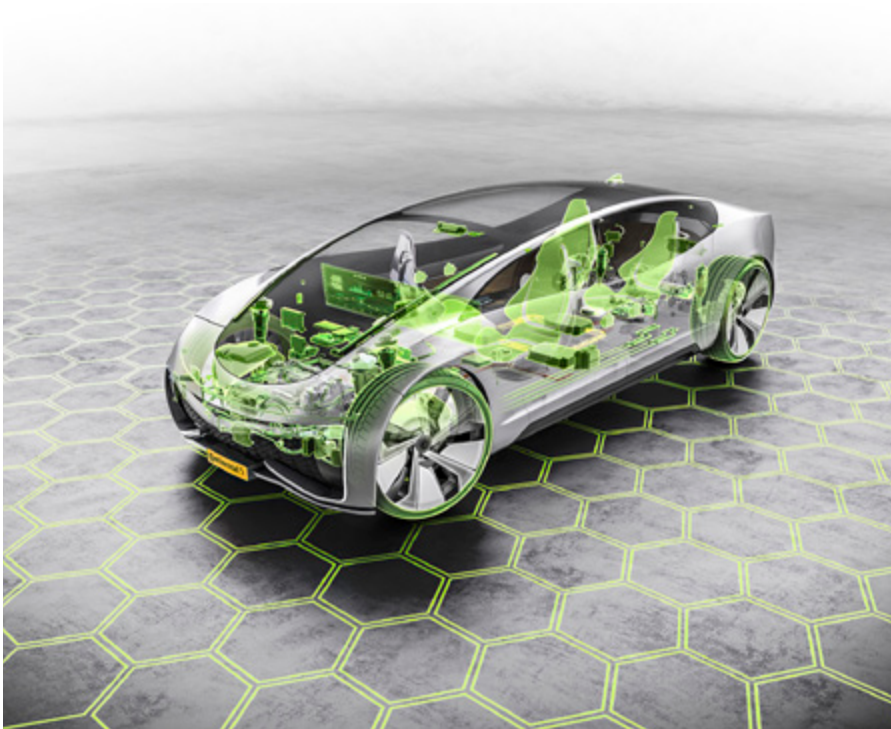


CONTINENTAL AUTOMOTIVE

Future Business is Sustainable Business

Continental develops pioneering technologies and services for sustainable and connected mobility of people and their goods. With sustainability as the key driver of innovation, the company has its sight on ambitious targets to achieve by 2050 at the latest, together with partners along the value chain. At the Singapore R&D hub, engineers are teaming up with researchers to find new solutions, such as increasing circularity in automotive electronics and optimising the electromobility ecosystem.



Carbon neutrality, emission-free mobility and industry, a circular economy and responsible value chains are the main levers of transformation to a more sustainable planet. Continental has thus set itself one ambition: to achieve 100 percent in each area by 2050 at the latest, and together with the company's partners throughout the value chain.

While some associate climate protection with sacrifice, Continental sees it through a different lens. The transformation of the economy towards carbon neutrality is, above all, a tremendous opportunity – for the planet and also for the business of the company. Sustainability is anchored in the foundation of Continental's values and is vital to the vision of "creating value for a better tomorrow".

FOUR AMBITIONS

Carbon Neutrality

Continental aims to become carbon neutral across the entire group by 2040. Concrete steps are being taken, such as switching all energy purchased to green energy since 2020 and making use of new technologies to reduce emissions in production processes.

However, most of the emissions generated in the value chain – equating to around 99 percent – are generated outside of production. Raw material procurement, use of the product and recycling at the end of its life cycle will have to be transformed in a sustainable way and Continental is committed to working closely with customers, suppliers and other partners.

Emissions-Free Mobility and Industry

Continental provides a range of customer-focussed products and services, which supports societies and businesses from different industries in the transformation to an emission-free future. These solutions can be used to support emission-free rail transport, bicycles and even resistance-optimised tires.

One notable area is in e-mobility, and Continental's innovations can help to reduce the weight of electric vehicles (EVs), enabling lower raw material consumption and ultimately lessening the power requirements. With up to 65 percent renewable, recycled and mass balance certified materials, the Ultra Contact NXT from Continental combines a remarkably high share of sustainable materials with maximum safety and performance. At the same time, all dimensions carry the highest possible rating in the EU tire label ("A") in rolling resistance, wet braking and exterior noise.

Circular Economy

By 2050, Continental aims to fully close its product and resource cycles together with its partners in the value chain – and make circular economy a reality. This entails implementing circularity in product design, business models, material use and material procurement. In the tire business, for example, Continental is pioneering innovative methods for recycling rubber from end-of-life tires and is working on the further development of pyrolysis – a process that converts end-of-life tires into raw materials. By 2050 at the latest, all tires are to be made of sustainable materials. There is still a long way to go until then. But step by step, it is already becoming apparent which raw materials will find their way into tire construction in the future. These include waste products from agriculture – such as the ash from rice



husks, rubber from dandelions, as well as recycled rubber or PET bottles.

Over at Continental's industrial business, the focus is on replacing conventional materials with recycled and bio-based ones. For example, the artificial leather skai VyP Coffee is made from coffee grounds reused to produce breathable upholstery fabrics. In addition, Continental has developed concepts to increase the proportion of sustainable materials in existing products, such as air springs, and to reduce the CO₂ footprint. Sustainable natural rubber, bio-based oils and plasticisers are being used, as well as recycled steel bead wires instead of conventional raw materials.

Responsible Value Chain

Respect for human and environmental rights is an integral component of all business activities at Continental. Continental prioritises social and environmental responsibility throughout its entire value chain - from the sourcing of raw materials to the production process and finally to the customer, with the ultimate goal of creating a positive impact on society. To achieve a 100 percent responsible value chain - together with its business partners and by 2050 at the latest - Continental has established a comprehensive management system for ensuring due diligence, to detect risks related to its commitments within its supply chain and in its own operations.

SUSTAINABILITY IN SINGAPORE

With over 35 years of engineering history, Continental Singapore is one of Continental's largest R&D hubs in Asia and serves a range of regional and global customers,

across a wide portfolio of hardware and software products. Engineers are also working in advanced fields such as high-performance computers, AI, and cybersecurity, that will further the development of the future generation of software-defined vehicles, which will be smarter, safer and more sustainable.

Innovation Through Collaboration

To bring about innovative solutions which can transform the mobility ecosystem, Continental Singapore collaborates closely with other industry players and research institutions.

One area is in improving the circularity of automotive electronics and here Continental has partnered with the French Alternative Energies and Atomic Energy Commission (CEA) and Nanyang Technological University, Singapore (NTU Singapore).

At the Singapore-CEA Alliance for Research in Circular Economy (SCARCE) - a research centre set up by CEA and NTU Singapore - different methods to improve the circularity of Printed-Circuit Boards (PCBs) are being explored, such as eco-designs to facilitate used PCB disassembly and automated sorting of components with intelligent solutions such as machine learning.

Engineers in Singapore also work closely with NTU researchers at the Continental-NTU Corporate Lab to create smart and sustainable mobility solutions. One area is in the intelligent management of Electric Vehicle (EV) fleets, which can optimise charging schedules and locations to mitigate battery degradation, and reduce the demand placed on the electricity grid during peak hours.

Environmental Stewardship

Continental Singapore participates in the annual Earth Hour programme, with additional activities such as sustainability talks and a pledge event, where employees commit to protecting the environment in their own personal ways. Employees also take

part in a yearly beach clean-up, to support a clean marine environment and protect the ocean's biodiversity.

Green Business

The Singapore office at Boon Keng Road is certified RE100, with 100 percent energy coming from renewable sources. Additionally, photovoltaic panels installed on the rooftops of the office building also supply an additional source of clean energy. The company's goal is to achieve a two percent reduction in energy consumption year-on-year, and this has been achieved through various ways, including switching to LED lighting, and right-sizing the office space to match hybrid work environment.

Employees from various departments and business areas have also undergone training to use the Green Compass assessment tool, to better understand the company's current level of environmental sustainability and develop future strategies for green transformation.

TURN CHANGE INTO OPPORTUNITY

In this era of transformation for the mobility industry, sustainability is to be embraced and is key to future business for Continental. To make its sustainability ambition a reality and bring about lasting impact in the industry, Continental seeks to work closely with all stakeholders - employees, shareholders, stockholders, customers, partners, and suppliers.

"In the words of Dr. Ariane Reinhart, Continental Executive Board member for Human Relations and Sustainability: "As we navigate the complexities of the automotive industry, we are not only shaping our own future but also influencing the course of an entire sector. Together - with ambition, viability, compliance and passion - we are embarking on a journey that goes beyond profit margins; it is a commitment to building a legacy of sustainability," she said in a letter in Continental's Integrated Sustainability Report 2023."