

3.4 INFORMATION ABOUT THE COMPONENTS OF COMPENSATION PAID OR AWARDED TO THE CORPORATE OFFICERS

3.4.1 Compensation of the members of the Supervisory Board

No variable compensation was paid to Supervisory Board members in 2023.

The 2023 compensation policy for Supervisory Board members was presented to the Ordinary Shareholders Meeting of May 12, 2023 and was approved by a 99.65% majority of the votes cast.

Information about the members' attendance rates at meetings of the Supervisory Board and its Committees in 2023 is provided in section 3.2.2 of this 2023 Universal Registration Document.

The following table shows:

- Amounts paid in 2022 in respect of services to the Board in 2021;
- Amounts awarded for services to the Board in 2022, paid in 2023;
- Amounts paid in 2023 in respect of services to the Board in 2022;
- Amounts awarded for services to the Board in 2023, not yet paid.

Supervisory Board members	2023 ⁽¹⁾		2022 ⁽¹⁾	
	Amount awarded (in €)	Amount paid (in €)	Amount awarded (in €)	Amount paid (in €)
Barbara Dalibard ⁽²⁾	400,000 ⁽³⁾	470,000 ⁽⁴⁾	120,000	91,153
Jean-Pierre Duprieu	85,000	75,000	75,000	71,963
Aruna Jayanthi	78,800	67,750	67,750	57,570
Anne-Sophie de La Bigne	90,000	75,000	75,000	71,963
Patrick de La Chevardière ⁽⁵⁾	99,400	80,000	80,000	76,760
Jean-Christophe Laourde ⁽⁶⁾	70,000	60,000	60,000	51,573
Thierry Le Hénaff	85,000	75,000	75,000	71,963
Monique Leroux	115,000	100,000	100,000	86,355
Michel Rollier ⁽⁷⁾	N/A	N/A	N/A	47,975
Delphine Roussy ⁽⁸⁾	70,000	60,000	60,000	51,573
Wolf-Henning Scheider ⁽⁹⁾	80,000	57,750	57,750	33,582
Jean-Michel Severino ⁽⁹⁾	70,000	60,000	60,000	57,570
TOTAL	1,243,200⁽¹⁰⁾	1,180,500⁽¹¹⁾	830,500	770,000

(1) The compensation indicated consists solely of fixed compensation for services as Supervisory Board member. No variable compensation was paid for these services and no other compensation was awarded or paid.

(2) Chair of the Supervisory Board since May 2021.

(3) New fixed compensation for 2023, including her €350,000 fixed compensation as Chair of the Board which is not included in the maximum total annual amount referred to in footnote 10 below.

(4) Including compensation received in 2023 in respect of 2022 (€120,000) and the new fixed compensation decided for 2023 and paid during that year.

(5) Supervisory Board member since June 2020.

(6) Supervisory Board member since December 2020.

(7) Chairman and member of the Supervisory Board until May 2021.

(8) Supervisory Board member since May 2021.

(9) Supervisory Board member since November 2020.

(10) The amounts allocated for the past year (2023) have been established in accordance with the Supervisory Board's 2023 compensation policy approved by the Annual Shareholders Meeting of May 12, 2023 (7th resolution, adopted by a majority of 99.65% of the votes cast), based on the maximum total annual amount of Supervisory Board compensation (€950,000) decided by the Annual Shareholders Meeting of May 13, 2022 (16th resolution, adopted by a majority of 99.58% of the votes cast), excluding the €350,000 in fixed compensation for 2023 awarded to Barbara Dalibard in her capacity as Chair of the Supervisory Board.

(11) The amounts paid in 2023 were awarded in respect of 2022, except for the new fixed compensation awarded to Barbara Dalibard in respect of 2023 (€350,000) and paid in that year, which was not included in the maximum total annual amount of Supervisory Board compensation referred to in footnote 10 above.

3.4.2 Compensation of Barbara Dalibard, Chair of the Supervisory Board

The Compensation and Appointments Committee of the Supervisory Board has reviewed all the components of the compensation paid or awarded to Barbara Dalibard in her capacity as Chair of the Supervisory Board based on the 2023 compensation policy.

3.4.2.1 Compensation for Supervisory Board duties

In accordance with the 2022 compensation policy, in 2023, Barbara Dalibard received fixed compensation of €120,000 for her duties as member and Chair of the Supervisory Board in 2022.

In application of the 2023 compensation policy:

- in 2023, Barbara Dalibard received fixed compensation of €350,000 for her duties as Chair of the Supervisory Board in that year;

- in 2024, Barbara Dalibard is in line to receive fixed compensation of €50,000 for her duties as member of the Supervisory Board in 2023.

No variable compensation was paid or awarded to her during or in respect of 2023.

Information about Barbara Dalibard's attendance rates at meetings of the Supervisory Board and its Committees in 2023 is provided in section 3.2.2 of this 2023 Universal Registration Document.

3.4.2.2 Other compensation

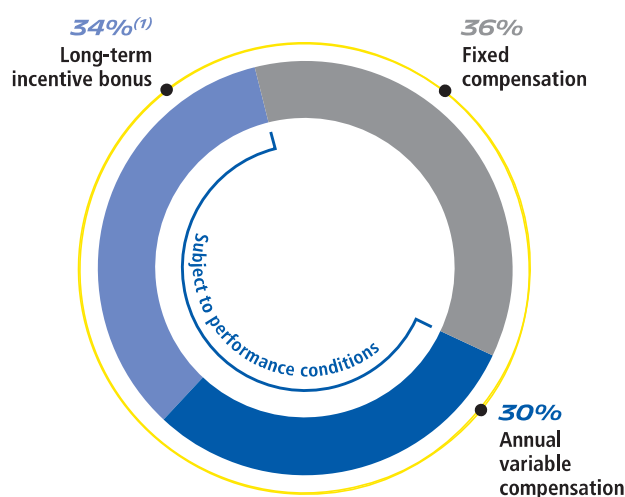
No other compensation was paid or awarded to Barbara Dalibard during or in respect of 2023.

3.4.3 Compensation package of Florent Menegaux, Managing Chairman and General Partner

In his capacity as General Partner of CGEM⁽¹⁾, Florent Menegaux has unlimited joint and personal liability for CGEM's debts. As consideration for this liability, the General Partners each receive a portion of the Company's profits as provided for in the Bylaws. This means that their interests are fully aligned with those of the shareholders, as they are paid this consideration only if the Company makes a profit.

The Compensation and Appointments Committee of the Supervisory Board has reviewed all the components of the compensation paid to Florent Menegaux in 2023 or awarded to him in respect of 2023, pursuant to the 2023 compensation policy. This policy is described in the Corporate Governance Report (the "2023 compensation policy") reproduced in the 2022 Universal Registration Document⁽²⁾ and was presented to the Annual Shareholders Meeting of May 12, 2023 by the Chair of the Compensation and Appointments Committee⁽³⁾.

COMPENSATION PAID TO FLORENT MENEGAUX DURING FISCAL YEAR 2023



(1) Long-term compensation takes into account the book value of performance shares granted to the Managers in 2023.

(1) At December 31, 2023, the Company had two General Partners: Florent Menegaux, Managing Chairman, and SAGES, Non-Managing General Partner (see section 3.1.2 of this 2023 Universal Registration Document).

(2) See sections 3.3.1 and 3.3.2 of the 2022 Universal Registration Document.

(3) See the information/presentations on the May 12, 2023 Annual Shareholders Meeting on the Company's website www.michelin.com.

3.4.3.1 Fixed compensation

In application of the 2023 compensation policy, the fixed compensation received by Florent Menegaux amounted to €1,100,000.00⁽¹⁾.

3.4.3.2 Annual variable compensation

Florent Menegaux's annual variable compensation has been determined in application of the 2023 compensation policy and the recommendation of the Supervisory Board, and is deducted in full from the General Partners' Profit Share⁽²⁾.

The achievement rates for the criteria that determine the amounts due in respect of annual variable compensation are as follows:

	Criterion	Objective	Measurement method ⁽¹⁾	Min.	Target	Max.	2023 actual	Achievement rate
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	N/A	N/A
			Value of the indicator	4%	4%	4%	4%	4% ⁽¹⁾
Quantitative criteria and objectives/ 2nd component <i>(50% of the target fixed compensation)</i>	2023 segment operating income (SOI)	Profit	As a % of fixed compensation	0%	25%	37.5%	-	37.5%
			Value of the indicator	€3,150m	€3,400m	€3,550m	€3,866m	-
	Growth in free cash flow before acquisitions	Profit	As a % of fixed compensation	0%	25%	37.5%	-	37.5%
			Value of the indicator	€1,400m	€1,800m	€2,050m	€3,009m	-
Total quantitative/2nd component				0%	50%	75%	-	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%	-	9.5%
			Value of the indicator	N/A	N/A	N/A	N/A	N/A
	Total Case Incident Rate (TCIR)	People	As a % of fixed compensation	0%	5%	7.5%	-	7.08%
			Value of the indicator	1.15	1.06	1.00	1.01	-
			Percentage of Group management positions held by women	0%	5%	7.5%	-	6.75%
	CO ₂ emissions (Scopes 1 and 2)	Planet	As a % of fixed compensation	0%	10%	15%	-	9.79%
			Value of the indicator	2.3mt	2.16mt	2.02mt	2.163mt	-
Total quantifiable qualitative/2nd component				0%	30%	45%		33.12%
Total quantitative and qualitative excluding net income criterion								108.12%
TOTAL VARIABLE COMPENSATION AS % OF FIXED COMPENSATION/ 1ST AND 2ND COMPONENTS <i>(rounded to the nearest decimal)</i>				0%	N/A	150%		151.4%⁽²⁾

(1) Compensation paid by Manufacture Française des Pneumatiques Michelin (MFP) in consideration of his role as Chairman of the Company.

(2) See the 2nd resolution presented to the Annual Shareholders Meeting of May 17, 2024. The Profit Share is fixed in the Company's Bylaws and is capped at 0.6% of consolidated net income for the year (see sections 3.3.2.3 and 3.10.5 of this 2023 Universal Registration Document).

Maximum value of all quantitative and quantifiable qualitative criteria	150% of annual fixed compensation
Actual overall achievement rate	151.4% ⁽¹⁾
Amount awarded after applying the cap (in €)	1,650,000.00 ⁽²⁾
Capped achievement rate as a percentage of the fixed reference compensation (including the amount corresponding to the compensation as General Partner)	150.00%

(1) This is a percentage determined on the basis of the Profit Share calculation (0.6% of consolidated net income for the year, in application of the 2023 remuneration policy) and not by reference to fixed remuneration.

(2) Application of the criteria leads to an amount of €1,665,134.25, representing 151.40% of the reference fixed compensation (€1,100,000), vs. a ceiling of 150% (€1,650,000).

All quantitative and qualitative objectives were set at the start of 2023 and were not adjusted during the year.

The Compensation and Appointments Committee carefully reviewed achievement rates for each of the quantitative and qualitative criteria. Concerning the quantifiable qualitative criteria, the Committee's conclusions were as follows:

- for the "Implementation of the strategy (deployment of the transformations)" criterion, the Committee analyzed the results of the Balanced Score Card. Having noted the significant progress made in deploying the People, Profit and Planet aspects of Michelin's strategy, the Committee decided that the indicator-based objectives had been 95%-met, nearly in line with the target of 100%;
- concerning the "corporate social responsibility" criterion (Total Case Incident Rate: improvements to the safety of Michelin Group employees), the Committee noted that the target had been exceeded and that the TCIR was close to the ceiling, at 1.01;

- for the "gender balance" criterion, the Committee noted that the percentage of Group management positions held by women (21.5%) was significantly above the target;
- for the "CO₂ emissions (Scopes 1 and 2)" criterion, the Committee noted that actual emissions (2.163 mt) were almost on target.
- In conclusion, the Committee recommended to the Supervisory Board that the cumulative achievement rate in relation to all of the quantifiable qualitative criteria should be assessed as 151.4%. Taking annual fixed compensation of €1,100,000.00 as the calculation base, the annual variable compensation amounts to €1,665,134.25. As this amount exceeds the ceiling of 150% of the reference fixed remuneration, the actual amount due has been reduced to this ceiling, i.e. €1,650,000.00.

After discussing the matter during its meeting on February 9, 2024, the Supervisory Board approved the Compensation and Appointments Committee's recommendations, which were then also approved by the General Partners.

3.4.3.3 Long-term variable compensation granted in 2023: performance share rights

On November 17, 2023, 65,164 performance share rights were awarded to Florent Menegaux⁽¹⁾. At December 31, 2023, these rights were valued at €1,047,089.10 and represented less than 0.0092% of the total Michelin shares outstanding at the year-end.

This award was:

- authorized in an extraordinary resolution of the Annual Shareholders Meeting of May 12, 2023 (14th resolution);
- made on the proposal of the General Partners in application of the conditions and criteria set by the Supervisory Board that determine all the performance share awards, as presented in the 2022 Universal Registration Document and as they result from the 2023 compensation policy⁽²⁾.

In application of the 2023 compensation policy, the award is subject to the following specific rules:

- the Managers are required to hold 40% of the vested shares for as long as they remain in office;

- the Managing Chairman's award is limited to 140% of his fixed annual compensation for the award year;
- in addition, for the period of validity of the authorization (38 months), performance share rights awarded to the Managers may not exceed the equivalent of 0.1% of the Company's capital; this is a specific sub-cap applicable to the Managers within the overall cap of 1.5% applicable to all beneficiaries as mentioned in the above-mentioned resolution;
- concerning Florent Menegaux, Managing Chairman and 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 are issued.

In accordance with AFEP/MEDEF Code recommendation No. 26.3.3, the equity risk on the performance shares has not been hedged by Florent Menegaux and will not be hedged at any time during the holding period.

(1) To improve year-on-year comparability and avoid taking into account stock market performance conditions, due to the excessive volatility of this indicator, for the determination of the discount rate, the fair value used to determine the number of shares to be awarded only takes into account the dividends not received during the vesting period.

(2) Please refer to pages 111, 455 and 462 of the 2022 Universal Registration Document.

The performance criteria are presented below.

INTERIM FULFILLMENT OF PERFORMANCE CONDITIONS UNDER THE NOVEMBER 17, 2023 PERFORMANCE SHARE PLAN FOR EMPLOYEES AND THE MANAGERS

Criteria	Weighting	Interim results		
		2023 vs. 2022		
Share price performance <ul style="list-style-type: none"> Michelin share price must outperform the Stoxx Europe 600 index by at least 5 points between 2022 and 2025 (based on average daily closing prices for the two baseline years) Vesting prorated to the achievement rate between the trigger point of 0 and the targeted 5 points. 	30%	-7.8 points		
		2023	2024	2025
Corporate social responsibility performance <ul style="list-style-type: none"> Industrial-Michelin Environmental Performance – i-MEP⁽¹⁾ must be below 80 points in 2025 Vesting prorated to the achievement rate between the trigger point of 86 and the targeted 80 points. The employee engagement rate must exceed 84.5% in 2025. Prorated result between 83% and 84.5%, capped at 16% Prorated result between 84% and 84.5%, capped at 20% 	20%	83.9 points	-	-
	20%	83.5%	-	-
	15%	10.0%	-	-
	15%	11.4%	-	-
Operating performance <ul style="list-style-type: none"> Average annual growth in revenue from non-tire and distribution activities must exceed 12% over the 2022-2023, 2023-2024 and 2024-2025 periods Result calculated on a straight-line basis between the threshold of 7% and the targeted 12%. Total consolidated ROCE (including acquisitions, related goodwill and equity-accounted companies) must exceed 12% in 2025 Result calculated on a straight-line basis between the threshold of 10% and the targeted 12%. 				

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

For all criteria, fulfillment is calculated as follows:

- performance below threshold: no shares will vest;
- performance between the threshold and the ceiling: number of vested shares calculated on a straight-line basis;
- performance equal to or greater than the ceiling: all the shares will vest.

3.4.3.4 Fringe benefits, stock options and directors' or Supervisory Board members' compensation

In line with the 2023 compensation policy, in 2023 Florent Menegaux did not receive (i) any compensation in his capacity as a member of the Board of Directors or Supervisory Board of the Company or any controlled entities, (ii) any benefits other than those listed above, or (iii) any stock options of the Company or any controlled entities.

Mr. Menegaux has a fringe benefit in the form of a Company car (see the table in section 3.6.1.2).

3.4.3.5 Pension plans

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

In his capacity as Chairman of the subsidiary MFPM, Mr. Menegaux participates in the supplementary pension plan set up for MFPM and CGEM senior executives (the Michelin Executive Supplementary Pension Plan).

As required by Article D. 22-10-16 of the French Commercial Code, this plan, governed by Article L. 137-11 of the French Social Security Code (*Code de la sécurité sociale*) and Article 39 of the French General Tax Code (*Code général des impôts*), is described below:

- as of their retirement date, participants must have served for at least five years as a senior executive to be eligible for benefits;
- 1.50% of benefits vest each year, entitling participants to an annuity representing a replacement rate of up to 15% of the reference compensation (annual average of the best three years of compensation out of the last five years preceding the beneficiary's retirement). In accordance with the government order dated July 3, 2019, no rights have vested since December 31, 2019;
- the vested benefit entitlement is in addition to the replacement rate provided by all pension plans in which Florent Menegaux participates. The total replacement rate is capped at 35%;

- an evaluation is carried out in accordance with Group accounting policies;
- benefit entitlement is conditional on participants ending their career at MFPM as an executive employee or executive officer, in accordance with Article L. 137-11 of the French Social Security Code;
- 70% of the prior year's benefit obligation is funded through a contribution to an insured plan.

Mr. Menegaux's reference compensation for 2023 was made up solely of the annual fixed compensation paid by MFPM.

Based on the assumptions in Article D. 22-10-16 of the French Commercial Code introduced by Decree No. 2019-1235, the estimated gross annual pension payable to Mr. Menegaux under this plan amounts to €165,000.

The benefit represented by the Company's contributions to the plan is taxed at the rate of 24%. The actual gross replacement rate represented by pension benefits paid under the plan will be well below the 45% ceiling recommended in the AFEF/MEDEF Code.

In consideration of his position, Florent Menegaux participates in the PERO mandatory supplementary pension plan in the same way as all employees of CGEM and MFPM.

3.4.3.6 Compensation for loss of office

No compensation for loss of office was paid to Yves Chapot in 2023⁽¹⁾.

3.4.3.7 Non-compete indemnity

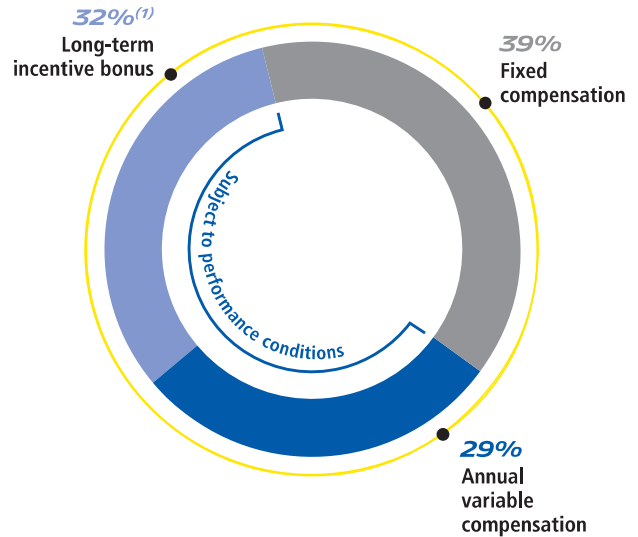
No non-compete indemnity was paid to Florent Menegaux in 2023⁽¹⁾.

(1) See detailed disclosures in section 3.6.1.12 of the 2022 Universal Registration Document.

3.4.4 Compensation package of Yves Chapot, General Manager

The Compensation and Appointments Committee of the Supervisory Board has reviewed all the components of the compensation paid to Yves Chapot in 2023 or awarded to him in respect of 2023 in his capacity as General Manager, pursuant to the 2023 compensation policy. This policy is described in the Corporate Governance Report (the "2023 compensation policy") reproduced in the 2022 Universal Registration Document⁽¹⁾ and was presented to the Annual Shareholders Meeting of May 12, 2023 by the Chair of the Compensation and Appointments Committee⁽²⁾.

COMPENSATION PAID TO YVES CHAPOT DURING FISCAL YEAR 2023



(1) Long-term compensation takes into account the book value of performance shares granted to the Managers in 2023.

3.4.4.1 Fixed compensation

In application of the 2023 compensation policy, the fixed compensation received by Yves Chapot amounted to €770,000.00.

3.4.4.2 Annual variable compensation

Yves Chapot's annual variable compensation was determined in application of the 2023 compensation policy, based on the recommendation of the Supervisory Board.

(1) See sections 3.3.1 and 3.3.2 of the 2022 Universal Registration Document.

(2) See the information/presentations on the May 12, 2023 Annual Shareholders Meeting on the Company's website www.michelin.com.

Information about the components of compensation paid or awarded to the corporate officers

The achievement rates for the criteria that determine the amounts due in respect of annual variable compensation are as follows:

	Criterion	Objective	Measurement method ⁽¹⁾	Min.	Target	Max.	2023 actual	Achievement rate
Quantitative criteria and objectives (70% of the target fixed compensation)	Net income	Profit	As a % of fixed compensation	0%	20%	30%	-	14.73%
			Value of the indicator	€1,800m	€2,048m	€2,200m	€1,983m	-
	2023 segment operating income (SOI)	Profit	As a % of fixed compensation	0%	25%	37.5%	-	37.5%
			Value of the indicator	€3,150m	€3,400m	€3,550m	€3,866m	-
	Growth in free cash flow before acquisitions	Profit	As a % of fixed compensation	0%	25%	37.5%	-	37.5%
			Value of the indicator	€1,400m	€1,800m	€2,050m	€3,009m	-
Total quantitative				0%	70%	105%	-	89.73%
Quantifiable qualitative criteria and objectives (30% of the target fixed compensation)	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%	-	9.5%
			Value of the indicator	N/A	N/A	N/A	N/A	N/A
	Total Case Incident Rate (TCIR)	People	As a % of fixed compensation	0%	5%	7.5%	-	7.08%
			Value of the indicator	1.15	1.06	1.00	1.01	-
	Percentage of Group management positions held by women	People	As a % of fixed compensation	0%	5%	7.5%	-	6.75%
			Value of the indicator	19.8%	20.8%	21.8%	21.5%	-
	CO ₂ emissions (Scopes 1 and 2)	Planet	As a % of fixed compensation	0%	10%	15%	-	9.79%
		Value of the indicator	2.3mt	2.16mt	2.02mt	2.163mt	-	
Total quantifiable qualitative				0%	30%	45%		33.12%
Total quantitative and qualitative excluding net income criterion								108.12%
TOTAL VARIABLE COMPENSATION AS % OF FIXED COMPENSATION (rounded to the nearest decimal)				0%	100%	150%		122.8%

Maximum value of all quantitative and quantifiable qualitative criteria	150% of annual fixed compensation
Actual overall achievement rate (quantitative and quantifiable qualitative criteria)	122.8%
Amount awarded (in €)	945,907.24
Achievement rate as a % of the reference fixed compensation	122.8%

All quantitative and qualitative objectives were set at the start of 2023 and were not adjusted during the year.

The Compensation and Appointments Committee carefully reviewed achievement rates for each of the quantitative and qualitative criteria. Concerning the quantifiable qualitative criteria, the Committee's conclusions were as follows:

- for the "Implementation of the strategy (deployment of the transformations)" criterion, the Committee analyzed the results of the Balanced Score Card. Having noted the significant progress made in deploying the People, Profit and Planet aspects of Michelin's strategy, the Committee decided that the indicator-based objectives had been 95%-met, nearly in line with the target of 100%;
- concerning the "corporate social responsibility" criterion (Total Case Incident Rate: improvements to the safety of Michelin Group employees), the Committee noted that the target had been exceeded and that the TCIR was close to the ceiling, at 1.01;

- for the "gender balance" criterion, the Committee noted that the percentage of Group management positions held by women (21.5%) was significantly above the target;
- for the "CO₂ emissions (Scopes 1 and 2)" criterion, the Committee noted that actual emissions (2.163 mt) were almost on target.

In conclusion of its analysis, the Committee recommended to the Supervisory Board that cumulative achievement rate in relation to these quantifiable qualitative criteria should be assessed as 122.8%. Given the Calculation Base (annual fixed compensation of €770,000.00), Yves Chapot's annual variable compensation for 2023 amounts to €945,907.24.

After discussing the matter during its meeting on February 9, 2024, the Supervisory Board approved the Compensation and Appointments Committee's recommendations, which were then also approved by the General Partners.

3.4.4.3 Long-term variable compensation granted in 2023: performance share rights

Deferred variable compensation

On November 17, 2023, 39,098 performance share rights were awarded to Yves Chapot⁽¹⁾. At December 31, 2023, these rights were valued at €628,247.03 and represented less than 0.0055% of the total Michelin shares outstanding at the year-end.

This award was:

- authorized in an extraordinary resolution of the Annual Shareholders Meeting of May 12, 2023 (14th resolution);
- made on the proposal of the General Partners in application of the conditions and criteria set by the Supervisory Board that determine all the performance share awards, as presented in the 2022 Universal Registration Document and as they result from the 2023 compensation policy⁽²⁾.

In application of the 2023 compensation policy, the award is subject to the following specific rules:

- the Managers are required to hold 40% of the vested shares for as long as they remain in office;
- the award for the General Manager is limited to 120% of his annual fixed compensation for that year;
- in addition, for the period of validity of the authorization (38 months), performance share rights awarded to the Managers may not exceed the equivalent of 0.1% of the Company's capital; this is a specific sub-cap applicable to the Managers within the overall cap of 1.5% applicable to all beneficiaries as mentioned in the above-mentioned resolution.

In accordance with AFEP/MEDEF Code recommendation No. 26.3.3, the equity risk on the performance shares has not been hedged by Yves Chapot and will not be hedged at any time during the holding period.

(1) To improve year-on-year comparability and avoid taking into account stock market performance conditions, due to the excessive volatility of this indicator, for the determination of the discount rate, the fair value used to determine the number of shares to be awarded only takes into account the dividends not received during the vesting period.

(2) Please refer to pages 111, 455 and 462 of the 2022 Universal Registration Document.

The performance criteria are presented below.

INTERIM FULFILLMENT OF PERFORMANCE CONDITIONS UNDER THE NOVEMBER 17, 2023 PERFORMANCE SHARE PLAN FOR EMPLOYEES AND THE MANAGERS

Criteria	Weighting	Interim results		
		2023 vs. 2022		
Share price performance <ul style="list-style-type: none"> Michelin share price must outperform the Stoxx Europe 600 index by at least 5 points between 2022 and 2025 (based on average daily closing prices for the two baseline years) Vesting prorated to the achievement rate between the trigger point of 0 and the targeted 5 points. 	30%	-7.8 points		
		2023	2024	2025
Corporate social responsibility performance <ul style="list-style-type: none"> Industrial-Michelin Environmental Performance – i-MEP⁽¹⁾ must be below 80 points in 2025 Vesting prorated to the achievement rate between the trigger point of 86 and the targeted 80 points. The employee engagement rate must exceed 84.5% in 2025. Prorated result between 83% and 84.5%, capped at 16% Prorated result between 84% and 84.5%, capped at 20% 	20%	83.9 points	-	-
	20%	83.5%	-	-
	15%	10.0%	-	-
	15%	11.4%	-	-
Operating performance <ul style="list-style-type: none"> Average annual growth in revenue from non-tire and distribution activities must exceed 12% over the 2022-2023, 2023-2024 and 2024-2025 periods Result calculated on a straight-line basis between the threshold of 7% and the targeted 12%. Total consolidated ROCE (including acquisitions, related goodwill and equity-accounted companies) must exceed 12% in 2025 Result calculated on a straight-line basis between the threshold of 10% and the targeted 12%. 				

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

For all criteria, fulfillment is calculated as follows:

- performance below threshold: no shares will vest;
- performance between the threshold and the ceiling: number of vested shares calculated on a straight-line basis;
- performance equal to or greater than the ceiling: all the shares will vest.

3.4.4.4 Fringe benefits, stock options and directors' or Supervisory Board members' compensation

In line with the 2023 compensation policy, in 2023 Yves Chapot did not receive (i) any compensation in his capacity as a member of the Supervisory Board of the Company or any controlled entities, (ii) any benefits other than those listed above, or (iii) any stock options of the Company or any controlled entities.

Yves Chapot has a fringe benefit in the form of a Company car (see the table in section 3.6.1.3).

3.4.4.5 Pension plans

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

In his capacity as General Manager of CGEM, Yves Chapot participates in the supplementary pension plan set up for MFPM and CGEM senior executives (the Michelin Executive Supplementary Pension Plan).

As required by Article D. 22-10-16 of the French Commercial Code, this plan, governed by Article L. 137-11 of the French Social Security Code and Article 39 of the French General Tax Code, is described below:

- as of their retirement date, participants must have served for at least five years as a senior executive to be eligible for benefits;
- 1.5% of benefits vest each year, entitling participants to an annuity representing a replacement rate of up to 15% of the reference compensation (annual average of the best three years of compensation out of the last five years preceding the beneficiary's retirement). In accordance with the government order dated July 3, 2019, no rights have vested since December 31, 2019;
- the vested benefit entitlement is in addition to the replacement rate provided by all pension plans in which Yves Chapot participates. The total replacement rate is capped at 35%;

- an evaluation is carried out in accordance with Group accounting policies;
- benefit entitlement is conditional on participants ending their career at MFPM as an executive employee or executive officer, in accordance with Article L. 137-11 of the French Social Security Code;
- 70% of the prior year's benefit obligation is funded through a contribution to an insured plan.

Mr. Chapot's reference compensation for 2023 in his capacity as executive officer was made up of his annual fixed compensation and his annual variable compensation.

Based on the assumptions in Article D. 22-10-16 of the French Commercial Code introduced by Decree No. 2020-1742, the estimated gross annual pension payable to Mr. Chapot under this plan amounts to €203,000.

The benefit represented by the Company's contributions to the plan is taxed at the rate of 24%. The actual gross replacement rate represented by pension benefits paid under the plan will be well below the 45% ceiling recommended in the AFEP/MEDEF Code.

As General Manager of CGEM, Yves Chapot participates in the PERO mandatory supplementary pension plan in the same way as all employees of CGEM and MFPM.

3.4.4.6 Compensation for loss of office

No compensation for loss of office was paid to Yves Chapot in 2023⁽¹⁾.

3.4.4.7 Non-compete indemnity

No non-compete indemnity was paid to Yves Chapot in 2023⁽¹⁾.

3.4.5 Compensation ratios of the Managers and the Chair of the Supervisory Board

Background

The changes in management structure described below have affected the calculation of management compensation ratios:

- Florent Menegaux has been Managing General Partner since May 2018 and Managing Chairman since May 2019;
- Yves Chapot has been General Manager since May 2018;
- Barbara Dalibard has been Chair of the Supervisory Board since May 2021.

Unlike the corporate officers of joint stock corporations, a Managing General Partner of the Company (which is organized as a partnership limited by shares), who may also be the Managing

Chairman, has unlimited personal liability for the Company's debts in the event that the Company is unable to honor its commitments, and can only be relieved of this liability by decision of the Extraordinary Shareholders Meeting. This exceptional liability justifies the payment of specific compensation.

The Company has very few employees (fewer than five, none of whom are corporate directors). The ratios of the Managers' pay and of the Supervisory Board Chair's pay to that of the Company's employees are therefore not meaningful.

(1) See detailed disclosures in section 3.6.1.12 of the 2022 Universal Registration Document.

For this reason, the Company has chosen to disclose these ratios for the Group's four main French companies⁽¹⁾, which together employed over 82% of the Michelin Group's total workforce in France as of December 31, 2022.

These subsidiaries are engaged in manufacturing, sales, and research and development activities and one of them hosts the vast majority of the Michelin Group's corporate departments.

Like the previous year's report, the 2023 report has been prepared by applying the "Guidelines on Compensation Multiples" published by the AFEP in February 2021.

The two performance indicators selected at the level of the Michelin group are total sales and segment operating income ("SOI") excluding changes in exchange rates, which measures the performance of the Group's operating segments.

The ratios presented below have been calculated in such a way as to disclose information related to the function, in order to guarantee, as far as possible, the relevance and consistency of comparative information across the entire reporting period. They are based on the fixed and variable compensation and benefits in kind and other bonuses **paid** during the years indicated (i) to the corporate officers and (ii) to employees who were present throughout the year, as well as on the performance shares **awarded** in those years, measured at fair value.

The 2023 increases and ratios for the Chair of the Supervisory Board should be considered in the light of the 2023 compensation policy⁽²⁾ approved by the Annual Shareholders Meeting of May 12, 2023 by a majority of 99.65% of the votes cast. This policy provided for an increase in her annual compensation to €400,000, which is less than the median compensation of €450,000 paid by CAC 40 companies to a non-executive Chair of the Board who did not previously hold an executive position.

The total amount paid in 2023 to the Chair of the Board (€470,000) represented the sum of:

- the €120,000 paid in consideration of her duties as both member and Chair of the Supervisory Board in the previous year (2022), as provided for in the 2022 compensation policy (note that under the 2023 compensation policy, only the amount in consideration of her duties as member of the Supervisory Board (€50,000) is payable the following year);
- €350,000 paid in consideration of her duties as Chair of the Supervisory Board during the year (2023).

(1) Manufacture Française des Pneumatiques Michelin, Compagnie Générale des Établissements Michelin, Pneu Laurent, Caoutchouc Synthétique Michelin.

(2) Described on pages 114 and 115 of the 2022 Universal Registration Document. The policy states that, of the total, €350,000 concerns her duties as Chair of the Supervisory Board (payable during the year), and €50,000 concerns her duties as Board member (payable the following year).

RATIOS PRESENTED IN APPLICATION OF ARTICLE L. 22-10-9 I, PARAGRAPHS 6 AND 7, OF THE FRENCH COMMERCIAL CODE

	2023	2022	2021	2020	2019	2018
PERCENTAGE CHANGE IN THE COMPENSATION OF THE CHAIR OF THE SUPERVISORY BOARD⁽¹⁾⁽²⁾	191.7%	0.0%	6.4%	28.7%	-2.7%	0.0%
Percentage change in the average compensation of employees	-0.2%	12.3%	2.6%	2.9%	2.9%	1.6%
Ratio versus average employee compensation	5.6	1.9	2.1	2.1	1.7	1.8
Percentage change in the ratio versus the previous year	194.7%	-9.5%	0%	26.5%	-5.1%	-1.7%
Ratio versus median employee compensation	7	2.5	2.8	2.7	2.1	2.3
Percentage change in the ratio versus the previous year	180.0%	-10.7%	3.7%	26.8%	-5.3%	-2.6%
PERCENTAGE CHANGE IN THE MANAGING CHAIRMAN'S COMPENSATION⁽¹⁾⁽³⁾⁽⁴⁾⁽⁵⁾	-36.9%	103.0%	-6.5%	-37.6%	8.1%	15.0%
Percentage change in the average compensation of employees	-0.2%	12.3%	2.6%	2.9%	2.9%	1.6%
Ratio versus average employee compensation	48.8	77.3	42.9	47.1	77.6	73.8
Percentage change in the ratio versus the previous year	-36.9%	80.2%	-8.9%	-39.3%	5.1%	13.2%
Ratio versus median employee compensation	61.7	101.3	55.9	61.0	99.8	94.8
Percentage change in the ratio versus the previous year	-39.1%	81.2%	-8.4%	-38.9%	5.3%	12.0%
PERCENTAGE CHANGE IN THE GENERAL MANAGER'S COMPENSATION⁽¹⁾⁽⁴⁾⁽⁵⁾	-20.1%	40.7%	28.6%	33.0%	69.6%	-
Percentage change in the average compensation of employees	-0.2%	12.3%	2.6%	2.9%	2.9%	1.6%
Ratio versus average employee compensation	31.6	39.5	31.5	25.1	19.5	11.8
Percentage change in the ratio versus the previous year	-20.0%	25.4%	25.5%	29.0%	64.8%	-
Ratio versus median employee compensation	39.9	51.7	41.0	32.6	25.0	15.2
Percentage change in the ratio versus the previous year	-22.8%	26.1%	25.8%	30.2%	65.2%	-
COMPANY PERFORMANCE⁽⁶⁾						
Growth in segment operating income (SOI) (excluding currency effect)	8.3%	65.2%	-33.4%	6.5%	11.0%	5.6%
Growth in sales (excluding currency effect)	14.0%	18.2%	-12.6%	7.8%	4.1%	6.2%

(1) The compensation paid to Managers for functions held during only part of the year (new Manager or Manager who was not replaced) has been annualized.

(2) The 2023 increases and ratios should be considered in the light of the 2023 compensation policy approved by the Annual Shareholders Meeting of May 12, 2023 by a majority of 99.65% of the votes cast (see detailed explanations in the background information in the introduction to this table and in section 3.5.1 of the 2023 Universal Registration Document).

(3) Only information relating to the position of Managing Chairman and General Partner is presented given that the specific role of Managing General Partner was exercised over a limited period.

(4) Deferred long-term compensation paid to Managers who no longer held the positions concerned during the reporting period has not been taken into account.

(5) Since 2020, the reference amount for variable compensation includes the book value of performance shares awarded to the Managers.

(6) To permit meaningful comparisons with the compensation paid in a given year, which depends to a significant extent on the prior year's results, the values taken into account for a given year correspond to the results achieved in the prior year.

3.4.6 Proposed resolution on the disclosures mentioned in Article L. 22-10-9-I of the French Commercial Code

In accordance with the applicable laws and regulations, at the Ordinary Shareholders Meeting, the General Partners and the Supervisory Board will submit to shareholders the required disclosures concerning the compensation paid or awarded in 2023 to the corporate officers.

The resolution to be presented to the Annual Shareholders Meeting of May 17, 2024 concerning all the disclosures contained in sections 3.4.1 to 3.4.5, is set out below.

8th resolution

Approval of the disclosures concerning the corporate officers' compensation packages

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. 22-10-77 I of the French Commercial Code, approves the disclosures mentioned in Article L. 22-10-9 I of the Code, as presented in the Corporate Governance Report set out in sections 3.4.1 to 3.4.5 of the Company's 2023 Universal Registration Document.