



Statement in adherence to the UK Modern Slavery Act 2015

I. Organizational structure and business

Company Profile

Continental develops pioneering technologies and services for a 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 2018, Continental generated sales of around €44.4 billion and currently employs around 243,000 people in more than 60 countries and markets. This statement applies to Continental AG with all its subsidiaries over which the company has operational control.¹ For more information visit: www.continental-corporation.com

Sustainability Management

Sustainability has been deeply rooted in the values of our company for almost 150 years. For Continental, sustainable business practices mean having a positive impact on society. It is regarded as a strategic task for our corporate development and therefore a task for the Executive Board. Dr. Ariane Reinhart is the head of Human Relations and Sustainability.

Continental is committed to the United Nations Global Compact and supports its ten principles on human rights, labour standards, environmental protection and anti-corruption. The work on putting these principles to practice is led among others by the United Nations Guiding Principles on Business and Human Rights as well as the internationally recognized core labour standards of the International Labour Organization (ILO).

II. Policies in relation to fighting modern slavery and human trafficking

Continental has incorporated its commitment to human rights and the ILO Core Labour Standards into its global codes of conduct: The internal Code of Conduct, which was expanded at the start of 2019 (to be published shortly) mandates the respect for human rights and fair working conditions for every employee and executive including freedom of association, the abolishment of child labour and forced labour as well as freedom from discrimination.

The Business Partner Code of Conduct (BPCOC), originally established by Continental's Executive Board in 2011 as the Supplier Code of Conduct and updated in 2017, requires all of Continental's suppliers and their respective suppliers to respect human rights. In particular, this includes the prohibition of forced labour and human trafficking. This is underlined with the clear expectation that our business partners incorporate this requirement within their supply chains. As one of the largest tyre producers in the world, natural rubber is a crucial raw material for our business success. In the context of increased global demand, it is important to focus on sustainability across the entire value chain of rubber in order to mitigate risks and negative impacts on workers, communities and the environment, and promote positive impacts. Continental therefore launched and published a Sustainable Natural Rubber Policy in 2018, which specifically includes standards for our suppliers regarding forced labour, child labour as well as ethical recruitment practices in

¹This statement applies to all subsidiaries of Continental AG as consolidated in the 2018 [Annual Report](#) including the following subsidiaries in the UK: Application Solutions (Electronics and Vision) Ltd., Bandvulc Tyres Limited, BV Environmental Limited, BV F1rst Limited, CAS UK Holding Ltd., Continental Automotive Holdings UK Ltd., Continental Automotive Telford UK Ltd., Continental Automotive Trading UK Limited, Continental Automotive UK Ltd., Continental Engineering Services Ltd., Continental Investment Ltd., Continental Teves UK, Ltd., Continental Tyre Group Ltd., Continental Tyre Investment UK Ltd., Continental Tyres Ltd., Continental UK Group Holdings Ltd., ContiTech United Kingdom Ltd., Dunlop Oil & Marine Limited, Granite Investments Limited, Libra Associates (Properties) Limited, Phoenix Oil & Marine Limited, Semperit (UK) Ltd., Specialised Belting Supplies Ltd., Tyre Maintenance Limited, Viking Tyres (UK) Ltd., Zytec Automotive Ltd., Zytec Group Ltd.



addition to other standards for fair working conditions. With this policy we have committed to work with our suppliers to mitigate these risks.

III. Due diligence - risk management and integration

Continental takes its responsibility seriously and regularly reviews its measures for respecting human rights and combating modern slavery and human trafficking in its own operations and its supply chain. In 2018, a sustainability department was established at the corporate level which includes a position dedicated specifically to coordinating human-rights related measures. Additionally, sustainability experts have been deployed in the relevant purchasing departments. Between 2016 and 2018, an internal global labour relations network was established in 11 countries covering approximately 70% of our employees. These labour relations coordinators are tasked with preventing and mitigating compliance cases in relation to working conditions at our facilities through investigation, training and monitoring. This is mirrored by a labour relations team at the corporate level, which evaluates the current situation in countries and initiates preventative measures.

Compliance with our Business Partner Code of Conduct in our supply chain is assessed through the sustainability platforms NQC and Ecovadis. First-tier suppliers are asked to submit self-assessments. The questionnaire includes questions regarding the management of human rights and working conditions. This programme is supplemented with the sustainable natural rubber policy that describes measures for the upcoming years. With a private public partnership in Indonesia that was started in 2018 together with the German development agency (GIZ GmbH), Continental has taken concrete steps to improve agricultural practices on the ground and develop and monitor sustainable natural rubber production.

IV. 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 performs regular classroom compliance training sessions at various locations worldwide. These training sessions are mandatory in particular for employees who work in purchasing or who hold an executive position within Continental. In 2018, a global workshop specifically on sustainability and human rights was conducted with the members of the internal labour relations network. We actively communicate the BPCOC to our suppliers and they are expected to communicate and incorporate these requirements throughout their respective supply chains.

V. Compliance and case management

Continental maintains a 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 violation of human rights such as forced labour or human trafficking. The Hotline process is also available through Continental's website and is accessible to anyone, including all Continental employees and any third parties such as suppliers. Submissions can be made anonymously. Any submission to the Hotline is followed-up by a defined process involving respective departments at Continental.

Hanover, March 25th, 2019

For and on behalf of the Executive Board:

Dr. Ariane Reinhart

Executive Board member for Human Relations and Sustainability, Continental AG