI: request for information. | ³ ECU: electronic control unit.

Continental's Safety Business

Leading Player with Track Record of Profitable Growth

Sales in Action Field¹ (€)



Safety & Motion High Performance Computer

- › Translate system and integration expertise to upcoming central ECU³ market

Sensors

- › Refine and extend portfolio to tackle rising demand on automotive sensors

Electronic Brake Systems

- › Benefit from integration to increase content and retain technology leadership

Hydraulic Brake Systems

- › Selective innovations to compensate for price erosion of standard components

Restraint System

- › Leverage in-house competencies for new functions to protect market position

Other products

- › Aftermarket, washer systems, build to print

¹ Based on mid-term IHS light vehicle production (LVP) forecast from November 2020. | ² Mid-term organic sales growth above IHS LVP. | ³ ECU: electronic control unit.

Agenda

Continental

Group Sector Automotive Technologies

Business Area **Autonomous Mobility and Safety**

Business Area Vehicle Networking and Information

Group Sector Rubber Technologies

Business Area Tires

Business Area ContiTech

Corporate Governance

Sustainability

Financials

Back-up

Autonomous Mobility and Safety (AMS)

Our Vision and Mission

Safe and Dynamic Driving Toward Vision Zero – SensePlanAct

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 2020:

€7.5 billion



Employees¹:

47,762
worldwide



Customers:

Major OEMs in
all regions



¹ Year-end 2020.

AMS: Product Portfolio

Comprehensive Product Portfolio Along the Chain of Effects

Autonomous Mobility

Radar



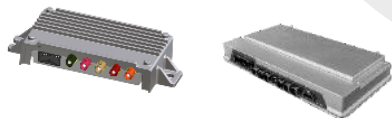
Camera



Lidar



AD¹ HPC²/
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

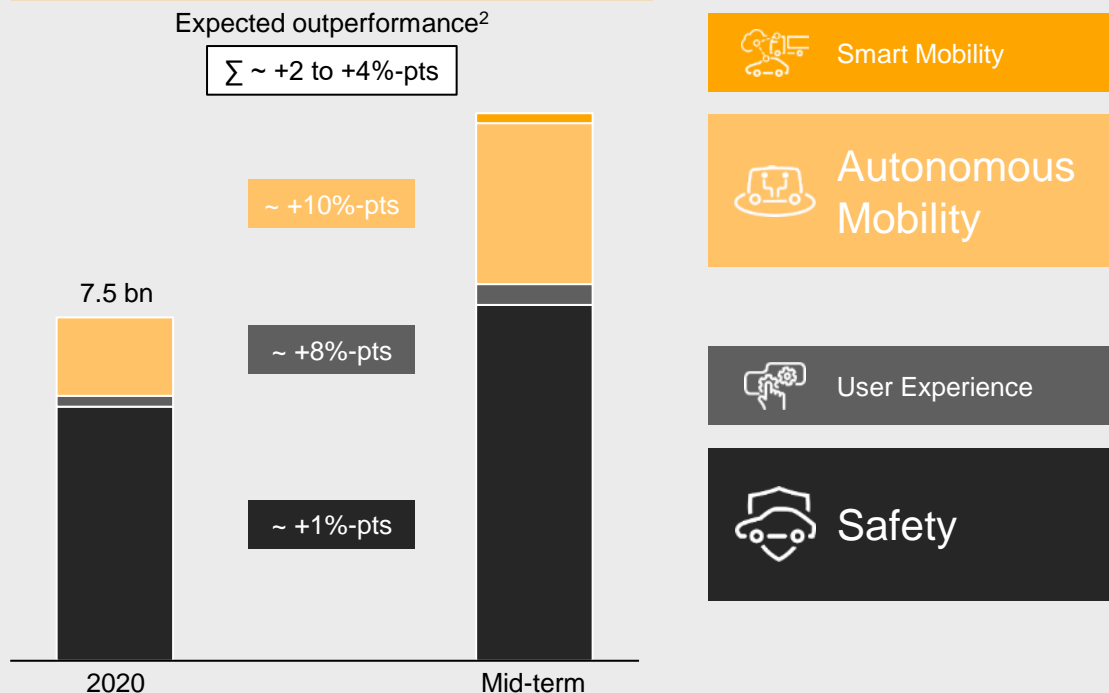


¹ Assisted/automated Driving. | ² High-performance computer.

AMS: Sales Split

Our Sales Contribution to the Action Fields

AMS Sales in Action Fields¹ (€)



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

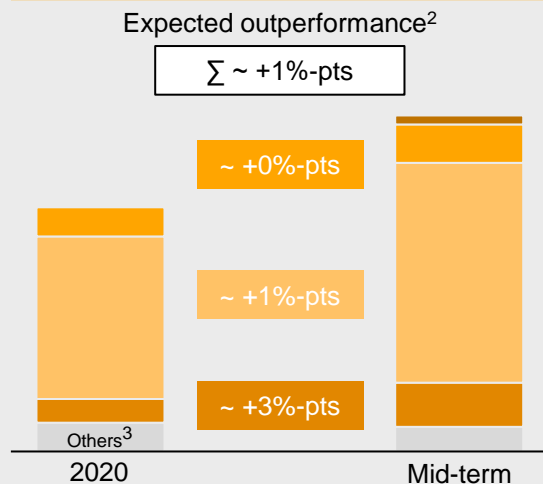
¹ Based on mid-term IHS light vehicle production (LVP) forecast from November 2020. | ² Mid-term organic sales growth above IHS LVP forecast.

AMS Value Contributor: Safety

Strong and Solid Business



AMS Sales in Action Field¹ (€)



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

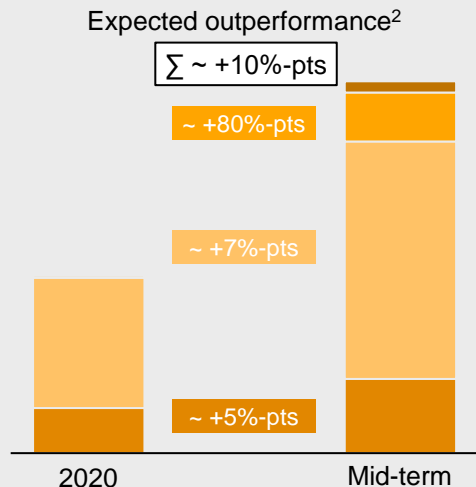
¹ Based on mid-term IHS light vehicle production (LVP) forecast from November 2020. | ² Mid-term organic sales growth above IHS LVP forecast. | ³ Others: washer systems, build to print.

AMS Growth Driver: Autonomous Mobility



Sustainable Growth Through Our Increasing Content per Vehicle

AMS Sales in Action Field¹ (€)



High Resolution Lidars

- Complete portfolio from short to long range. Leverage experience with strong partner. Introduction in \geq L3 systems, additional integration in \geq 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 \geq 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 \geq 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

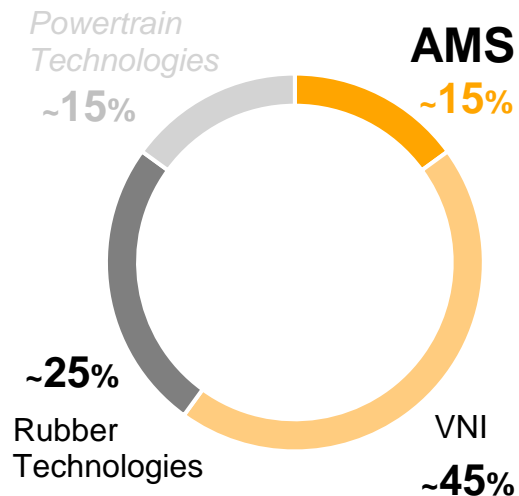
¹ Based on mid-term IHS light vehicle production (LVP) forecast from November 2020. | ² Mid-term organic sales growth above IHS LVP forecast.

AMS: 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%

AMS: Adjusted EBIT¹ Margin Bridge

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



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

Agenda

Continental

Group Sector Automotive Technologies

Business Area Autonomous Mobility and Safety

Business Area **Vehicle Networking and Information**

Group Sector Rubber Technologies

Business Area Tires

Business Area ContiTech

Corporate Governance

Sustainability

Financials

Back-up

Vehicle Networking and Information (VNI)

Our Vision and Mission

Always On

We care for information management in the vehicle and beyond



Connect drivers and passengers



User experience for superior and safe joy of use



Full stack integration

Key Facts

Sales 2020:

€7.9 billion



Employees¹:

47,789
worldwide



Customers:

Major OEMs, fleets,
Tier1 suppliers, aftermarket

globally



¹ Year-end 2020.

Vehicle Networking and Information (VNI)

Business Units and Product Portfolio¹ With Leading Positions in All Areas



Connected Car Networking

Networked mobility
starts with us



Telematics
and antennas



Access



Body control
modules



Body
HPC²

Top positions in
Connectivity and body control



Human Machine Interface

Driving the trend



Instrument
cluster



Full digital
cluster



Display
solutions



Cockpit
HPC²

Top position in
Instrumentation



Commercial Vehicles and Services

Shaping smart solutions
and services



Instrumen-
tation and
control units



Tachographs
and tolling



CV³ and
PV⁴ services



Aftermarket

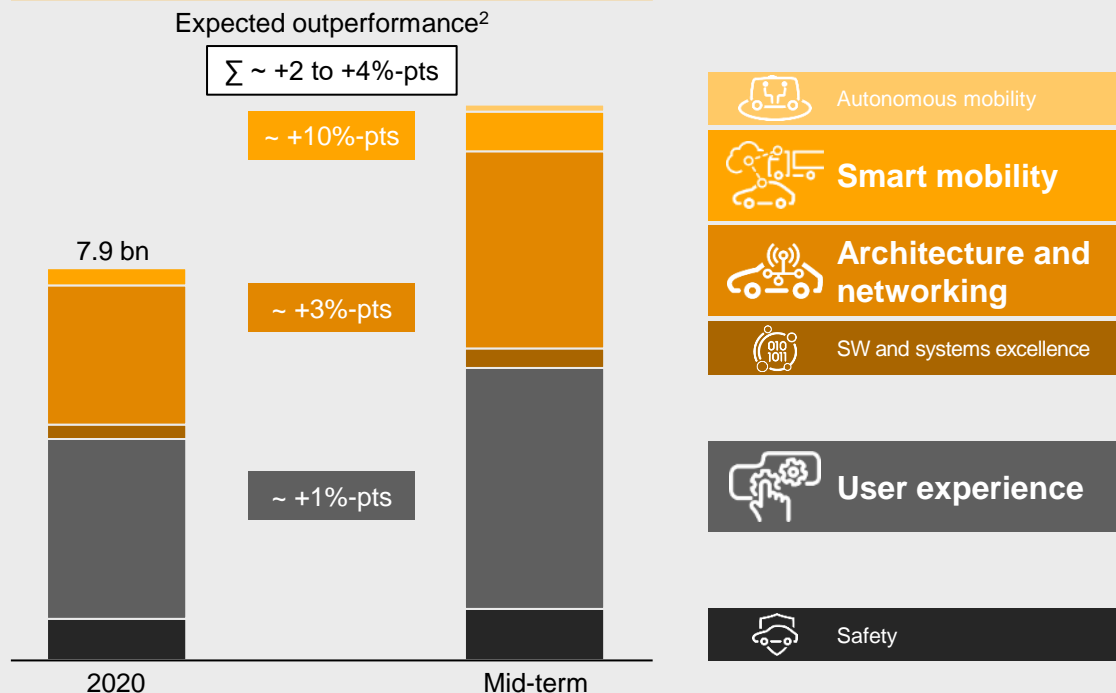
Top position in
Tachographs

¹ Excerpt of product portfolio. | ² High-performance computer. | ³ Commercial vehicles. | ⁴ Passenger vehicles.

VNI: Sales Split

We Focus on Architecture and Networking, UX³ and Smart Mobility

VNI Sales in Action Fields¹ (€)



Growth

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

Value

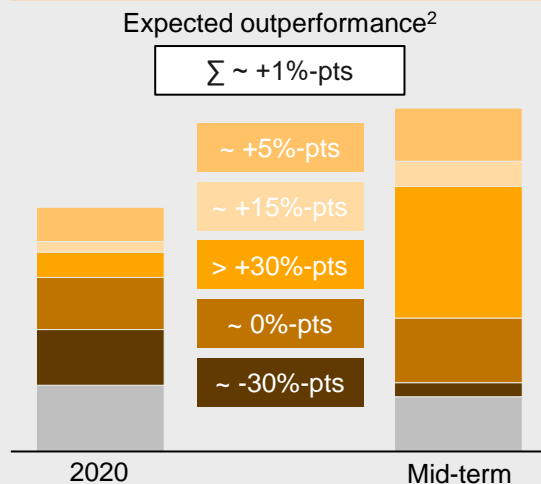
- › Stable, mature markets
- › Profitable business
- › Focus: profitability and cash conversion

¹ Based on mid-term IHS light vehicle production (LVP) forecast from November 2020. | ² Mid-term organic sales growth above IHS LVP forecast. | ³ User Experience.

VNI Value Contributor: User Experience

Perfectly Positioned to Benefit from Fast Transition

VNI Sales in Action Field¹ (€)



Access/Continental Smart Access

- › Next generation of **secure digital car access** – from key to smartphone

Head-up display

- › **Enhanced interaction**, improved safety and trust through augmented reality

Display solutions

- › Target product group; **additional value** through integration of innovative features like 3D lightfield
- › **Ease and joy of use** by leading all core competencies

Full digital clusters

- › **Transition product**, driven by digitalization

Instrument clusters

- › Product transformation towards **display solutions**; transition via full digital clusters



We deliver **>120 mn**
UX products per year

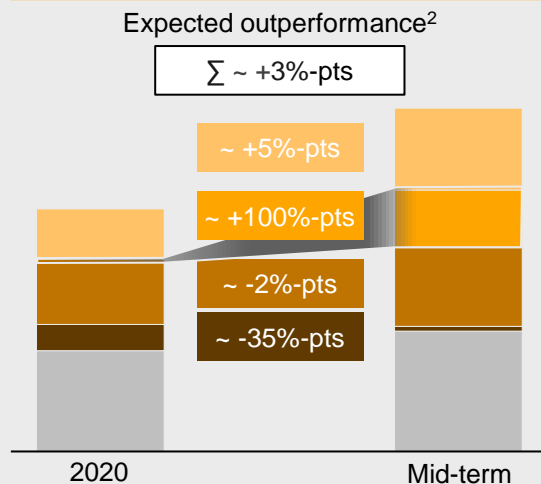
One in **4 cars** is equipped
with our HMI solutions

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

VNI Growth Driver: Architecture and Networking

New Architectures and HPCs Are a Must for Fully Connected Vehicles

VNI Sales in Action Field¹ (€)



Connectivity

- › Highest relevance for fully connected **eco-systems**, latest technologies (IAM⁶, 5G ...)

Body and Cockpit HPCs³/Zone ECUs⁵

- › Target product group; **strongly growing** portfolio segment
- › More than **50% share of sales** long-term

BCM, gateways

- › Product transformation towards **Body HPC³** and **Zone ECUs⁵**

In-vehicle infotainment

- › Product transformation towards **Cockpit HPC³** and holistic UX⁴ with **display solutions**

Other products

- › Power closures, seat control, other ECUs⁵

Total order intake for
Body and Cockpit HPCs³:

> **€3 bn** lifetime sales

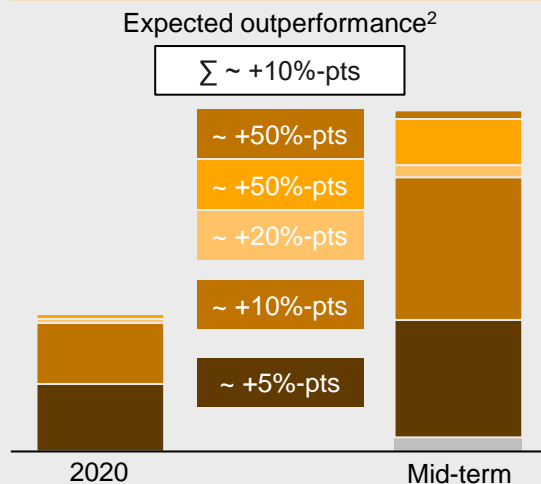


¹ Based on mid-term IHS light vehicle production (LVP) forecast from November 2020. | ² Mid-term organic sales growth above IHS LVP forecast. | ³ High-performance computer. | ⁴ User experience. | ⁵ Electronic control unit. | ⁶ Intelligent antenna module.

VNI Growth Driver: Smart Mobility

Strong Position in CV Services and Telematics Primes Continental to Scale Up

VNI Sales in Action Field¹ (€)



Remote vehicle data

- › **Cross-brand** vehicle data access solution

Key as a service

- › Access **integrated into smartphones**; established in fleets & rollout in execution (CV³ and PV⁴)

eHorizon

- › **Proven OE integrated solution** in market enables reliable **CO₂ and fuel reductions**

Fleet management and legislation services

- › **Strong market position** in fleet management for EU and NA with **Zonar** brand

Digital tachograph

- › Highly established business in tachographs in EU and future **trust center for trucks**

Growth
drivers

Logistics value chain
–
Fully digital

Regulations
–
Safe, clean and fair

Mobility types
–
New and different

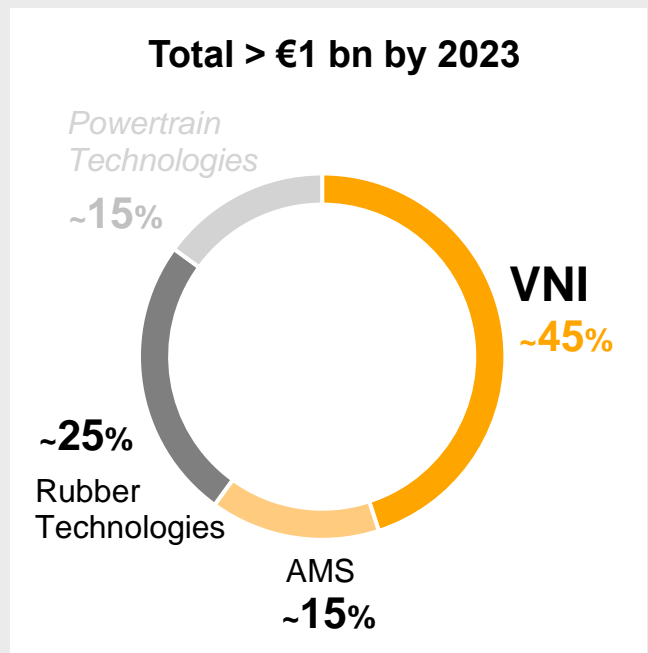
Solution demand
–
Comprehensive

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 Commercial vehicles. | ⁴ Passenger vehicles.

VNI: Strengthen Operational Performance

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

Annual gross cost savings target

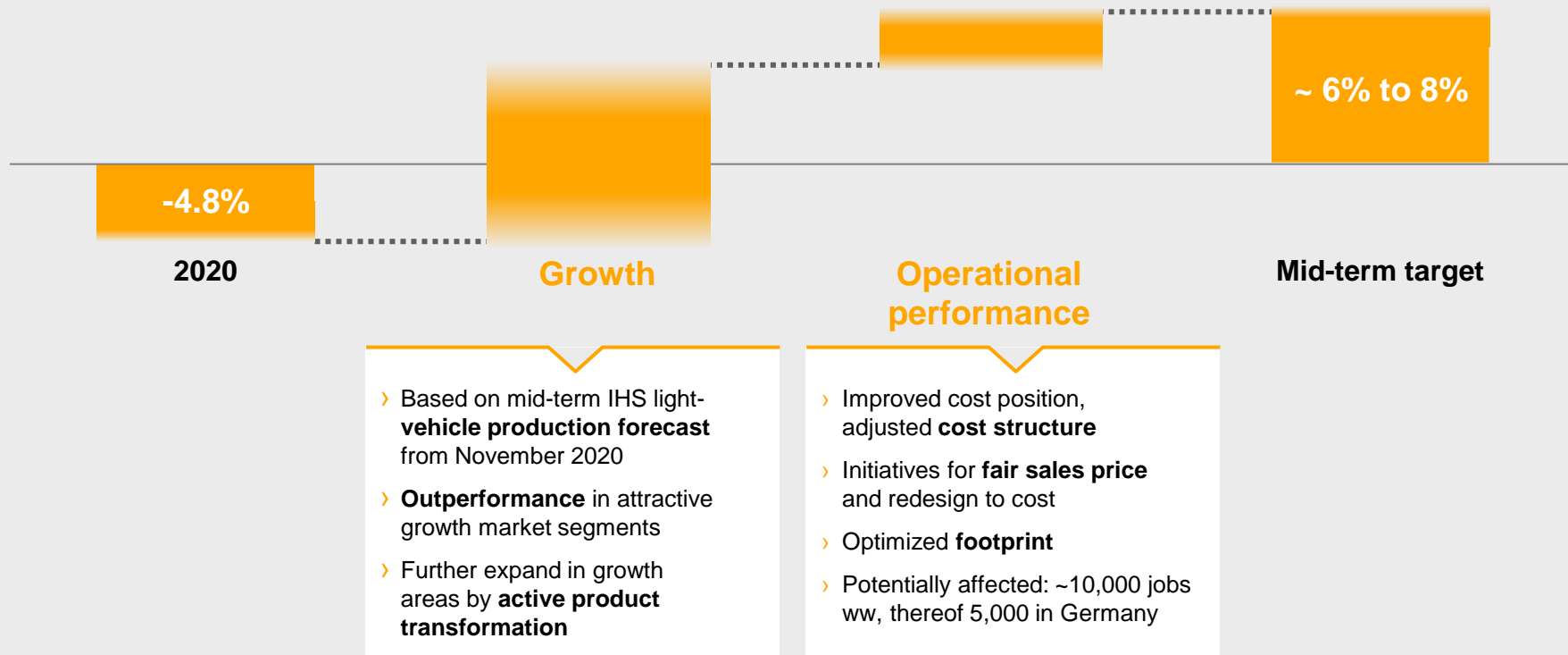


Contribution from VNI

	2019	Mid-term
Best cost share in manufacturing	~80%	~90%
Best cost share in R&D	~55%	~65%

VNI: Adjusted EBIT¹ Margin Bridge

We Strive for an Adjusted EBIT¹ Margin of ~ 6% to 8% in the Mid-term



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

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Business Area Tires

Business Area ContiTech

Corporate Governance

Sustainability




Financials

Back-up

Tires

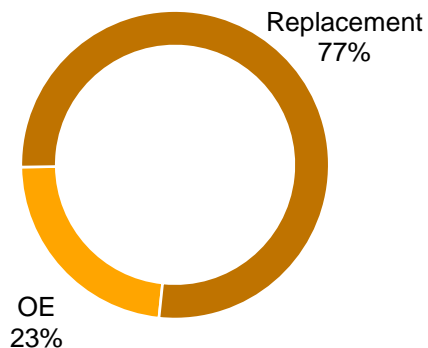
A Decade of Outstanding Profitable Growth – And There Is More to Come

Key Achievements

2009		2020
€5.8 billion	 Sales	€10.2 billion
31% outside EMEA	 Sales balance	44% outside EMEA
€0.8 billion	 Adj. EBIT ¹	€1.3 billion

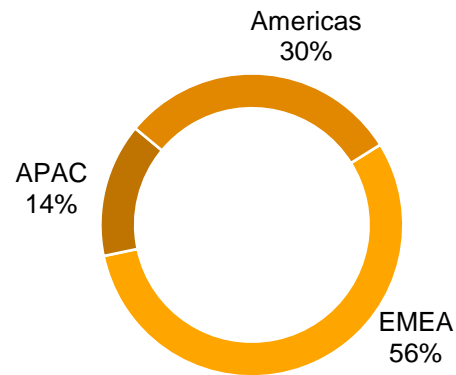
Business Split 2020

By Customer Segment



High share of non-OE business

By Region

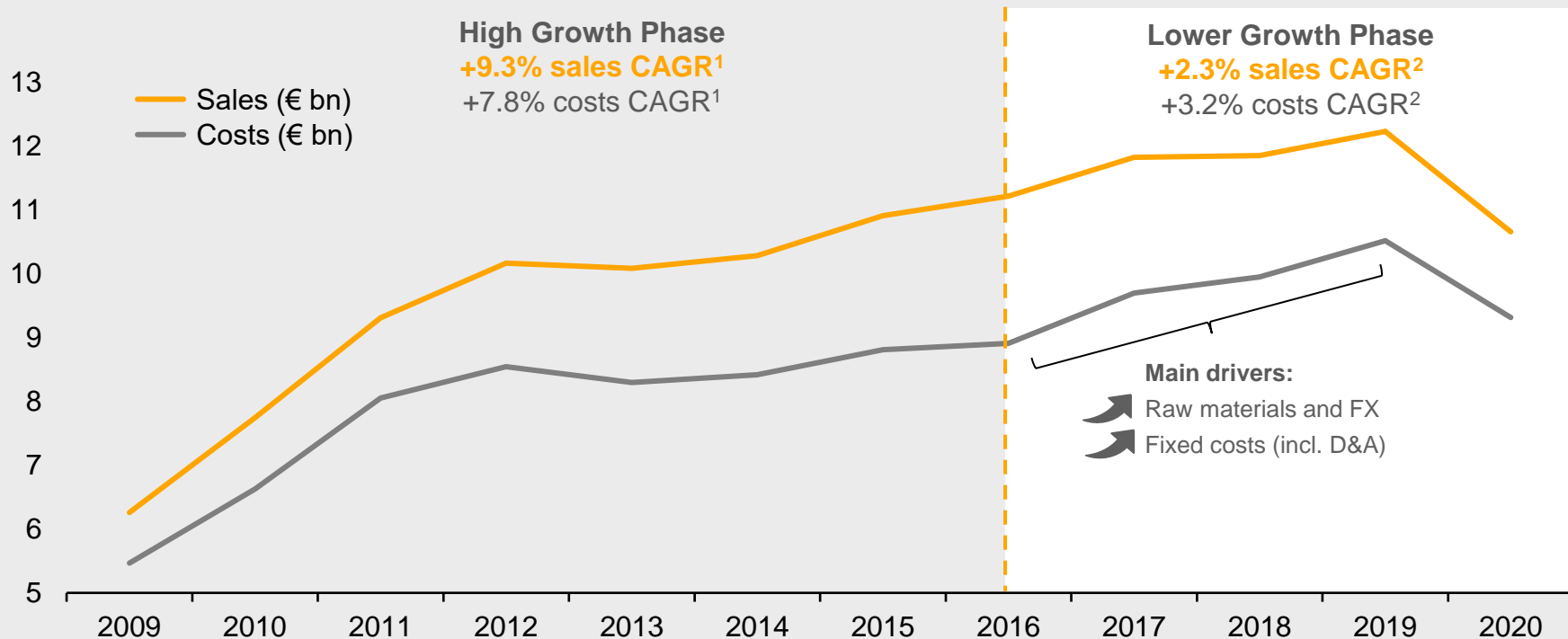


Significant growth opportunities outside EMEA

¹ 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



¹ CAGR 2009 - 2016 of sales and costs in EUR.

² 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.

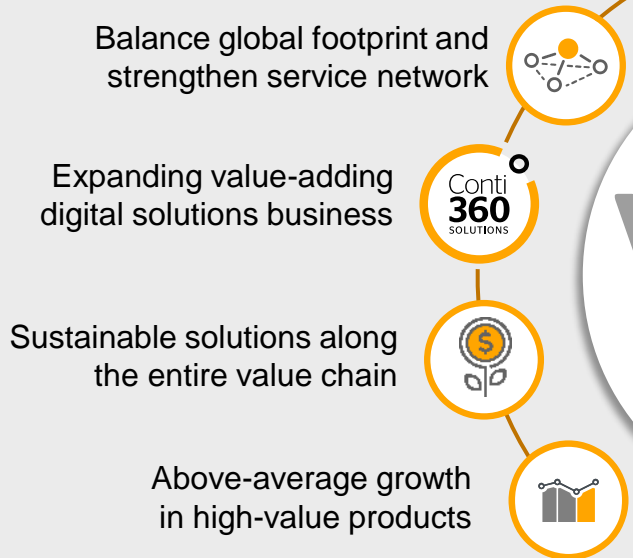
OUR TEAM

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



Excellence / Efficiency



Tires: Our Core – Leading Tire Technology

Customer Approved: Advanced Technology Ready to Capture EV Growth

EV Tire Challenges

Low Rolling Resistance

Higher Torque

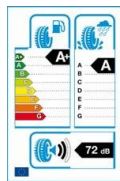
Higher Vehicle Weight

Larger Tire Dimensions

Higher Tire Pressure

Low Noise Level

Our Technology Solutions



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



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



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

Our BEV Customer Awards

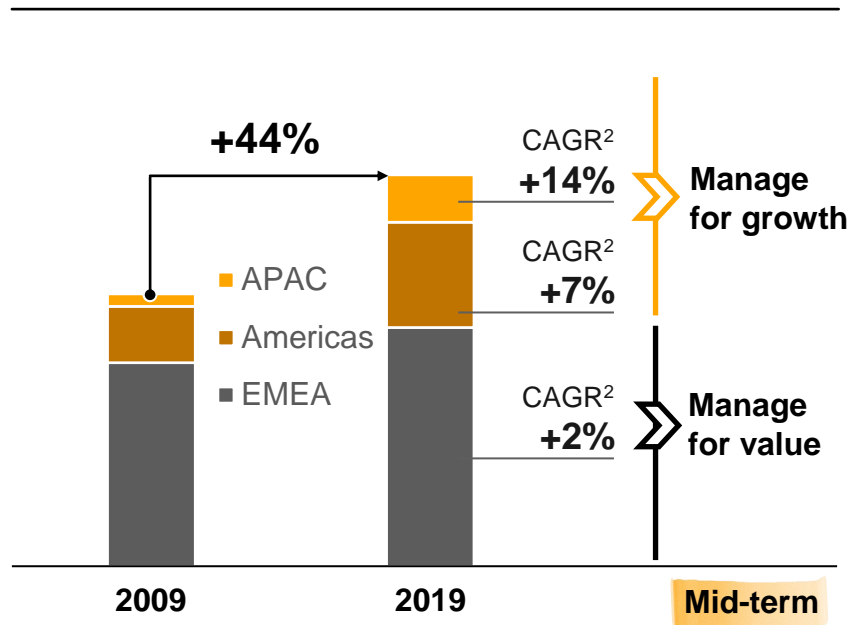


To learn more about EV-Tires please follow this link: <https://www.continental-tires.com/car/tire-knowledge/tire-basics/electric-vehicle-tires>

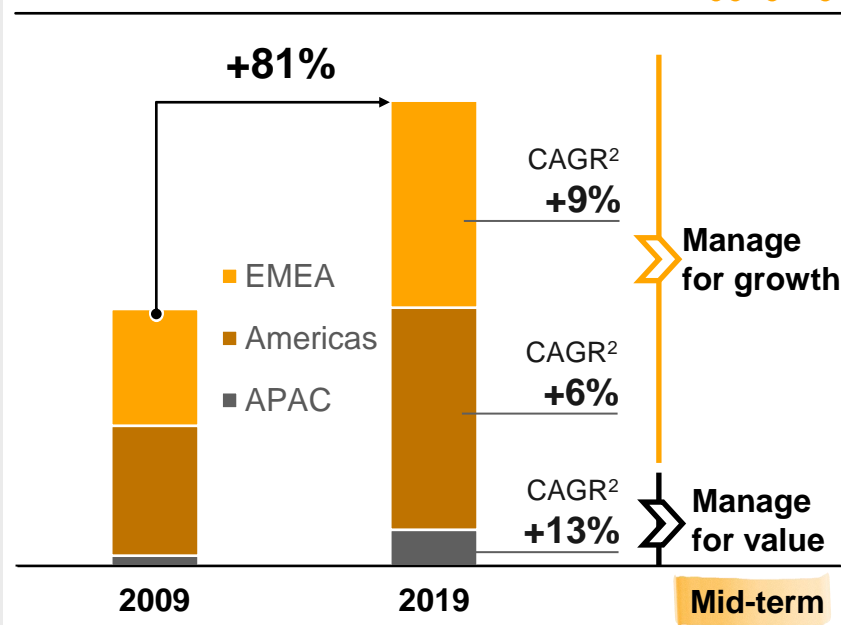
Tires: Our Core – Manage for Growth or Value

Continuing to Grow, Diversify and Improve Our Global Sales Portfolio

Passenger & Light Truck Tires¹



Truck Tires¹

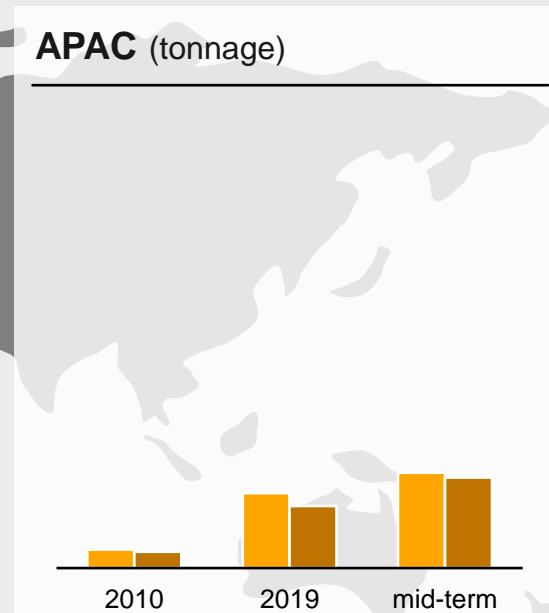
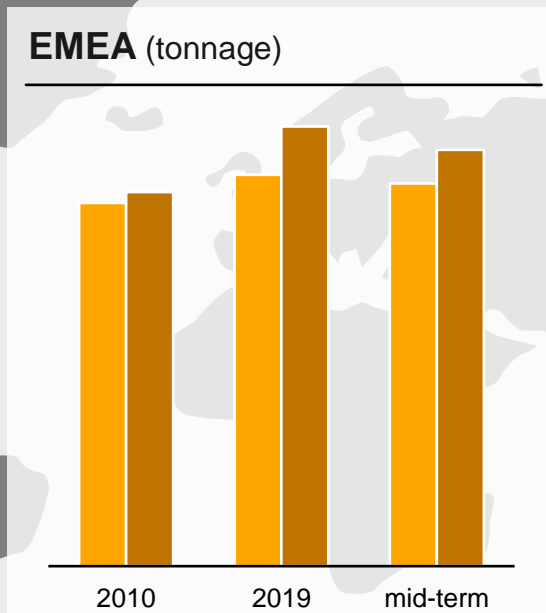
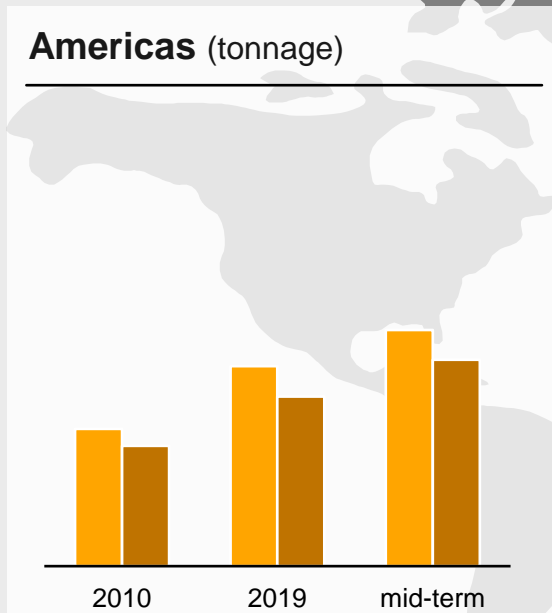


¹ Unit sales based.

² CAGR 2009 - 2019, unit sales based.

Tires: Our Core – In the Market for the Market

Growth Outside Europe Achieved with More Localized Production

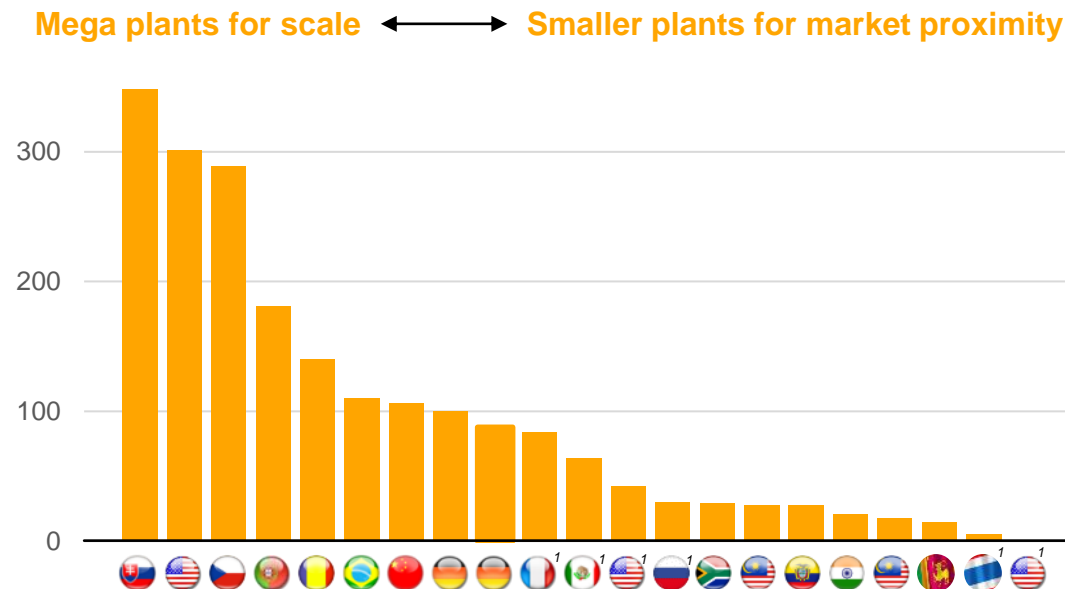


■ Sales ■ Production

Tires: Our Core – Excellence in Operational Efficiency

Mega Plants and High Best-Cost Share Provide Excellent Cost Position

Annual plant output in 2019 (in kt)



¹ Potential ramp-up to mega plant status in the future.

² Expected by 2022. As of 2019 ~80% mega plant and ~70% in best-cost share.

Our advantages

>80% of output in mega plants (>100 kt)²

>75% of capacity in best-cost countries²

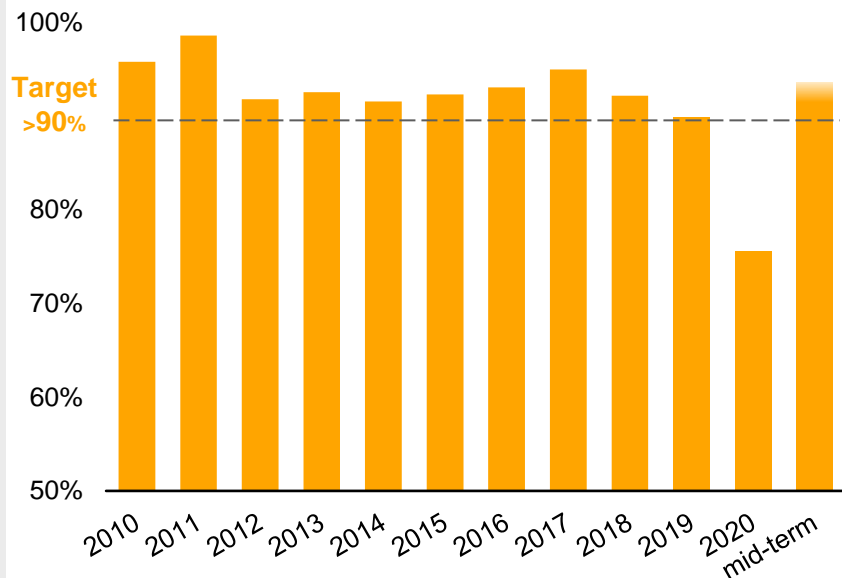
>70% Lower fixed costs per output in mega plant versus small plant

Tires: Our Core – Excellence in Operational Efficiency

Sustained High Utilization While Differentiated Product Portfolio Drives Mix

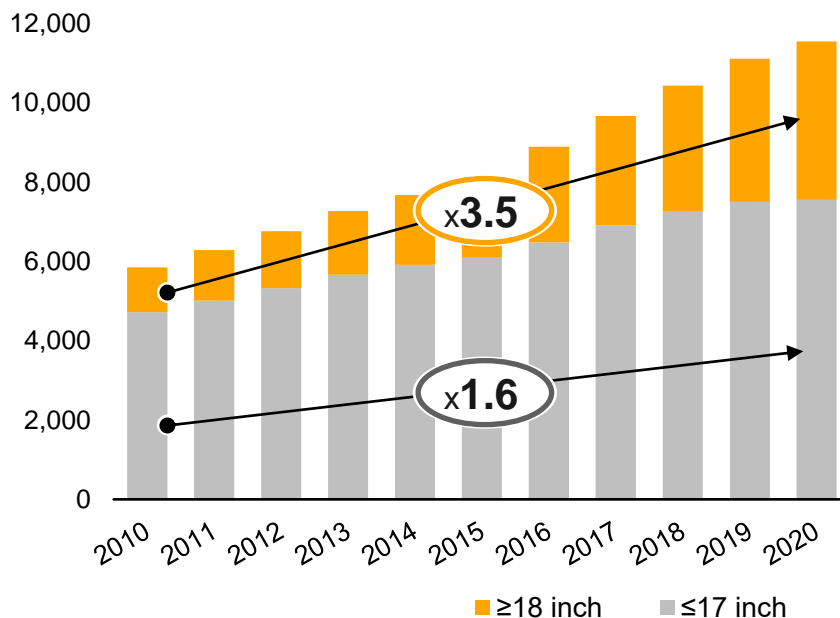
Ensuring highest efficiency levels ...

Capacity utilization (tonnage, in %)



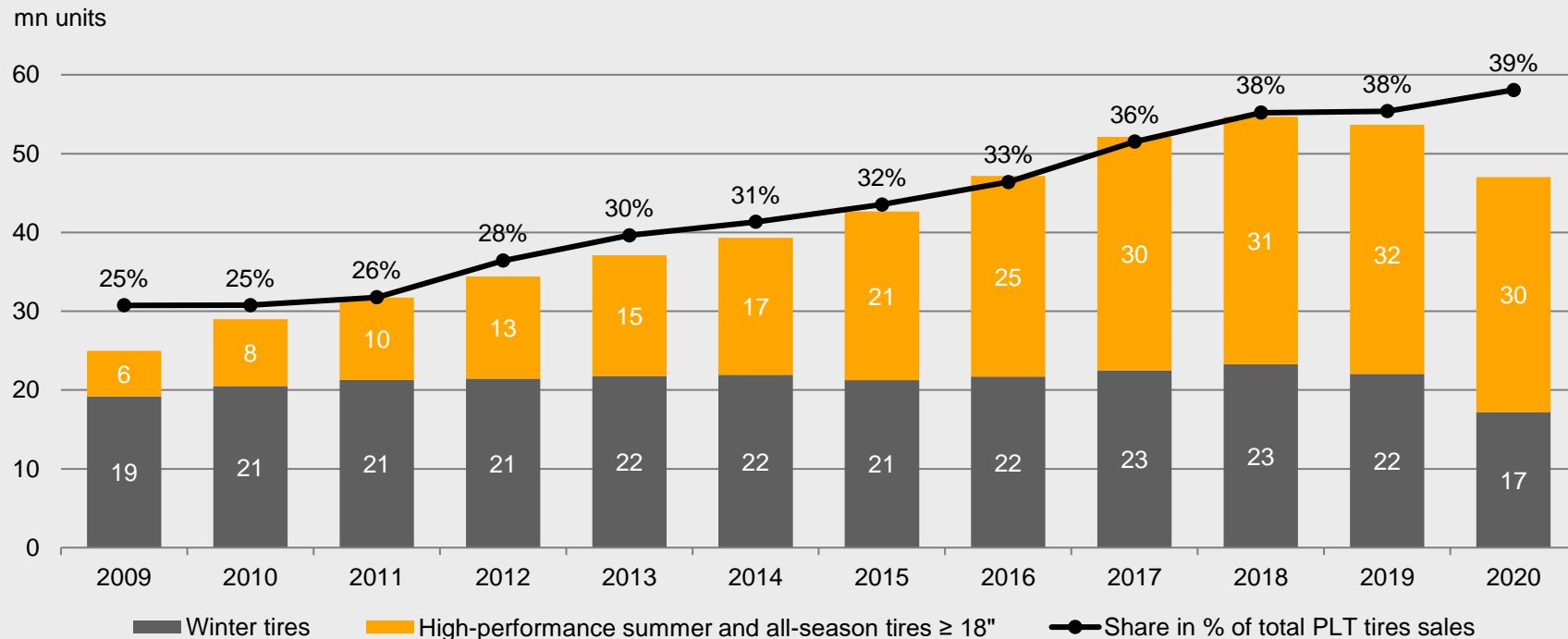
... while capturing profitable mix gains!

Complexity (# of different PLT articles)



Tires: Our Core – Continuous Mix Improvement

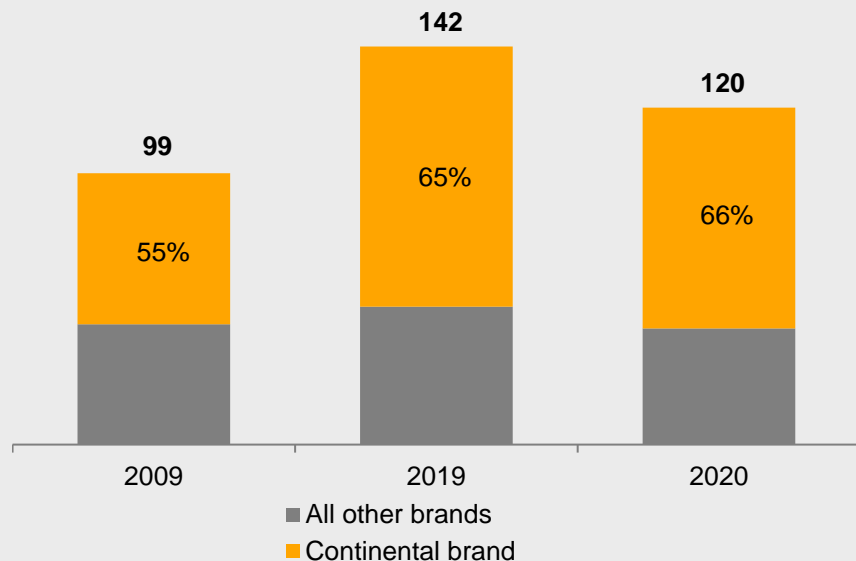
Passenger and Light Truck Tires (PLT) – Mix Improvement Driven by ≥ 18 "



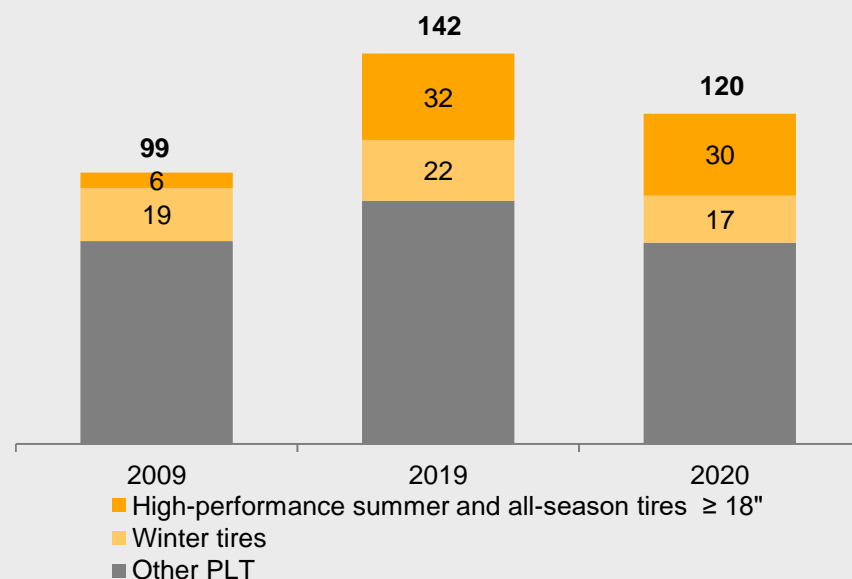
Tires: Our Core – Continuous Mix Improvement

Passenger and Light Truck Tires – Brand & Product Mix Improvement

Brand mix
passenger and light truck tires sales
(mn units)



Product category mix
passenger car and light truck sales
(mn units)



Tires: Our Core – Targets

We Stand for Industry-leading Operational Excellence

>80%



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

>75%



**Best-cost
locations¹**

>90%



**Capacity
utilization¹**

>6 inventory
turns



**Highly flexible
and efficient
supply chain**

¹ Expected by 2022. As of 2019 ~80% mega plant and ~70% in best-cost share and utilization slightly below 90%.

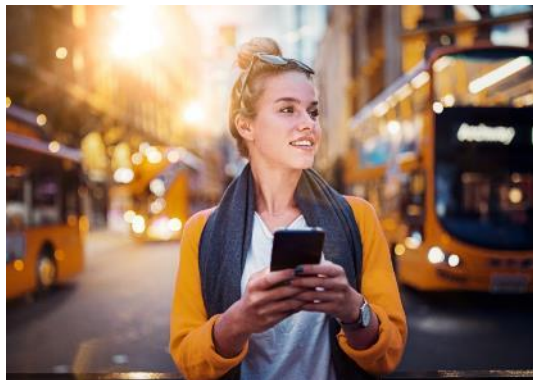
Tires: Our Opportunity

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

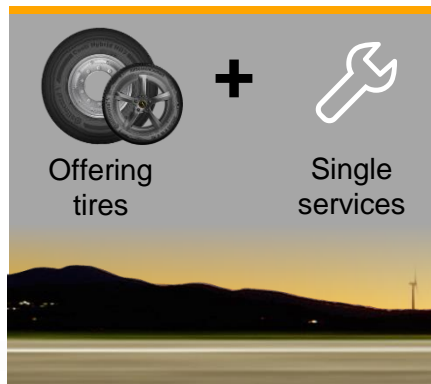
Tires: Our Opportunity

From Tires and Services to Integrated Solutions Provider

Leveraging existing competencies within Continental

Heading toward

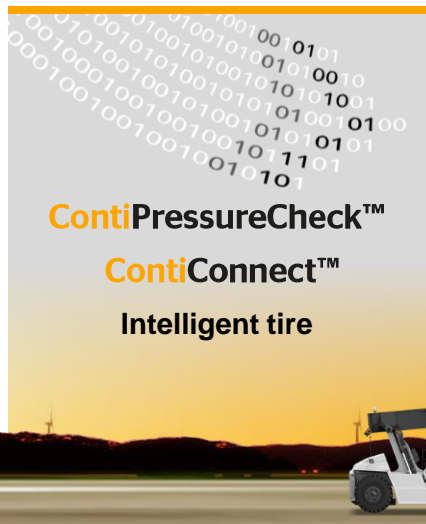
Coming from tires



Moving to selling value

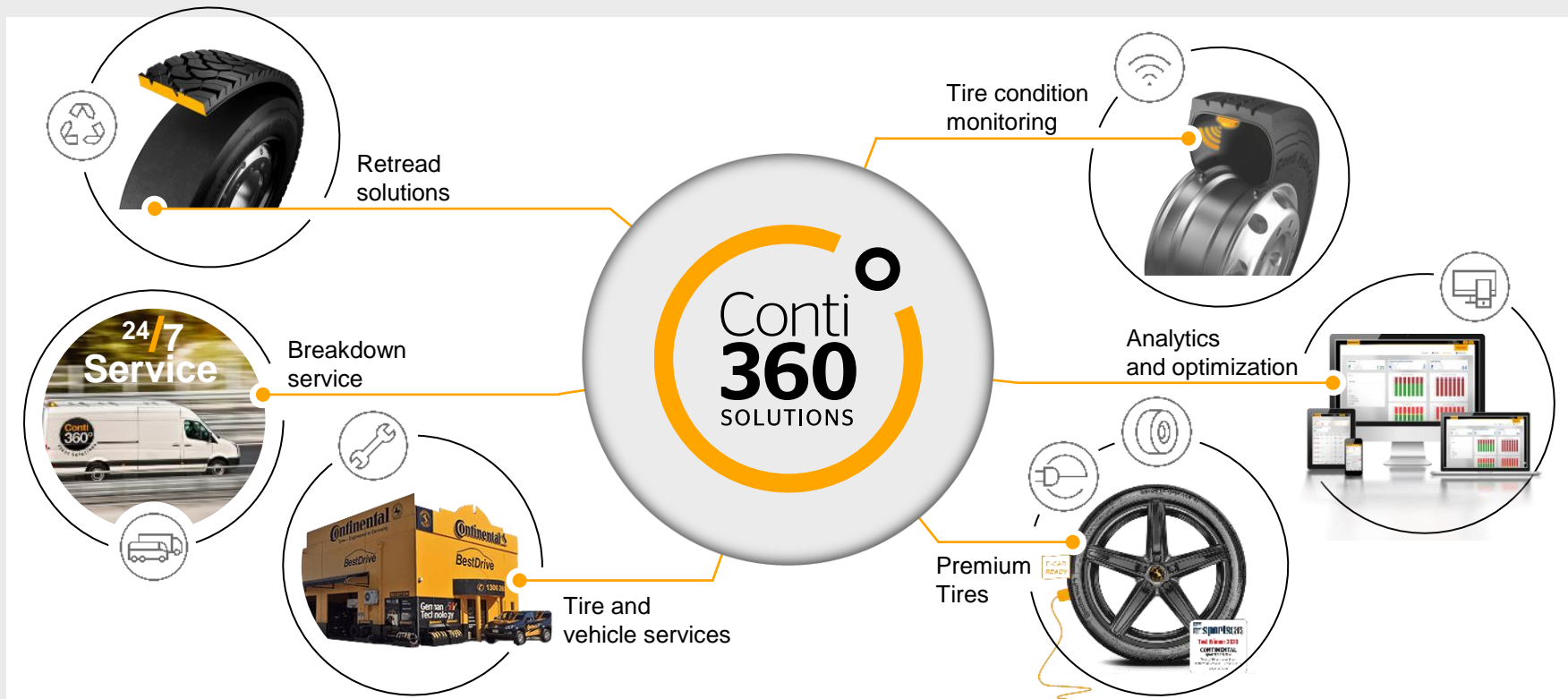


Embracing digitalization



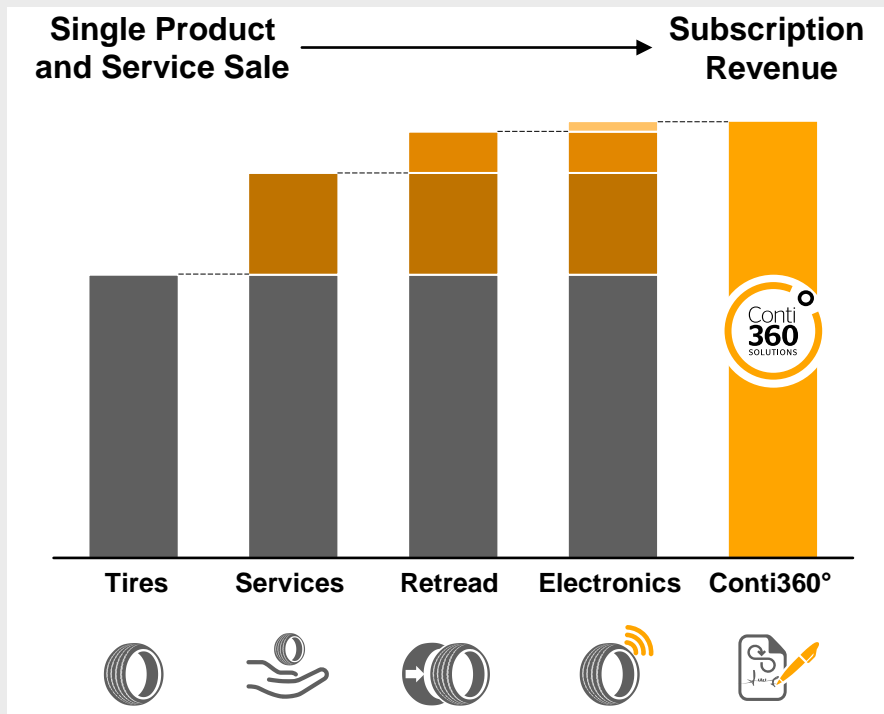
Tires: Our Opportunity

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

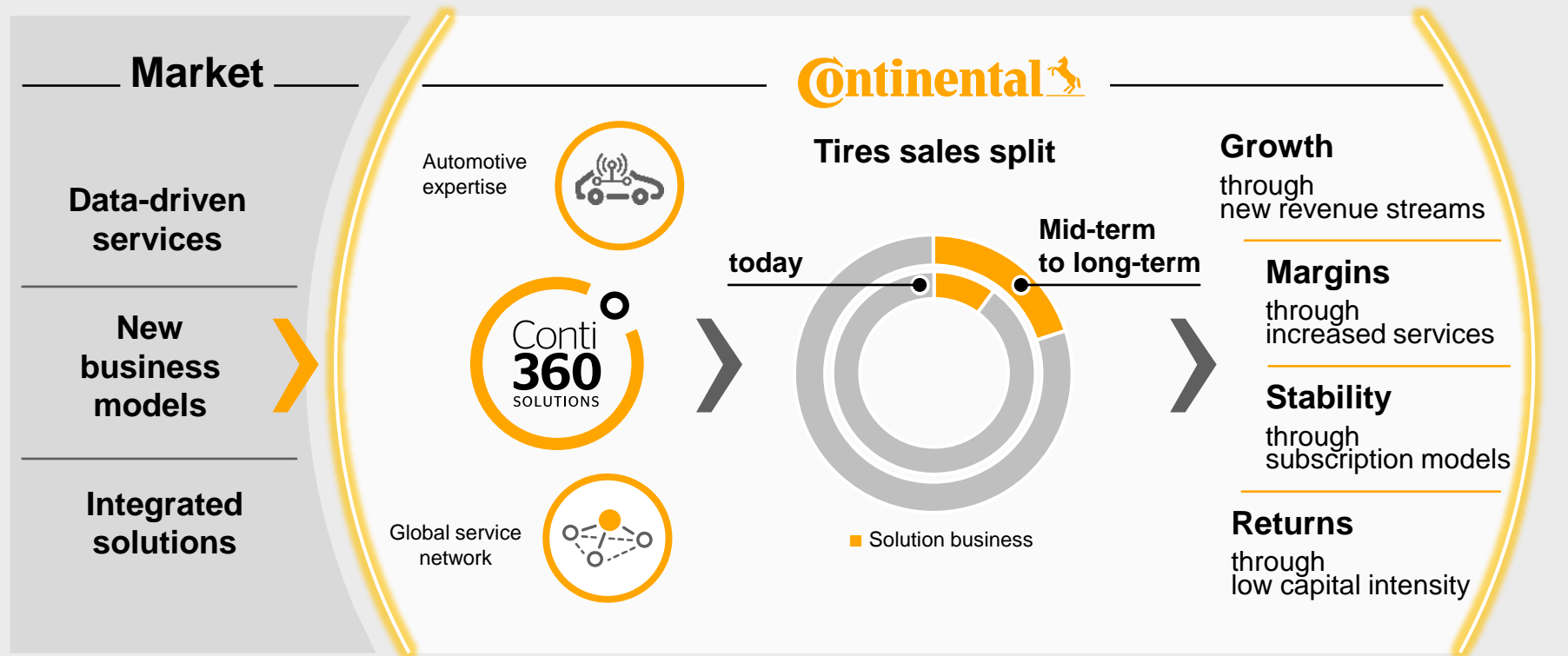
through subscription models

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

Sustainable and Value-creating Solutions Along the Entire Value Chain



Pioneering in
sustainable materials



Benchmark in
water and energy usage



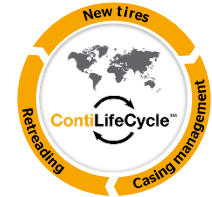
~ 25% avg. rolling resistance
improvement in last years



Strongly growing
profitable business

Tires: Our Responsibility

Links to Further Insights about Projects and Engagements

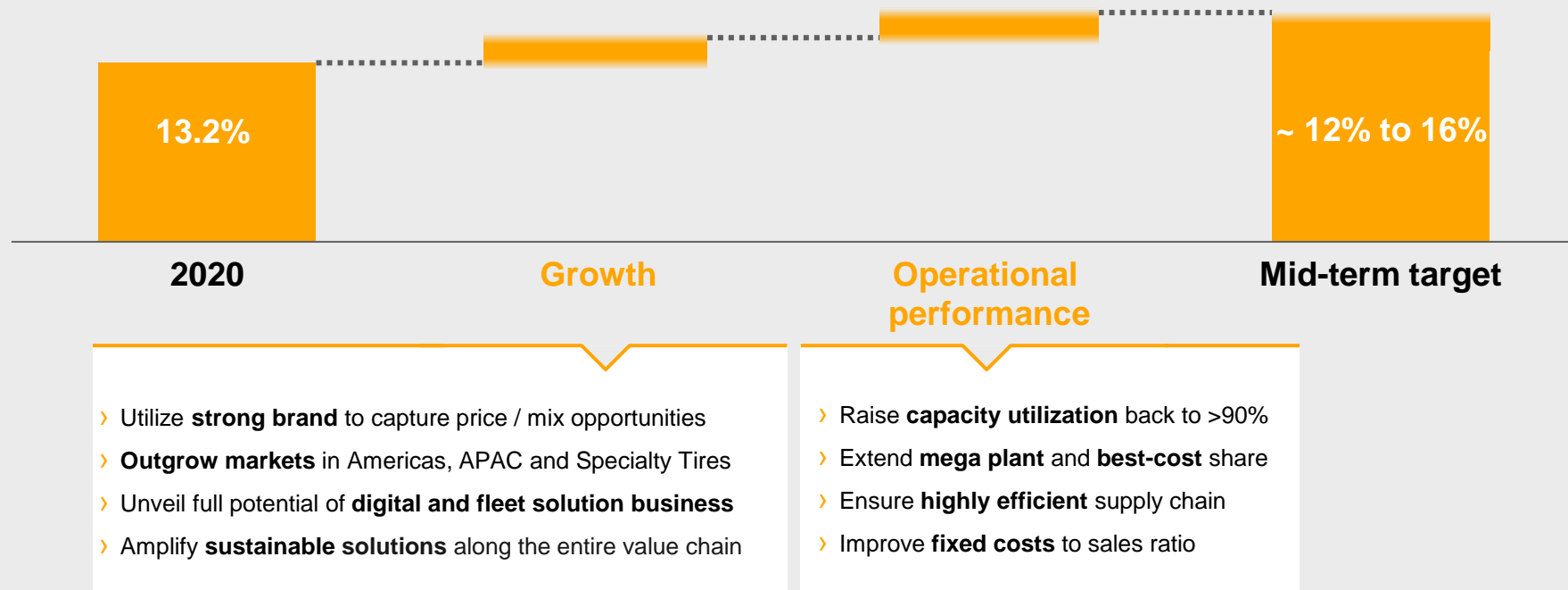


Please click on the
logos for more
Information.



Tires: Adjusted EBIT¹ Margin Bridge

Industry-leading Profitability



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

Agenda

Continental

Group Sector Automotive Technologies

Business Area Autonomous Mobility and Safety

Business Area Vehicle Networking and Information

Group Sector Rubber Technologies

Business Area Tires

Business Area **ContiTech**

Corporate Governance

Sustainability

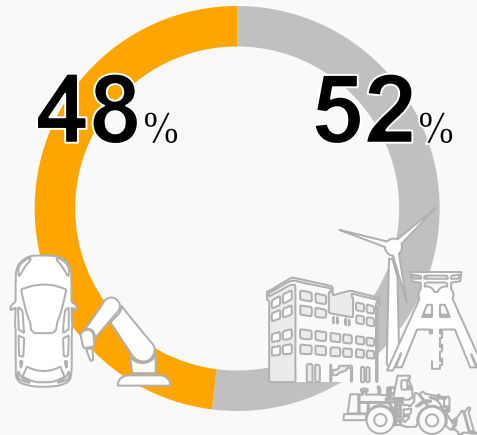
Financials

Back-up

**Automotive original
equipment**



**Our sales distribution
(2020)**



**Industry and
automotive aftermarket**



ContiTech: From Rubber Products to Smart Solutions



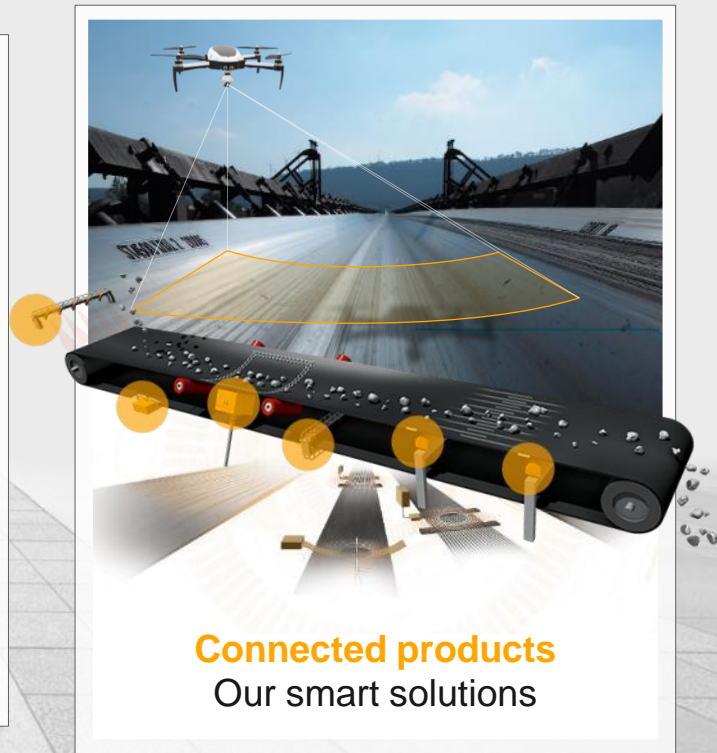
German rubber
company

Past



Global leader in technical
rubber and plastic products

Present



Connected products
Our smart solutions

Future

ContiTech: Why We Are Developing Beyond Rubber

The World Is Changing: Automotive Megatrends



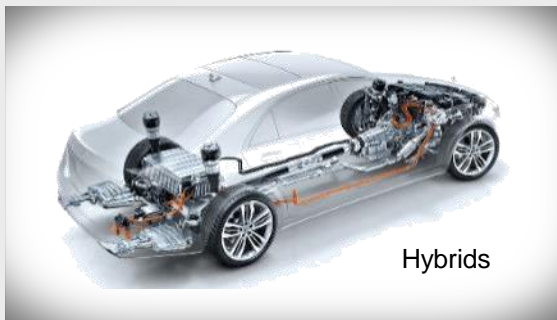
ICE¹ Technology

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

€190

Content per vehicle



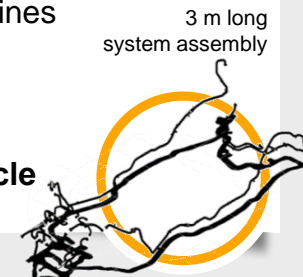
BEV²

Electrified powertrain engines

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

€230

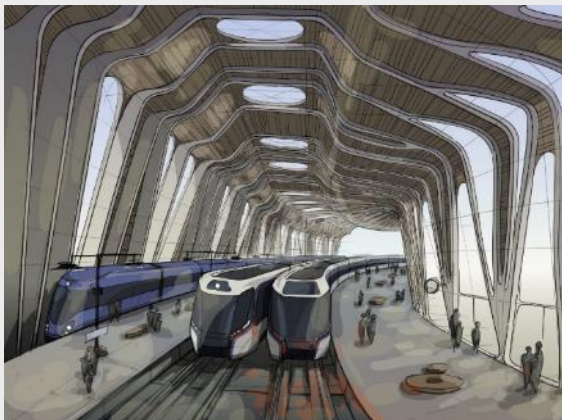
Content per vehicle



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

ContiTech: Why We Are Developing Beyond Rubber

The World Is Changing: Industry Megatrends



Infrastructure changes

- › Trainlines and transportation
- › Alternative energies



Automation

- › Automated harvesting
- › Automated production



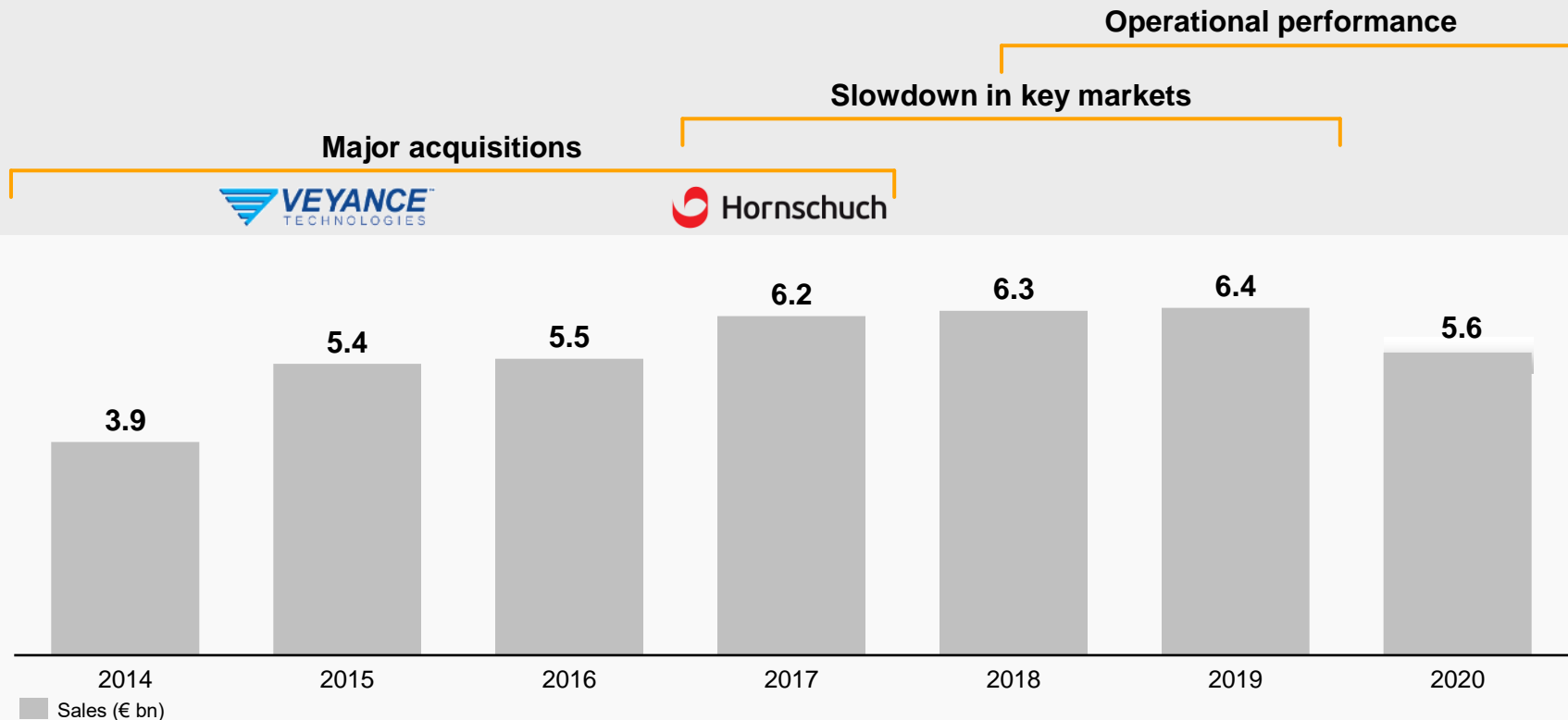
Industry solutions

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



ContiTech: Getting on Track

Fit For Success in a Challenging Environment



SMART **SOLUTIONS**

- › Connecting our products, making them smart
- › Development of digital capabilities

BEYOND **RUBBER**

- › Expansion of rubber expertise
- › Development of innovative materials



Perform!

Operational excellence

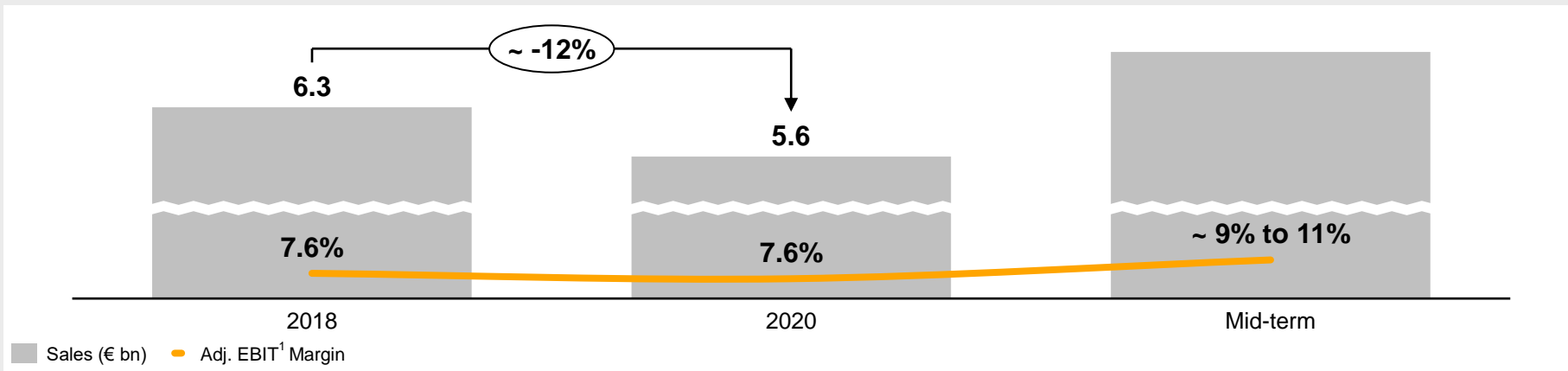
Transform!

Accelerate growth and capture value

Innovate!

ContiTech: Perform!

Strong Focus on Operational Performance Since 2018



Performance measures

1. Structural improvements

- › Capacity alignment
- › Organizational adaptation
- › Portfolio transformation

2. Operational excellence

- › Manufacturing performance
- › Quality improvement
- › Labor-cost agility
- › Value selling

**Improved cost structure
for profitable growth**

¹ Before amortization of intangible assets from purchase price allocation, changes in the scope of consolidation, and special effects; as published for the respective year.

ContiTech: Transform and Innovate!

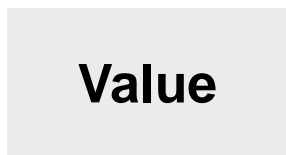
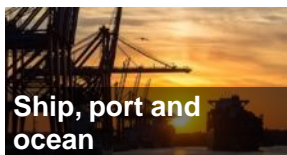
Focus on Highly Attractive Growth Opportunities

~ **30%**
of ContiTech business

ContiTech value fields

~ **+0-2% CAGR**

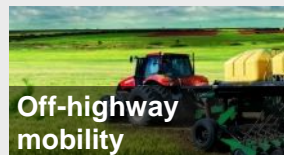
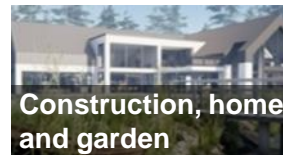
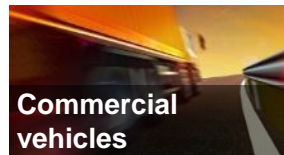
Limited growth due to structural changes within industries



ContiTech growth fields

~ **+3-5% CAGR**

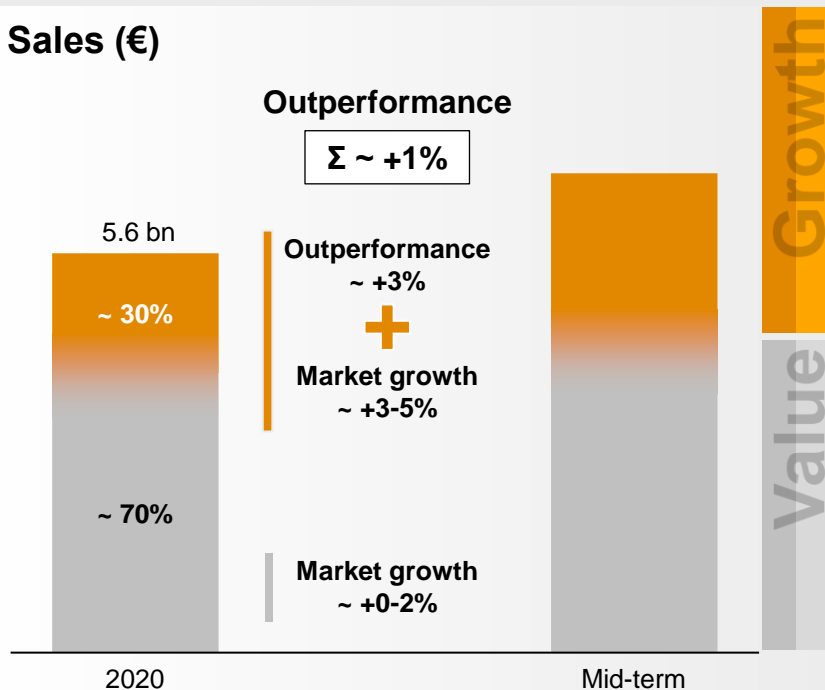
Market growth driven by the **megatrends** sustainability, population growth and urbanization



ContiTech: Transform and Innovate!

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: Transform and Innovate!

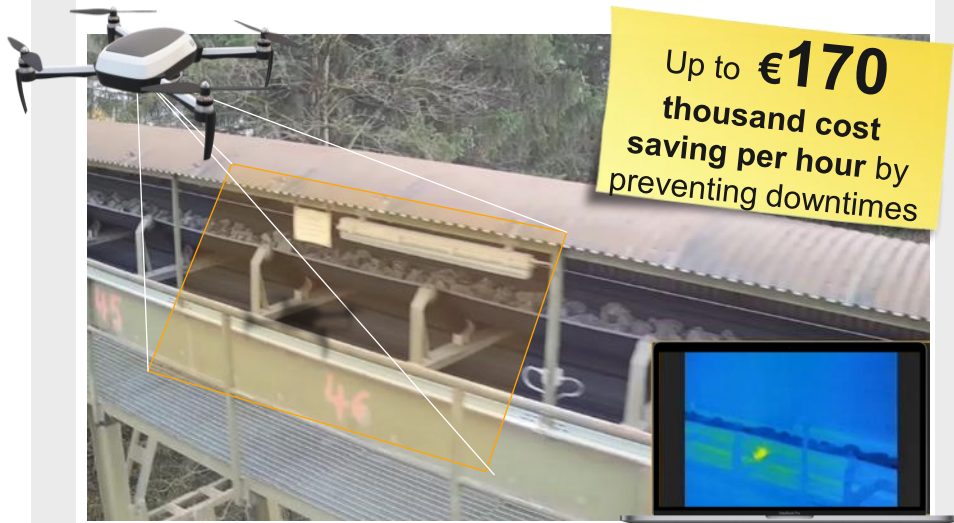
Digital Solutions and New Materials Offer Sizable Business Potential

SMART SOLUTIONS

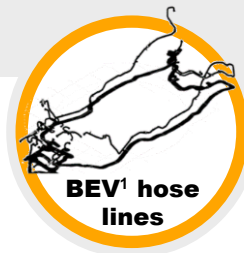


Drone
Inspection

Up to **€170**
thousand cost
saving per hour by
preventing downtimes



BEYOND RUBBER



BEV¹ hose
lines

Up to **800%**
increased content
per vehicle²



¹ BEV: Battery electric vehicles. | ² Content in electric vehicle versus in a same sized internal combustion engine vehicle.

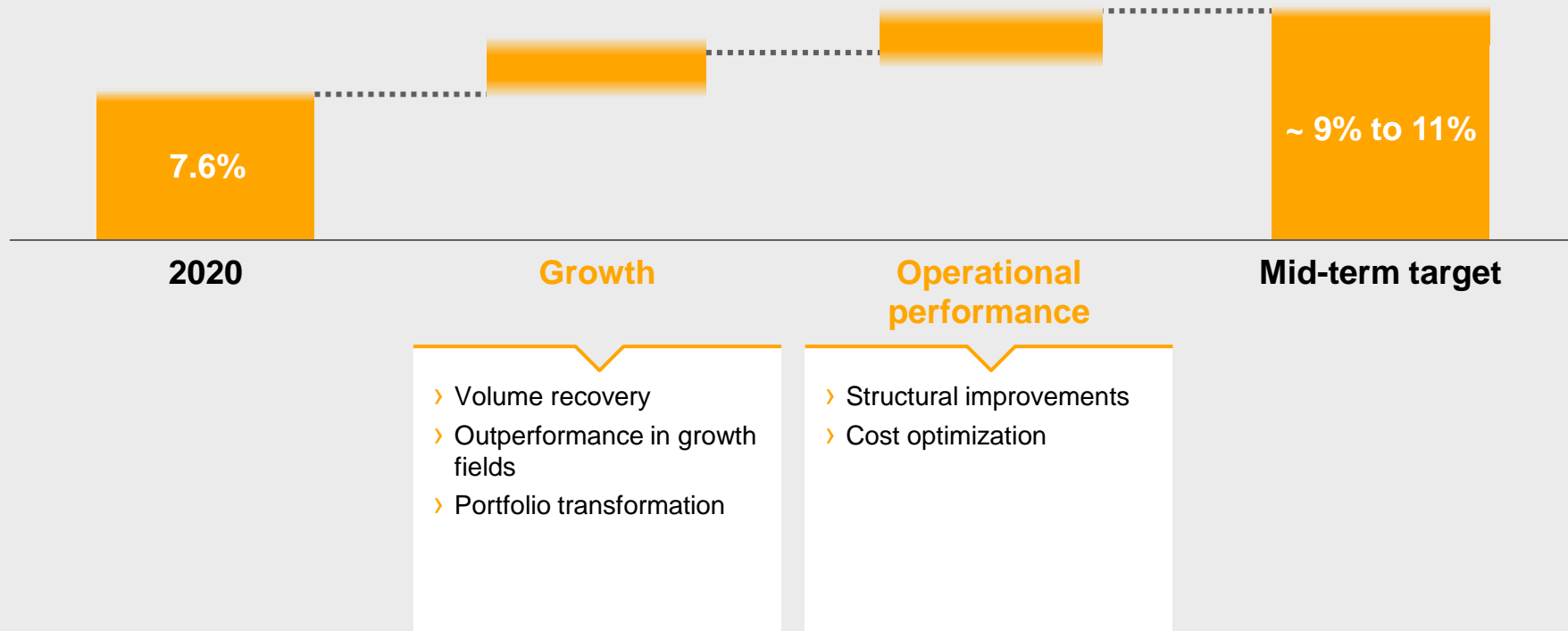
ContiTech: Innovation Fields

Leveraging Existing Competencies within Continental



ContiTech: Adjusted EBIT¹ Margin Bridge

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



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

Agenda

Continental

Group Sector Automotive Technologies

Business Area Autonomous Mobility and Safety

Business Area Vehicle Networking and Information

Group Sector Rubber Technologies

Business Area Tires

Business Area ContiTech

Corporate Governance

Sustainability

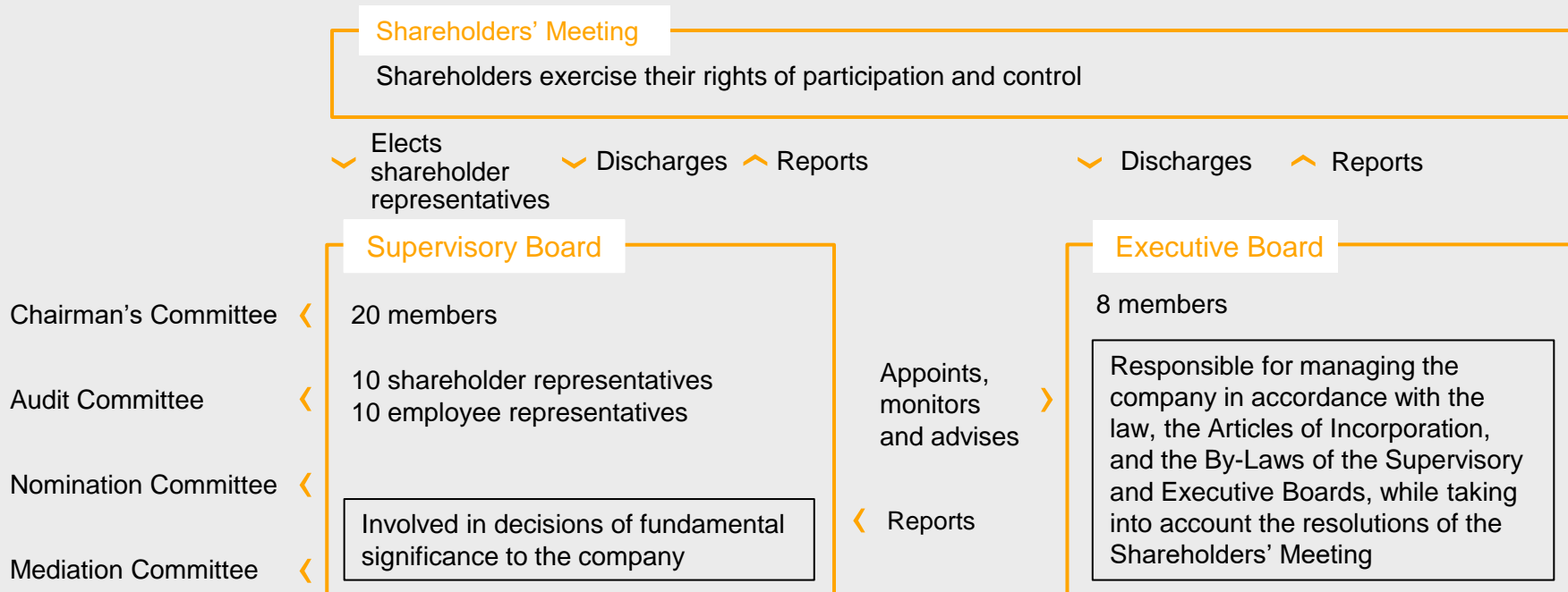
Financials

Back-up

Corporate Governance

Two-Tier Board System – Corporate Bodies

Corporate bodies of the company



Corporate Governance

Executive Board of Continental AG



Nikolai Setzer (born in 1971)
Chairman of the Executive Board
Chairman of the Automotive Board
Appointed until: March 2024
First appointed: August 2009



Hans-Jürgen Duensing (born in 1958)
ContiTech
Appointed until: April 2023
First appointed: May 2015



Frank Jourdan (born in 1960)
Autonomous Mobility and Safety
Appointed until: March 2024
First appointed: September 2013



Christian Kötz (born in 1970)
Tires
Appointed until: March 2022
First appointed: March 2019



Helmut Matschi (born in 1963)
Vehicle Networking and Information
Appointed until: March 2024
First appointed: August 2009



Dr. Ariane Reinhart (born in 1969)
Human Relations and Sustainability
Director of Labor Relations
Appointed until: September 2022
First appointed: October 2014



Wolfgang Schäfer (born in 1959)
Chief Financial Officer
Appointed until: December 2024
First appointed: January 2010



Andreas Wolf (born in 1960)
Powertrain Technologies
Appointed until: June 2023
First appointed: June 2020

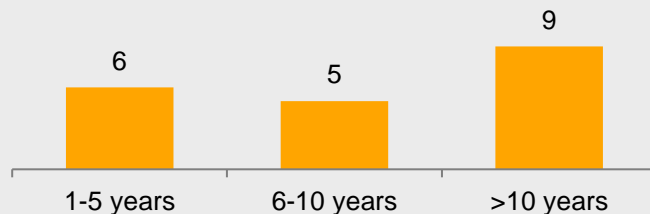
Corporate Governance

Supervisory Board – Key Facts

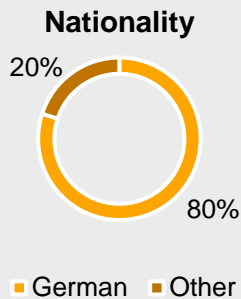
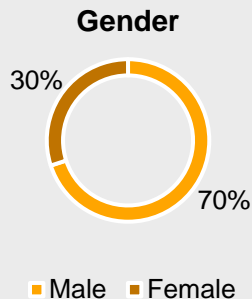
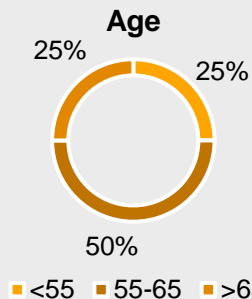
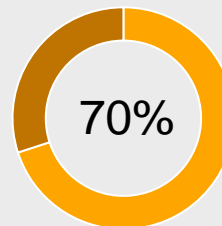
20 board members



Supervisory board tenure



Independence of shareholder representatives¹



¹ 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)

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

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

Isabel Corinna Knauf, 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)

Maria-Elisabeth Schaeffler-Thumann, born 1941, el. ul. 2024 (s. 2009)

Prof. KR Ing. Siegfried Wolf, born 1957, elected until 2024 (s. 2010)

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)

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)

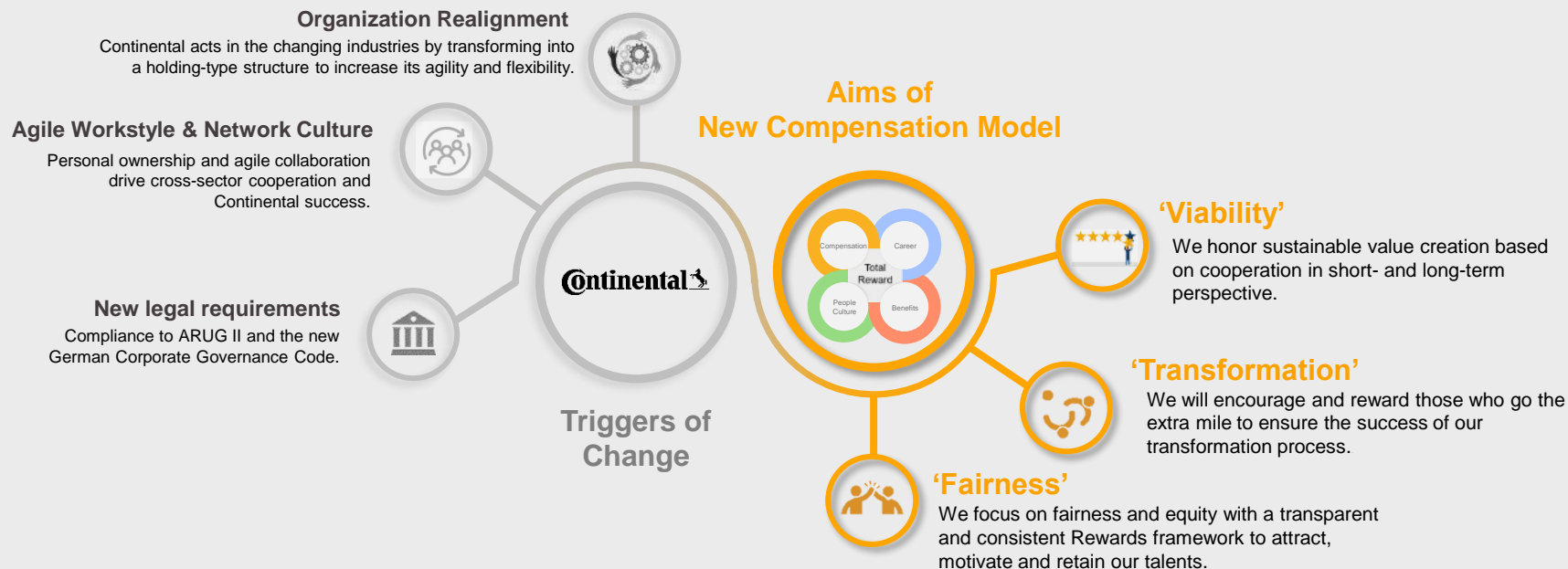
Stefan Scholz, born 1965, elected until 2024 (since 2015)

Kirsten Vörkel, born 1965, elected until 2024 (since 2014)

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

Corporate Governance

New Remuneration System for the Executive Board 2020 Onwards¹



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

¹ Approved by the supervisory board on February 19, 2020.

Corporate Governance

We Emphasize Performance, Collaboration and Sustainability



FAIRNESS

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



VIABILITY

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



TRANSFORMATION

Aligned with shareholders

Long-term incentive program utilizes three key performance indicators:



Share price



Relative TSR¹



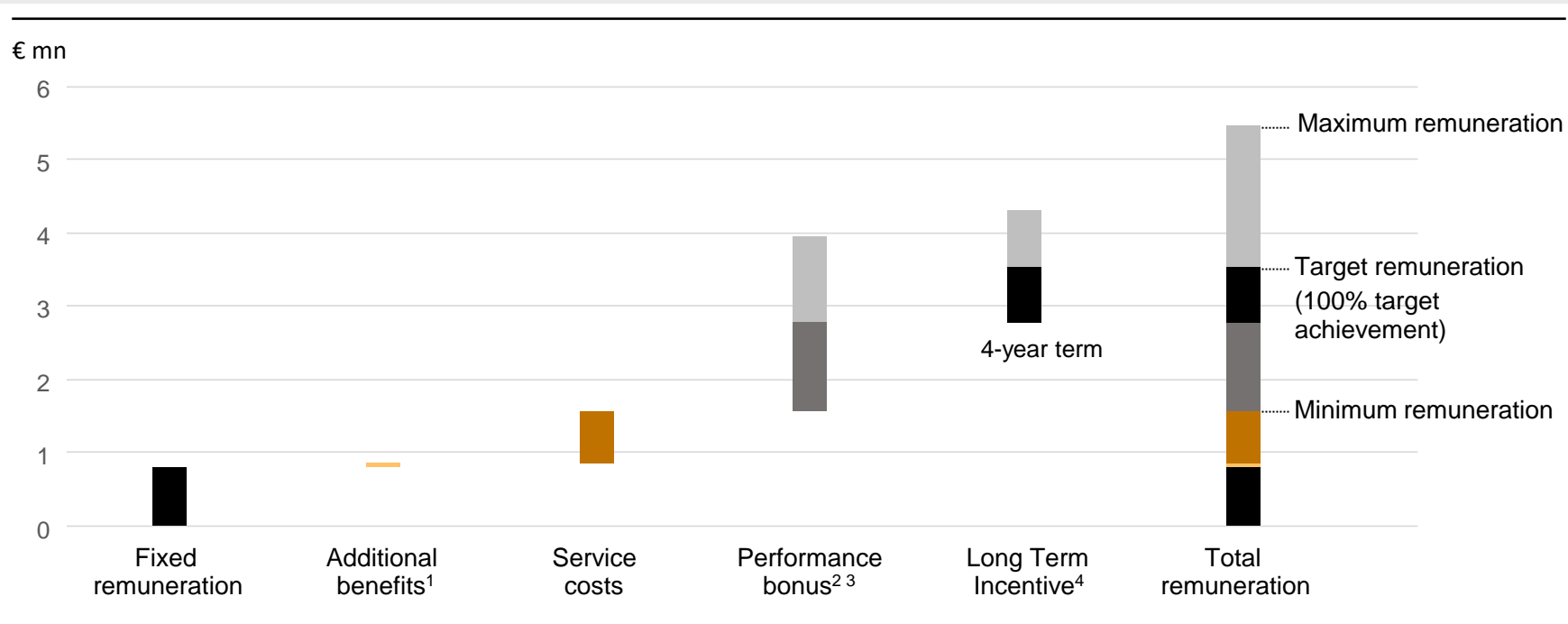
Sustainability

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

¹ 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



¹ Average figure for 2020.

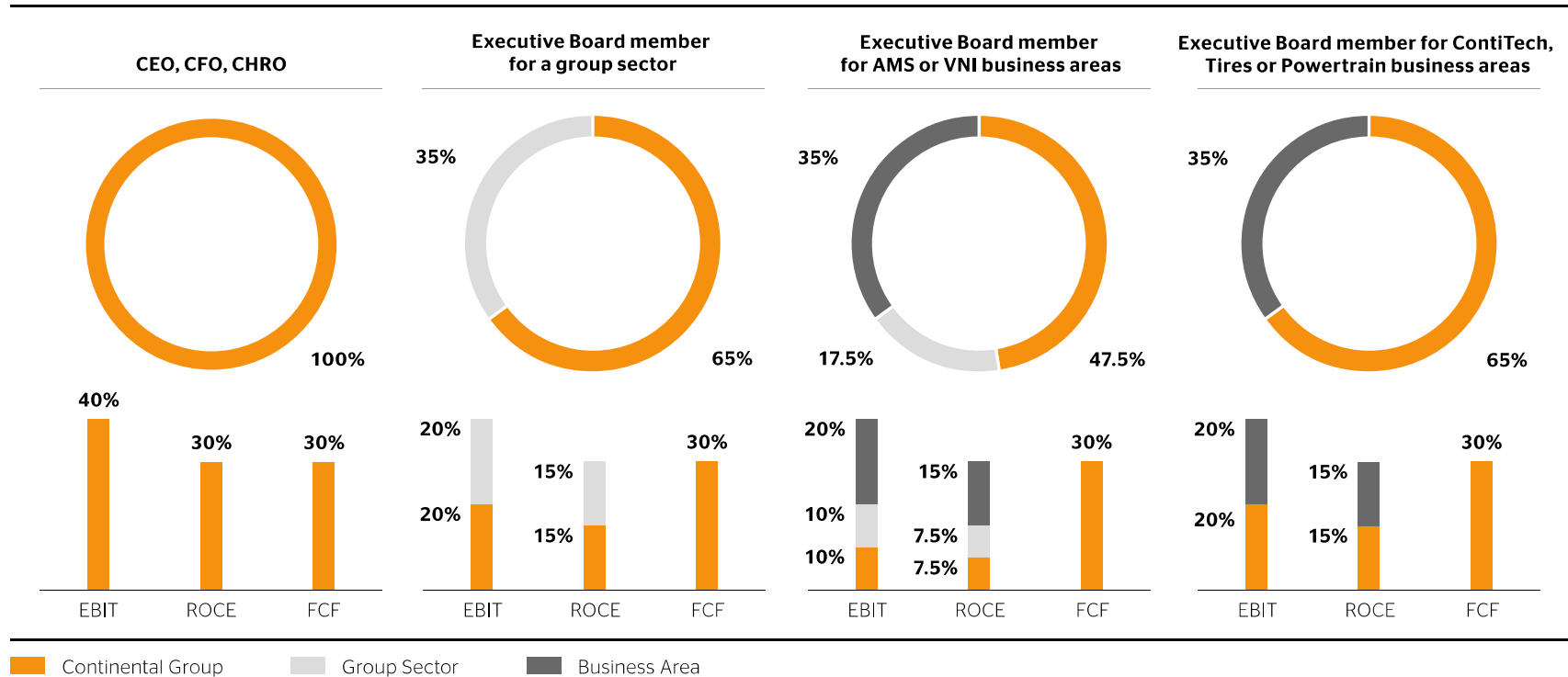
² Based on a target amount (here €1.167 million) for 100% achievement of defined EBIT, ROCE and FCF targets as well as a personal contribution factor (PCF) of 1.0. A maximum of 200% of the target amount can be achieved.

³ 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.

⁴ 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.

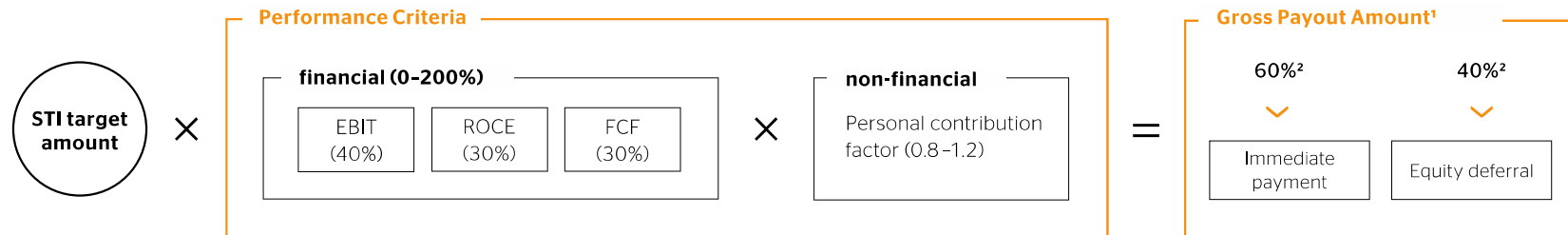
Corporate Governance

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



Corporate Governance

Structure of the Performance Bonus (STI)



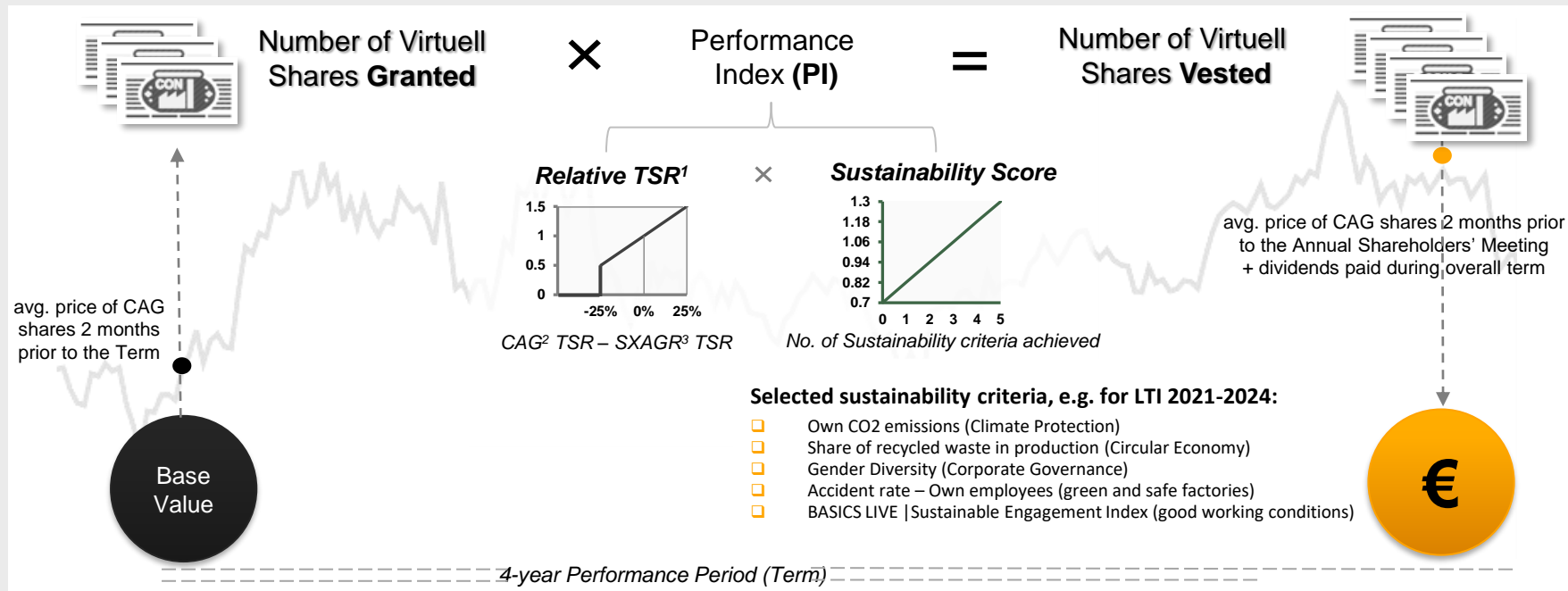
¹ A maximum of 200% of the target amount can be achieved.

² Net amount; 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; 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)

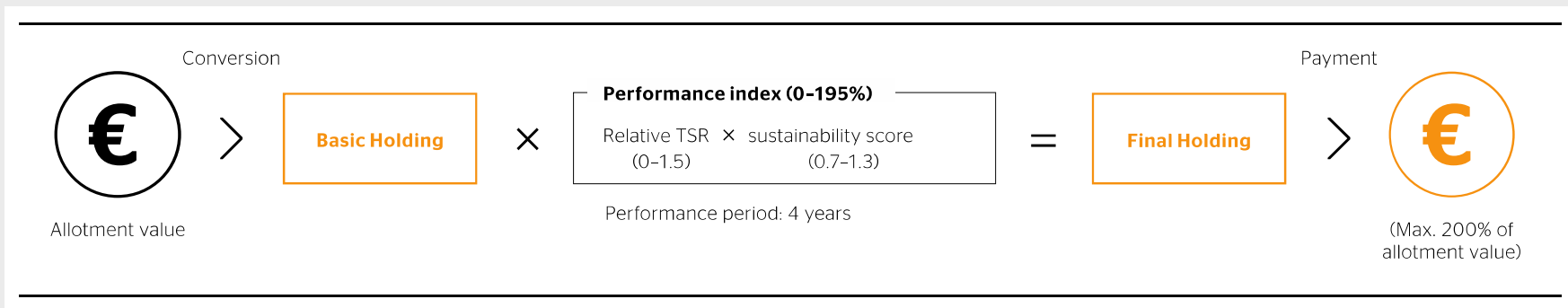
Adjusted to fulfill the DCGK legal requirements and investor's expectations



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

Corporate Governance

Structure of the 2020 Long-Term Incentive (2020 LTI)



Agenda

Continental

Group Sector Automotive Technologies

Business Area Autonomous Mobility and Safety

Business Area Vehicle Networking and Information

Group Sector Rubber Technologies

Business Area Tires

Business Area ContiTech

Corporate Governance

Sustainability

Financials

Back-up

Our Sustainability Ambition

Providing the Framework to Turn Change into Opportunities

Our Key Ambitions

By 2050 at the latest, we and our value chain partners are striving for:



100% Carbon Neutrality
along our entire value chain



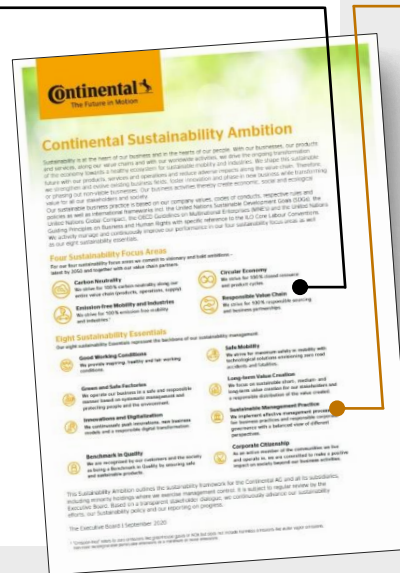
100% Emission-free mobility and industry



100% Circular Economy



100% Responsible Value Chain



+ 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

**Foster innovation and
phase in new business**

**Transform or phase out
non-viable business**

**Sustainable
business practices**

Management of Sustainability

Systematic Approach Based on Ownership, Integration and KPIs

Governance

Executive Board and management involved in Steering Committee lead by Group Sustainability

Strategy Integration

Ambitions integrated as third pillar of Group Strategy (“Embrace Sustainability”)



Sustainability Rating

Upper range Performance

Reporting

High-quality external reporting in orientation towards accepted standards (GRI, UNGC, SASB, TCFD,...)

Performance Monitoring

Dedicated Sustainability Scorecard with key performance indicators (KPI)

Compensation & Finance

Selected KPIs integrated into compensation schemes, syndicated loans and controlling processes

Implementation of the Ambitions Ranges from Products to Supply 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	Operations	Products & Customers
●	●	●
●	●	●
●	●	●
●	●	●







Product example:
Components for ID.3



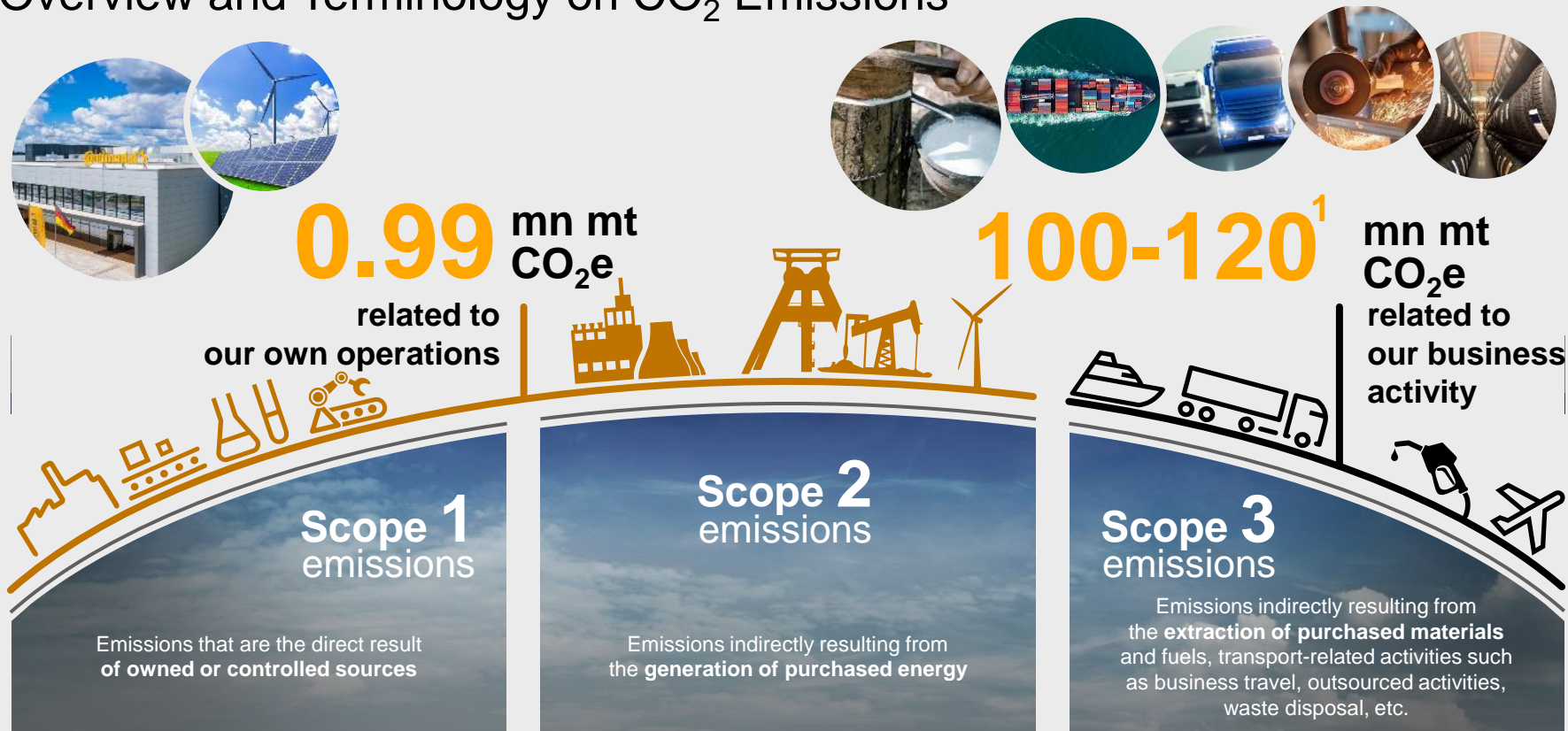
Supply chain initiative
example: Rubberway

Continental's Comprehensive Pathway for Full Carbon Neutrality along Our Entire Value Chain

- 2020**  Entirely green purchased electricity ^{achieved}
- 2022**  Entirely Carbon neutral business with emission-free vehicles
- 2040**  Entirely Carbon neutral own operations
- 2050**  100% carbon neutral along our entire value chain
at the latest

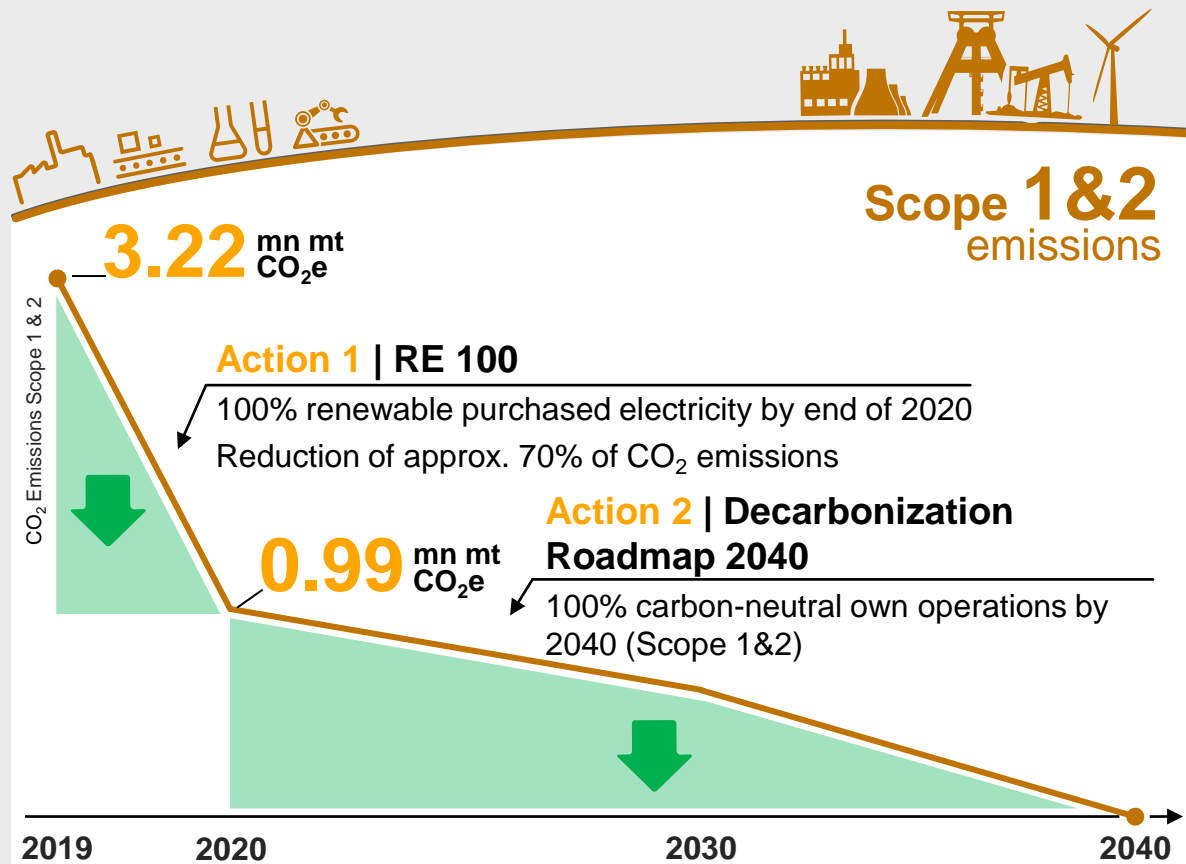
What Does Carbon Neutrality Mean for Continental?

Overview and Terminology on CO₂ Emissions



¹ Preliminary estimate, final figures to be published in April 2021

How Will We Reach Our CO₂ Targets for Own Operations?



SCIENCE
BASED
TARGETS

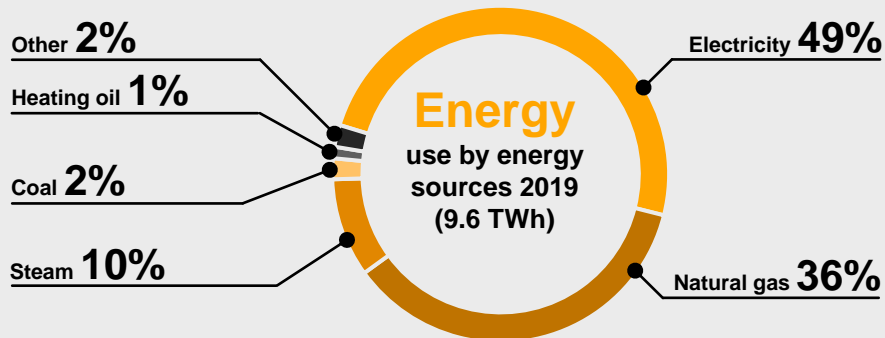
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

- › Our targets are in line with the **1.5°C** trajectory for **Scope 1 & Scope 2**
- › Our targets are in line with a **well-below 2°C** trajectory for **Scope 3**
- › So far, only few other companies in the automotive sector have a 1.5°C target approved – that brings Continental into a top 10 position among its competitors

Action 1 | RE 100

100% Emission-free from Purchased Electricity

RE 100 Project

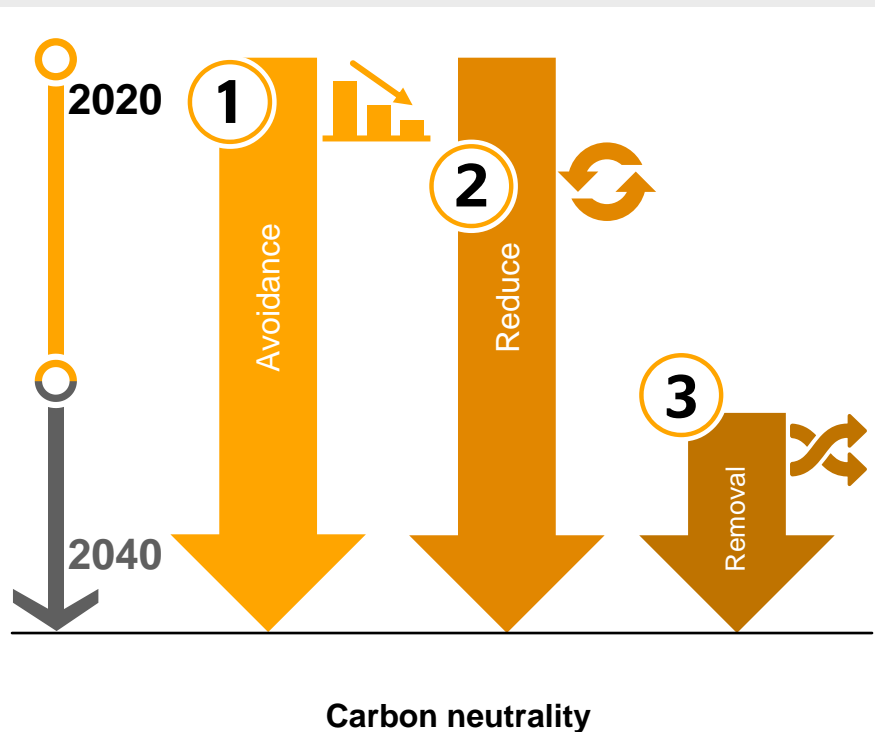


Goal of **100%** reached by end of 2020 incl. "reasonable assurance" by third party

100% reduction of Scope 2 emissions from purchased electricity

Action 2 | Technology Roadmap 2040

Our Three-Step Approach towards Decarbonization

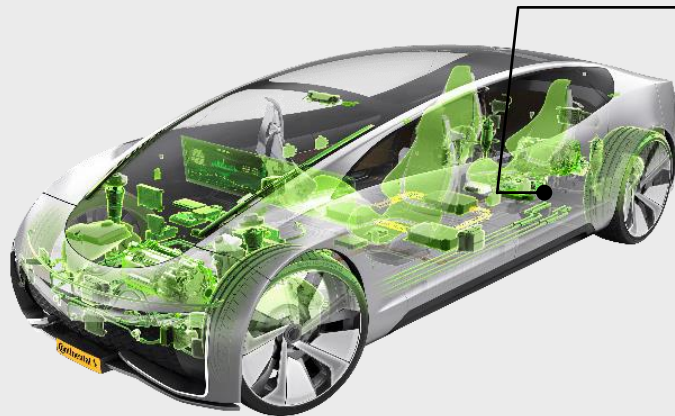


- 1 Reduction of CO₂ emissions**
Effective and sustainable avoidance of CO₂-emissions with energy efficiency measures (Scope 1&2), technology transformation, guidelines and the implementation of a clear roadmap to zero Scope 1 emissions
- 2 Switch to renewable energies**
Switch to renewable energy sources along our operational processes by using renewable electricity (Scope 2) and e.g. biofuels, green Hydrogen (Scope 1)
- 3 Removal of unavoidable CO₂ emissions**
Removal as a last step for remaining unavoidable emissions which can not be reduced by efficiency measures or technology transformation processes

We Are Already a Relevant Player in Emission-Free Mobility

already **0.83** bn €

allocated ZTEV business in 2020



Key components for emission-free mobility

- 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**

Program: “Carbon Neutral for Emission-free Vehicles”

Starting in 2022, We Will Neutralize the CO₂ Backpack

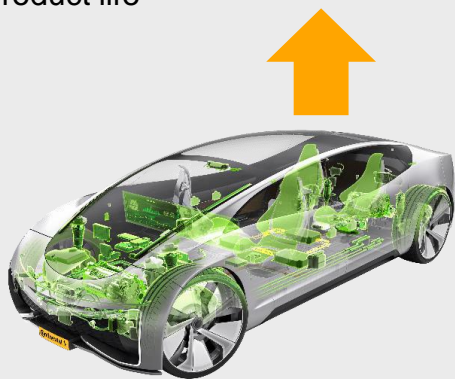
„CO₂ backpack“
from raw materials,
production, logistics and
utilization at the end of
product life



=



„Negative CO₂ emissions“:
In the first step, emissions are
neutralized by generating
negative emissions of the same
magnitude.



Allocated ZTEV Business



ZTEV = Zero Tailpipe Emission Vehicles = vehicles without
emissions related to the propulsion = especially electric, fuel
cells or hydrogen vehicles, but also streetcars and bicycles

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

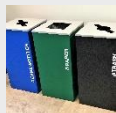
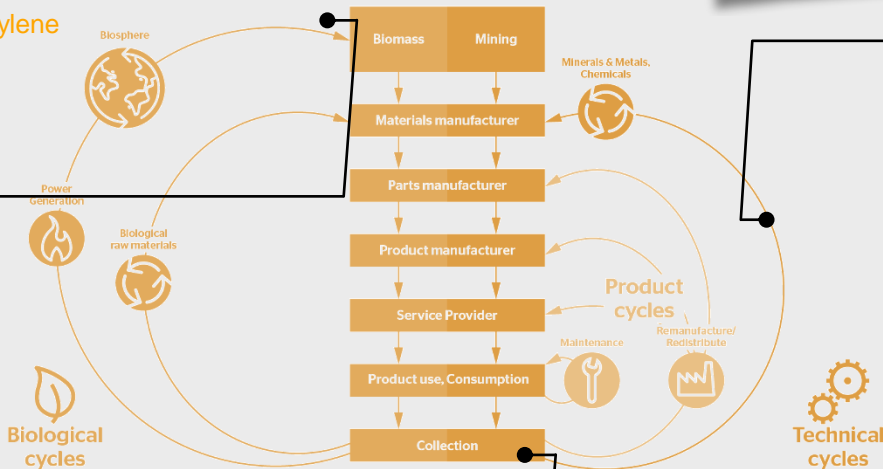
100% closed product and resource cycles latest by **2050**



Eco rubber garden hose
made of sugar cane ethylene



Bicycle tires
made of natural rubber
from dandelions



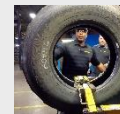
95% recycling quota in own operations until 2030



Refurbished air springs
for urban trains in Hamburg



Recycled carbon black
recovered from end-of-life tires



Retreaded tires
for commercial vehicles

Reducing Waste

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%

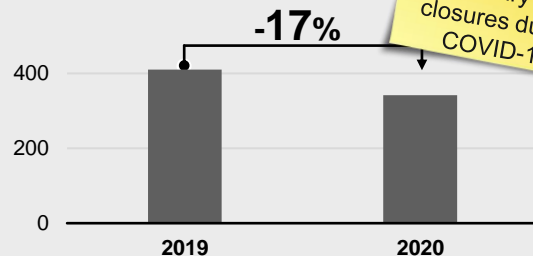
reduction of waste generation per year based on sales

95%

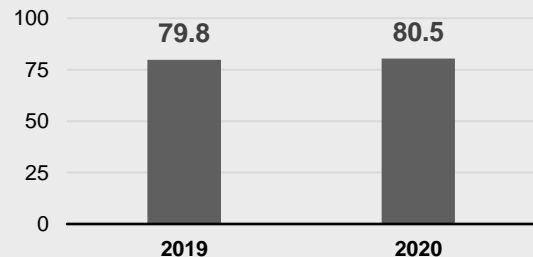
improvement of the recycling quota by 2030

Our Results

Total Waste [in kilotons]



Recycling Quota [in %]



Saving Water

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%

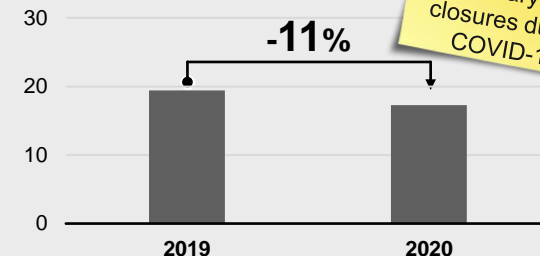
reduction of water demand per year based on sales in water stress high risk areas

2%

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

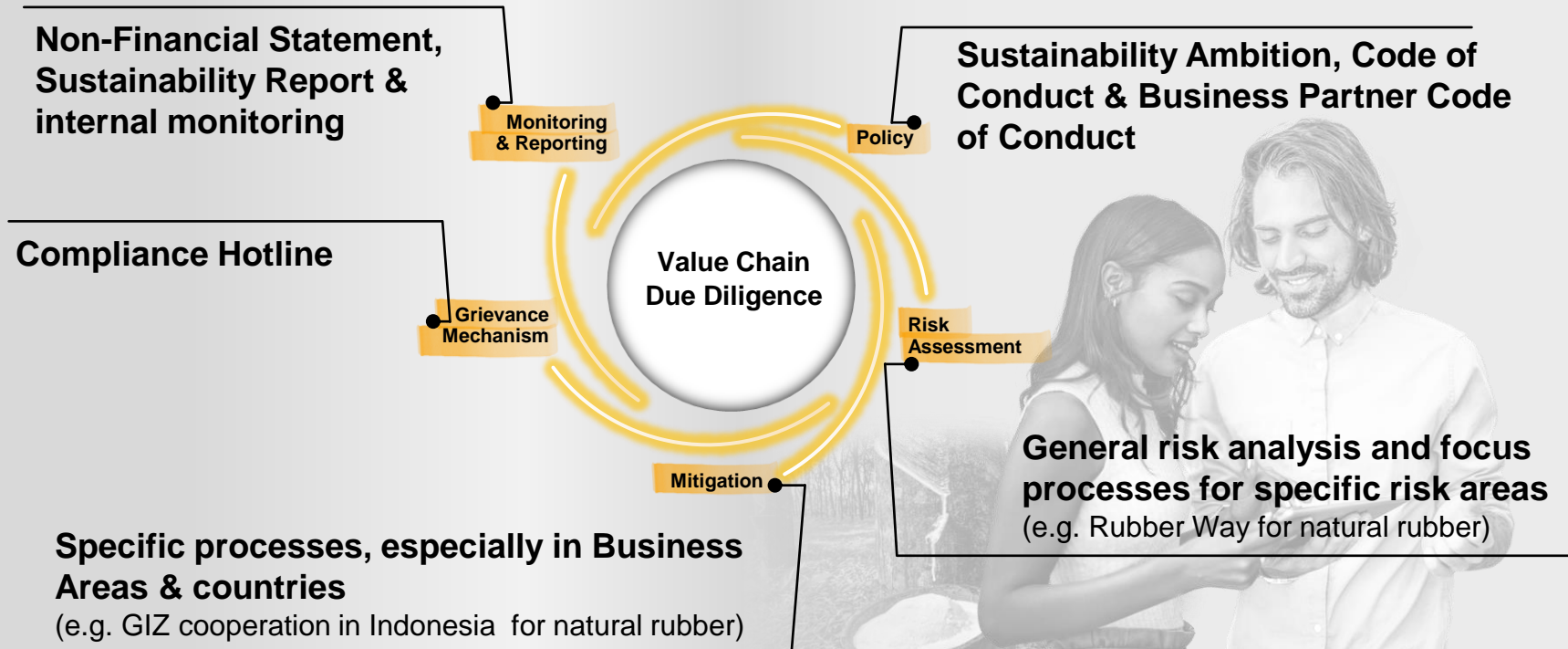
Our Results

Water withdrawal [in million m³]



Effected by temporary plant closures due to COVID-19

Our Approach on Responsible Value Chains Follows the Due Diligence Cycle



The Sustainability Scorecard Monitors Our Performance

Key Performance Indicators (Reasonable Assurance)

Material Sustainability Topics	Key Performance Indicators	2019	2020
Carbon neutrality	Direct CO ₂ emissions (Scope 1) in millions of metric tons of CO ₂ ^{1, 2, 3}	0.84	0.78
	Indirect CO ₂ emissions (Scope 2) in millions of metric tons of CO ₂ ^{1, 2}	2.38 ⁴	0.21 ⁵
Emission-free mobility and industries	Allocated business with zero-tailpipe-emission vehicles in € billions ^{6, 7}	n.a.	0.83
Circular economy	Waste recycling quota in % ^{2, 8}	80	81
Responsible value chain	Number of available, valid supplier self-assessment questionnaires (as at Dec. 31) ⁹	670 ¹⁰	696
Innovations and digitalization	R&D expenses in € millions	3,364.2	3,381.8
	R&D expenses in % of sales	7.6	9.0
Good working conditions	OUR BASICS Live Sustainable Engagement index in %	81	82
	Sickness rate in % ^{11, 12}	3.4	3.5
	Unforced fluctuation rate in % ^{12, 13, 14}	6.0	4.6
Green and safe factories	Environmental protection management system certifications (ISO 14001) - employee coverage quota (as at Dec. 31) in %	82	82
	Energy management system certifications (ISO 50001) - employee coverage quota (as at Dec. 31) in %	49	51
	Occupational safety and health management system certifications (ISO 45001 or similar) - employee coverage quota (as at Dec. 31) in %	69	69
	Accident rate (number of accidents per million working hours) ^{15, 16}	3.0 ¹⁷	2.9
Benchmark in quality	Quality management system certifications (ISO 9001 or similar) - employee coverage quota (as at Dec. 31) in %	86	91
	New field quality events (as at Dec. 31) ¹⁸	n.a.	18
Sustainable management practice	Gender diversity – share of female executives and senior executives (as at Dec. 31) in % ¹⁹	15.8	16.1

The Sustainability Scorecard Frames Our Monitoring

Key Performance Indicators – Footnotes

- 1 Definitions in accordance with the GHG Protocol. CO₂ emission factors correspond to CO₂ equivalents (CO₂e).*
- 2 Includes the relevant production and research and development locations.*
- 3 CO₂ emissions from fleet consumption are only partially and not systematically included.*
- 4 Calculated using the location-based calculation method of the GHG Protocol.*
- 5 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 (November 2019) were used.*
- 6 Definition: allocated business with zero-tailpipe-emission vehicles measures both pure business and attributable business, e.g. in the case of combined vehicle platforms. The figure includes the entire business with products for vehicles transporting goods and people.*
- 7 The calculation was also based on external data sources and internal planning data. In the tire trade organization business (e.g. Vergölst) and business with car dealerships, there is no allocation at the individual customer level.*
- 8 Definition: proportion of waste that has been sent for material recycling, thermal recovery or any other form of recycling or reuse.*
- 9 Based on the self-assessment questionnaires completed by suppliers via the sustainability platforms EcoVadis and NQC. In fiscal 2020, a change was made to the definition of validity with regard to supplier self-assessment questionnaires by Continental. This will always last for two years, irrespective of the platform used.*
- 10 Figures for 2020 and 2019 only comparable to a limited extent due to a change in definition.*
- 11 Definition: sickness-related absence relative to contractually agreed working times.*
- 12 Excluding temporary staff (i.e. permanent staff only).*
- 13 Definition: voluntary departure of employees from the company relative to the average number of employees.*
- 14 In fiscal 2020, the key performance indicator was renamed. This was previously called “unforced fluctuation.”*
- 15 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.*
- 16 Excluding temporary staff (i.e. permanent staff only) and way-to-work accidents.*
- 17 Excluding Continental Tire Sales (approx. 2% of the total workforce).*
- 18 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.*
- 19 In fiscal 2020, the key performance indicator was renamed. This was previously called “proportion of women in management positions.”*

Integrated TCFD Reporting



About TCFD: The Task Force on Climate-related Financial Disclosures is a market initiative to develop voluntary, consistent climate-related financial risk disclosures for use by companies.

Figure 2

Core Elements of Recommended Climate-Related Financial Disclosures



1. Continental commits to climate protection and has prioritized carbon neutrality as a focus area of the sustainability ambition.
2. TCFD is one of the major climate-initiatives for Continental that is considered relevant for sustainability management and reporting.
3. The required TCFD reporting elements are considered in the Sustainability Report by following an integrated approach and in our response to the CDP.

Specific TCFD Disclosures

TCFD disclosure required	Core message of Continental	Reference (Investor Fact Book 2020)
Governance: Disclose the organization's governance around climate related risks and opportunities.	At Continental, the Group functions for Sustainability and for Environment report to Executive Board members. Executive Board members and management is included in the Sustainability Steering Committee.	141
Strategy: Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	<ul style="list-style-type: none"> For Continental, the pathway towards carbon neutrality presents opportunities and risks at the same time. Our climate strategy comprises the neutrality targets for scope 1, 2 and 3 CO₂ emissions and is especially related to emission-free mobility. Our climate strategy is part of the regular strategy and risk reporting processes. 	5, 7, 12, 140-149
Risk Management: Disclose how the organization identifies, assesses, and manages climate-related risks.	Continental's climate risk management is an integrated part of the enterprise risk management.	5, 141, 142
Metrics and Targets: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	<ul style="list-style-type: none"> Continental's target is full carbon neutrality latest by 2050 (scope 1, 2 and 3) with sub-targets for neutrality in 2040 (scope 1 and 2) and 2020 (scope 2 – green electricity). This includes the public disclosure of the respective key performance indicators. The reduction of CO₂ emissions has been included in the long-term incentive components (LTI) for Executive Board members and managers worldwide. 	137, 141, 144, 145, 154

Sustainability Is Integrated in the Annual Report and All Reporting on Sustainability Bundled in a Separate Report



Download Non-financial Statement and Sustainability Report:

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



econsense

Forum Nachhaltige Entwicklung
der Deutschen Wirtschaft

TCFD

Fask Force on
Climate-Related
Financial Disclosure



RE 100

THE CLIMATE GROUP  CDP
DRILLING REPORT ACTION



LUXEMBURGER
DEKLARATION

ZUR BETRIEBLICHEN
GESUNDHEITSFÖRDERUNG



In support of

**WOMEN'S
EMPOWERMENT
PRINCIPLES**

Established by UN Women and the
UN Global Compact Office

Please click on the logos for more information.

Sustainability

Ratings and Indexes

› Continental is listed in the following indexes:



DAX® 50 ESG

› Ratings:



› Prime (C+) (2020)

› Climate: Score B (2020)
› Water: Score B (2020)
› Supply chain: Score A;
Supplier engagement
leader board (2020)

› Gold Status (2020)
› 69/100
› 97 percentile

› BBB (2021)

› 13.6 low risk (2021)
› Industry Group
Auto Components:
Rank 8 out of 200
› Subindustry
Auto Parts:
Rank 6 out of 174

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

Agenda

Continental

Group Sector Automotive Technologies

Business Area Autonomous Mobility and Safety

Business Area Vehicle Networking and Information

Group Sector Rubber Technologies

Business Area Tires

Business Area ContiTech

Corporate Governance

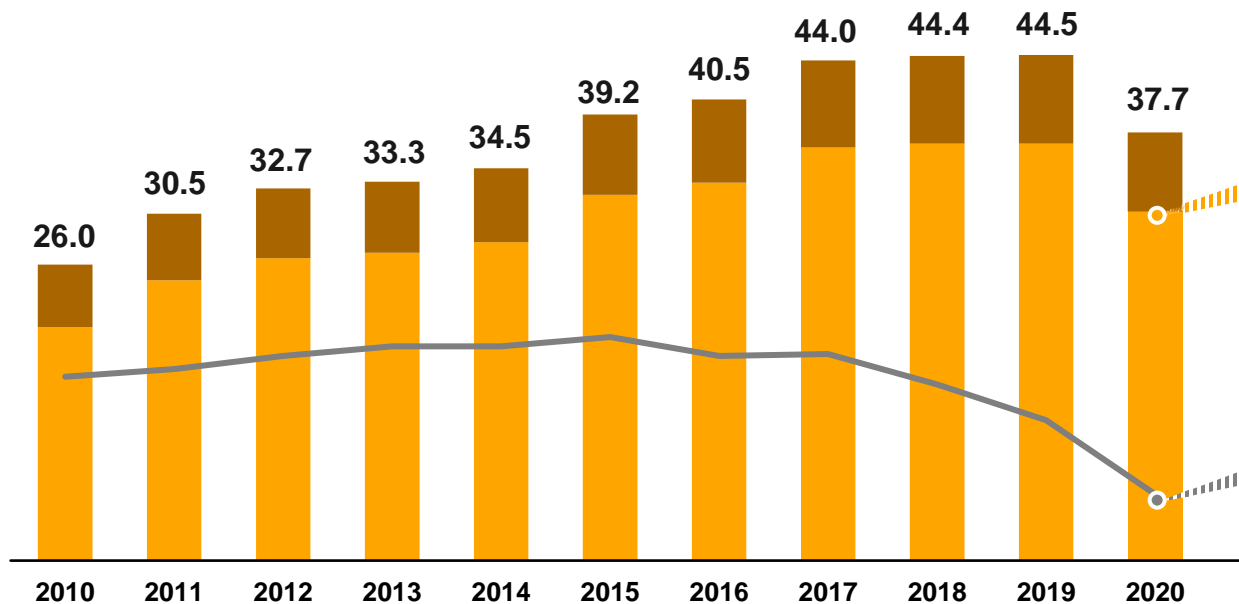
Sustainability

Financials

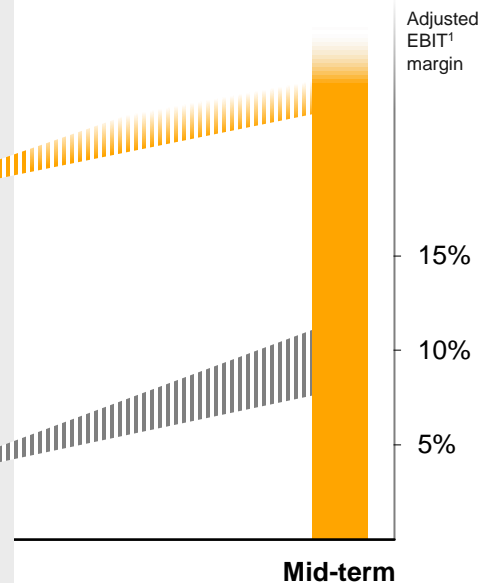
Back-up

Business Development

Continental (€ bn)



Continental excl. Powertrain Technologies



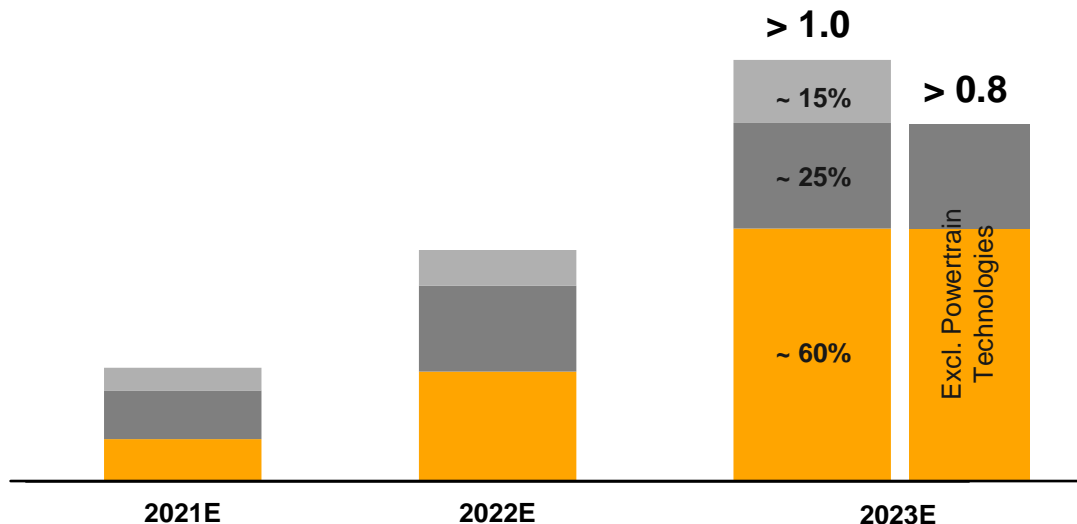
■ Sales Continental excl. Powertrain Technologies
 ■ Sales Powertrain Technologies
 — Adjusted EBIT¹ margin

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

Mid-term Measures

Implementation of Structural Measures on Track

Targeted annual gross cost savings (€ bn)



■ Automotive Technologies ■ Rubber Technologies ■ Powertrain Technologies

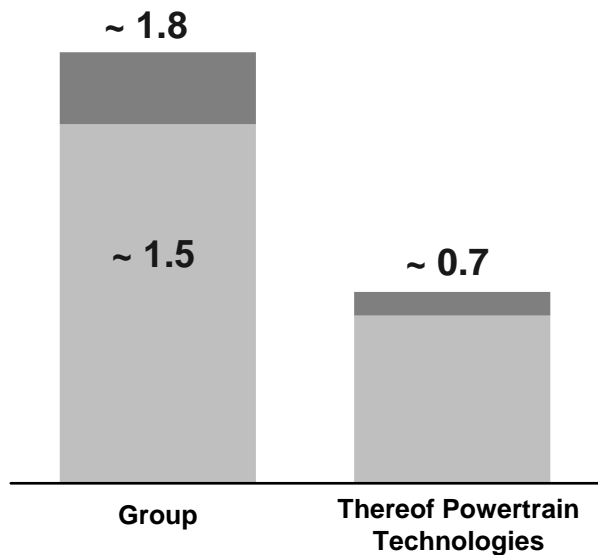
Program details

- › Includes footprint, structures and processes
- › Contributions from central functions and business units
- › Around 30,000 jobs worldwide affected
 - › Major portion in high-cost countries
 - › Negotiations with employee representatives ongoing

Mid-term Measures

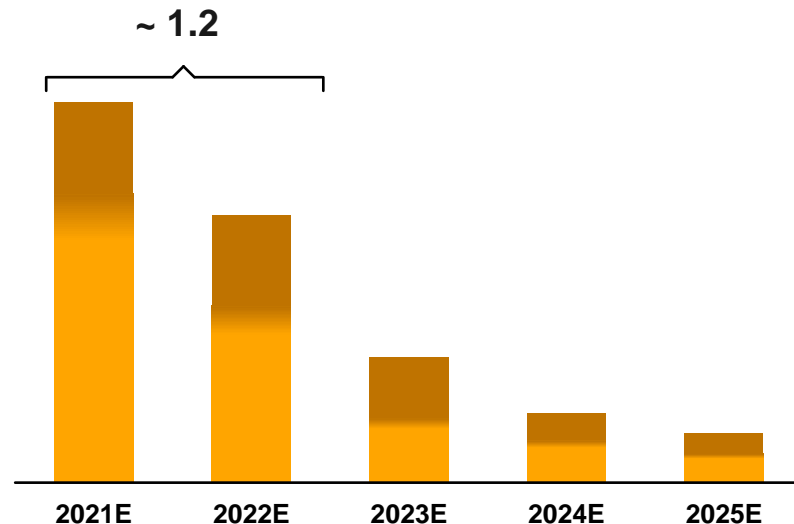
Cash Outflow for Restructuring Predominantly in 2021-22

Restructuring costs (€ bn)



■ Booked as of Sep. 30, 2020 ■ To be booked

Cash outflow for restructuring (€ bn)



■ Continental excl. Powertrain Technologies ■ Powertrain Technologies

Mid-term Growth Expectations

Top Line to Benefit From Recovering Markets and Outperformance

	Expected market development		Expected outperformance and main drivers		Expected growth	
Automotive	~ 5 to 7% › LV production ¹	+	~ 2 to 4% › Autonomous Mobility › Smart Mobility › Architecture and Networking › SW and Systems Excellence	=	~ 7 to 11%	
Tires	~ 3 to 4% › LV production ¹ › Replacement › Truck tires	+	~ 1% › Fleet solutions › North America › Asia	=	~ 4 to 5%	
ContiTech	~ 2 to 3% › Value fields › Growth fields	+	~ 1% › Smart Solutions Beyond Rubber	=	~ 3 to 4%	
						Continental Group ² ~ 5 to 8%

¹ Based on mid-term IHS light vehicle production (LVP) forecast from November 2020. | ² Excluding Powertrain Technologies.

Financial Targets

Mid-term Adjusted EBIT¹ Margin

Continental

3.5%

2020

Continental

excl. Powertrain Technologies

~ 8% to 11%

Growth

Operational performance

Mid-term target

- › Volume recovery in all markets
- › Outperformance

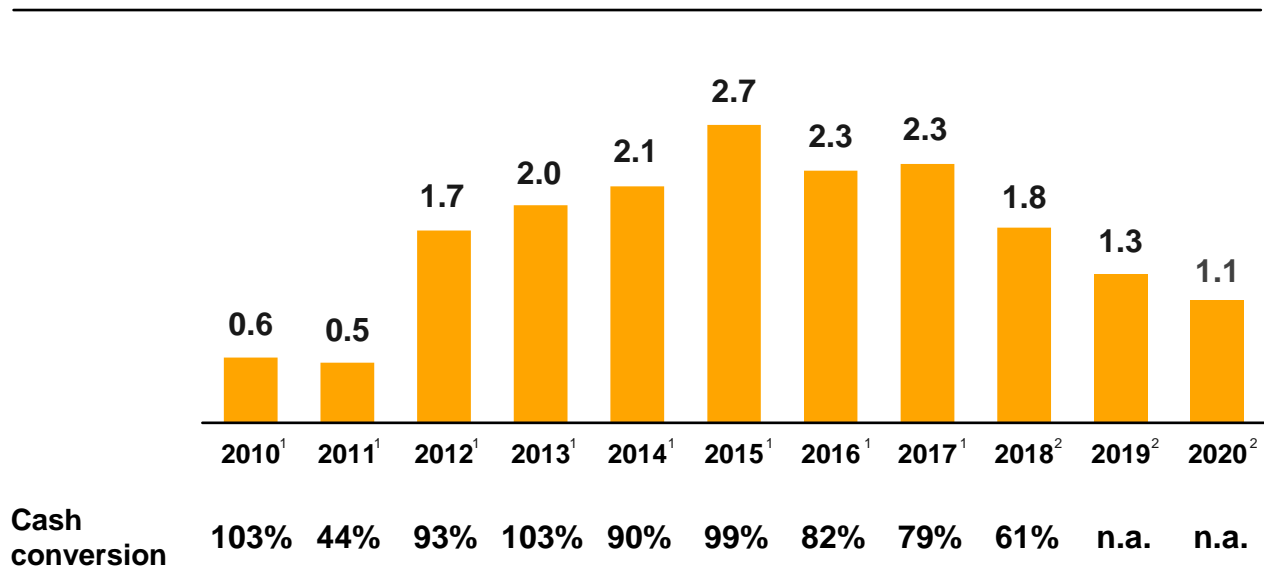
- › Restructuring
- › Productivity

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

Cash Flow Development

Cash Conversion Supported by Cost Improvements

Continental (€ bn)



Continental

excl. Powertrain Technologies

**Mid-term target:
Cash conversion⁴
> 70%**

Mid-term³

■ Cash flow^{1,2,3}

¹ Cash flow before financing activities and acquisitions.

² Cash flow before financing activities, acquisitions and carve-out effects.

³ Cash flow before financing activities, M&A, restructuring and restructuring-related effects and carve-out effects.

⁴ Ratio of cash flow as defined above to net income attributable to the shareholders of the parent.

Committed to Investment Grade Credit Profile

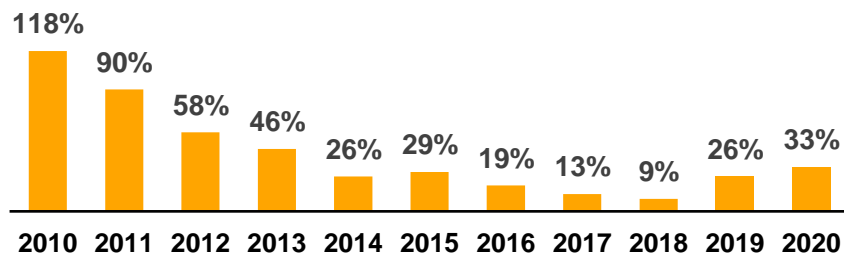
Continental's mid-term targets:

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

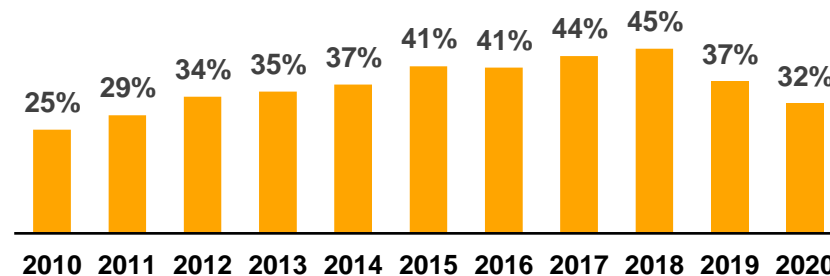
Continental's current credit rating:

› 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

Gearing ratio^{1,2}



Equity ratio²



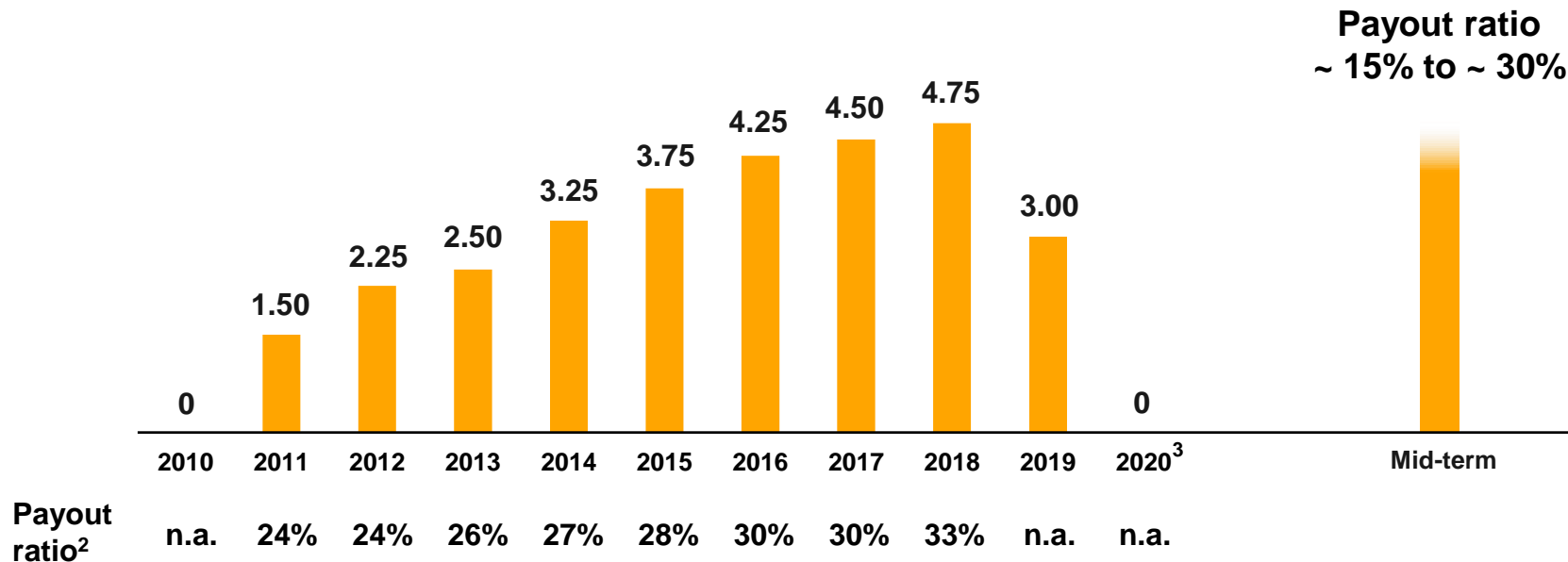
¹ Net indebtedness divided by equity.

² IFRS 16 applied starting 2019.

³ 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.

Dividend

Dividend per share¹ (€)



¹ Dividend paid for the respective fiscal year, payout in the subsequent year.

² Ratio of dividend for the fiscal year to net income attributable to the shareholders of the parent.

³ Dividend for FY 2020 subject to Supervisory Board approval and the approval of the Annual Shareholders' Meeting on April 29, 2021.

Mid-term Targets

Automotive Technologies

Outperformance²	~ +2 to +4%-pts
AMS	~ +2 to +4%-pts
VNI	~ +2 to +4%-pts

Adjusted EBIT³ margin	~ 6% to 8%
AMS	~ 6% to 8%
VNI	~ 6% to 8%

Return on capital employed⁴	> 15%
AMS	> 15%
VNI	> 15%

Rubber Technologies

Adjusted EBIT³ margin	~ 11% to 14%
Tires	~ 12% to 16%
ContiTech	~ 9% to 11%

Return on capital employed⁴	> 20%
Tires	> 20%
ContiTech	> 20%

Continental Group¹

Adjusted EBIT³ margin	~ 8% to 11%
---	--------------------

Return on capital employed⁴	~ 15% to 20%
---	---------------------

Cash conversion⁵	> 70%
------------------------------------	-----------------

¹ Excluding Powertrain Technologies.

² Organic sales growth above IHS light-vehicle production.

³ Before amortization of intangibles from PPA, consolidation and special effects.

⁴ Ratio of EBIT to average operating assets for a fiscal year.

⁵ 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.

Summary

Invest in a Winner of the Transformation

Mid-term targets¹

~ 8 to 11%

Adj. EBIT² margin

~ 15 to 20%

Return on capital employed³

≥ 70%

Cash conversion⁴

Benefit from market recovery + outperformance + cost savings

Realize embedded value from technology leadership

**Team with “Passion to Win” and
committed to “Transparency and Ownership”**

¹ Excluding Powertrain Technologies.

² Before amortization of intangibles from PPA, consolidation and special effects.

³ Ratio of EBIT to average operating assets for a fiscal year.

⁴ 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.

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Key Figures

Continental Group

	2018		2019		2020	
Continental Group (€ mn)	% of sales		% of sales		% of sales	
Sales	44,404.4	-	44,478.4	-	37,722.3	-
EBITDA	6,235.7	14.0	4,977.2	11.2	3,033.8	8.0
EBIT	4,027.7	9.1	-268.3	-0.6	-718.1	-1.9
Operating assets (average)	23,640.5	-	26,178.5	-	22,536.6	-
Research and development expenses (net)	3,209.0	7.2	3,364.2	7.6	3,381.8	9.0
CapEx ¹	3,124.4	7.0	3,308.6	7.4	2,232.2	5.9
Depreciation and amortization ²	2,208.0	-	5,245.5	-	3,751.9	-
- thereof impairment ³	20.7	-	2,509.9	-	876.8	-
			% of adj. sales		% of adj. sales	
Adjusted sales ⁴	-	-	44,214.2	-	37,573.9	-
Adjusted operating result (adjusted EBIT)⁵	-	-	3,225.5	7.3	1,332.7	3.5

IFRS 9 and IFRS 15 applied starting 2018. IFRS 16 applied starting 2019.

¹ Capital expenditure on property, plant and equipment, and software.

² Excluding impairment on financial investments.

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

⁴ Before changes in the scope of consolidation.

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

Key Figures

Group Sector Automotive Technologies

	2019		2020	
Automotive Technologies (€ mn)	% of sales		% of sales	
Sales	18,904.7	-	15,316.9	-
EBITDA	1,727.7	9.1	498.3	3.3
EBIT	-1,445.6	-7.6	-1,440.6	-9.4
Operating assets (average)	10,920.1	-	8,859.0	-
Research and development expenses (net)	2,237.9	11.8	2,293.6	15.0
CapEx ¹	1,404.3	7.4	979.3	6.4
Depreciation and amortization ²	3,173.3	-	1,938.9	-
- thereof impairment ³	2,123.2	-	753.6	-
	% of adj. sales		% of adj. sales	
Adjusted sales ⁴	18,648.3	-	15,303.1	-
Adjusted operating result (adjusted EBIT)⁵	1,115.3	6.0	-280.2	-1.8

¹ Capital expenditure on property, plant and equipment, and software.

² Excluding impairment on financial investments.

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

Key Figures

Business Area Autonomous Mobility and Safety

	2019		2020	
Autonomous Mobility and Safety (€ mn)	% of sales		% of sales	
Sales	9,381.6	-	7,529.2	-
EBITDA	1,145.3	12.2	472.9	6.3
EBIT	-120.3	-1.3	-97.7	-1.3
Operating assets (average)	5,159.9	-	4,658.8	-
Research and development expenses (net)	1,048.7	11.2	1,008.9	13.4
CapEx ¹	720.6	7.7	498.7	6.6
Depreciation and amortization ²	1,265.6	-	570.6	-
- thereof impairment ³	750.0	-	9.5	-
	% of adj. sales		% of adj. sales	
Adjusted sales ⁴	9,126.8	-	7,529.2	-
Adjusted operating result (adjusted EBIT)⁵	672.9	7.4	94.9	1.3

¹ Capital expenditure on property, plant and equipment, and software.

² Excluding impairment on financial investments.

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

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

Key Figures

Business Area Vehicle Networking and Information

	2019		2020	
Vehicle Networking and Information (€ mn)	% of sales		% of sales	
Sales	9,595.5	-	7,856.1	-
EBITDA	582.4	6.1	26.2	0.3
EBIT	-1,325.3	-13.8	-1,342.5	-17.1
Operating assets (average)	5,760.2	-	4,203.4	-
Research and development expenses (net)	1,189.2	12.4	1,284.7	16.4
CapEx ¹	683.7	7.1	480.6	6.1
Depreciation and amortization ²	1,907.7	-	1,368.7	-
- thereof impairment ³	1,373.2	-	744.1	-
	% of adj. sales		% of adj. sales	
Adjusted sales ⁴	9,593.9	-	7,842.3	-
Adjusted operating result (adjusted EBIT)⁵	442.4	4.6	-374.7	4.6

¹ Capital expenditure on property, plant and equipment, and software.

² Excluding impairment on financial investments.

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

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

Key Figures

Group Sector Rubber Technologies

	2019		2020	
Rubber Technologies (€ mn)		% of sales		% of sales
Sales	18,012.9	-	15,639.5	-
EBITDA	3,168.2	17.6	2,493.6	15.9
EBIT	1,957.5	10.9	1,266.4	8.1
Operating assets (average)	11,317.3	-	10,361.9	-
Research and development expenses (net)	462.1	2.6	417.7	2.7
CapEx ¹	1,187.9	6.6	715.0	4.6
Depreciation and amortization ²	1,210.7	-	1,227.2	-
- thereof impairment ³	34.8	-	36.9	-
		% of adj. sales		% of adj. sales
Adjusted sales ⁴	18,005.1	-	15,504.9	-
Adjusted operating result (adjusted EBIT)⁵	2,160.8	12.0	1,756.3	11.3

¹ Capital expenditure on property, plant and equipment, and software.

² Excluding impairment on financial investments.

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

⁴ Before changes in the scope of consolidation.

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Key Figures

Business Area Tires

	2019		2020	
Tires (€ mn)		% of sales		% of sales
Sales	11,728.0	-	10,158.6	-
EBITDA	2,497.7	21.3	1,864.9	18.4
EBIT	1,651.6	14.1	1,012.3	10.0
Operating assets (average)	7,797.5	-	7,080.7	-
Research and development expenses (net)	299.4	2.6	268.0	2.6
CapEx ¹	926.2	7.9	535.5	5.3
Depreciation and amortization ²	846.1	-	852.6	-
- thereof impairment ³	22.5	-	11.8	-
		% of adj. sales		% of adj. sales
Adjusted sales ⁴	11,728.0	-	10,154.4	-
Adjusted operating result (adjusted EBIT)⁵	1,705.4	14.5	1,344.1	13.2

¹ Capital expenditure on property, plant and equipment, and software.

² Excluding impairment on financial investments.

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

⁴ Before changes in the scope of consolidation.

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Key Figures

Business Area ContiTech

	2019		2020	
ContiTech (€ mn)		% of sales		% of sales
Sales	6,401.5	-	5,578.6	-
EBITDA	670.5	10.5	628.7	11.3
EBIT	305.9	4.8	254.1	4.6
Operating assets (average)	3,519.8	-	3,281.2	-
Research and development expenses (net)	162.8	2.5	149.7	2.7
CapEx ¹	261.7	4.1	179.6	3.2
Depreciation and amortization ²	364.6	-	374.6	-
- thereof impairment ³	12.3	-	25.1	-
		% of adj. sales		% of adj. sales
Adjusted sales ⁴	6,393.7	-	5,448.2	-
Adjusted operating result (adjusted EBIT)⁵	455.4	7.1	412.2	7.6

¹ Capital expenditure on property, plant and equipment, and software.

² Excluding impairment on financial investments.

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

⁴ Before changes in the scope of consolidation.

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

Key Figures

Group Sector Powertrain Technologies

	2019		2020	
Powertrain Technologies (€ mn)		% of sales		% of sales
Sales	7,802.3	-	6,967.7	-
EBITDA	192.5	2.5	122.5	1.8
EBIT	-662.1	-8.5	-450.8	-6.5
Operating assets (average)	3,906.3	-	3,191.5	-
Research and development expenses (net)	664.1	8.5	670.5	9.6
CapEx ¹	657.7	8.4	466.0	6.7
Depreciation and amortization ²	854.6	-	573.3	-
- thereof impairment ³	351.9	-	86.3	-
		% of adj. sales		% of adj. sales
Adjusted sales ⁴	7,802.3	-	6,967.7	-
Adjusted operating result (adjusted EBIT)⁵	57.0	0.7	-55.6	-0.8

¹ Capital expenditure on property, plant and equipment, and software.

² Excluding impairment on financial investments.

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

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Powertrain Technologies

Vitesco Technologies Ready for Independence

Well positioned in electrification

- › Full-range supplier for all electrification types: from battery management to electric drive systems
- › Sales share of electrification technology doubled in 2020E to 6%
- › Already supplying numerous xEV platforms from VW, Audi, Daimler, PSA, FCA, Renault and Jaguar Land Rover

Current status of spin-off

- ☒ **Legal carve-out**
- ☒ **Operational readiness on track**
- ☒ **Improved market conditions**
- ☐ **AGM approval**
April 29, 2021
- ☐ **Listing**
H2 2021

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, 2020	200,005,983

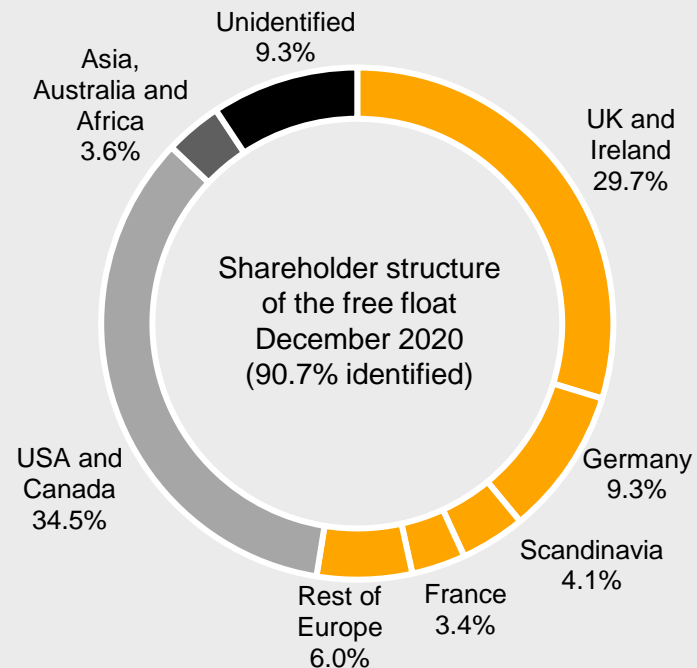
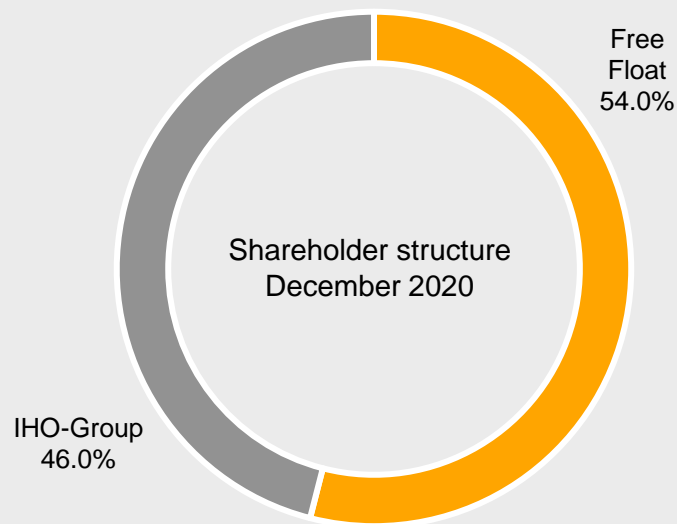
ADR Data

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

¹ Before October 29, 2018, split was 1:5.

Continental Shares

Shareholder Structure / Free Float by Region



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The Future in Motion