

CORPORATE GOVERNANCE

REPORT FROM THE SUPERVISORY BOARD

Dear Shareholder,

The 2021 fiscal year saw the completion of the Vitesco Technologies Group's spin-off from Continental AG and the listing of Vitesco Technologies Group AG, the Group's new parent company. The former members of the Supervisory Board vacated their positions as part of this spin-off. The local court assessed the Supervisory Board's composition and found that it was subject to Germany's Codetermination Act (*MitbestG*, *MitbestG*), for which reason the number of Supervisory-Board members was increased to 16 in line with statutory requirements. New shareholder representatives were elected at the Annual General Meeting and workforce representatives were appointed by the relevant court, with all representative roles taking effect as of the spin-off. The Supervisory Board comprehensively discharged all duties incumbent upon it under applicable laws and the Company's Articles of Incorporation and bylaws during the reporting period. We closely oversaw, carefully monitored, and advised the Executive Board on matters relating to the management of the Company. We have satisfied ourselves of the legality, propriety, and suitability of this management. We were directly involved in a timely manner in all decisions of fundamental importance to the Company.

The Executive Board provided the Supervisory Board with regular, timely, and comprehensive updates at its meetings and in writing on all issues of relevance to the Company. In particular, these issues include business performance, planning, business strategy, significant business transactions for the Company and the Group, risks and opportunities associated with these transactions, and compliance issues. The members of the Supervisory Board were also available to the Executive Board for consultation outside the meetings. As Chairman of the Supervisory Board, I had regular contact with the Executive Board and the Chief Executive Officer in particular, and regularly discussed with them current Company issues and developments.

The COVID-19 pandemic affected the work of the Supervisory Board in a variety of ways. The Supervisory Board and its committees were only able to hold one in-person meeting, on October 4, 2021, due to restrictions on in-person contact and travel. All other meetings were held virtually, which meant that the attendees connected through a secure online communication platform, could follow the presentations on screen, and contribute to the discussions at any time. The Supervisory Board held a total of five meetings in 2021. At its meetings, the Supervisory Board usually also had discussions without the Executive Board being present. The October meeting involved the election of a Chairman for the Supervisory Board and his deputy as well as members and, if required, chairpersons for the Conciliation Committee under *MitbestG* § 27(3), Chairman's Committee, Audit Committee, Nomination Committee, Related-Party Transaction Committee, and Technology Committee. A resolution was also passed at the meeting on December 10, 2021 to establish an ad hoc committee for emissions-related issues, the Ad Hoc Emissions Committee, with effect from January 1, 2022. The Chairman's Committee held one meeting during the reporting period, the Audit Committee met twice, and the Nomination Committee did not have a meeting. The Conciliation Committee pursuant to *MitbestG* § 27(3) did not need to become active in 2021 and there were no meetings of the Related-Party Transaction or Technology Committees in this time either. There were no further committees in the 2021 fiscal year. All committees report to the full Supervisory Board on a regular basis. The corporate-governance statement in the chapter of the same name describes the board's duties in more detail and names its members.

In fiscal 2021, the members of the Supervisory Board attended all full-board meetings and all meetings of the committees to which they belonged. A detailed record of each Supervisory Board member's meeting attendance will be published under

“Corporate Governance” in the “Investors” section of the Company’s website with the invitation to the Annual General Meeting.

Key topics dealt with by the Supervisory Board and Chairman’s Committee

The Executive Board provided the Supervisory Board with detailed information about the development of sales, profit, and employment within the Group and individual business units and about the Company’s finances at each meeting of the full Supervisory Board in the time following the spin-off from Continental AG and Vitesco Technologies Group AG’s assumption of its position as the Group’s top-level parent company. The Executive Board provided detailed explanations if actual business performance varied from the defined plans and targets. It held in-depth discussions with the Supervisory Board regarding the reasons for these variances and the measures initiated. Moreover, the Executive Board provided regular information about the situation in the Group’s key raw-material and sales markets, particularly in regard to the constrained supply of chips, and about the development of the Vitesco Technologies Group AG stock price.

Meetings prior to the spin-off from Continental AG

A Supervisory-Board meeting was held on March 9, 2021. The topics discussed included the appointment of new Executive-Board members and the establishment of a new remuneration system for members of the Executive Board. The remuneration system is described in detail in the remuneration report. Andreas Wolf, Werner Volz, and Ingo Holstein were chosen as new members of the Executive Board by a unanimous vote. Andreas Wolf was appointed Chief Executive Officer. Simultaneously, it was unanimously agreed that previous Executive-Board members Dr. Ulrike Schramm and Dr. Christian zur Nedden would step down from their positions. Additionally, the Supervisory Board discussed and approved the Company’s annual financial statements for the 2020 fiscal year as presented by the Executive Board and audited by KPMG AG Wirtschaftsprüfungsgesellschaft (“KPMG”). The audit performed by KPMG was a voluntary one.

At its meeting on March 18, 2021, the Supervisory Board approved the spin-off and transfer agreement and Group-separation agreement between Continental AG and Vitesco Technologies Group AG after conferring about the spin-off of Vitesco Technologies. Furthermore, the Supervisory Board discussed and passed resolutions for increasing the capital with the spin-off and for amending the Articles of Incorporation as well as for corresponding proposals for the Annual General Meeting. It was in this context that the Executive Board, in accordance with German Stock-Corporation Act (*Aktiengesetz*, AktG) § 92, informed the Supervisory Board about the existence of a net loss worth half of the capital stock at that time. Provisions needed to be created as the Company had undertaken to pay half of the costs for the joint spin-off report, spin-off audit, and audits in conjunction with the noncash capital increase and postformation acquisition and to pay by itself the costs for the planned listing and associated costs for such things as consultants, banks, and other service providers, even if the liabilities were conditional on the effectiveness of the spin-off. This meant that the Company incurred a net loss of an amount equal to half of the Company’s capital stock at that time.

Another Supervisory-Board meeting took place on June 10, 2021 where a resolution was passed to propose at the Annual General Meeting that KPMG be the auditor of the separate and consolidated financial statements and to perform an auditor’s review of the interim financial reports for the 2021 fiscal year. In addition, the Supervisory Board passed a resolution to propose at the Annual General Meeting that the Articles of Incorporation be amended as provided in the spin-off and transfer agreement.

On August 9, 2021, the then-Chairman of the Supervisory Board awarded KPMG, the auditor chosen at the Annual General Meeting, the mandate to audit the annual and consolidated financial statements for 2021 as well as the dependent-company report. On September 14, 2021, KPMG was also hired to audit the Group's combined nonfinancial statement.



Prof. Siegfried Wolf

Meetings after the spin-off from Continental AG

At the Supervisory Board's first meeting after the spin-off from Continental AG, on October 4, 2021, the Supervisory Board elected Prof. Siegfried Wolf as Chairman of the Supervisory Board and Ralf Schamel as Deputy Chairman. It also adopted bylaws for the Supervisory Board and Executive Board. Moreover, the Supervisory Board established and made appointments to all the committees required by law or under the Articles of Incorporation or bylaws. Ingo Holstein was appointed Director of Labor Relations alongside his role as Chief Human Resources Officer.

The Supervisory Board also appointed Klaus Hau and Thomas Stierle as additional members of the Executive Board, effective immediately and until September 30, 2024, and defined the individual components of their remuneration. The Remuneration Report chapter describes the remuneration system for Executive-Board members in detail. The Supervisory Board established a target for women on the Executive Board in accordance with Germany's Second Leadership-Position Act (*Zweites Führungspositionen-Gesetz, FÜPoG II*), consisting of at least one woman when the Executive Board is made up of more than three members. This target is planned to be achieved within the next three years and no later than October 1, 2024. Finally, the Supervisory Board passed resolutions setting a profile of skills and expertise for the Supervisory Board and diversity policies for the Supervisory and Executive Boards.

At its meeting on December 10, 2021, the Supervisory Board dealt in particular with the formation of an Ad Hoc Emissions Committee, a resolution to issue a promissory note, a slim-down of the Group's structure by dissolving Vitesco Technologies 1. Beteiligungs GmbH & Co. KG and Vitesco Technologies 2. Beteiligungs GmbH & Co. KG, the annual planning for 2022, the long-term planning for 2023 through 2026, and the plan for capital expenditure and investment in 2022. With regard to the Executive Board's remuneration, there were also resolutions defining the short-term incentive (STI) for 2022 and the long-term incentive (LTI) for 2022 to 2025 and adjusting the LTI for 2020 and 2021.

At its meeting on December 9, 2021, the Chairman's Committee discussed, among other things, setting up an ad hoc committee for emissions-related issues and recommended this to the Supervisory Board. Further, the Chairman's Committee prepared a resolution on the Executive Board's remuneration for the Supervisory Board and recommended a definition of targets for the 2022 STI and 2022 to 2025 LTI and adjustments for the 2020 and 2021 LTI.

Key topics dealt with by the Audit Committee

Since the spin-off, the Executive Board informed the Audit Committee in detail and on an ongoing basis about the development of sales, profit, and employment within the Group and individual business units and about the Company's finances. The Executive Board is assisted by the Head of General Accounting and Head of Central Controlling & Reporting, who can provide the Audit Committee with information directly at its meetings. In addition, the Chairwoman of the Audit Committee maintains regular contact with the Chief Financial Officer and the auditor outside the meetings.

At its meeting on November 5, 2021, the Audit Committee discussed the most recent end-of-quarter accounting and the outlook for the overall year with the Executive Board. In the same meeting, the Audit Committee also spoke about the "key audit matters" with the auditor and approved the contracting of KPMG for the substantive testing of the remuneration report for the 2021 fiscal year. The Audit Committee also approved KPMG performing authorized nonaudit services for IHO in its preparation for the inclusion of the Vitesco Technologies Group directly within the IHO consolidated financial statements. The Audit Committee further approved KPMG performing the following nonaudit services in 2021: voluntary audits of the annual financial statements of material holding companies, audit of financial covenants, and audit of Closing Pilot (an IT and process tool).

Moreover, the Audit Committee discussed the work performed by the Compliance department and Internal Audit as well as the reporting about material risks. This includes in particular the matters described in more detail in the risk and opportunity report and in the notes to the consolidated financial statements. The Head of Compliance & Antitrust and Head of Internal Audit are also available to provide information directly to the Audit Committee and its Chairwoman in coordination with the Executive Board. The Chairwoman of the Audit Committee shares key information as part of her regular reporting to the full Supervisory Board. In addition, the Executive Board reports to the Audit Committee on the material risks identified through the risk-management system and the corresponding measures decided on. The Audit Committee has satisfied itself of the effectiveness of the internal control system, the risk-management system, and the internal audit system.

At its meeting on December 15, 2021, the Executive Board provided the Audit Committee with extensive information about the investigations opened by the Frankfurt am Main and Hanover district attorneys into the allegations of using illegal defeat devices.

Corporate Governance

At its meeting in December 2021, the Supervisory Board agreed to a statement in accordance with AktG § 161 on the recommendations of the German Corporate Governance Code (*Deutscher Corporate Governance Kodex*). The statement is based on the new version of the code published on December 16, 2019. In line with the code's recommendations, the Supervisory Board also approved the "Targets for the Composition of the Supervisory Board." There were no conflicts of interest for members of the Supervisory Board during the reporting period. In its opinion, the Supervisory Board also had at all times in the reporting period an appropriate number of independent members, especially on the shareholder side, as per the definition in the code. Further information about this and about corporate governance in general can be found in the Corporate-Governance Statement chapter.

Annual and consolidated financial statements; Group's combined nonfinancial statement for 2021

KPMG audited the annual financial statements as at December 31, 2021, prepared by the Executive Board in accordance with the provisions of the German Commercial Code (*Handelsgesetzbuch*, HGB), and included the accounts, the accounting-related internal control system, and the system for early risk recognition. KPMG also audited the 2021 consolidated financial statements and the combined management report for the Company and the Group. The 2021 consolidated financial statements of Vitesco Technologies Group AG were prepared in accordance with the International

Financial Reporting Standards (IFRS). The auditor issued unqualified opinions. In terms of the system for early risk recognition, the auditor found that the Executive Board had taken the necessary measures under AktG § 91(2) and that the Company's system for early risk recognition is suitable for identifying developments at an early stage that pose a risk to the Company as a going concern. In addition, KPMG audited the Executive Board's report on relations with affiliated companies pursuant to AktG § 312 (dependent-company report). KPMG issued the following unqualified opinion on this report in accordance with AktG § 313(3):

- >The actual information included in the report is correct.
- >With respect to the transactions listed in the report, payments by the Company were not unduly high and detrimental effects had been compensated for.
- >There are no circumstances justifying a significantly different assessment than that made by the Executive Board in regard to the measures listed in the report.

The Audit Committee discussed the documents relating to the annual financial statements, including the dependent-company report, and the auditor's reports with the Executive Board and the auditor on March 10, 2022. Furthermore, the full Supervisory Board discussed them at length at its meeting to approve the annual financial statements on March 22, 2022. The discussions also concerned the combined nonfinancial statement for the Vitesco Technologies Group and Vitesco Technologies Group AG according to HGB § 289b/§ 315b. The required documents were distributed to all members of the Audit Committee and the Supervisory Board in good time before these meetings so that the members had sufficient opportunity to review them. The auditor was present at these discussions. The auditor reported on the main results of the audits and was available to provide additional information to the Audit Committee and the Supervisory Board. Based on its own review of the annual financial statements, the consolidated financial statements, the combined management report of Vitesco Technologies Group AG and of the Group, as well as the dependent-company report including the final declaration of the Executive Board, and based on the report and the recommendation of the Audit Committee, the Supervisory Board concurred with the results of the auditor's audit. There were no objections. The Supervisory Board approved the annual financial statements and the consolidated financial statements and therefore adopted the annual financial statements. KPMG issued an unqualified opinion for the Group's combined nonfinancial statement. Based on the Supervisory Board's own review, the Audit Committee's report with its preliminary examination and recommendation, and KPMG's audit and unqualified opinion on the Group's combined nonfinancial statement, the Supervisory Board finds that the Group's combined nonfinancial statement is correct and appropriate and was prepared in accordance with HGB §§ 315b and 315c in conjunction with §§ 289c through 289e.

A resolution for appropriating profits will not be required at the 2022 Annual General Meeting as the annual financial statements for Vitesco Technologies Group AG recognize retained profits of €0.00. For this reason, there will not be a motion proposing a dividend for the 2021 fiscal year at the Annual General Meeting on May 5, 2022.

Personnel changes on the Supervisory Board and Executive Board

The first Supervisory Board of Vitesco Technologies Group AG was appointed when the Company was established on December 11, 2019 and consisted of three members in accordance with the Articles of Incorporation. The three members were Johannes Suttmeier (Chairman), Cornelia Stiewing (Deputy Chairwoman), and Holger Siebenthaler. The members of this first Supervisory Board were reelected at the Annual General Meeting on February 27, 2020. The three members' positions ended with effect from the time that the spin-off's recording in the Company's commercial registration took effect. After the local court assessed the Supervisory Board's composition, it was expanded to 16 members, of whom 8 must be elected by shareholders and 8 by employees. An Extraordinary General Meeting was held on August 25, 2021, at which Prof. Hans-Jörg Bullinger, Manfred Eibeck, Susanne Heckelsberger, Joachim Hirsch, Prof. Sabina Jeschke, Klaus Rosenfeld, Georg F.W. Schaeffler, and Prof. Siegfried Wolf were appointed as members of the Supervisory Board with effect from the time the spin-off was recorded in the Company's registration. The positions of the Supervisory-Board members representing the shareholders will end on conclusion of the 2022 Annual General Meeting. The workforce

representatives, Carsten Bruns, Lothar Galli, Yvonne Hartmetz, Michael Köppl, Erwin Löffler, Ralf Schamel, Kirsten Vörkel, and Anne Zeumer, were appointed to their positions by the relevant court for the longest period possible by law.

The first Supervisory Board appointed Dr. Ulrike Schramm and Dr. Christian zur Nedden as ordinary members of the Executive Board with immediate effect on the day that Vitesco Technologies Group AG was founded on December 11, 2019. The two Executive-Board members stepped down from their positions with effect from the end of March 8, 2021. On March 9, 2021, the Supervisory Board appointed Andreas Wolf, Werner Volz, and Ingo Holstein as ordinary members of the Executive Board and Andreas Wolf as Chief Executive Officer. Each of their positions on the Executive Board will end on September 30, 2024. At its meeting on October 4, 2021, the Supervisory Board also appointed Klaus Hau and Thomas Stierle as members of the Executive Board. Their positions will also end on September 30, 2024.

More details about the members of the Supervisory Board and Supervisory-Board committees who held positions during the reporting period can be found in the chapters Members of the Executive Board and Their Positions and Members of the Supervisory Board and Their Positions.

The Supervisory Board would like to thank the Executive Board, all the employees, and the workforce representatives for their considerable dedication over the past year.

Regensburg, March 22, 2022

For the Supervisory Board

Yours sincerely,

Prof. Siegfried Wolf