

Continental Modern Slavery Statement for the Financial Year 2021

Information on Reporting

The following statement constitutes the Modern Slavery Statement for the Continental Group submitted by Continental AG as the parent company. The statement covers all subsidiaries and minority holdings where Continental exercises management control (hereinafter collectively referred to as “Continental” or “Continental Corporation”). This statement has been prepared in consultation with members of Continental AG subsidiaries explicitly subject to mandatory reporting obligations in the United Kingdom and Australia to understand subsidiary specific and country specific activities (pls. refer to annex). The statement covers the 2021 fiscal year from January 1 to December 31, 2021.

Corporate Profile

Continental develops pioneering technologies and services for sustainable and connected mobility of people and their goods. Founded in 1871, the technology company offers safe, efficient, intelligent and affordable solutions for vehicles, machines, traffic and transportation. In 2021, Continental generated sales of €33.8 billion and currently employs more than 190,000 people in 58 countries and markets.

Since January 1, 2022, the Continental Group has been divided into four group sectors: Automotive, Tires, ContiTech and Contract Manufacturing. These comprise a total of 17 business areas. A group sector or business area with overall responsibility for a business, including its results, is classified according to product requirements, market trends, customer groups and distribution channels.

Overall responsibility for managing the company is borne by the Executive Board of Continental Aktiengesellschaft (AG). The Automotive, Tires and ContiTech group sectors are each represented on the Executive Board. With the exception of Group Purchasing, the central functions of Continental AG are represented by the chairman of the Executive Board, the chief financial officer and the Executive Board member responsible for Human Relations, and assume the functions required to manage the Continental Group across the group sectors. These include, in particular, finance, controlling, compliance, law, IT, human relations, sustainability, as well as quality and environment.

Continental AG is the parent company of the Continental Group. In addition to Continental AG, the Continental Group comprises 472 companies, including non-controlled companies. The Continental team is made up of 190,875 employees at a total of 527 locations in the areas of production, research and development, and administration, in 58 countries and markets. Added to this are distribution locations, with 944 company-owned tire outlets and a total of around 5,200 franchises and operations with a Continental brand presence.

Sustainability Management

Sustainability is a driver of innovation for Continental during the current transformation of mobility and industries, and is thus firmly anchored in its corporate strategy in the cornerstone of “turning change into opportunity.” In the Continental Group's sustainability ambition, we describe how we want to shape this transformation in the relevant topic areas with respect to sustainability. Along with the relevant guidelines, this sustainability ambition brings together existing strategies, programs and processes, as well as their further development. Continental is a signatory to the UN Global Compact since

2012. For the four focus areas of sustainability, we are committed to visionary and strong ambitions, which we intend to achieve by 2050 at the latest and together with our partners along the value chain.

- > 100% carbon neutrality,
- > 100% emission-free mobility and industries,
- > 100% circular economy, and
- > 100% responsible value chain.

The entire ambition can be found at www.continental-sustainability.com.

Ultimate responsibility for sustainability lies with the Executive Board member for Group Human Relations and Group Sustainability, under whose supervision the Group Sustainability group function is responsible for sustainability management in the Continental Group. Sustainability organization is further supplemented by sustainability functions in the group sectors as well as coordinators in several business areas and countries.

The Group Sustainability Steering Committee is responsible for assessing interdepartmental issues, weighing up risks and opportunities and discussing relevant Executive Board decisions in advance. In fiscal 2021, it consisted of three members of the Executive Board (chairman of the Executive Board, Group Sustainability, Group Finance and Controlling) as well as the heads of the sustainability functions at corporate level and group sector level and the heads of other relevant group functions. The committee is chaired by the Executive Board member for Group Sustainability and managed by the head of the Group Sustainability group function. Some of the group sectors have their own interdepartmental sustainability committees, which are coordinated by the relevant sustainability functions.

Policies in Relation to Fighting Modern Slavery and Human Trafficking

Continental has incorporated its commitment to human rights and the ILO core labor standards into its global codes of conduct in line

with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines. They are applicable to the entire Continental Group. Our Continental Code of Conduct [📄](#), which was expanded early 2019 mandates the respect for human rights and fair working conditions for every employee and executive freedom of association, the prohibition of child labor and forced labor as well as freedom from discrimination. The Business Partner Code of Conduct (BPCOC) [📄](#), established by Continental's Executive Board, requires all of Continental's suppliers to respect human rights. This includes the prohibition of forced labor and human trafficking. As one of the largest producers in the world, natural rubber is a raw material for business success. Continental therefore launched and published a group-wide Sustainable Natural Rubber Policy [📄](#) in 2018, which specifically includes standards and expectations for suppliers regarding human rights, e.g. regarding land rights, forced labor, child labor as well as the rights of migrant workers and ethical recruitment practices. The respect for human rights is at the core of a responsible value chain. In the past fiscal year, Continental further developed its management approach for the strategic dimension of "Sustainability in the natural rubber supply chain," in compliance with the human rights and due diligence guidelines of the Organisation for Economic Cooperation and Development (OECD). For Continental, all responsibilities and obligations along the natural rubber supply chain are based on the "Sustainable Natural Rubber Sourcing Policy" and the Business Partner Code of Conduct - both updated in 2021. Therefore, among other topics, our publicly communicated sustainability ambition of 2020 stipulates that we strive to achieve full, 100%, responsible business partnerships and sourcing - by 2050 at the latest and together with our partners along the value chain.

Due Diligence - Risk Management Integration

Continental takes its responsibility to respect human rights seriously and reviews measures to address human rights and modern slavery risks regularly. Our understanding of a responsible value chain relates to our supply chain and our customer relationships as well as to our own locations. Group Sustainability together with the respective group sector sustainability functions hold the responsibility to continuously monitor and improve measures related to human rights due diligence requirements. In line with this approach, several group functions such as human relations and purchasing, have been trained and deployed to integrate human rights topics into their core functions. In the reporting year, under the leadership of the Sustainability group function, a corporate project was launched for the implementation of the German Supply Chain Act, which will enter into force in 2023 applicable for the entire Continental Group globally and focuses on human rights due diligence.

Own Operations

Production and sales in Automotive and ContiTech group sectors are organized across regions. For the Tires group sector, economies of scale play a key role when it comes to tire manufacturing. Low production costs coupled with large volumes and proximity to our customers or high rates of regional growth constitute key success factors. For this reason, manufacturing takes place at major locations in the dominant automotive, namely Europe, the USA and

China. Tires are sold worldwide via our dealer network with tire outlets and franchises, as well as through tire trading in general.

At group level, a process for monitoring assessing and minimizing risks for negative impacts on human rights in the countries and locations where Continental operates has been developed in a cross departmental effort within the Human Relations functions. The approach was tested 2020 and will be integrated into existing processes in 2021, including an update on policies and guidelines for our own locations on good working conditions.

In order to address the impact of the COVID-19 pandemic and facilitate safe production, the existing pandemic preparedness plan (pandemic plan) across the group was once again applied in fiscal 2021. The crisis teams set up at corporate and country level remained active. Continentals own mass production was continued, and psychosocial counseling for mental health continued to be offered in certain countries.

Supply Chain

Continental processes a wide range of raw materials and semi-finished products. The purchasing volume in the reporting year was €23.2 billion in total, €15.7 billion of which was for production materials. The Automotive and Contract Manufacturing group sectors use primarily steel, aluminum, precious metals, copper and plastics. Electronics and electromechanical components together make up about 37% of the Continental Group's purchasing volume for production materials, while mechanical components account for around 15%. Natural rubber and oil-based chemicals such as synthetic rubber and carbon black are key raw materials for the Tires and ContiTech group sectors.

The total purchasing volume for these materials amounts to around 23% of the total volume for production materials.

The Corporate Purchasing Network was established in 2020 and regularly addresses issues of responsible procurement. Compliance with the BPCOC along the supply chain is assessed through the sustainability platforms NQC and EcoVadis. Direct strategic suppliers are asked to submit self-assessments. They include questions regarding the management of human rights and working conditions. Audits for risk areas such as environmental management or building safety are conducted. Additionally, we actively engage with our suppliers on specific risk topics identified by us e.g. natural rubber. As at December 31, 2021, 631 valid supplier self-assessment questionnaires were available via the two sustainability platforms EcoVadis and NQC (PY: 696 including Vitesco Technologies). This corresponds to a compliance ratio of 53 % (previous 59 %) of the suppliers selected for this process. In the priority area of action for the procurement of sustainable natural rubber, the pilots for traceability approaches have been further developed, e.g. within the framework of the "Rubberway Project" [📄](#) In collaboration with the Gesellschaft für Internationale Zusammenarbeit (GIZ) and the Federal Ministry for Economic Cooperation and Development (BMZ), Continental has been ensuring the traceability of natural rubber from the project region in West Kalimantan, Indonesia, since 2018 by implementing a digital system, capacity building activities and optimization of the value chain. As part of the capacity building activities, Continental, GIZ and BMZ are also involved in training small farmers involved in the project in sustainable farming practices.

These training sessions and optimization of the supply chain enable small farmers and their families to improve their income through higher raw material yields, and to encourage agroforestry. With these projects we aim to identify and mitigate potential risks for adverse impacts on human rights. Regarding other critical raw materials with regard to human rights in our supply chain, we have also reorganized our management and reporting specifically for conflict minerals and cobalt since 2020. The Quality group function coordinates the management of conflict minerals, including the corresponding reporting processes. Further activities are being implemented in the different countries; for example in Australia a Modern Slavery Working Group and an industry task force for setting up a consortium platform which are being established.

Communication and Training

New employees of Continental are informed about Continental's Code of Conduct when hired. Continental provides online training on the Code of Conduct and regular classroom compliance training sessions at various locations worldwide. With the update of the COC a module on human rights and good working conditions was included. These training sessions are mandatory for new employees. In fiscal 2021, 6,378 employees received e-learning on the Code of Conduct (PY: n. a.). Due to the situation caused by COVID-19 pandemic most trainings were held in virtual formats. Continental suppliers are continuously informed on our expectations stipulated in our BPCoC and are expected to meet these requirements throughout their own processes as well as their supply chains.

We are further developing our approach in dialog with external stakeholders and support the development of industry-wide standards, including: through our active participation in the Industry Dialog of the German Federal Government on Human Rights in the Automotive Industry and the Global Platform for Sustainable Natural Rubber (GPSNR), as well as active participation in industry associations.

Compliance Hotline and Case Management

Continental operates a global Compliance and Anti-Corruption Hotline, where submissions can be made on any topic of concern in relation to Continental's business, including concerns in relation to the ethical rights such as forced labor or human trafficking. The hotline process is available through Continental's website and is broadly accessible, including to all Continental employees and any third parties such as suppliers and their employees. Submissions can be made anonymously and without fear of salvation. Any submission to the hotline is followed-up by a defined process involving different group departments at Continental. Group wide policies are complemented by local policies such as whistleblower policies in Australia which provide additional confidentiality protections.

The effectiveness of our measures regarding the ambition of 100% responsible value chain is assessed along our own operations as well as along our value chains; for example with supplier self-

assessments. These measures are part of the general continuous improvement of our sustainability management.

This statement was approved by the Executive Board of Continental AG in its capacity as principal governing body on (May, 20th 2022).

For and on behalf of the Executive Board:

Dr Ariane Reinhart

Executive Board member for Group Human Relations and Group Sustainability, Continental AG

For more information visit: www.continental.com or see the latest version of our [2021 Integrated Sustainability Report](#).

Annex

Continental AG subsidiaries explicitly subject to mandatory reporting obligations in the United Kingdom and Australia:

Australia:

- > Conti Trade Australia Pty. Ltd.
- > Continental Pty Ltd.
- > Continental Tyres of Australia Pty Ltd.
- > ContiTech Australia Pty Ltd.
- > Tyre and Auto Pty Ltd.
- > Veyance Technologies Australia Pty., Ltd.
- > Vulcanite Holdings Pty Ltd.
- > Vulcanite Pty Ltd.

United Kingdom:

- > Application Solutions (Electronics and Vision) Ltd.
- > Bandvulc Tyres Ltd.
- > BV Environmental Ltd.
- > BV F1rst Ltd.
- > CAS UK Holding Ltd.
- > Continental Automotive Holdings UK Ltd.
- > Continental Automotive Trading UK Limited
- > Continental Automotive UK Ltd.
- > Continental Engineering Services Ltd.
- > Continental Investment Ltd.,
- > Continental UK Group Holdings Ltd.
- > Continental Teves UK Ltd.
- > Continental Tyre Group Ltd.
- > Continental Tyre Investment UK Ltd.
- > Continental Tyres Ltd.
- > ContiTech United Kingdom Ltd.
- > Dunlop Oil & Marine Ltd.
- > Granite Investments Ltd.
- > IAV U.K. Ltd.
- > Kim Holdings Scotland Ltd.
- > Libra Associates (Properties) Ltd.
- > Merlett Plastics UK Ltd.
- > Phoenix Oil & Marine Ltd.
- > R & J Strang Tyre Services Ltd.
- > Semperit (UK) Ltd.
- > Specialised Belting Supplies Ltd.
- > TecAlliance Limited
- > Tyre Maintenance Ltd.
- > Vanvulc Tyres Ltd.
- > Viking Tyres (UK) Ltd.
- > Zytek Automotive Ltd.
- > Zytek Group Ltd.

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anbei befindet sich das Modern Slavery Statement für das Geschäftsjahr 2021 mit der Bitte um Freigabe.
Das Konzernstatement über Maßnahmen gegen Moderne Sklaverei und Menschenhandel ist aufgrund von Geschäftsaktivitäten in Australien und dem Vereinigten Königreich jährlich zu veröffentlichen. Der Inhalt dieses Statements wurde mit entsprechenden Länderverantwortlichen insbesondere für den Abgleich mit lokalen gesetzlichen Anforderungen vorgenommen. Die Struktur der Berichterstattung ist angelehnt an die der Vorjahre wobei aktuelle Daten aus dem Geschäftsbericht und Nachhaltigkeitsbericht 2021 stammen, sowie konkrete Rückmeldungen aus den Ländern eingebunden wurden.

Bei Fragen stehe ich gern zur Verfügung.
Viele Grüße,
Ines Stoll

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