

3.3 MANAGEMENT AND SUPERVISORY BOARD COMPENSATION POLICIES FOR 2024

3.3.1 General principles

Since 2014, the compensation awarded to the Managers and the Chair(man) of the Supervisory Board has been submitted to the shareholders at the Annual Ordinary Shareholders Meeting and, since 2020, following the method and on the basis specified in the PACTE Act that came into force that year.

The General Partners and the Supervisory Board, based on the recommendation of its Compensation and Appointments Committee, will ask the Ordinary Shareholders Meeting of May 17, 2024 to approve the 2024 compensation policy applicable to (i) the Managers and (ii) the Supervisory Board.

The compensation policy applicable to the corporate officers is prepared and revised in accordance with the relevant laws and regulations.

Article L. 22-10-76-I of the French Commercial Code stipulates that the compensation policy applicable to the corporate officers must be compatible with the Company's corporate interests. It must contribute to the Company's marketing strategy as well as its long-term sustainability. This compensation policy establishes a competitive framework aligned with the Group's strategy and business environment. The policy is designed to increase medium and long-term performance and competitiveness and is therefore in the Group's best corporate interests in accordance with the AFEP/MEDEF Code.

The policy contributes to the Company's marketing strategy by requiring the Group's performance to be factored into the calculation of variable compensation, for the following reasons:

- the Managers' variable compensation (annual, long-term) represents the predominant part of their total compensation; and
- the amount they receive in variable compensation depends on the achievement of objectives related to the Group's main performance indicators, which also apply to the employees of Group companies.

The policy contributes to the Company's sustainability by requiring the Group's performance to be factored into the calculation of variable compensation, for the following reasons:

- for the Managers:
 - the performance indicators applicable to their variable compensation (annual and long term) focus on sustainability in line with the Group's strategy;

- under the long-term variable compensation scheme in the form of performance shares, (i) the number of shares received at the end of the vesting period depends on the achievement of performance targets to be met over several years, and (ii) a portion of the vested shares must be kept for as long as they hold the position of Manager;
- for the Managing Chairman, the compensation policy takes into account his position as General Partner with unlimited joint and personal liability for the Company's debts, allocating his annual variable compensation based on the amounts due to the General Partners out of the Company's profits (if any);
- for the members of the Supervisory Board, most of their compensation as Supervisory Board member and, if applicable, member of a Committee of the Board, is based on their attendance rate at Board and Committee meetings, which are scheduled at the start of the year.

In the decision-making process for the determination and revision of the compensation policy, the Company has chosen to take into account the compensation and employment conditions of employees of its main French subsidiary, Manufacture Française des Pneumatiques Michelin ("MFPM" or the "Scope")⁽¹⁾.

For 2023, the same quantitative performance criteria and indicators will apply to the annual and long-term variable compensation of both the Managers and the eligible employees of Group companies.

Conflicts of interest are avoided in the drafting, revision and implementation of the compensation policy due to the involvement of the Supervisory Board and the Compensation and Appointments Committee, whose members are all independent (excluding the member representing employees). The procedures for managing conflicts of interest within the Supervisory Board are described in section 3.2.6.

The General Partners, in the case of the Managers, or the Supervisory Board, in the case of the members of the Supervisory Board, may not depart (within the meaning of the second paragraph of Article L. 22-10-76-III of the French Commercial Code) from the compensation policy.

⁽¹⁾ The Company has very few employees (fewer than five, none of whom are corporate officers) and their compensation and employment conditions do not therefore represent a relevant benchmark.

The 2024 compensation policy is the subject of two proposed resolutions to be presented at the Ordinary Shareholders Meeting to be called to approve the 2023 financial statements:

- the 6th resolution concerning the policy applicable to the Managers, presented in section 3.3.2 below;

- the 7th resolution concerning the policy applicable to the members of the Supervisory Board, presented in section 3.3.3 below.

3.3.2 Compensation policy: the Managers

This section describes the components of the compensation policy for the Managers. These components are presented in a proposed ordinary resolution approved by the General Partners

and submitted for shareholder approval at the Ordinary Shareholders Meeting to be called to approve the 2023 financial statements (6th resolution).

3.3.2.1 Principles for determining compensation

The compensation of the Managing Chairman and General Partner is decided by the General Partners and is the subject of a deliberation by the Supervisory Board. Then:

- the annual variable compensation is deducted from the General Partners' Profit Share, as explained in section 3.3.2.3 below;
- the long-term variable compensation is awarded in the form of performance shares;
- the fixed compensation is paid by a subsidiary of the Company in exchange for his services as Chairman of that company.

The fixed and variable annual compensation of the General Manager and his long-term variable compensation (performance shares) are decided by the General Partners and are the subject of decisions by the Supervisory Board.

The Compensation and Appointments Committee also reviews all amounts and benefits due, awarded or to be awarded to the Managers for the previous year by Group companies. As part of the review, the Committee particularly verifies that the amounts paid or awarded to the Managers are proportionate and consistent in terms of (i) the Group's performance and (ii) industry and market practice.

3.3.2.2 Fixed compensation

In 2024:

- the annual fixed compensation of Florent Menegaux, Managing Chairman and General Partner, amounts to €1,100,000.00;

- the annual fixed compensation of Yves Chapot, General Manager, amounts to €770,000.00.

These amounts will remain unchanged until 2026, when their current terms expire.

3.3.2.3 Annual and long-term variable compensation

Shared principles

To align Managers' interests more closely with the Company's performance and encourage them to act with its long-term interests in mind, their variable compensation includes an annual portion and a long-term portion, both of which are subject to performance conditions.

This structure means that the Managers' variable compensation fluctuates partly in line with net income for the year and partly on the basis of several additional performance conditions related to factors that are essential for the deployment of Michelin's strategy to deliver sustainable growth.

The level and terms of the Managers' compensation take into account the positions of Managing Chairman and Managing

General Partner, as well as the difference in status between a Managing General Partner and a General Manager.

Annual variable compensation

Florent Menegaux, Managing Chairman and General Partner

In light of the General Partners' unlimited joint and personal liability for the Company's debts, the General Partners are entitled to a share of annual profit (the "Profit Share") determined on the basis defined in the Company's Bylaws. This means that their interests are fully aligned with those of the shareholders, as they are paid Profit Shares only if the Company makes a profit⁽¹⁾.

(1) Substantially all of the Profit Share received by SAGES, Non-Managing General Partner, is credited to the contingency reserve set up in application of its Bylaws.

Allocation method

The Profit Share is defined in Articles 12 and 30 of the Company's Bylaws, which state that:

- the portion of the Profit Share attributable to the Managing General Partner(s) is determined by reference to the objectives set in advance by the Supervisory Board;
- the portion attributable to the Non-Managing General Partner is equal to the portion attributable to the Managing General Partner(s) in respect of his/her/their annual variable compensation or in any other form whatsoever (including in performance shares).

In all cases, the total Profit Share due to the General Partners is capped at 0.6% of consolidated net income for the year.

Calculation method

- At the beginning of each year, the Managers propose to the Compensation and Appointments Committee performance criteria and objectives that are consistent with the guidance and information communicated to the market.
- The Compensation and Appointments Committee analyses the Managers' proposals, taking into account:
 - AFEP/MEDEF Code recommendation No. 25 concerning the calculation principles and content of compensation packages;
 - the practices of the CAC 40 companies and appropriate benchmarks;
 - the compensation and employment conditions of Michelin employees;
 - the intrinsic variability of the Company's profits;
 - projected future profits; and
 - the unusual nature of General Partner status.
- The Compensation and Appointments Committee shares its conclusions with the Non-Managing General Partner (SAGES) and presents its recommendations to the Supervisory Board.
- The Supervisory Board discusses the recommendations of the Compensation and Appointments Committee and decides on the performance criteria and objectives for the current year.
- The General Partners then meet to set the compensation policy for the Managers for the current year and to formalize,

subject to adoption by the Ordinary Shareholders Meeting of the corresponding resolutions i) for the Managing General Partner, by way of an agreement between the General Partners, the portion of the earnings for the current year that may be allocated to the Managing General Partner as annual variable compensation within the limits set by the Bylaws, and ii) for the General Manager, by way of a decision of the General Partners, the annual compensation components concerning him; said agreement and decision taking into account and integrating the performance criteria and annual variable compensation objectives set by the Supervisory Board, after consultation and deliberation by the latter.

- The Managing Chairman, after confirming the Non-Managing General Partner's approval, submits the corresponding draft resolutions to the Ordinary Shareholders Meeting under the conditions set out in the applicable regulations.

At each year-end, the Compensation and Appointments Committee reviews the results for the applicable objectives and presents its recommendations to the Supervisory Board.

The Supervisory Board confirms the Compensation and Appointments Committee's performance assessment and shares this assessment with the Non-Managing General Partner.

The General Partners approve the components of the annual and long-term variable compensation to be paid or delivered to the Managing Chairman and General Partner based on the Supervisory Board's assessment of the achievement rate for the performance objectives and criteria.

Annual variable compensation structure

Florent Menegaux's annual variable compensation would be deducted in full from his share of the annual profit attributable to the General Partners (the Profit Share) and would comprise:

- a first component entitling him to 4% of the Profit Share in recognition of his financial and legal liability as General Partner (criterion shared, after adaptation, with the General Manager);
- a second component calculated as a percentage of his annual fixed compensation and determined by the results of the performance criteria and objectives decided by the Supervisory Board.

These criteria and objectives also apply to the General Manager and to all Group employees who are eligible to participate in the bonus scheme. They are presented in the table below, which also shows the threshold, target and ceiling values for the quantitative criteria objectives:

	Criterion	Objective	Measurement method ⁽¹⁾	Min.	Target	Max.
Quantitative criterion and objective related to the position of General Partner/1st component	Net income	Profit	As a % of the Profit Share	N/A	N/A	N/A
			Value of the indicator	4%	4%	4%
Quantitative criteria and objectives/2nd component <i>(50% of the target fixed compensation)</i>	2024 segment operating income (SOI) <i>(like-for-like vs. 2023)</i>	Profit	As a % of fixed compensation	0%	25%	37.5%
			Value of the indicator	€3,500m	€3,670m	€3,800m
	Growth in free cash flow before acquisitions	Profit	As a % of fixed compensation	0%	25%	37.5%
			Value of the indicator	€1,500m	€1,800m	€2,050m
Total quantitative/2nd component				0%	50%	75%
Quantifiable qualitative criteria and objectives/2nd component <i>(30% of the target fixed compensation)</i>	Implementation of the strategy (deployment of the transformations)	Profit	Board assessment based on implementation of the Balanced Score Card			
			As a % of fixed compensation	0%	10%	15%
			Value of the indicator	N/A	N/A	N/A
	Total Case Incident Rate (TCIR)	People	As a % of fixed compensation	0%	5%	7.5%
			Value of the indicator	1.01	0.95	0.92
	Percentage of Group management positions held by women	People	As a % of fixed compensation	0%	5%	7.5%
			Value of the indicator	22.5%	23.5%	24.5%
	CO ₂ emissions (Scopes 1 and 2)	Planet	As a % of fixed compensation	0%	10%	15%
Value of the indicator			2.14 mt	2.04 mt	1.94 mt	
Total quantifiable qualitative/2nd component				0%	30%	45%
Total quantitative and qualitative excluding net income criteria				0%	80%	120%
TOTAL VARIABLE AS % OF FIXED REMUNERATION/1ST AND 2ND COMPONENTS				0%	N/A	150%
MAXIMUM TOTAL VARIABLE (IN €)				1,650,000⁽²⁾		

(1) For each criterion, a threshold rate, target rate and capped outperformance rate are defined; for performance between the threshold rate and the target rate, or between the target rate and the outperformance rate, the variable compensation is calculated on a straight-line basis.

(2) The entire variable annual compensation would be deducted from the Profit Share.

Yves Chapot, General Manager**Calculation method**

The performance criteria and objectives applicable to the General Manager would be determined and assessed in the same way as for the Managing Chairman, except for the specific features linked to the status of General Partner.

Annual variable compensation structure

These criteria and objectives are presented in the following table which also shows the threshold, target and ceiling values for the quantitative criteria objectives:

	Criterion	Objective	Measurement method ⁽¹⁾	Min.	Target	Max.
Quantitative criteria and objectives <i>(70% of the target fixed compensation)</i>	Net income	Profit	As a % of fixed compensation	0%	20%	30%
			Value of the indicator	€1,750m	€2,000m	€2,150m
	2024 segment operating income (SOI) <i>(life-for-like vs. 2023)</i>	Profit	As a % of fixed compensation	0%	25%	37.5%
			Value of the indicator	€3,500m	€3,670m	€3,800m
	Growth in free cash flow before acquisitions	Profit	As a % of fixed compensation	0%	25%	37.5%
			Value of the indicator	€1,500m	€1,800m	€2,050m
TOTAL QUANTITATIVE				0%	70%	105%
Quantifiable qualitative criteria and objectives <i>(30% of the target fixed compensation)</i>	Implementation of the strategy (deployment of the transformations)	Profit	Board assessment based on implementation of the Balanced Score Card			
			As a % of fixed compensation	0%	10%	15%
			Value of the indicator	N/A	N/A	N/A
	Total Case Incident Rate (TCIR)	People	As a % of fixed compensation	0%	5%	7.5%
			Value of the indicator	1.01	0.95	1.00
	Percentage of Group management positions held by women	People	As a % of fixed compensation	0%	5%	7.5%
			Value of the indicator	22.5%	23.5%	24.5%
	CO ₂ emissions (Scopes 1 and 2)	Planet	As a % of fixed compensation	0%	10%	15%
Value of the indicator			2.14 mt	2.04 mt	1.94 mt	
TOTAL QUANTIFIABLE QUALITATIVE				0%	30%	45%
Total quantitative and qualitative excluding net income criterion				0%	80%	120%
TOTAL VARIABLE AS A % OF FIXED COMPENSATION				0%	100%	150%
MAXIMUM TOTAL VARIABLE (IN €)				1,155,000		

(1) For each criterion, a threshold rate, target rate and capped outperformance rate are defined; for performance between the threshold rate and the target rate, or between the target rate and the outperformance rate, the variable compensation is calculated on a straight-line basis.

Long-term variable compensation: performance share rights

In order to align the Managers' medium/long-term objectives with the objectives assigned to performance share plans for eligible Group employees, this compensation has taken the form of Michelin performance share rights since 2020.

The conditions, criteria and objectives applicable to the 2024 performance share grants have been established within the framework of the authorization to issue shares to the Managers and employees of Michelin group companies approved by Annual Shareholders Meeting of May 12, 2023⁽¹⁾.

Within the framework of this authorization, the Supervisory Board, on the recommendation of the Compensation and Appointments Committee, has decided to apply the 2023 indicators in 2024, with adjusted targets and rebalanced weightings⁽²⁾.

The main specific characteristics of the performance share rights that may be awarded to the Managers in 2024 are as follows:

- the awards are decided annually by the Managing Chairman on the proposal of the General Partners, after the performance conditions and criteria have been determined by the Supervisory Board;
- the total performance shares awarded to the Managers during the period of validity of the proposed extraordinary resolution of the Annual Shareholders Meeting of May 12, 2023 will be capped at 0.1% of the Company's share capital on the date of the Shareholders Meeting at which the resolution is adopted;

- in addition, for the Managing Chairman, the performance share rights granted in 2024 would be limited to an amount equivalent to 140% of his 2024 fixed compensation and for the General Manager, the rights granted in 2024 would be limited to an amount equivalent to 120% of his 2024 fixed compensation; these levels correspond to the median rates for their counterparts in CAC 40 companies⁽³⁾;
- the Managers will be required to hold 40% of the vested shares for as long as they remain in office;
- concerning the Managing Chairman and the General Partner, the vested performance shares would be delivered to him only if Profit Share was distributed in respect of the year preceding the one in which the shares were issued;
- if a Manager ceases to hold this position:
 - following his resignation or removal from office due to mismanagement, all the performance share rights would be forfeited,
 - for any other reason, such as the expiration of his term before the end of the vesting period, he would retain a number of performance share rights initially awarded to him prorated to the time served in office during the vesting period, and the reference three-year period would continue to run, during and beyond the end of his term⁽⁴⁾.

The performance criteria are as follows:

Criterion	Objective	Indicator	Weighting
Share price performance	Stock performance	Michelin share price must outperform the Stoxx Europe 600 index by between 0 points (threshold) and 5 points (ceiling) between 2023 and 2026 (based on average daily closing prices for the two baseline years)	20%
Corporate social responsibility performance	Planet	Industrial-Michelin Environmental Performance (i-MEP ⁽¹⁾) indicator to range between 83 points (threshold) and 77 points (ceiling) in 2026	20%
	People	Change in average employee engagement rate to range between 83.0 points (threshold) and 85.0 points (ceiling) on a like-for-like consolidated basis over a three-year period	20%
Operating performance	Profit	Average annual growth in revenue from non-tire and distribution activities ⁽²⁾ to range between 3% (threshold) and 8% (ceiling) between 2024/2023, 2025/2024 and 2026/2025	20%
	Profit	Total consolidated return on capital employed (ROCE) ⁽³⁾ to range between 10% (threshold) and 12% (ceiling) in 2026	20%

(1) Annual scope based on reported figures, including acquisitions from the fourth year of consolidation in the Group's financial statements.

(2) At constant exchange rates and based on a comparable scope of consolidation.

(3) Including acquisitions and related goodwill, and associates & joint ventures.

(1) 14th resolution adopted by a majority of 87.04% of the votes cast. Details of this authorization are provided on pages 455 to 457 of the 2022 Universal Registration Document.

(2) The weighting of the share price performance indicator has been set at 20% (vs. 30% in 2023), and the weighting of the two operating performance criteria has been set at 20% (vs. 15% each in 2023).

(3) Based on the Compensation and Appointments Committee's 2022 analysis of the convergent results of several studies carried out by leading compensation consultants.

(4) In the event of disability or death, the total number of rights would be awarded and the reference period would not apply.

For all criteria, fulfillment is calculated as follows:

- if the minimum performance condition is not met, no shares will vest;
- if the minimum performance condition is met or exceeded, shares will vest on a gradual and proportional basis up to a certain ceiling.

3.3.2.4 Fringe benefits and directors' compensation

Each Manager has a fringe benefit in the form of a Company car.

They do not receive any compensation for serving on the Board of the Company or any Group subsidiaries.

As corporate officers of the Company or MFPM, Florent Menegaux and Yves Chapot are covered by health and death/disability insurance plans in the same way as the employees of the Company or MFPM.

3.3.2.5 Stock options

No stock options are granted to the Managers by the Company or any Group subsidiaries.

3.3.2.6 Pension plans

There is no specific supplementary pension plan set up for the Managers or the Chair of the Supervisory Board.

Florent Menegaux, in his capacity as Chairman of MFPM, and Yves Chapot, in his capacity as General Manager of CGEM, participate in the Michelin Executive Supplementary Pension Plan described in sections 3.4.3.5 and 3.4.4.5 of this 2023 Universal Registration Document.

In accordance with Government Order No. 2019-697 dated July 3, 2019, this plan has been closed to new members since July 4, 2019 and the vesting period was frozen at December 31, 2019.

Under the plan rules, the vested rights of the current two Managers entitle them to capped pension benefits corresponding to a 15% replacement rate.

If a Manager was no longer able to participate in the Michelin Executive Supplementary Pension Plan, he could be given the opportunity to either (i) participate in a new defined contribution plan, or (ii) build up a pension fund by receiving an initial seed capital award, in cash or shares, and annual payments.

The Managers participate in the PERO mandatory pension plan in the same way as all employees of CGEM and MFPM.

3.3.2.7 Compensation for loss of office

In accordance with Article 13-2 of the Bylaws, if a Manager were to be removed from office before the end of his term as a result of a change of strategy or a change of control of the Company, provided such removal was not due to gross misconduct, he would be entitled to compensation for loss of office to be decided by the Non-Managing General Partner, SAGES, subject to the prior approval of the Supervisory Board. The amount of any such compensation would not exceed the equivalent of the Manager's total compensation for the two years preceding the year of his removal from office.

By decision of the Supervisory Board, it would be based on the performance criteria used to determine his annual variable

compensation and would be calculated using the following formula:

[Total compensation paid over the two years preceding the loss of office] x [the average (in %) of the achievement rates for the annual variable compensation for the three years preceding the loss of office.]

The compensation for loss of office would be reduced, if applicable, so that any other severance payments due to a Manager would not result in his receiving an aggregate severance package in excess of two years' compensation, as recommended in the AFEP/MEDEF Code.

3.3.2.8 Non-compete clause

In the same way as Michelin employees who have specific expertise that needs to be protected to prevent its use by a competitor in a manner that is detrimental to the Company's interests, each Manager is subject to a non-compete clause.

If the Company decided to apply this non-compete clause for a period of up to two years, in line with the conditions described in section 3.6.1.12 of the 2023 Universal Registration Document:

- Florent Menegaux, Managing General Partner and Managing Chairman, would be entitled to a non-compete indemnity of up to 24 months' compensation based on his most recent annual fixed compensation as Manager;
- Yves Chapot, General Manager, would be entitled to a non-compete indemnity of up to 24 months' compensation based on the compensation defined in his suspended contract of employment for the position held immediately before his election as Manager. The terms of the commitment would be amended in 2024 so that the above

baseline would be indexed to the average growth in compensation of Michelin Executive Committee members since his employment contract was suspended.

In accordance with Article R. 22-10-40-III of the French Commercial Code, the above compensation would not be payable if Florent Menegaux or Yves Chapot retired on leaving the Group.

In accordance with the AFEP/MEDEF Code:

- the Company may waive application of this clause;
- if compensation for loss of office were to be awarded as provided for above (see "Compensation for loss of office" above), the non-compete indemnity would be reduced or withheld entirely, if necessary, so that the Manager's aggregate severance package, including the non-compete indemnity referred to above, would not exceed the equivalent of the aggregate of his last two years' compensation.

3.3.2.9 Exceptional compensation

There are no plans to award any exceptional compensation to either of the Managers.

3.3.2.10 Employment contract

Due to his status and specific responsibilities, under the applicable compensation policy the Managing General Partner ceases to be covered by any employment contract that may have existed between him and a Group company. This rule applies even if he has acquired considerable seniority with the Group.

Consequently, Florent Menegaux no longer has an employment contract with the Company or any of its subsidiaries since he became Managing General Partner of the Company⁽¹⁾.

In addition, Yves Chapot's mandate as General Manager justifies suspending his pre-existing employment contract with a Michelin group company for the following reasons:

- Yves Chapot is not the most senior executive officer (Manager); he reports to the Managing Chairman who, according to the Company's Bylaws, defines the Managers' areas of responsibility and any restrictions on their powers, as well as setting their annual objectives;

- the position of General Manager is therefore similar to that of a Chief Operating Officer or a member of the Management Board of a joint stock corporation. The AFEP/MEDEF Code does not recommend terminating these executives' employment contracts;
- Yves Chapot has acquired considerable seniority, having worked for the Michelin group without interruption for over 32 years (since 1992);
- if Yves Chapot were to cease to be a Manager, any compensation for loss of office or non-compete indemnity due to him would be reduced or canceled if necessary so that the total amount payable - including the termination benefit in respect of his suspended employment contract - would not exceed his final two years' total compensation.

3.3.2.11 Proposed resolution on the compensation policy for the Managers

At the Ordinary Shareholders Meeting called to approve the 2023 financial statements, shareholders will be asked to approve the following resolution:

6th resolution

Approval of the compensation policy applicable to the Managers

Having noted the agreement of the General Partners and considered the report of the Supervisory Board, the Annual Shareholders Meeting, in application of Article L. 22-10-76 II of the French Commercial Code, approves the compensation policy

applicable to the Managers drawn up by the General Partners, as presented in the Corporate Governance Report set out in sections 3.3.1 and 3.3.2 of the Company's 2023 Universal Registration Document.

(1) This exception to the full application of the AFEP/MEDEF Code's recommendations is mentioned in the table in section 3.2.8 prepared in accordance with the "comply or explain" rule.

3.3.3 Compensation policy: members of the Supervisory Board

This section describes the components of the compensation policy applicable to the members of the Supervisory Board. These components are presented in a proposed resolution approved by the General Partners that will be submitted for shareholder approval at the Ordinary Shareholders Meeting called to approve the 2023 financial statements (7th resolution).

An annual fixed amount of compensation may be awarded to the Supervisory Board and allocated among its members (including

the Chair) on a basis decided by the Board in accordance with the compensation policy. The compensation policy has been expanded to also provide for the payment of fixed compensation to the Board's Chair.

The compensation components were determined by the Supervisory Board on the recommendation of its Compensation and Appointments Committee.

3.3.3.1 Chair of the Supervisory Board

Under French law, the Supervisory Board is responsible for exercising permanent control over the management of the business; however, the Company's Bylaws have significantly expanded the Board's role and responsibilities to include:

- assessing the quality of management;
- playing an important role in succession planning and the appointment of the Managers;
- assessing certain major transactions such as business acquisitions.

The role of the Chair of the Supervisory Board, elected by the Board members, is to:

- coordinate and lead the work of the Board, especially the activities listed in the Bylaws;
- actively participate in the Company's governance, playing a major role and devoting most of her or his time to this, in particular:
 - through continuous contact and regular meetings with the Managers, as well as with the Non-Managing General Partner (SAGES) and its representatives, to ensure seamless governance,

- by regularly proposing and implementing better interactions, drawing on her or his experience and the proposals resulting from periodic assessments of Supervisory Board practices,
- by talking directly to investors about the characteristics of Michelin's governance during governance roadshows.

Barbara Dalibard, who succeeded Michel Rollier as Chair of the Supervisory Board in May 2021, was re-appointed to this position in May 2023 following her re-election as Supervisory Board member by the Annual Shareholders Meeting.

Following the increase in the annual compensation of the Chair of the Supervisory Board, presented by the Board in the 2023 Compensation Policy and approved by the Annual Shareholders Meeting of May 12, 2023⁽¹⁾, on the recommendation of the Compensation and Appointments Committee, the Supervisory Board (with the Chair abstaining) has decided to roll over the 2023 Compensation Policy to 2024. It also decided to set the fixed annual compensation of the Chair of the Board at €400,000, breaking down as compensation for her duties as Chair (€350,000) and compensation as a member of the Board (€50,000)⁽²⁾.

(1) The 2023 compensation policy was approved by the Annual Shareholders Meeting of May 13, 2022 (7th resolution, adopted by a 99.65% majority of the votes cast). The policy is presented in the 2022 Universal Registration Document (page 114).

(2) This compensation amount has been set for the entire duration of Barbara Dalibard's duties as Chair of the Supervisory Board.

3.3.3.2 Supervisory Board members

At the Annual Shareholders Meeting of May 13, 2022, the total compensation payable to Supervisory Board members was set at €950,000 for 2022 and subsequent years⁽¹⁾.

For 2024, on the recommendation of the Compensation and Appointments Committee, the Supervisory Board has decided to apply the allocation rules adopted in the 2023 compensation policy for the total annual amount voted in 2022:

- allocation of a basic amount of €50,000 to each member;
- allocation of additional amount no. 1 to each member who sits on a Committee of the Supervisory Board and participates in its work (€20,000);
- allocation of additional amount no. 2 to each member who serves as Chair of a Committee of the Supervisory Board and participates in its work, (€35,000 or €40,000 for the Chair of the Audit Committee), (recipients of this additional amount no. 2 are not entitled to additional amount no. 1 for their participation in the Committee's work);
- allocation of additional amount no. 3 to the Senior Independent Member of the Supervisory Board (€15,000);

- allocation of additional amount no. 4 to Supervisory Board members who live outside France on a permanent basis (€10,000, prorated to their physical attendance at meetings of the Board and its Committees).

Payment of 60% of the total amount receivable (basic amount and any of the additional amounts defined for no. 1 and no. 4⁽²⁾) will depend on the member's attendance rate at meetings of the Supervisory Board and of any Committees of which he or she is a member that are scheduled at the start of the year.

The attendance rate and the corresponding allocation of annual compensation for a given year will be carried out by the Compensation and Appointments Committee then approved by the Supervisory Board during the first quarter of the following year.

The compensation will be paid during the first half of the year following the one to which it relates, provided that the resolution on the disclosures required by Article L. 22-10-9 of the French Commercial Code has been approved by the Annual Shareholders Meeting called to approve the financial statements for the year preceding the one to which the compensation relates.

3.3.3.3 Other compensation

As the Supervisory Board members do not hold any other positions within the Company or the Michelin group, they do not receive any other compensation from the Company or its subsidiaries⁽³⁾.

3.3.3.4 Proposed resolution on the compensation policy for members of the Supervisory Board

At the Ordinary Shareholders Meeting called to approve the 2023 financial statements, shareholders will be asked to approve the following resolution:

7th resolution

Approval of the compensation policy applicable to members of the Supervisory Board

Having noted the agreement of the General Partners and considered the report of the Supervisory Board, the Annual Shareholders Meeting, in application of Article L. 22-10-76 II of the French Commercial Code, approves the compensation policy

applicable to the members of the Supervisory Board, as presented in the Corporate Governance Report set out in sections 3.3.1 and 3.3.3 of the Company's 2023 Universal Registration Document.

(1) 16th resolution adopted by a majority of 99.57% of the votes cast.

(2) In the case of the Chairs of the Committees and the Senior Independent Member, this attendance requirement would not apply to amounts no. 2 and no. 3, due to their specific duties and resulting additional workload.

(3) Excluding the Supervisory Board members representing employees.