

Company Profile

Name and legal form	Continental AG	Shareholder structure	Schaeffler Group: 46% Freefloat: 54%		
Industrial sector	Automotive Supplier		2015	2014	2013
		Sales in Euro million	39,232.0	34,505.7	33,331.0
Headquarters	Hanover	EBITDA in Euro million	6,001.4	5,133.8	5,095.0
Number of sites	430	R&D expenses in Euro million	2,449.6	2,137.7	1,878.4
Regions	55	Number of employees annual average (in thousands)	204.7	186.0	175.4
Stock listing	DAX				

Sustainability Profile

Sustainable management and corporate social responsibility are among Continental's fundamental values. Both reinforce the culture of solidarity while simultaneously contributing to forward-looking and values-based corporate management. We contribute to sustainable mobility with our products, technologies, and services. The goal is to increase the safety, comfort, and energy efficiency of vehicles. We also want to make mobility affordable for everyone. We make significant contributions of benefit to society for a number of additional key industries – such as wind turbines for energy generation or conveyor belt systems to transport materials without harming the environment. For humans, our solutions mean protection, health, and quality of life.

Sustainability Awards, Rankings and Ratings

- Participant CDP (Carbon Disclosure Project) since 2009. In 2015 Continental achieved a top grade of 94 points.
- ECPI Ethical EMU Equity
- oekom research 'Prime'
- Sustainalytics overall score 76
- Europäischer Nachhaltigkeitspreis: 2013 for Conti-Life-Cycle Plant in Hanover-Stöcken, 2014 for the bus tire Conti Coach HA3.
- PEP Award 2014 for Continental's location in Calamba, Phillipines
- Green Tech Award 2014 for dandelion rubber project
- Continental Automotive Guadalajara Mexico receives an award from Fiat Chrysler Automobiles as supplier of the year 2015 in the Sustainability category.

Membership and voluntary commitments

- World Business Council for Sustainable Development (WBCSD)
- Participant of the United Nations Global Compact
- Women's Empowerment Principles
- European Road Safety Charter
- Luxembourg Declaration on Workplace Health Promotion in the European Union
- Diversity Charter, an initiative aimed at promoting diversity within companies
- German Road and Safety Council (DVR)

Sustainability management and reporting

Responsibility	Executive Board Member for Human Relations	Instruments and systems	BASICS (corporate guidelines), Code of Conduct, Principles of our Corporate Social Responsibility, Corporate Governance Principles, Demographics Program, Compliance Management, Environmental Management, HISS (Health, Industrial Hygiene, Safety & Security), Supplier Assessment, Supplier Code of Conduct
External certifications	ISO 14001; ISO 9001 or ISO/TS 16949; OHSAS 18001		
Targets (areas)	Reduction of CO ₂ emissions by our products for the automotive industry as well as from our manufacturing processes; energy and water consumption, waste; occupational safety; women in management positions	Reporting und cycle	Annual GRI Online Report
		GRI-guidelines of report	The report adheres to the internationally recognized Global Reporting Initiative (GRI) and applies to G4 for the report period 2015.
Targets (time horizon)	2020, 2025	Report auditing	All corporation-related environmental performance indicators

Combination of sustainability und business success

Engagement focus	Integration of sustainability efforts in bonus or incentive schemes
<p>We consider sustainable management to be a strategic corporate development task. It is vital that sustainability goals and measures create value. This is the only way to ensure their acceptance within the company and their credibility outside the company. It is therefore an element of our corporate strategy to combine financial and non-financial performance indicators and to take a holistic approach resulting in a contribution that impacts positively on our employees, the environment, and society.</p>	Energy manager, environmental manager, facility manager - linked to the attainment of certain targets of the corporate environmental goals. Majority of HR managers – incentives linked to diversity targets or absenteeism.
	Top-Ten-investment in sustainability funds and share within those*
	LBBW Global Warming: 4.07% Oddo Sustainability Fund: 3.01% Vontobel Fund New Power A: 2.90% ACATIS Fair Value Aktien Global: 2.88% Vontobel Fund Global Clean Technology: 2.21%

Environmental Protection

* <http://www.nachhaltiges-investment.org/> as of 17.08.2016

Engagement focus	Key Figures	2015*	2014*	2013**
<p>At the heart of our environment policy is a systematic approach to the reduction of environmental impact, while improving economic and social conditions. At Continental, responsibility for protecting the environment is set down as a mandatory obligation in the BASICS and has been specified as an objective in the corporation's ESH (Environment, Safety, Health) policy. The Principles of Environmental Protection are used as a guideline and yardstick for all activities of the Company which are of relevance to the environment.</p>	Specific energy consumption (Gigajoule/€ million in adjusted sales)	777	816	829
	Specific CO ₂ emissions (100 kg/€ million in adjusted sales)	738	771	759
	Specific water consumption (m ³ /€ million in adjusted sales)	442	480	487
	Specific waste generation (100 kg/€ million in adjusted sales)	82.1	85.2	84.3
	Recycling rate in %	83.4	84.5	83.9

* Reviewed by KPMG and verified with an ISAE 3000 certificate

** independently verified by KPMG

Employees

Engagement focus	Key Figures	2015	2014	2013
<p>Our HR strategy is focused on the two fields of action “employees and corporate culture”. In dialog with our employees, we used a number of measures to strengthen our corporate culture, characterized by our four values: Trust, Passion To Win, Freedom To Act, and For One Another, and firmly embed it in our corporation. Only in an inspiring environment can we successfully create optimal development opportunities for our employees.</p>	Turnover rate ww in %	4.9	4.1	3.7
	Apprenticeship rate within Germany in %	3.8	4.3	4.3
	Accident rate ww (number of work accidents with lost working days related to 1 million working hours)	3.1	3.0	3.3
	Sickness Rate ww	3.8	3.6	3.5
	Share of women in management positions ww in %	10.5	10	9

Society

Engagement focus	Key Figures	2015	2014	2013
<p>Continental focuses on three areas in its social engagement: social improvement and traffic safety, education and science, and sport. As a corporation on the global market, Continental has a decentralized organization with strong local responsibility. This applies not only to the business units, but also to the social commitment of the corporation and its branches and that displayed in private initiatives founded and supported by committed company employees. As far as possible, charitable projects, donations, and other activities are, therefore, initiated and supervised at the discretion of the decentralized units. Exceptions to this include national projects and challenges or our committed response to international disasters, where the corporation as a whole evidences its corporate social responsibility.</p>	Example for donations	€ 100,000 to the 'Welthungerhilfe' to support Syrian refugees	€ 70,000 for flood victims in Serbia	USD 200,000 for Philippine relief workers

Product responsibility

Engagement focus	Key Figures	2015	2014	2013
<p>We reduce the energy consumption of vehicles with our products and technologies – a significant contribution to the sustainability of individual mobility. We are working continuously on gradually reducing the environmental impact of our production facilities. We consider the creation of products that significantly improve road safety to be yet another major benefit of our work to society. When using raw materials, we endeavor to utilize natural resources in a conscientious manner.</p>	Life cycle assessment according to ISO 14040/ISO 14044	14	14	14
	Sales of energy efficient products	around € 12 billion	around € 12 billion	around € 11 billion

Supply Chain

Engagement focus	Key Figures	2015	2014	2013
<p>Continental maintains a network of around 5,000 suppliers for production materials worldwide. Continental regularly assesses the level of certification to ISO 14001 (environmental management) of the vast majority of the suppliers with which it already has contracts. This information is incorporated in the internal assessment system. Supplier assessments are conducted by means of a questionnaire prior to placement of an order with a new supplier. The assessment focuses on aspects such as energy consumption, packaging, workplace hygiene, safety data sheets, environmental certification, and contingency management in the plant. We also encourage our suppliers to obtain similar data from their (upstream) suppliers.</p> <p>Since 2011, guidelines at Continental have required that its suppliers and service providers comply with Continental's "Supplier Code of Conduct."</p>	Share or purchase volume from OECD-member states in %	71	69.8	68.8

Contact Information

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Additional reporting information

www.continental-sustainability.com