



***ROADSHOW
LONDON
GOLDMAN SACHS***

April 9, 2024



MICHELIN

Readshow London _ April 9, 2024

Michelin increased segment operating income to €3.6bn in 2023 and generated a strong €3.0bn in cash, reflecting the strength of the Group's strategy

Michelin delivered a high SOI despite adverse market conditions and currencies.

Demonstrating again the quality of its business model while improving people engagement and accelerating its sustainability roadmap.

Reflecting Group's strategy to capture the full value of its differentiated solutions designed to meet increasingly demanding customer requirements.

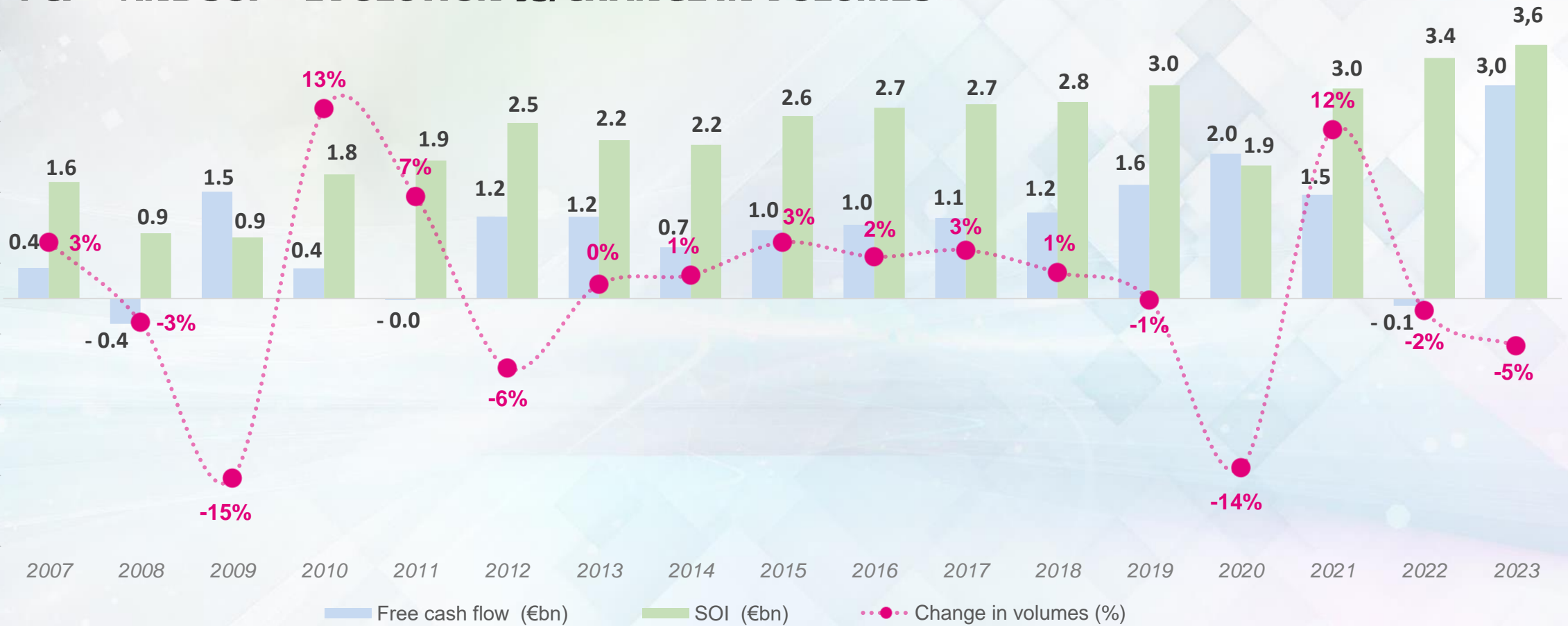
- Sales of €28.3bn, up 2.0% at constant exchange rates, with mix and price offsetting unfavorable market conditions. Non-tire sales up 10%
 - Tire sell-in markets globally flat but with an adverse mix, with OE growing in most segments while Replacement faced massive destocking
 - Tire sales volumes down 4.7%, reflecting the Group's strategy of prioritizing markets and segments that appreciate its unique value proposition
 - Price and mix effects up 5.7%, of which 1.2% of mix pulled by both products and geographies
 - Non-tire sales up 10% or €146m at constant scope of consolidation. The integration of Flex Composite Group is well on track
 - Negative 2.9% exchange rate effect as most currencies declined against the euro
- Segment operating income reached an all-time high of €3.6bn; margin up 0.7 pts to 12.6% of sales
 - Price effect lifted by the lagged impact of 2022 adjustments
 - Substantial mix effect resulting from market and segment targeting, combined with the Group's enhanced value proposition
 - Improved operating performance offsetting cost inflation factors
- Free cash flow before acquisitions of €3.0bn reflecting improving EBITDA and sharp reduction in working capital
 - EBITDA up 4% at €5.5bn or 19.4% of sales
 - €1.0bn reduction in working capital, driven by a decline in both inventory volumes and value
 - Positive €0.2bn contribution from JVs and associates, notably the TBC distribution JV in the USA
- ROCE of 11.4%, up 0.6 pts, reflecting intrinsic performance and active portfolio management
- Net income stable at €2.0bn despite -€0.6bn industrial restructuring provisions. Dividend of €1.35 per share submitted to the AGM up 8% vs 2022, share buyback program which could be worth up to €1 billion over the period 2024-2026
- 2024 guidance: > €3.5bn in segment operating income at constant exchange rates; > €1.5bn reported FCF before acquisitions ⁽¹⁾

⁽¹⁾ Definition : see slide 64



Reinforced ability to increase cash and margin generation across business cycles

FCF ⁽¹⁾ AND SOI ⁽²⁾ EVOLUTION vs. CHANGE IN VOLUMES



(1) Reported Free cash flow, excluding M&A

(2) Segment operating income



Solid overall Group performance in 2023



PEOPLE

30.6%

of managers are women

+ 1.2 PTS vs 2022

1.01

Total Case Incident Rate

- 0.06 PTS vs 2022

83.5%

Employee Engagement rate

+ 1 PT vs 2022



PROFIT

€3,572M

Segment Operating Income ⁽¹⁾

12.6% of sales

11.4%

Return on Capital Employed

+ 0.6 PTS vs 2022

€3,009M

Free cash flow before M&A ⁽¹⁾

+ €3.1BN vs 2022



PLANET

- 6% vs 2022

CO₂ emissions scopes 1&2 ⁽²⁾

2.16M tons

- 10% vs 2022

Water withdrawal ⁽²⁾

23.4M m³

28%

Renewable and recycled materials rate

- 2 PTS vs 2022

(1) Definition: see slide 64

(2) 12-months rolling basis

Sell-in tire markets: PC markets positive pulled by OE, B2B markets penalized by destocking



PASSENGER CAR AND LIGHT TRUCK



TRUCK EXCLUDING CHINA



2023 ——— 2022 ———
 Q4 2023 projection presented during Q3 sales release



SPECIALTIES

2023 vs. 2022

-0%



➔ Mining



➔ Agriculture



➔ Construction



➔ Material handling



➔ Aircraft



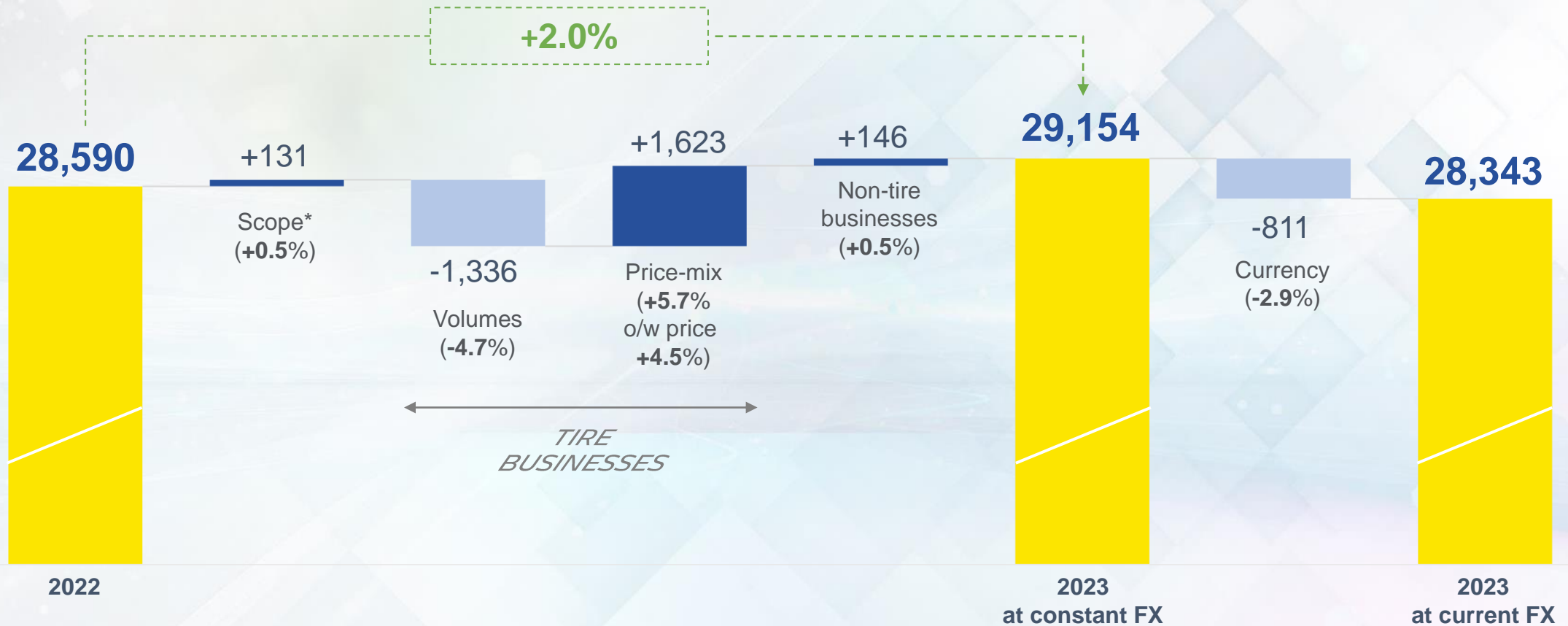
➔ Two-wheel



2023 Group sales up 2.0% at constant parity, price and mix offsetting soft tire volumes. Non-tire sales grew by 10%

ANALYSIS OF FY SALES

(in € millions and as a % of 2022)

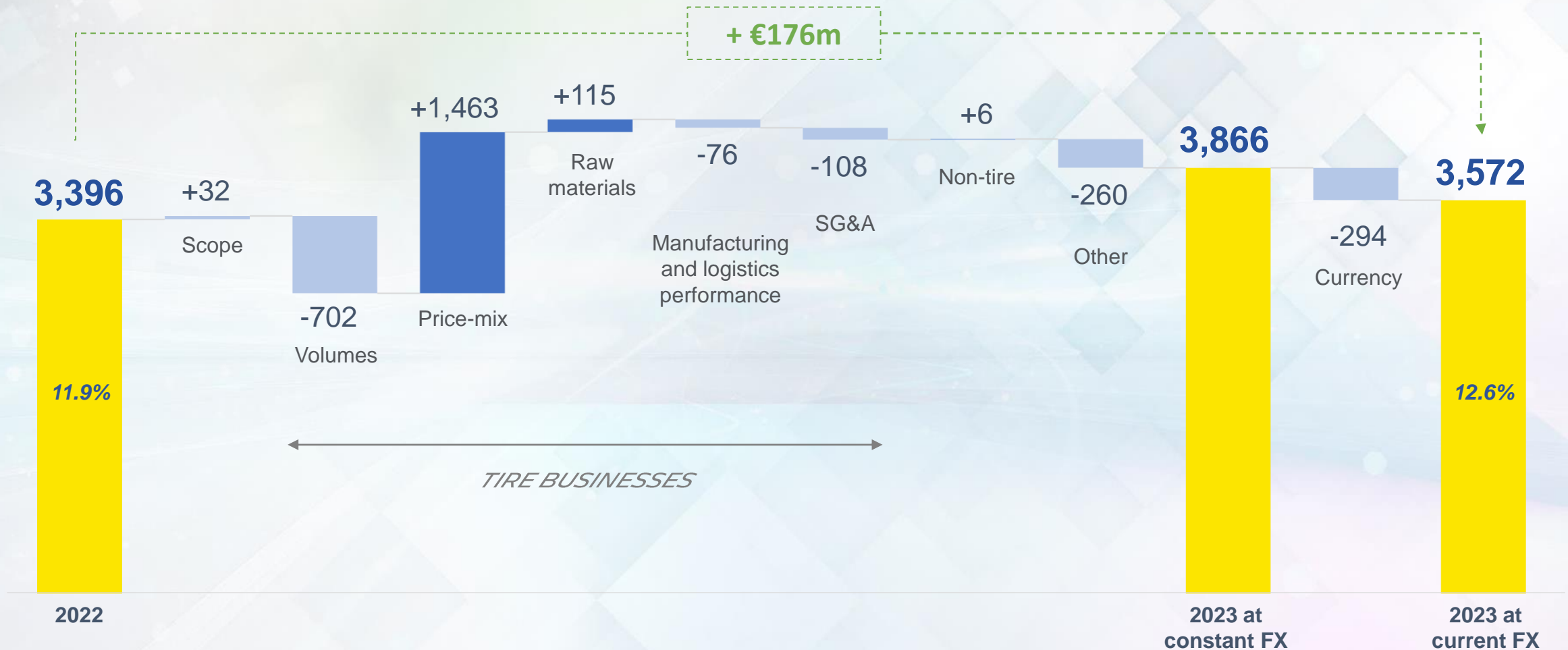


* Consolidation of Conveyor Products & Solutions effective Jul. 14, 2022; EGC Enterprises effective Feb. 3, 2023; BlackSmith effective Apr. 1, 2023; Flex Composite Group effective Sep. 26th, 2023

Segment operating income at all-time high, supported by lagged price effect from 2022, strong mix and improved operating performance offsetting inflation

ANALYSIS OF SEGMENT OPERATING INCOME (SOI)



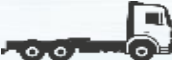






(in € millions)



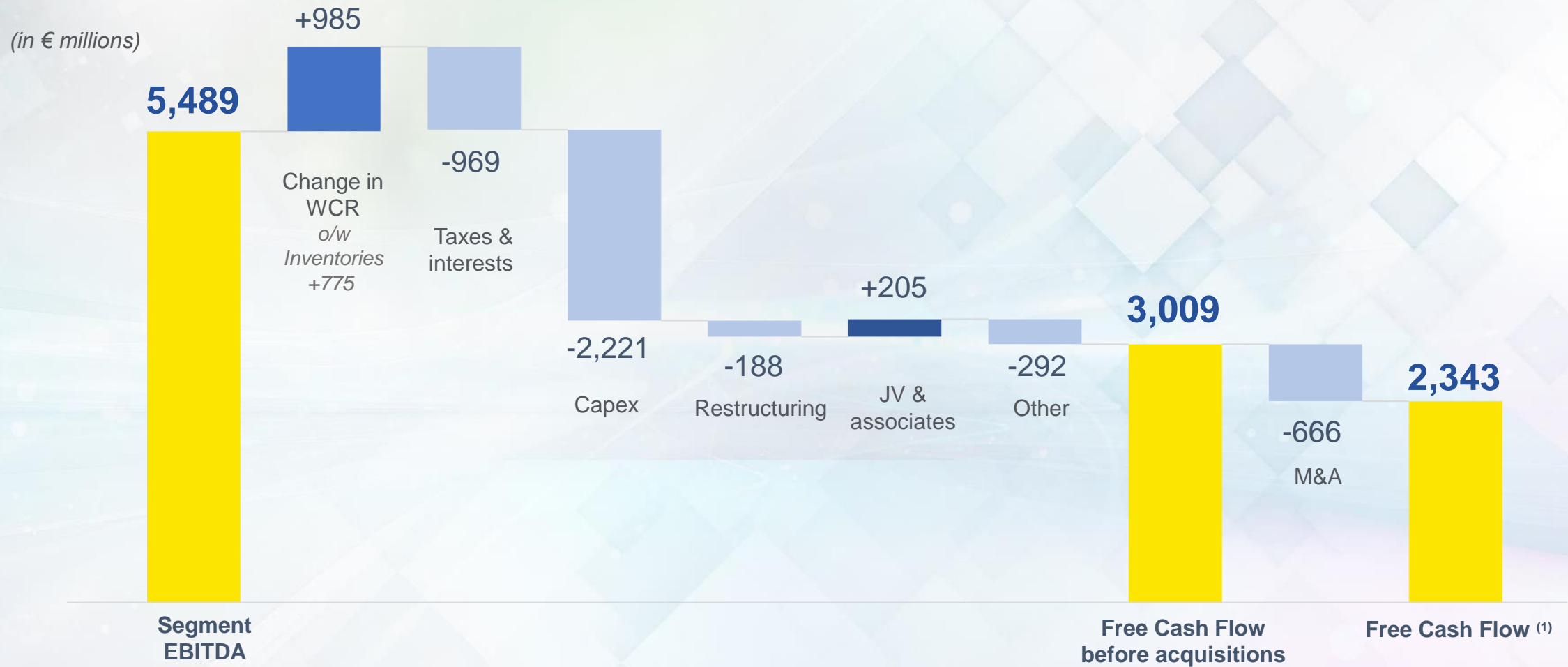
Strong SOI performance driven by RS1 outstanding progress and RS3 recovering margin

SALES AND SOI BY REPORTING SEGMENT

(in € millions)

| | | FY 23 | FY 22 | CHANGE |
|--|--------------------------|--------------|--------------|---------------|
| RS1  | Sales | 14,339 | 14,138 | +1.4% |
| | <i>o/w volume change</i> | - | - | -1.9% |
| | Operating income | 1,959 | 1,711 | +14.5% |
| | Operating margin | 13.7% | 12.1% | +1.6 pts |
| RS2    | Sales | 6,975 | 7,462 | -6.5% |
| | <i>o/w volume change</i> | - | - | -8.5% |
| | Operating income | 456 | 641 | -28.9% |
| | Operating margin | 6.5% | 8.6% | -2.1 pts |
| RS3      | Sales | 7,029 | 6,990 | +0.6% |
| | <i>o/w volume change</i> | - | - | -4.6% |
| | Operating income | 1,157 | 1,044 | +10.8% |
| | Operating margin | 16.5% | 14.9% | +1.6 pts |
| GROUP | Sales | 28,343 | 28,590 | -0.9% |
| | <i>o/w volume change</i> | - | - | -4.7% |
| | Operating income | 3,572 | 3,396 | +5.2% |
| | Operating margin | 12.6% | 11.9% | +0.7 pt |

Free Cash Flow before acquisitions of €3.0bn fueled by record EBITDA of €5.5bn or 19.4% of sales, and sharp reduction in working capital



⁽¹⁾ Definition: see slide 64

Gearing improves to 18.3% thanks to strong cash generation

NET DEBT (in € millions)



AGENCY RATINGS

Compagnie Générale des Établissements Michelin

| | S&P | FITCH | MOODY'S ⁽²⁾ |
|-------------------|--------|-------|------------------------|
| SHORT TERM | A-2 | F2 | - |
| LONG TERM | A- | A- | A3 |
| OUTLOOK | Stable | | |

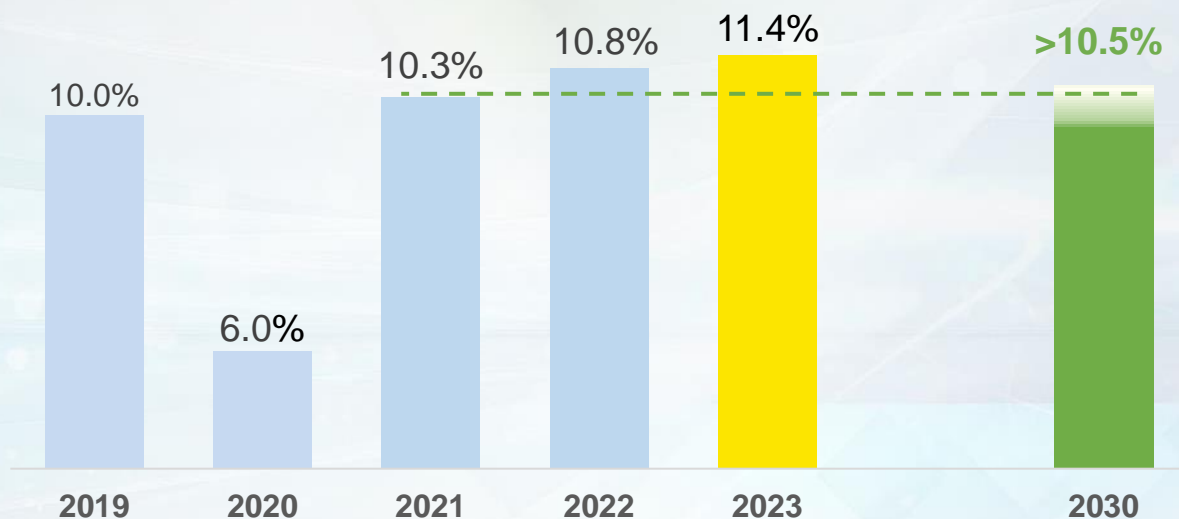
⁽¹⁾ Including new leases

⁽²⁾ Moody's rating is not solicited since July 2020



ROCE up to 11.4% lifted by SOI increase and active portfolio management

RETURN ON CAPITAL EMPLOYED – ROCE



2023 ROCE lifted by NOPAT

- NOPAT reaching 9.5% of sales in 2023, up from 8.5% in 2022
- Asset Turnover Ratio sustained above 2019 level
- Profit from equity-accounted companies fostered by active portfolio management (TBC, Symbio)

Shareholder return: further development of dividend and pay-out

PER SHARE DATA ⁽¹⁾

(in €)

| | 2019 | 2020 | 2021 | 2022 | 2023 | Target @CMD21 |
|-------------------------------------|------|------|------|------|---------------------|------------------|
| DIVIDEND | 0.50 | 0.58 | 1.13 | 1.25 | 1.35 ⁽⁴⁾ | |
| NET INCOME BASIC | 2.42 | 0.88 | 2.58 | 2.81 | 2.77 | |
| PAY-OUT RATIO ⁽²⁾ | 21% | 65% | 44% | 44% | 49% | 50% |
| RETURN ⁽³⁾ | 1.8% | 2.2% | 3.1% | 4.8% | 4.2% | |

DIVIDEND POLICY

- Gradually raise payout ratio towards 50% in 2030
- Pay-out calculated on reported net income

SHARE BUY-BACK POLICY

- Share buy-back program worth up to €1bn over the period 2024-2026

(1) Data prior to 2022 restated for the 4-for-1 stock split of June 2022

(2) Dividend / Net income

(3) Dividend / Share price; based on Dec 31 closing stock price

(4) Subject to approval by the AGM on May 17th 2024

A wide diversity of destination markets ensuring Group resilience

Accelerating growth on polymer composite solutions with FCG acquisition

(% of 2023 sales)

POLYMER COMPOSITE SOLUTIONS

Main drivers:
GDP, PMI, R&D & public spending

SPECIALTIES TIRES

Main drivers: GDP, public spending, commodity prices, construction

18%

5%

11%

FLEET SERVICES, DISTRIBUTION & LIFESTYLE

Main drivers: miles driven, GDP, used cars market, tourism

TRANSPORTATION TIRES

Main drivers:
GDP & PMI

20%

36%

REPLACEMENT AUTO & 2-WHEEL TIRES

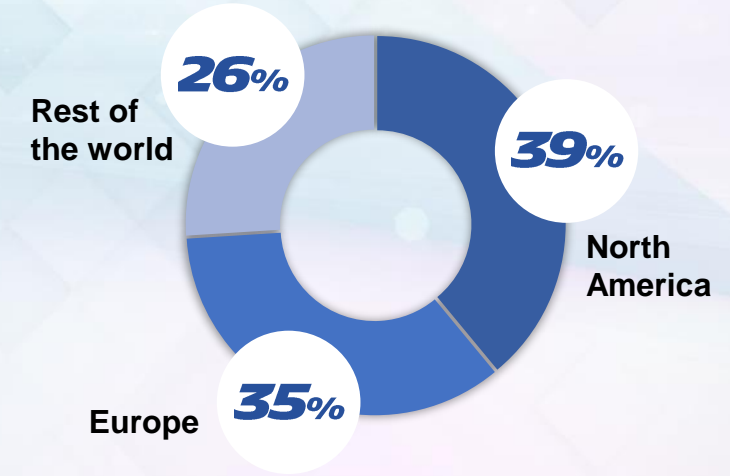
Main drivers: miles driven, GDP, used cars market

10%

AUTO OE ⁽¹⁾ TIRES

Main drivers:
regulation & GDP

A BALANCED GEOGRAPHICAL FOOTPRINT



Cyclicality

| | |
|-------------|------------|
| ● Very high | ◐ Low |
| ◑ High | ◒ Very low |

(1) Original equipment



FCG strong financial profile confirmed in 2023, on track to deliver synergies

STRONG FINANCIAL PROFILE 2023 FY DATA ⁽¹⁾

Dynamic growth

~€200m
revenue

+9%
organic revenue CAGR
over 2015 – 2023

EBIT-accretive businesses

~€43m
EBIT

~22%
of sales

Low capital intensity

~€10m
capex

~5%
of sales

(1) Consolidated from September 26, 2023

TARGETED EBIT SYNERGIES CONFIRMED

€21m run-rate EBIT synergies confirmed by 2028

First wave implemented :

- Raw materials procurement
- Refinancing & insurance

Business line dedicated to Composite Fabrics and Films

- Grouping existing assets from FCG and Michelin
- Headed from France, worldwide reach

Leveraging existing R&D assets

- Connecting FCG teams with Michelin's R&D platform
- Ambition to improve product value to customers, via increased performance and higher content of recycled & renewable materials



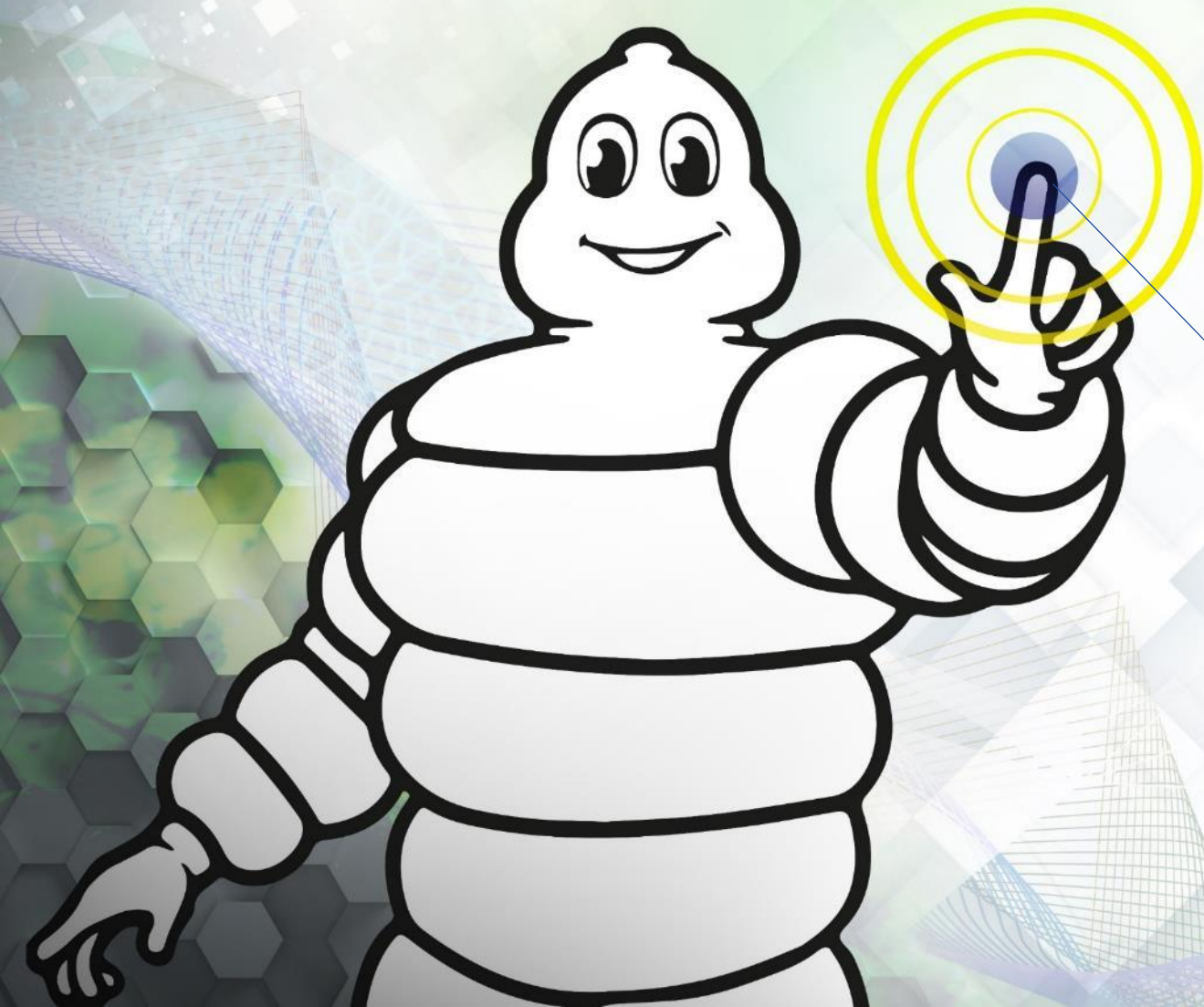
Technical carbon fibre fabrics
used for car helmets



Membrane to guarantee
breathability and waterproofing



ORCA Neoprene fabrics for
inflatable boats

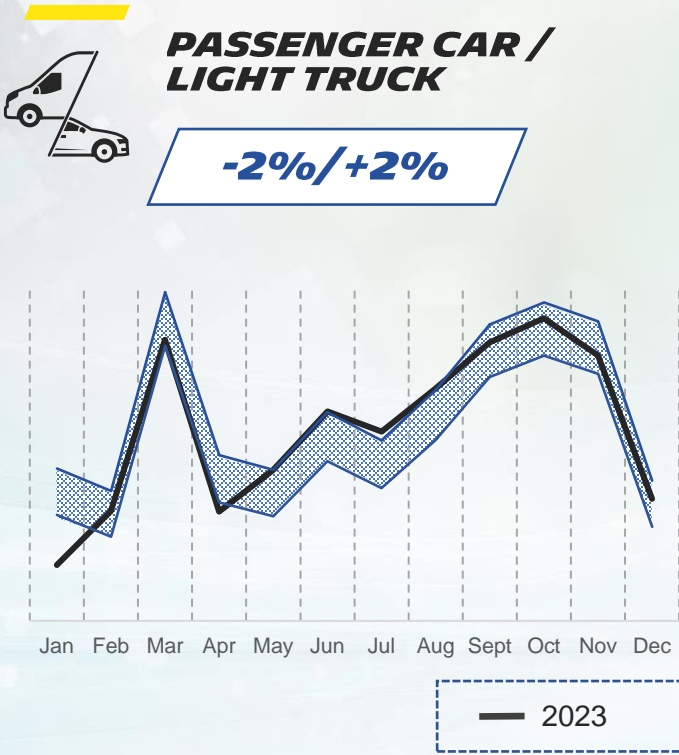


2024

GUIDANCE



2024 tire markets scenario (sell-in) overall flat, with slight increase in RT and decline in OE



SPECIALTIES

-2%/+2%

- Mining tires:** strong fundamental demand holds, markets impacted by stock fluctuations
- Beyond-road tires:** slight growth across RT businesses, while OE turns negative
- Two-wheel tires:** market growth in all regions reflecting consumer demand
- Aircraft tires:** normalized growth with strong 2023 reference base (back to pre-Covid level)

OE: decline in demand, mitigated by some restocking by OEMs in North America

RT: soft growth in demand with continuous market enrichment

OE: demand pulled down by new GHG regulation in North America that boosted sales in 2023, and challenged economic outlook in Europe

RT: slight growth driven by underlying transportation demand, stocks at normative level



2024 Group scenario & guidance

SCENARIO

Volumes

[-2% ; 0%]

Operating performance
net of inflation

slightly positive

Cash-out capex

[€2.2bn ; €2.4bn]

GUIDANCE

Segment operating income
at constant FX vs 2023

> €3.5bn

Free cash flow
before Acquisitions

> €1.5bn



Q1 SALES

APR. 24, 2024 *

AGM

MAY 17, 2024

CAPITAL MARKETS DAY

MAY 28, 2024

HALF-YEAR RESULTS

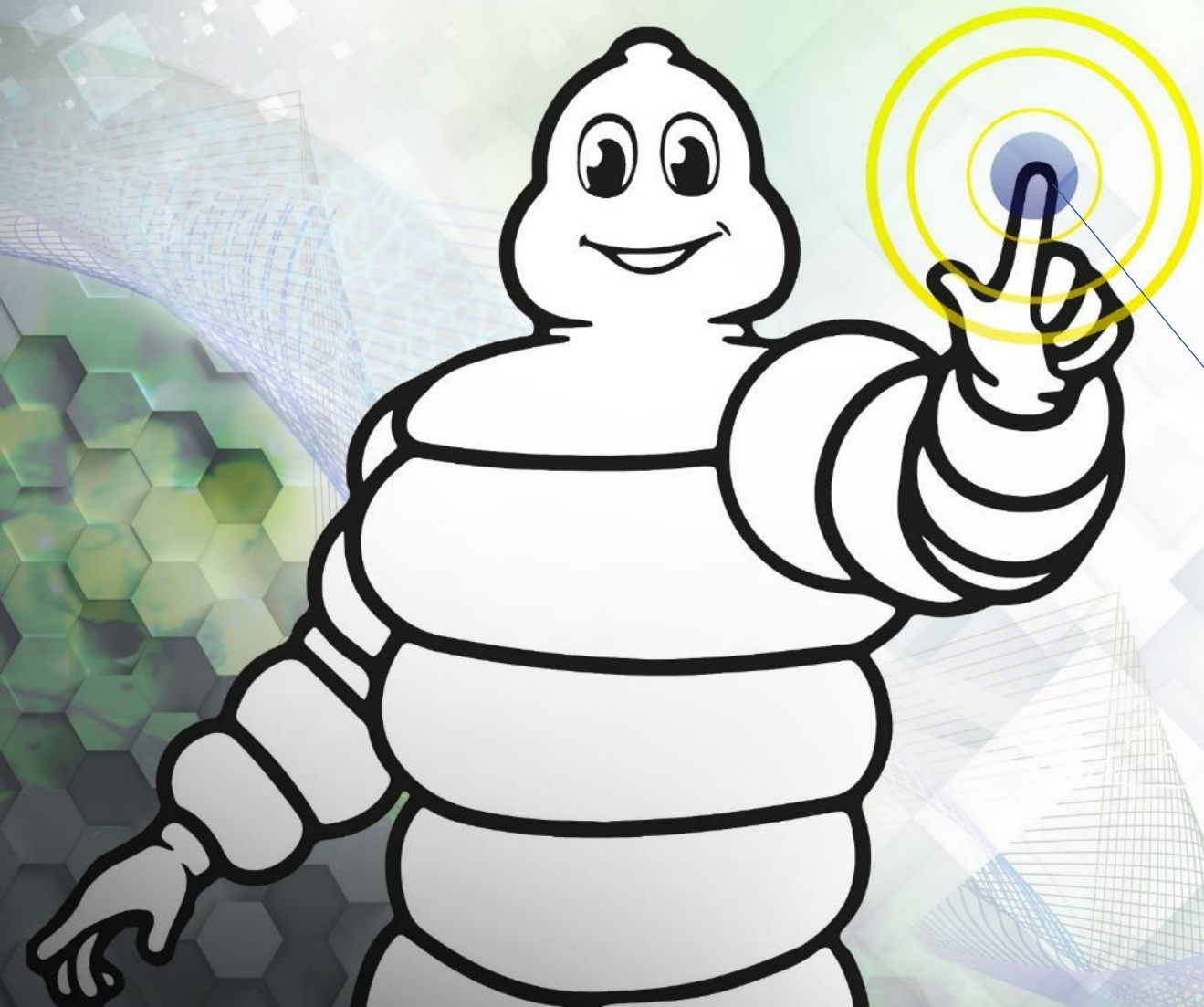
JULY 24, 2024 *

Q3 SALES

OCT. 23, 2024 *

** After close of trading*





APPENDIX



Michelin's deep-innovation capabilities feed the Group's leadership on all targeted end-markets

MICHELIN'S DEEP-INNOVATION CAPABILITIES



Unrivaled innovation ability, from fundamental research to solutions development



Extensive **worldwide manufacturing expertise**



Unique know-how in **performance simulations**



Clear roadmap towards 100% sustainable materials with dedicated R&D programs

LEADERSHIP POSITION ON EVERY TARGETED END-MARKET

TIRE



SERVICES TO FLEETS



TaaS
Tire-as-a-Service



POLYMER COMPOSITE SOLUTIONS

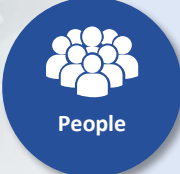























Sealing technologies

Belting solutions

Engineered fabrics & films

Engineered polymers

Strategic Scorecard – 2023 results in line with 2030 ambitions

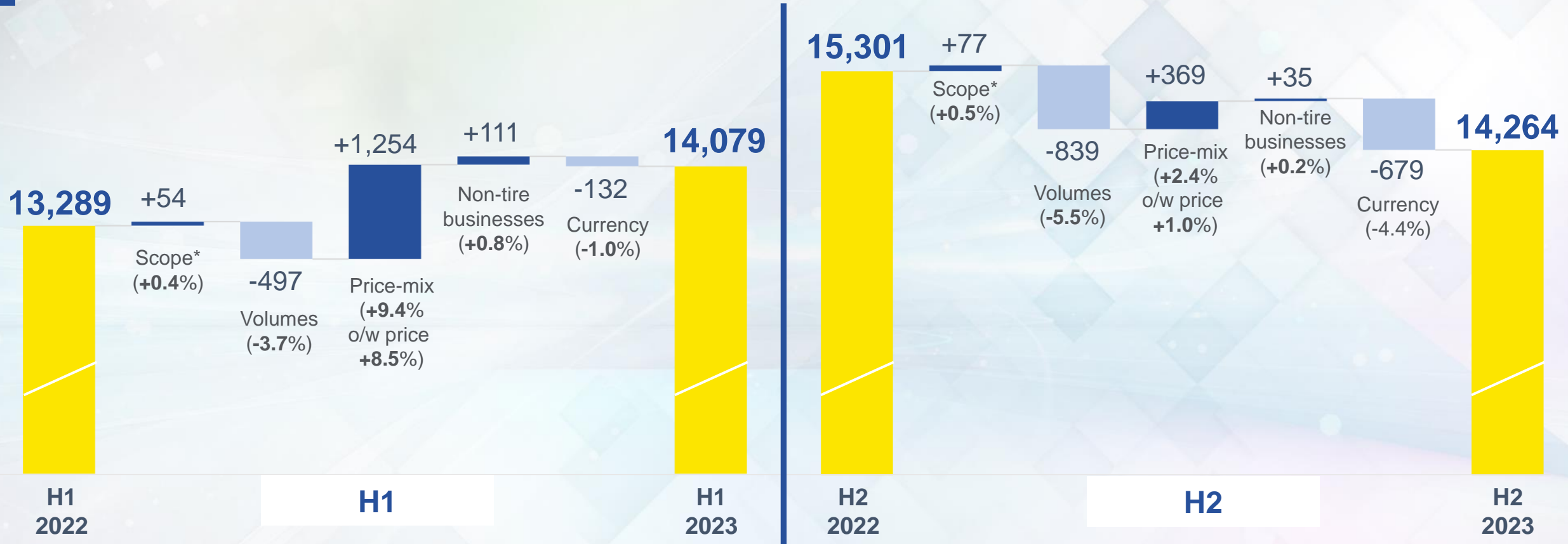
| | | | PROGRESS STATUS | | |
|--|--|---------------------|------------------------|-----------------|-----------------|
| AMBITION | METRICS | 2030 SUCCESS | 2021 | 2022 | 2023 |
|  Be world-class in employee engagement |  Engagement rate | >85% | 79.8% | 82.5% | 83.5% |
|  Be world-class in employee safety |  TCIR ⁽¹⁾ | <0.5 | 1.29 | 1.07 | 1.01 |
|  Be a reference in diversities and inclusion of teams |  IMDI ⁽¹⁾ | 80 pts over 100 | 65 | 70 | 72 |
|  Be best-in-class in value created for customers |  NPS partners ⁽¹⁾ | 48 (+10 vs. 2020) | 38.9 | 41.6 | 42.7 |
|  Deliver substantial growth |  Total sales | 5% CAGR 23-30 | €23.8bn | €28.6bn | €28.3bn |
|  Deliver continuous financial value creation |  ROCE ⁽¹⁾ | >10.5% | 10.3 % | 10.8% | 11.4% |
|  Maintain Michelin brand power |  Brand vitality quotient | +5 pts vs. 2021 | 68 | 65 | 73 |
|  Maintain best-in-class innovation pace in products and services |  Offers vitality index | >30% | 31% | 31% | 31% |
|  Reach net zero emission by 2050 (manuf. and energy) |  CO ₂ emissions (scopes 1&2) | -50% vs. 2010 | -29% 2764 Kt | -41% 2304 Kt | -44% 2163 Kt |
|  Contribute to reaching net zero emission (Scope 3) |  Products energy efficiency (scope 3) | +10% vs. 2020 | +0.5% | +1.8% | +2.9% |
|  Be best-in-class in environmental footprint of industrial sites |  i-MEP ⁽¹⁾ | -1/3 vs. 2019 | -7.4% | -11.2% | -16.1% |
|  Reach full circularity of products by 2050 |  Sustainable Material Rate | 40% | 29% | 30% | 28% |

(1) TCIR = Total Case Incident Rate; IMDI = Inclusion and Diversities Management Index; NPS = Net Promoter Score; ROCE = Return on Capital Employed; i-MEP = industrial - Michelin Environmental Performance, see p.151 of the 2022 Universal Registration Document

H1 sales lifted by lagged effect of 2022 price adjustments, H2 volumes softer but mix stronger

ANALYSIS OF SALES BY SIX-MONTH PERIOD

(in € millions and as a % of 2022)



* Consolidation of Conveyor Products & Solutions effective Jul. 14, 2022; EGC Enterprises effective Feb. 3, 2023; BlackSmith effective Apr. 1, 2023; Flex Composite Group effective Sep. 26th, 2023



Segment operating income increase driven by strong price-mix, inputs costs turning positive in H2

ANALYSIS OF SEGMENT OPERATING INCOME (SOI)

(in € millions)



Reported 2023, 2022, and 2021 financial highlights

| <i>(in € millions)</i> | 2023 | 2022 | 2021 |
|-------------------------------------|---------------|-------------|-------------|
| Sales | 28,343 | 28,590 | 23,795 |
| Segment EBITDA | 5,489 | 5,262 | 4,700 |
| Segment EBITDA margin | 19.4% | 18.4% | 19.8% |
| Segment operating income | 3,572 | 3,396 | 2,966 |
| Segment operating margin | 12.6% | 11.9% | 12.5% |
| Other operating income and expenses | (920) | (375) | (189) |
| Net income | 1,983 | 2,009 | 1,845 |
| Basic earnings per share (in €) | 2.77 | 2.81 | 2.58 |
| Capital expenditure outlays | 2,221 | 2,008 | 1,441 |
| Free cash flow before acquisitions* | 3,009 | (104) | 1,464 |
| Free cash flow* | 2,343 | (180) | 1,357 |
| ROCE | 11.4% | 10.8% | 10.3% |
| Gearing | 18.3% | 25.2% | 18.6% |

* Definition: see slide 64

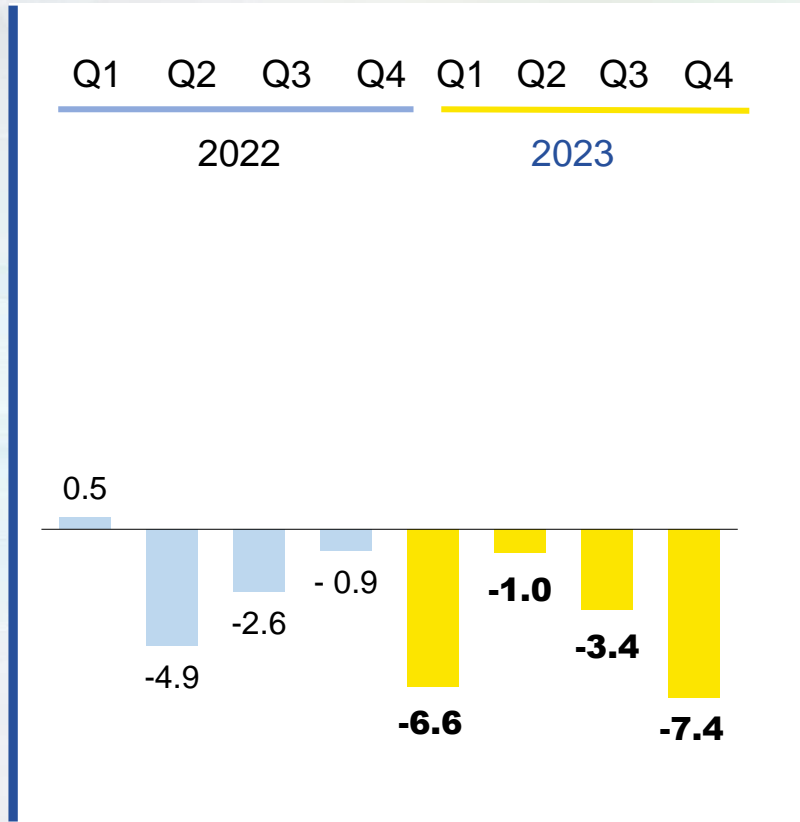


Q4 volumes weaker on high reference basis, price-mix remains positive on tougher comparison and adjustments on indexed businesses

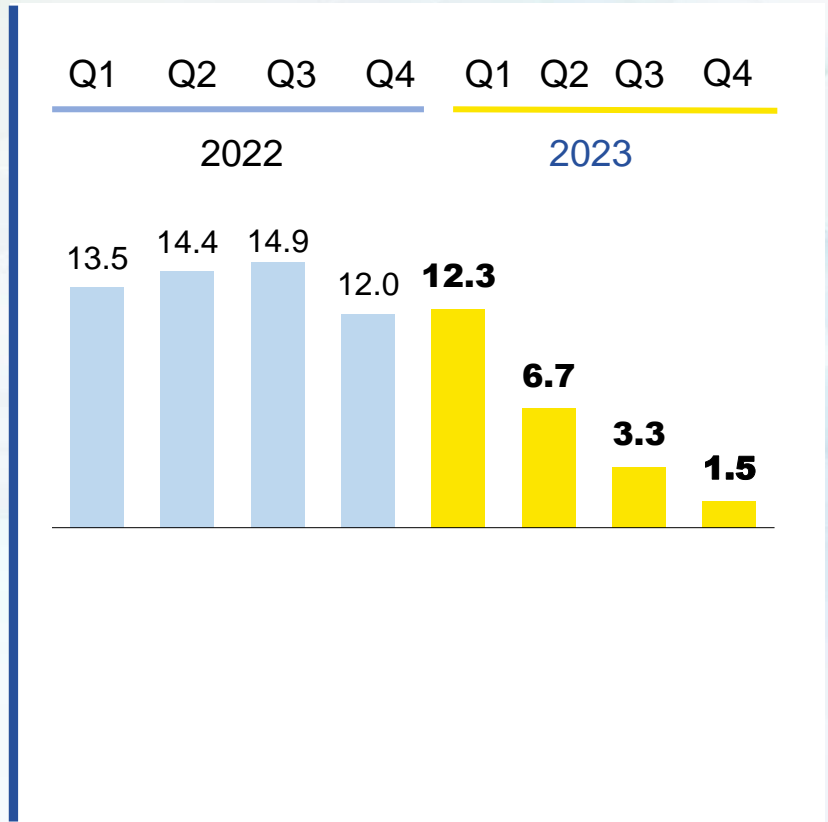
YOY QUARTERLY CHANGE

(in %)

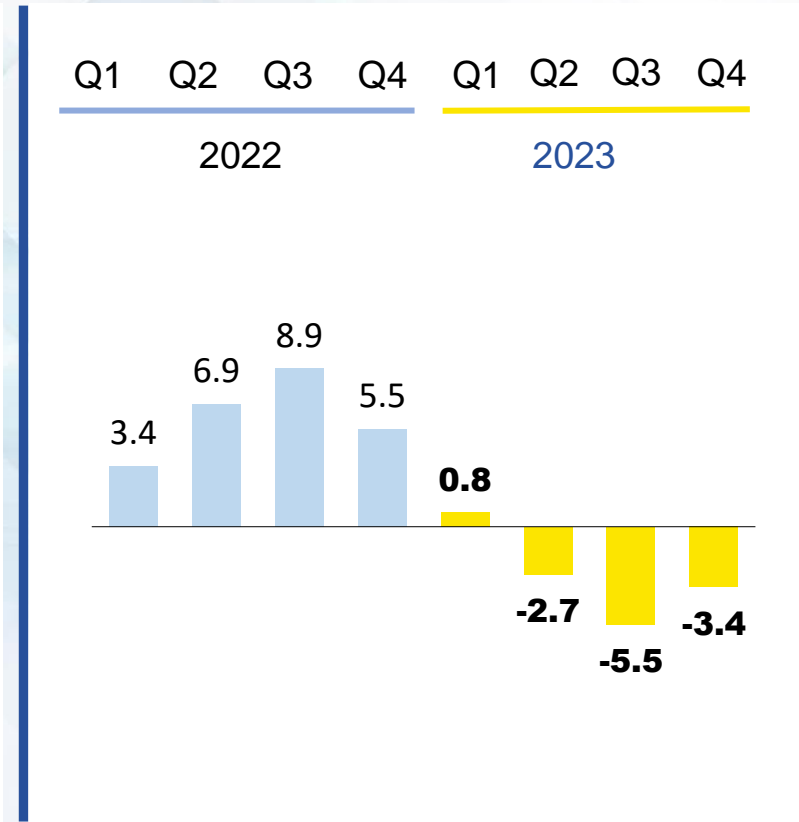
VOLUMES



PRICE-MIX



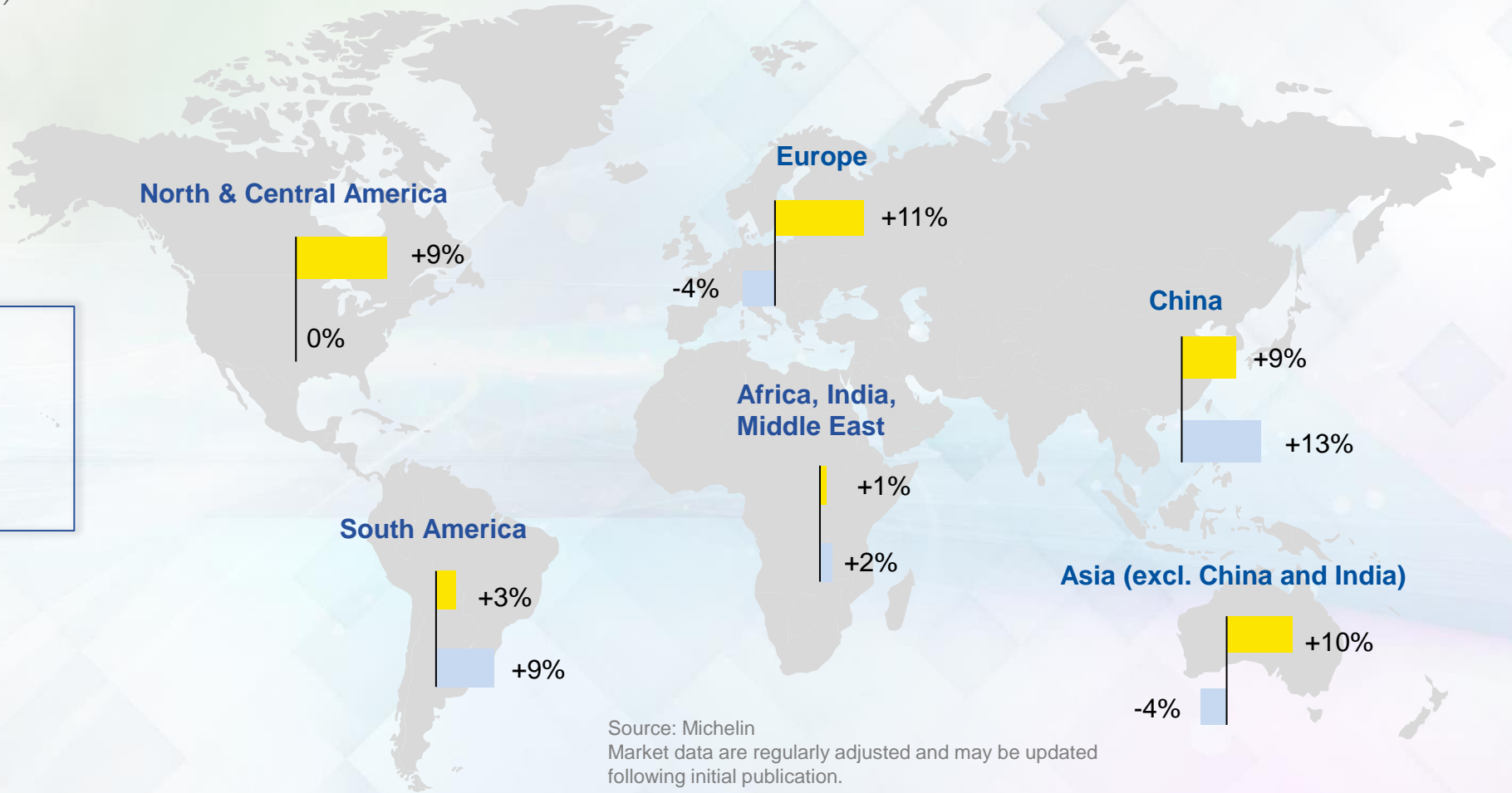
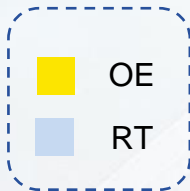
CURRENCY



PC/LT tire markets: sell-in demand grew by 2% in 2023, driven by OE and supply chains ease vs RT flat in a context of inventory reduction across the value chain

PC/LT TIRE MARKET, FY 2023

(% change YoY in number of tires)



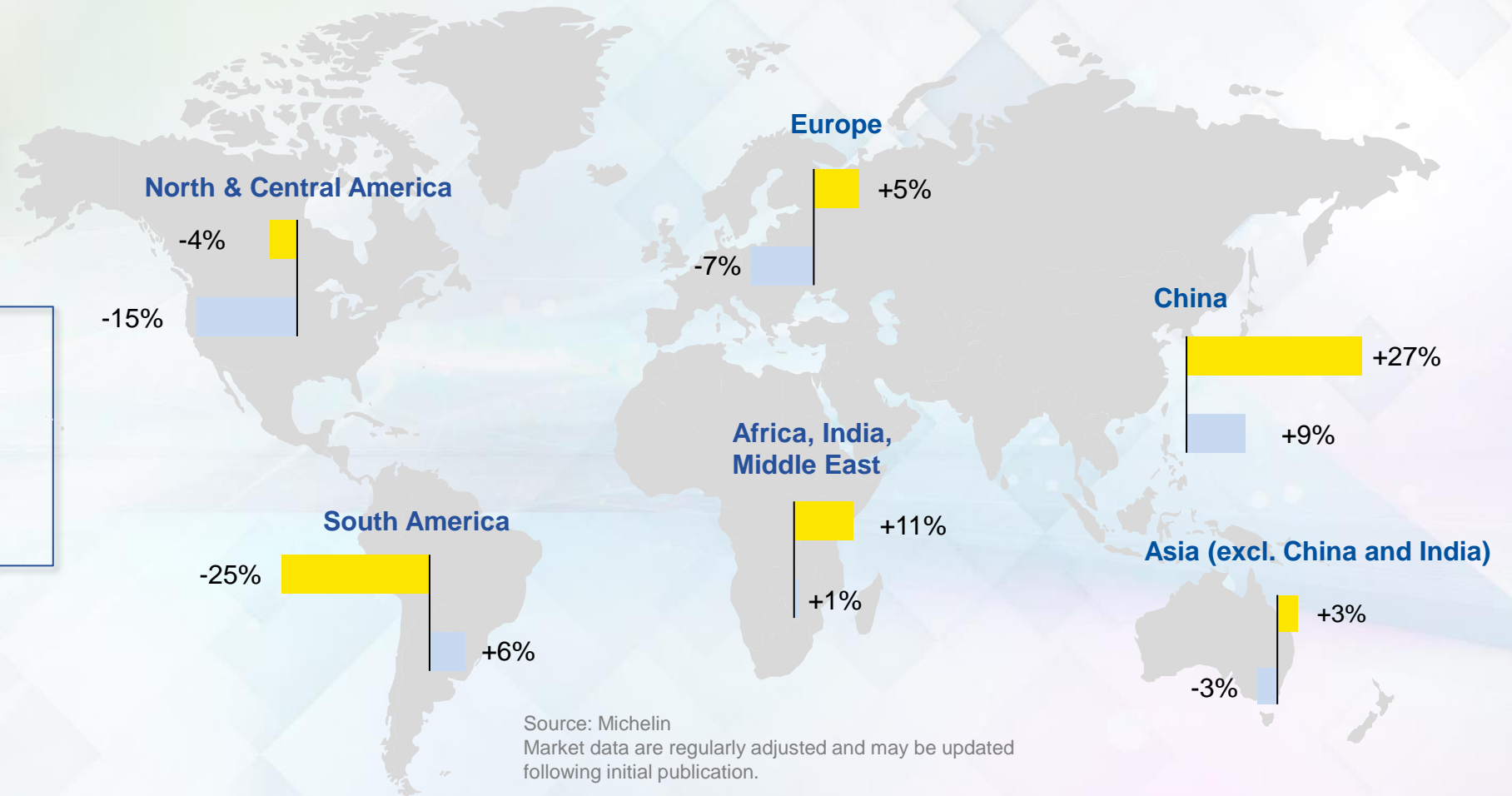
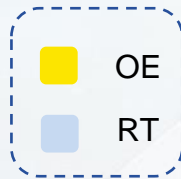
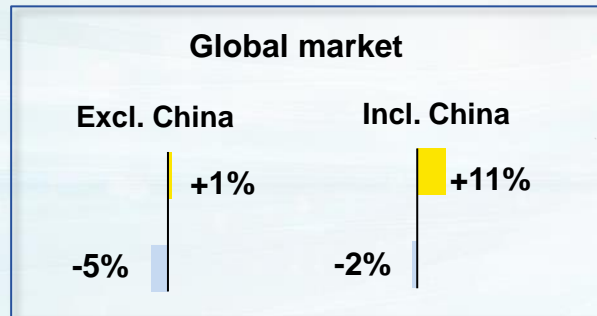
Source: Michelin
Market data are regularly adjusted and may be updated following initial publication.



Truck tire markets: sell-in demand down 4% (excl. China) in a context of inventory reduction across the value chain in RT, with OE lifted by backlog resorption and impact of regulations

TRUCK TIRE MARKET, FY 2023

(% change YoY in number of tires)

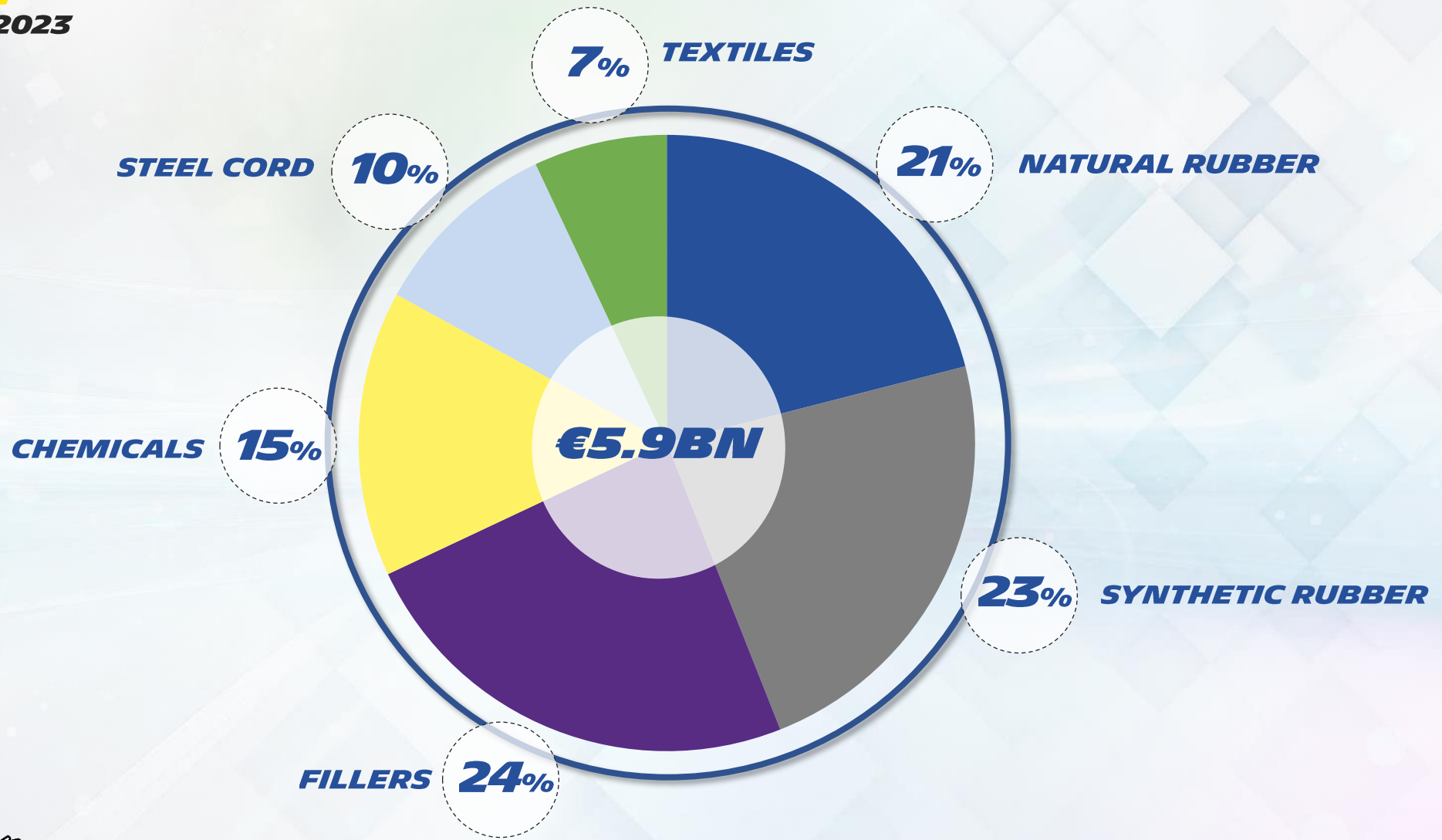


Source: Michelin
Market data are regularly adjusted and may be updated following initial publication.



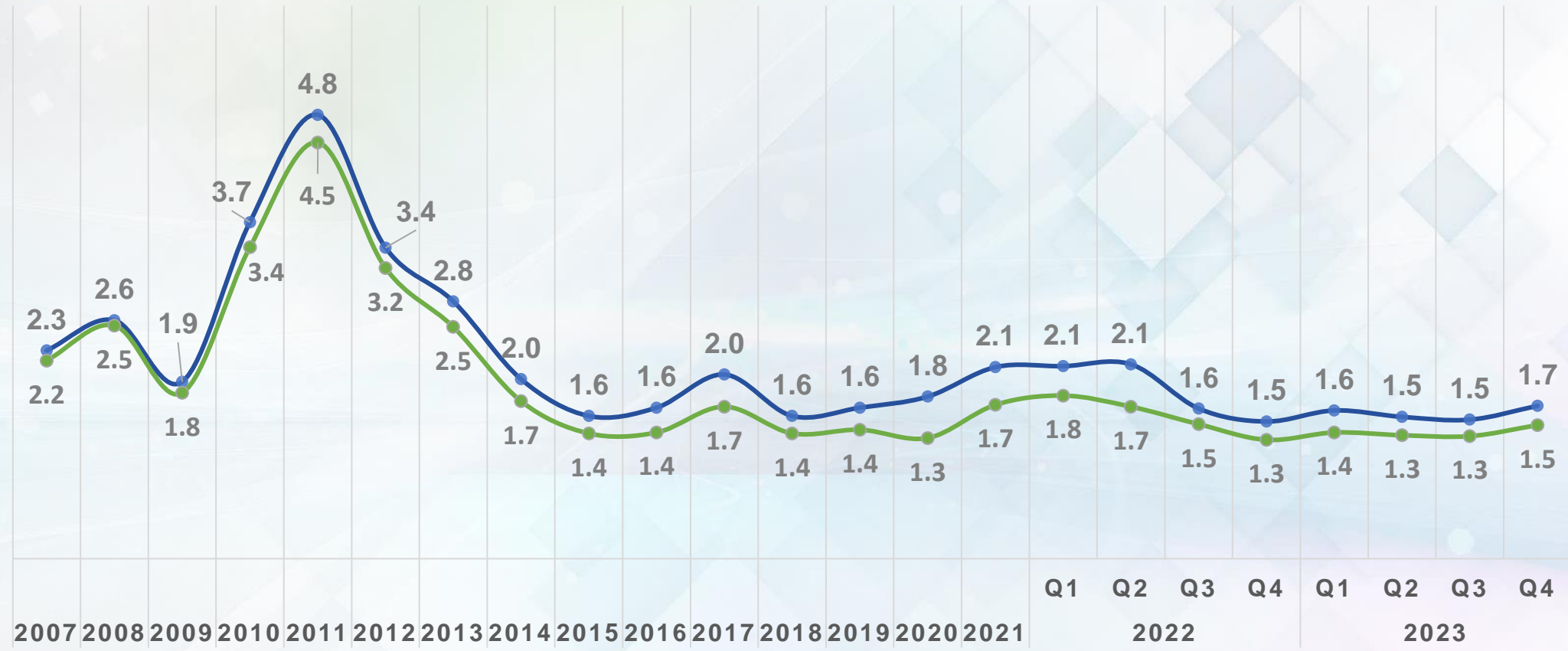
Raw materials cost breakdown

FY 2023



Natural rubber price

TSR20 AND RSS3 IN \$/KG



Source: SICOM

● RSS3 ● TSR 20



Brent price

BRENT IN \$/BBL



Butadiene price

BUTADIENE EUROPE IN €/T



Sales by currency & impact on segment operating income (SOI)

| % OF SALES 2023 | | 2023 currency change vs. € | DROPTROUGH* SALES → SOI | % OF SALES 2023 | | 2023 currency change vs. € | DROPTROUGH* SALES → SOI |
|--------------------|-----|-------------------------------|----------------------------|--------------------|----|-------------------------------|----------------------------|
| USD | 40% | -2.6% | 20% / 30% | AUD | 3% | -7.3% | 60% / 70% |
| EUR | 31% | - | - | JPY | 1% | -10.2% | 80% / 85% |
| CNY | 6% | -8,1% | 20% / 30% | MXN | 1% | +9.6% | 25% / 30% |
| BRL | 4% | +0.6% | -30% / -20% | TRY | 1% | -44.7% | 80% / 85% |
| GBP | 3% | -2.2% | 20% / 30% | THB | 1% | -2.0% | -130% / -100% |
| CAD | 3% | -6.5% | 25% / 30% | Other | 6% | - | - |

Illustration with impact of USD change on sales and SOI in €:

$$\text{Sales} \times \underbrace{40\% \times (-2.6\%) \times \sim 25\%}_{\substack{\text{impact on sales} \\ -1,0\%}} = \text{impact on SOI } (-0.3\%)$$

* Droptrough linked to the export/manufacturing/sales base



Outstanding bond issues

(As of December 31, 2023)

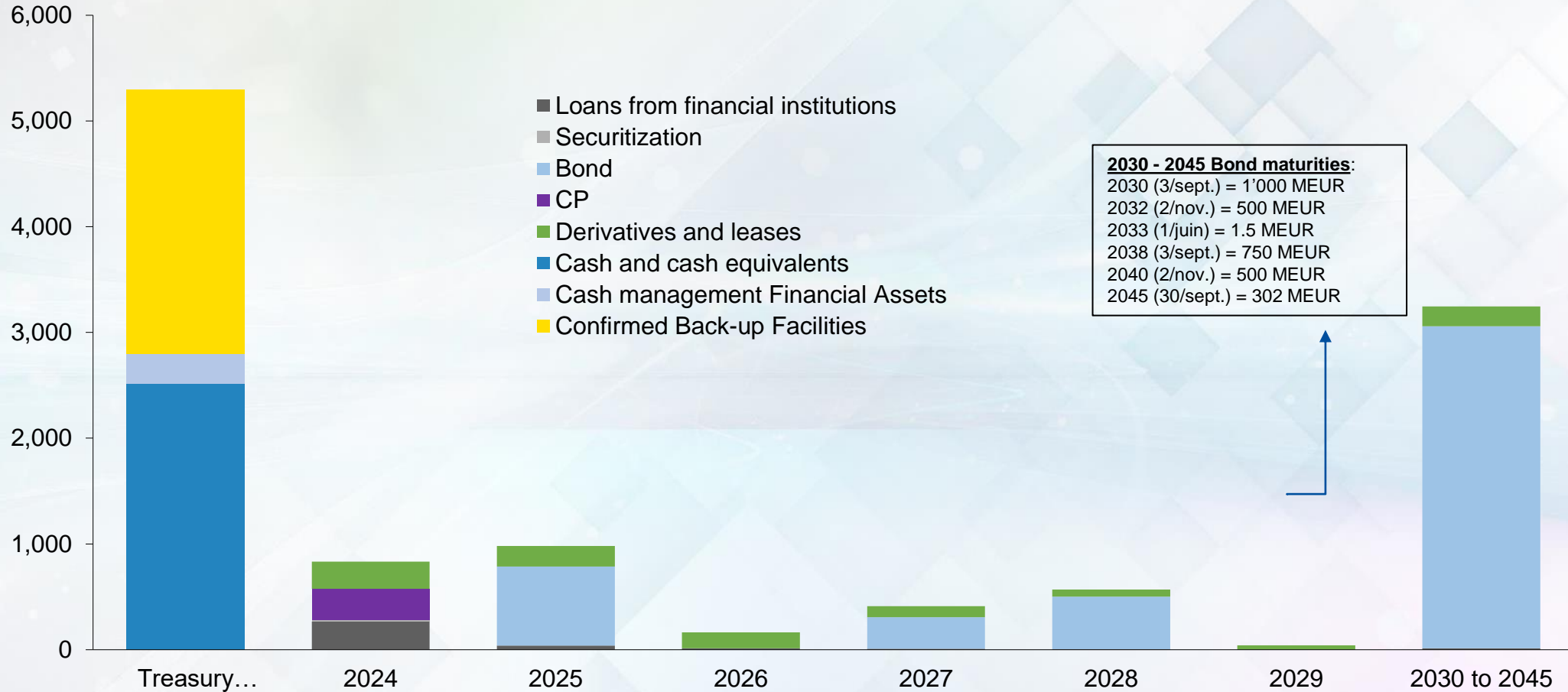
| Issuer | Compagnie Générale des Etablissements MICHELIN | Compagnie Générale des Etablissements MICHELIN | Compagnie Générale des Etablissements MICHELIN | Compagnie Générale des Etablissements MICHELIN | Compagnie Générale des Etablissements MICHELIN | Compagnie Générale des Etablissements MICHELIN | Compagnie Générale des Etablissements MICHELIN | Compagnie Générale des Etablissements MICHELIN |
|--|---|---|---|---|---|---|---|---|
| Issue Type | Senior Note Bond | Senior Note Bond | Senior Note Bond | Senior Note Bond | Senior Note Bond | Senior Note Bond | Senior Note Bond | Senior Note Bond |
| Principal Amount | € 750 mn | € 300 mn | € 500 mn | € 1'000 mn | € 500 mn | € 750 mn | € 500 mn | € 302 mn |
| Offering price | 99.10% | 99.081% | 99.89% | 99.262% | 99.54% | 99.363% | 99.46% | 98.926% |
| Rating corporation at Issuance date | A- (S&P) A3 (Moody's) | BBB+ (S&P) A3 (Moody's) | A- (S&P) A- (Fitch) | A- (S&P) A3 (Moody's) | A- (S&P) A- (Fitch) | A- (S&P) A3 (Moody's) | A- (S&P) A- (Fitch) | A- (S&P) A3 (Moody's) |
| Current corporation rating | A- (S&P) ; A3 (Moody's) ; A- (Fitch) | | | | | | | |
| Coupon | 0,875% p.a | 1,750% p.a | 0,000% p.a | 1,750% p.a | 0,250% p.a | 2,500% p.a | 0,625% p.a | 3,250% p.a |
| Issue Date | 3-sept.-18 | 28-mai-15 | 2-nov.-20 | 3-sept.-18 | 2-nov.-20 | 3-sept.-18 | 2-nov.-20 | 30-sept.-15 & 30-sept.-16 |
| Maturity | 3-sept.-25 | 28-mai-27 | 2-nov.-28 | 3-sept.-30 | 2-nov.-32 | 3-sept.-38 | 2-nov.-40 | 30-sept.-45 |
| Interest payment | Annual Sept 03 | Annual May 28 | Annual Nov 02 | Annual Sept 03 | Annual Nov 02 | Annual Sept 03 | Annual Nov 02 | Annual Sept 30 |
| ISIN | FR0013357845 | XS1233734562 | FR0014000D31 | FR0013357852 | FR0014000D49 | FR0013357860 | FR0014000D56 | XS1298728707 |
| Denomination | € 100'000 with min. tradable amount € 100'000 | € 1'000 with min. tradable amount € 1'000 | € 100'000 with min. tradable amount € 100'000 | € 100'000 with min. tradable amount € 100'000 | € 100'000 with min. tradable amount € 100'000 | € 100'000 with min. tradable amount € 100'000 | € 100'000 with min. tradable amount € 100'000 | € 1'000 with min. tradable amount € 1'000 |

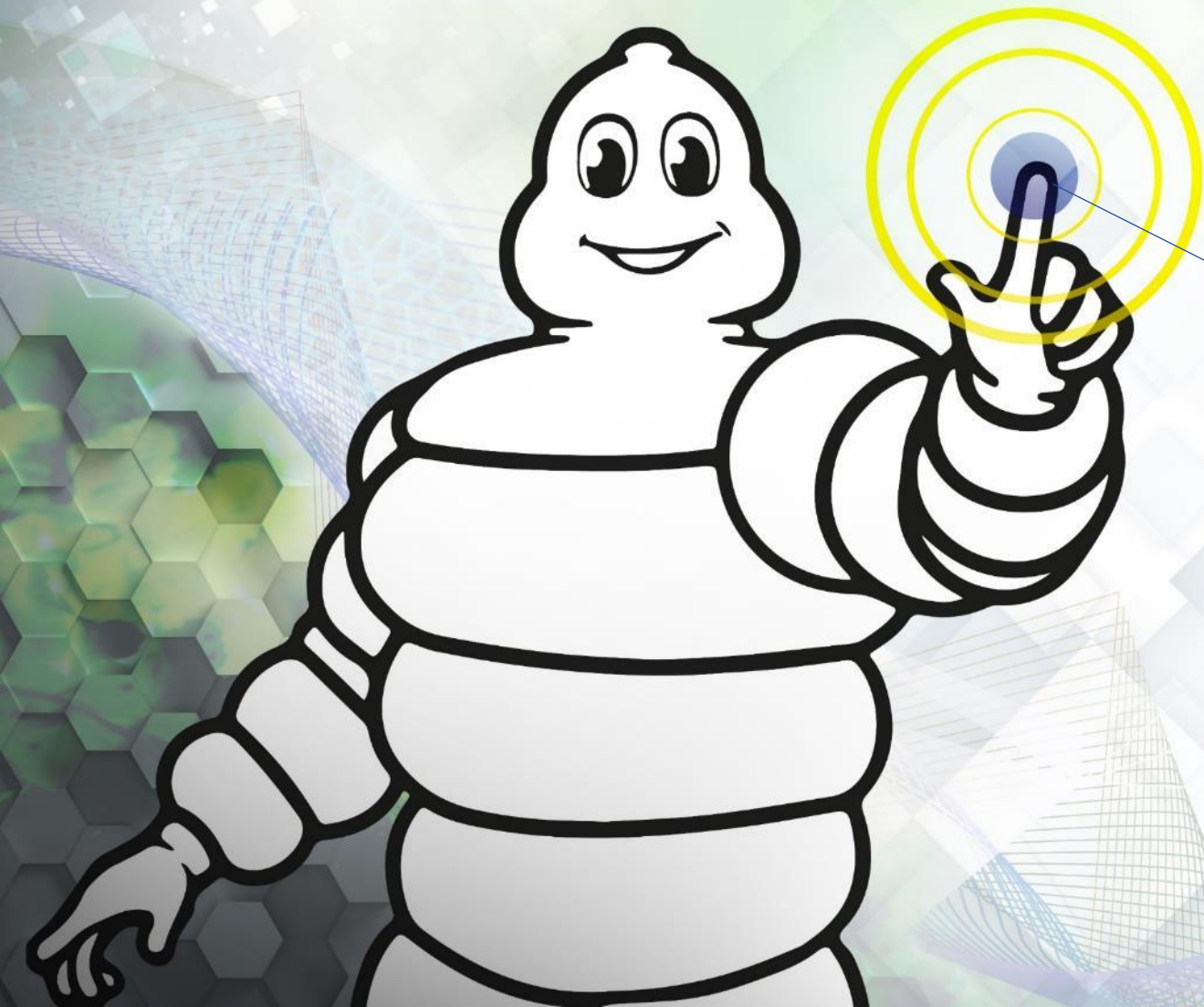


An adequate cash position with maturities well spread over time

DEBT MATURITIES AT DECEMBER 31, 2023

(carrying amount in € millions)





APPENDIX

Tire businesses



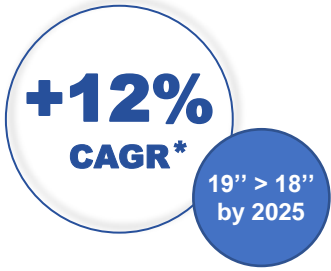
Strengthening leadership in high-value and increasingly demanding market segments



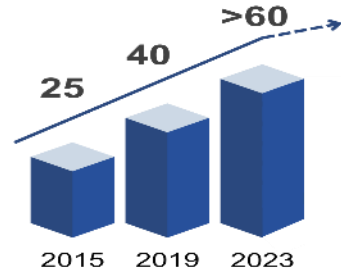
ACCELERATION OF >18" SEGMENT FOSTERED BY ELECTRIFICATION, DRIVING SUBSTANTIAL MIX ENHANCEMENT



SPECIALITIES: WINNING WHERE IT MATTERS



Market trend in > 18" tires



>18" segment, share of MICHELIN brand sales (%)

>100m€

Sustainable mix impact on EBIT, per year



2023

Launch of the **1ST RADIAL TIRE** for the **world's largest loader**



FOCUSING OUR WHERE-TO-PLAY ON MOST DEMANDING CUSTOMERS

Americas



Europe



South East Asia



Priority to MICHELIN brand in the most profitable regions

Premium quality



Tech oriented



Green conscious



3 premium segments = 50% of market value

AG TRACKS



10% CAGR*

Michelin strong market share

HIGH POWER TRACTORS



CAGR* + 1 pt vs average AG

50% OF AG MARKET IN VALUE

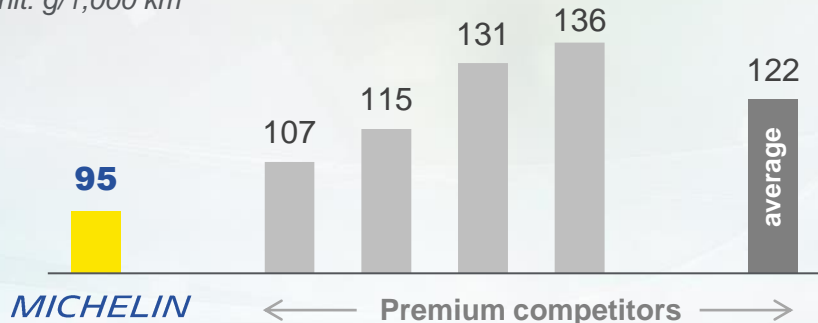
* 2023 - 2028



Wear particles: considerable competitive advantage, without any compromise on safety

PARTICLE EMISSIONS: MICHELIN VS. OTHER PREMIUM TIREMAKERS ⁽¹⁾

Particle per vehicle
unit: g/1,000 km



The environmental impact of tire abrasion is up to 50% higher for other manufacturers than for Michelin, whose tire technology currently gives them an enormous lead over the competition.

[+ Download the ADAC study](#)

PARTICLE EMISSIONS GET REDUCED WITH EACH NEW RANGE ⁽²⁾



(1) Tyre wear particles in the environment, ADAC, March 2022 – 100 sizes tested
 (2) DEKRA studies in 2020 (MARK20B, MARK20E) and 2021 (MARK21E)



Tire and road wear particles (TRWP): definition and state of knowledge

SCIENTIFIC STUDIES HAVE STARTED TO MEASURE THE ENVIRONMENTAL IMPACT OF TRWP ⁽¹⁾:



AIR

Studies confirm that TRWP account for only a very small proportion (<1%) of particulate matter pollution



WATER

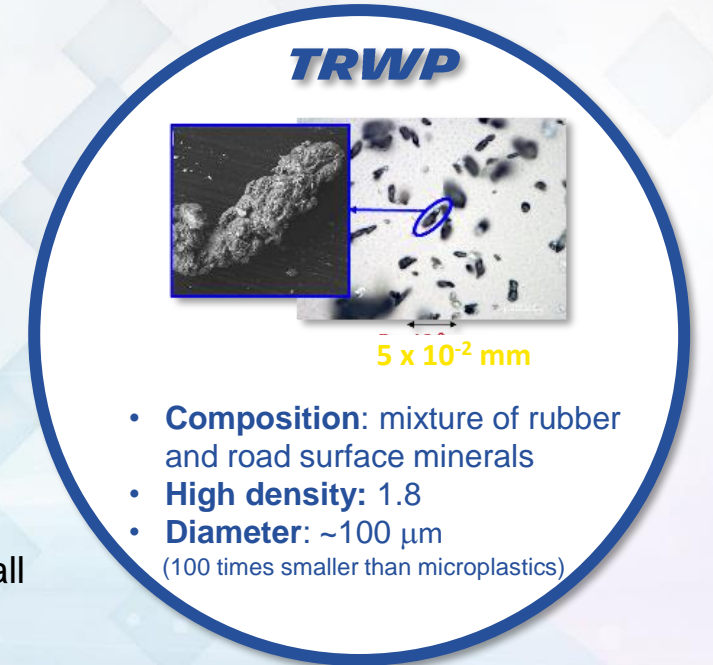
Studies suggest that most TRWP never reach estuaries.

Michelin is strongly in favor of a regulation that would limit the level of wear particle emissions of all tires worldwide → work in progress with ETRMA⁽²⁾ members in order to :

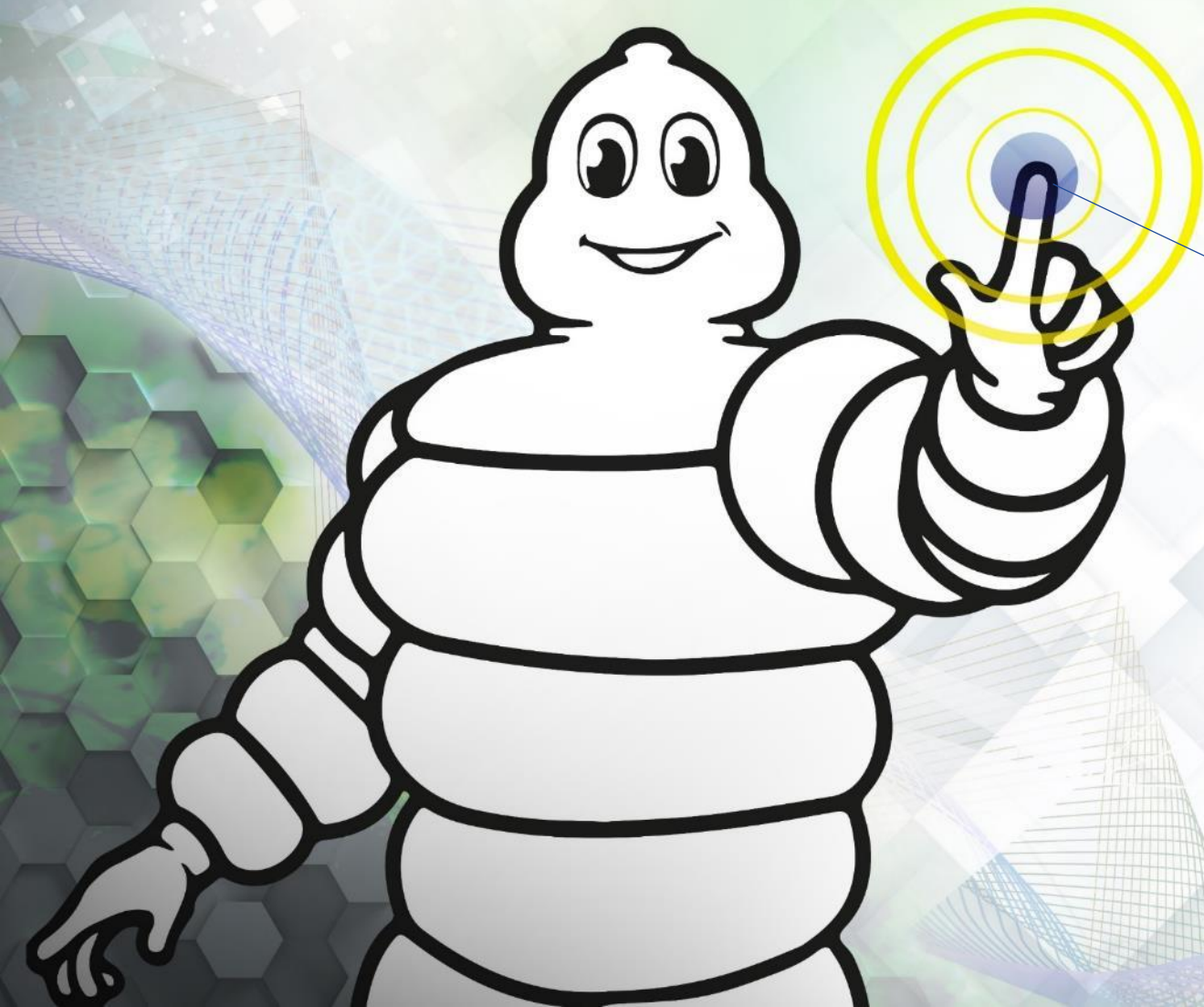
- define a standardized TRWP emission rate test method
- promote a threshold regulation and eliminate the less performing tires from the market.

(1) TRWP are tiny debris generated by abrasion from a tire's contact with the road surface. This abrasion is caused by the tire's grip and keeps the tire safely on the road. For more information about TRWP, [see the following document](#)

(2) European Tyre & Rubber Manufacturers Association



+ [Download the ADAC study](#)
Tyre wear particles in the environment (March 2022)



APPENDIX

Services & Solutions



Services to fleets: a suite of innovative solutions that empower mobility players to race towards zero-accident, zero-downtime, zero-emission

Unique customer intimacy and usage expertise

CONNECTED MOBILITY SOLUTIONS

Actionable insight provider for fleets leading towards zero-accident, zero-downtime, zero-emission



**MICHELIN
CONNECTED FLEET**

Connected fleet management services



Tire-as-a-Service

High-value tire outsourcing offer



**MICHELIN
ONCALL**

24/7 road emergency service



WATÈA

by Michelin

LCV fleets decarbonation solution



**MICHELIN
MEMS 4**

Monitoring tool for Mining tyre and usage conditions

MICHELIN MOBILITY INTELLIGENCE

Decision levers provider for public and private sector to make mobility safer, better and smarter.



**SAFER
ROADS**

Save lives



**BETTER
ROADS**

Optimize road maintenance



**MICHELIN
MOBILITY DATA**

Monetize Michelin's high value mobility data outside

TRUCKFLY
by Michelin

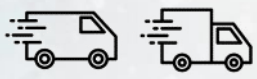
First and unique European truck driver's community

Powered by Michelin connected technologies



Watèa by Michelin: a unique solution to decarbonize urban LCV fleets

STAKES OF TRANSITION TO E-LCV



LCVs ~ 3-4% of global CO2 emissions



Switch to EV
→ - 60% emissions



Mandatory to operate in cities

FLEETS PAIN POINTS

How to transition ?



How to operate?



How to finance ?



VALUE PROPOSITION

Tailored solution

EV, charging solution, maintenance

Digital services

productivity increase and service continuity

A unique value proposal through an **all-inclusive subscription** (Opex)

LEVERAGING MULTIPLE GROUP ASSETS



Tire



Connected Mobility Solutions



High-Tech Materials



MICHELIN AGILIS CROSSCLIMATE



MICHELIN CONNECTED FLEET
Powered by MASTERNAUT



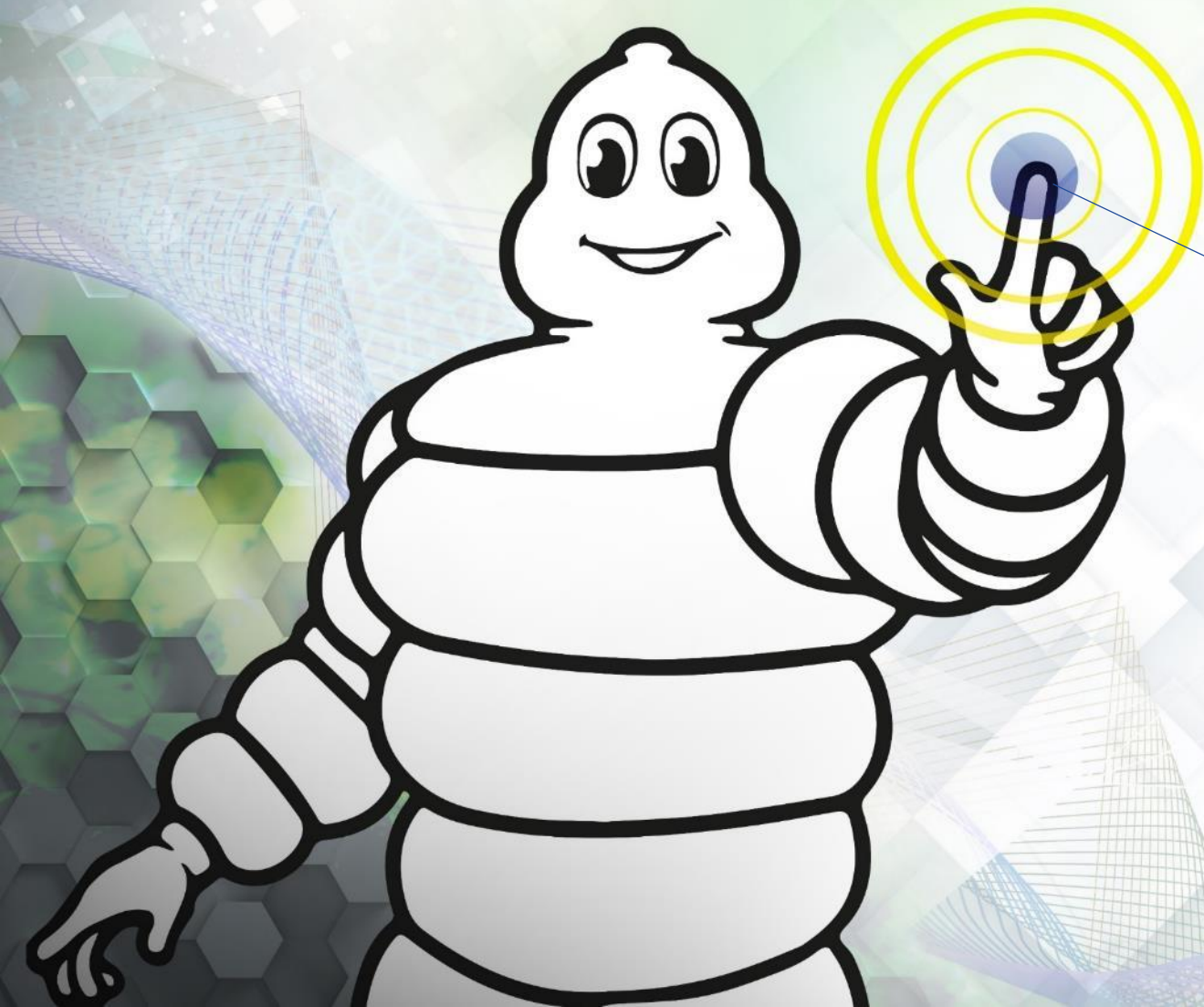
PARTNERING WITH CA FOR VEHICLE FINANCING

April 2023: 30% stake in Watèa capital finalized by Credit Agricole Leasing & Factoring



- Vehicles deconsolidation from balance sheet
- Leveraging CA mobility's commercial platform and expertise in small fleets

- Acceleration in automotive leasing in Europe
- Shared commitment to a decarbonized mobility



APPENDIX

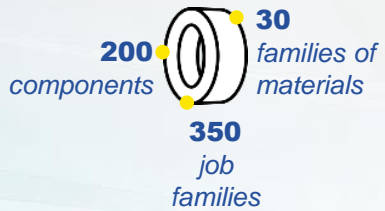
High Tech Materials



High-tech materials: expanding beyond tires by leveraging our expertise and our innovations, from materials to solutions, for highly demanding applications

R&D

- Unique expertise acquired in **tire design & manufacturing**:



- Proficiency in and **materials chemistry and processing**, from components to composites
- Fundamental and applied **research capabilities**
- A wide range of **partnerships to accelerate innovation**

MANUFACTURING

- Ability to **scale up** and reproduce the materials-based solutions developed in the laboratory:



- Proficiency in **industrial processes**



With the same level of quality



Around the world

GROWTH STRATEGY

- Organic growth**



AIRCPTIF

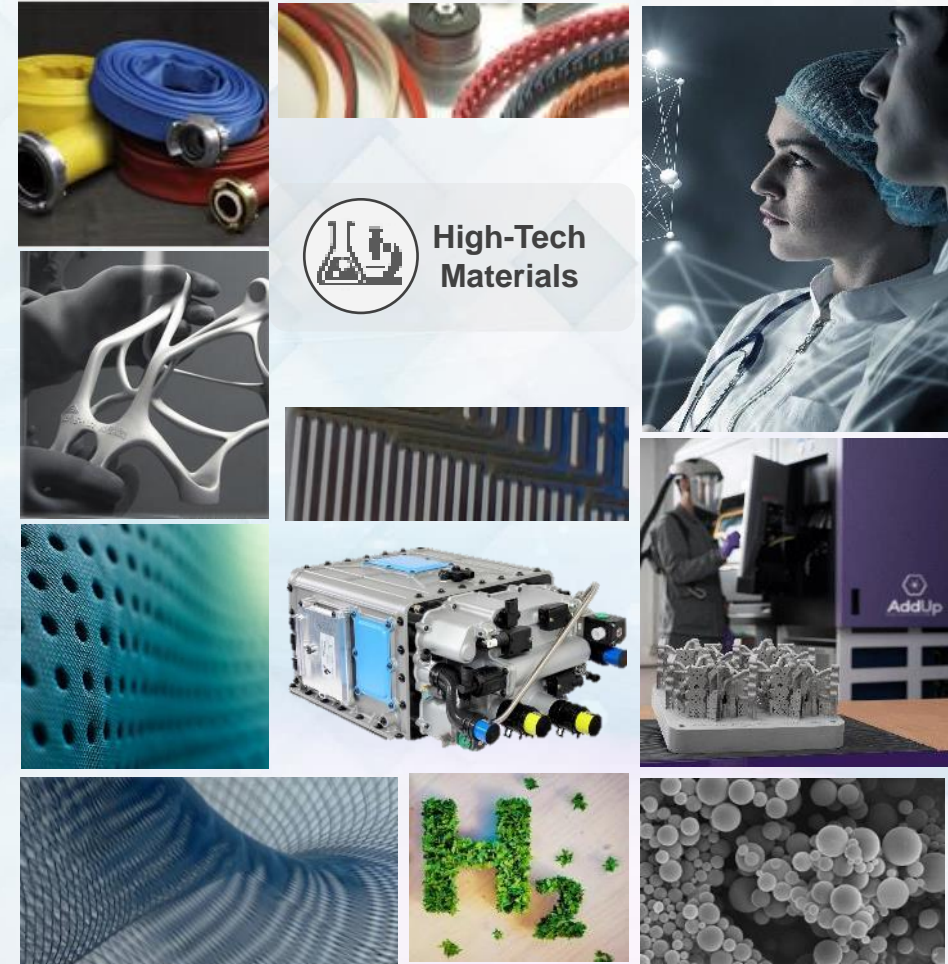
- M&A-driven growth**

Features vs. tires:

- Higher **growth** and **EBIT %**
- Lower capital intensity



- Joint ventures**

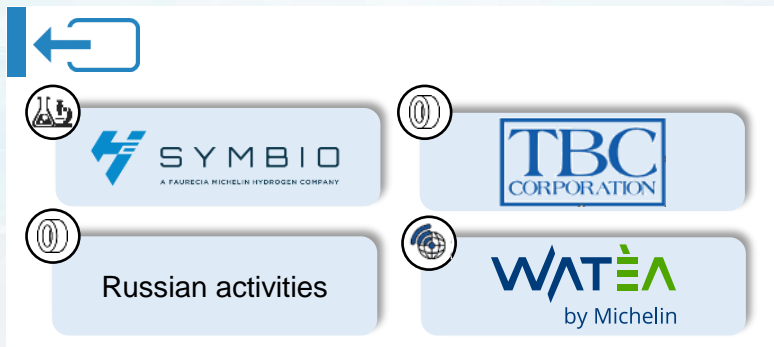


High-Tech Materials



M&A active portfolio management with three major steps in 2023, reflecting *Michelin in Motion 2030* strategy

2023 MAIN DEALS



ZOOM ON 3 MAJORS STEPS



TBC sold its retail activities to increase profitability

- 2018: 50/50 JV set up with Sumitomo Corp
- 2018-23: strong cash generation, with \$400m shareholder loans reimbursed
- 2023: divesting from company-owned retail to focus on wholesale and franchise



Stellantis acquired 33% aside Michelin and Faurecia

- 2019: 50/50 JV set up with Faurecia
- 2023: building up new assembling capacities
 - Giga factory in France (Saint-Fons)
 - 1st production line in the US (California)
 - Saint-Fons capacity: 2026: 50,000 / year
2028: 100,000 / year




Michelin acquired FCG to create a leader in Engineered fabrics & films

- 20% increase of High-tech materials revenues to €1.3bn (FY22 pro-forma)
- Improved Michelin growth profile, margin accretive, positive cash generation and favorable impact on EPS
- Positioning the Group as a key player in polymer composite solutions



Symbio: fast expansion towards worldwide leadership in light and heavy commercial vehicles

 **Major grants** awarded in Europe (IPCEI *) and in the USA (California)



Fuel cell development leveraging expertise in materials and industrial processes

Symbio FCell



2014

Michelin stake:
- 47% in 2014
- 100% in 2019

STELLANTIS

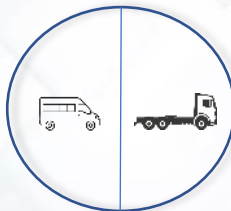
to join Michelin and Faurecia as SYMBIO's 3rd shareholder

2023



Start of Saint-Fons giga factory, France

1st production line in California, USA



2030



faurecia
inspiring mobility

2019



2020
2022



New headquarters and facility in Venissieux, France

2022



creation of Innoplate 50/50 JV

2026

Fuel cell assembling capacity increase

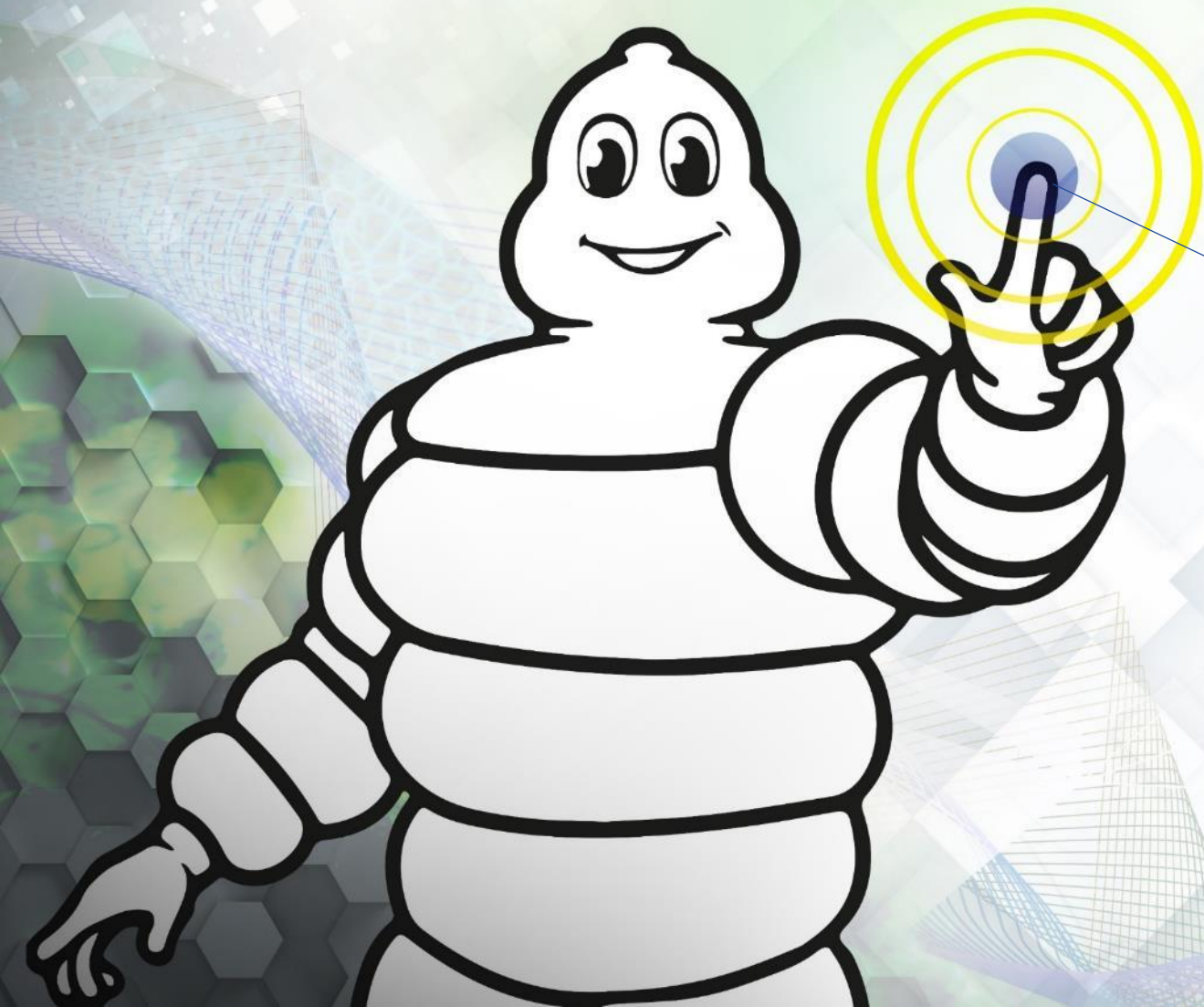
50,000 per year

100,000 per year



* Important Projects of Common European Interest





APPENDIX

Non-financial performance



Recognized leadership in non-financial performance

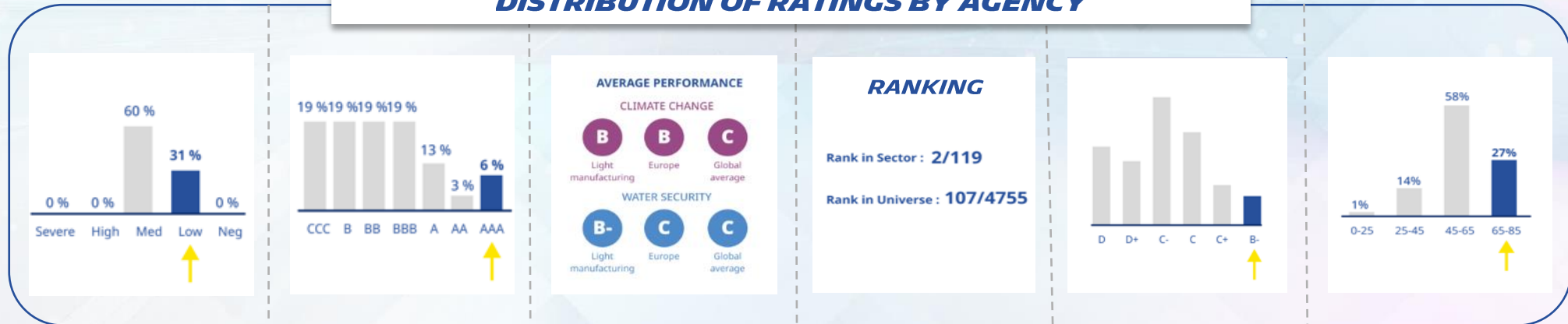
MAJOR RATINGS

(as of December 31, 2023)

MICHELIN RATINGS 2023



DISTRIBUTION OF RATINGS BY AGENCY



Natural resources and decarbonation: driving up industry standards on product performance

IF THE WORLD WAS DRIVING ON MICHELIN PC/LT TIRES, PER YEAR IT WOULD SAVE...



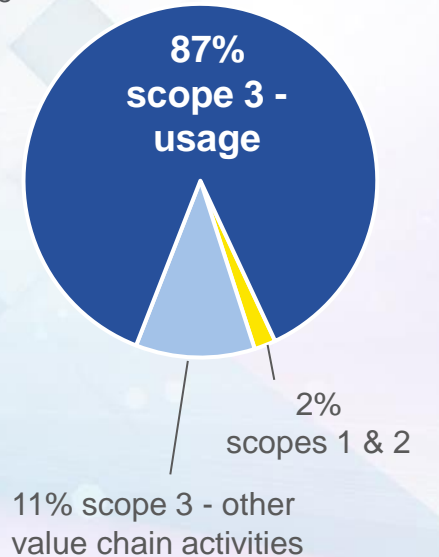
thanks to **lower abrasion**, while maintaining low rolling resistance and other performance features.



thanks to **lower rolling resistance**, without sacrificing other performance features such as safety and low abrasion.



TIRE INDUSTRY CO₂ EMISSIONS ARE MOSTLY RELATED TO SCOPE 3⁽³⁾
Illustration: Michelin 2022 CO₂ emissions



(1) Underlying hypothesis: 30% advantage for Michelin vs. competitors in abrasion, as calculated by ADAC - Tyre wear particles in the environment, March 2022.
 (2) Estimated impact on scope 3 usage of the tire industry if Michelin's technology was used by all manufacturers in all geographies. Underlying hypothesis: 20% advantage for Michelin vs. competitors in rolling resistance, based on data extrapolated by Michelin.
 (3) See page 166 of the 2022 Universal Registration Document for details.



Michelin has been leading all major innovations in the tire industry

PRODUCT RANGES SUBJECT TO LIFE-CYCLE ANALYSIS

50% IN 2021 ► 100% IN 2025



On the path to full product circularity with 40% sustainable raw materials by 2030, up to 100% by 2050



NATURAL RUBBER



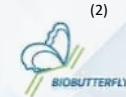
PLASTIFIERS/RESINS



TEXTILES

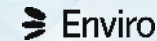


SYNTHETIC RUBBER



PYROWAVE

FILLERS



METALS



OTHER



(1) European project sponsored by Horizon 2020; project number: 82068

(2) Carried out with the support of ADEME



Michelin 1st manufacturer to design a road-homologated tire with 58% sustainable materials

**ON THE WAY TO OUR "100% SUSTAINABLE TIRES BY 2050" GOAL:
NEW TIRES WITH BREAKTHROUGH TECHNOLOGIES**

BUS TIRE⁽¹⁾
58%
SUSTAINABLE MATERIALS

- Carbon black recycled from end-of-life tires
- Natural rubber
- Bio-based silica from rice husks
- Steel incorporating recycled scrap metal

PASSENGER CAR TIRE⁽²⁾
45%
SUSTAINABLE MATERIALS

- Steel incorporating recycled scrap metal
- Carbon black recycled from end-of-life tires
- Natural rubber
- Sustainable textile fibers
- Bio-based oils and resins
- Bio-based silica from rice husks

(1) Size: 275/70 R22.5 152/149
(2) Size: 235/55R19 105W



Strong commitment to reduce impact of operations on biodiversity and ecosystems

2023 RESULTS, 2030 COMMITMENTS

| | 2023 | 2025 | 2030 |
|--|---------------------------|-----------------------------------|--------------------------------|
| RESEARCH & DEVELOPMENT Life Cycle Analysis incl. biodiversity criteria from best methods | 100% of new products | products: 100% services: Pilot | 100% of new ranges marketed |
| RAW MATERIALS Natural rubber used by the Group assessed "deforestation-free" ⁽¹⁾ Direct operations and suppliers <small>N.B. Under validation by act4nature international</small> | 9% ⁽²⁾ | 50% of the volume used | 100% of the volume use |
| Reducing pesticide use in rubber cultivation ⁽³⁾ Direct operations and joint ventures <small>N.B. Under validation by act4nature international</small> | -58% | -50% | -70% vs. 2019 |
| Evaluation of raw material supplier policies & practices ⁽⁴⁾ | Approach under definition | Pilot | 80% of suppliers |
| MANUFACTURING AND RESEARCH FACILITIES Biodiversity plan adapted to local issues | 16 sites | at least 15 sites | 100% of sites |
| No phytosanitary products to maintain outdoor spaces | 22 sites | at least 30 sites | 100% of sites |



[+ To know more](#)

(1) Criteria in accordance with the European Union Deforestation-free Regulation

(2) Calculated on the basis of 2023 volumes by supplier

(3) Per hectare

(4) Other than natural rubber ; Impacts of raw materials identified through Life Cycle Analyses (LCA)

Sustainable natural rubber by Michelin: driving progress across a fragmented value chain

ID CARD

~90% of Group's supply come from ~2 M farmers with an average farm size of 3 Ha

Up to 7 middlemen between direct suppliers and smallholders in Asia

~150 direct suppliers

Global presence

in Brazil, Indonesia, Thailand & West Africa (including joint-ventures):

- 85,000 ha. of plantations
- 15 rubber processing plants
- 500,000 tons/year production

GPSNR Founding member
(Global Platform for Sustainable Natural Rubber)



ACCELERATING SUSTAINABILITY ACROSS THE INDUSTRY BY 2025

- **Dedicated roadmap** tracking commitments on zero deforestation, human rights, and farmer empowerment



EXTENDING ASSESSMENTS OF PRACTICES ACROSS THE VALUE CHAIN : 2022 ACHIEVEMENTS

- **Direct suppliers via EcoVadis:** 97% of expenditures assessed, 94% "ESG mature"
- **Indirect suppliers :** RubberWayTM app. deployed at 83% of suppliers (in volume) in 2023



IMPLEMENTING IMPACTFUL PROJECTS

- **Brazil**
 - Increase harvest while preserving the forest (767,600 hectares)* - 1,000 families in Amazonas
- **Indonesia**
 - improve skills of 1,000 smallholders using RubberWayTM app. by 2024 – (with Porsche)
 - East Kalimantan : train 2,000 farmers by 2024
- **Sri Lanka**
 - improve skills & sustainability performance of 6,000 smallholders by 2025, impacting ~30,000 people
- **Thailand**
 - helping 1,000 farmers diversify their income with agroforestry by 2025**
- **West Africa (with joint-venture)**
 - ~90,000 farmers trained per year

* With WWF

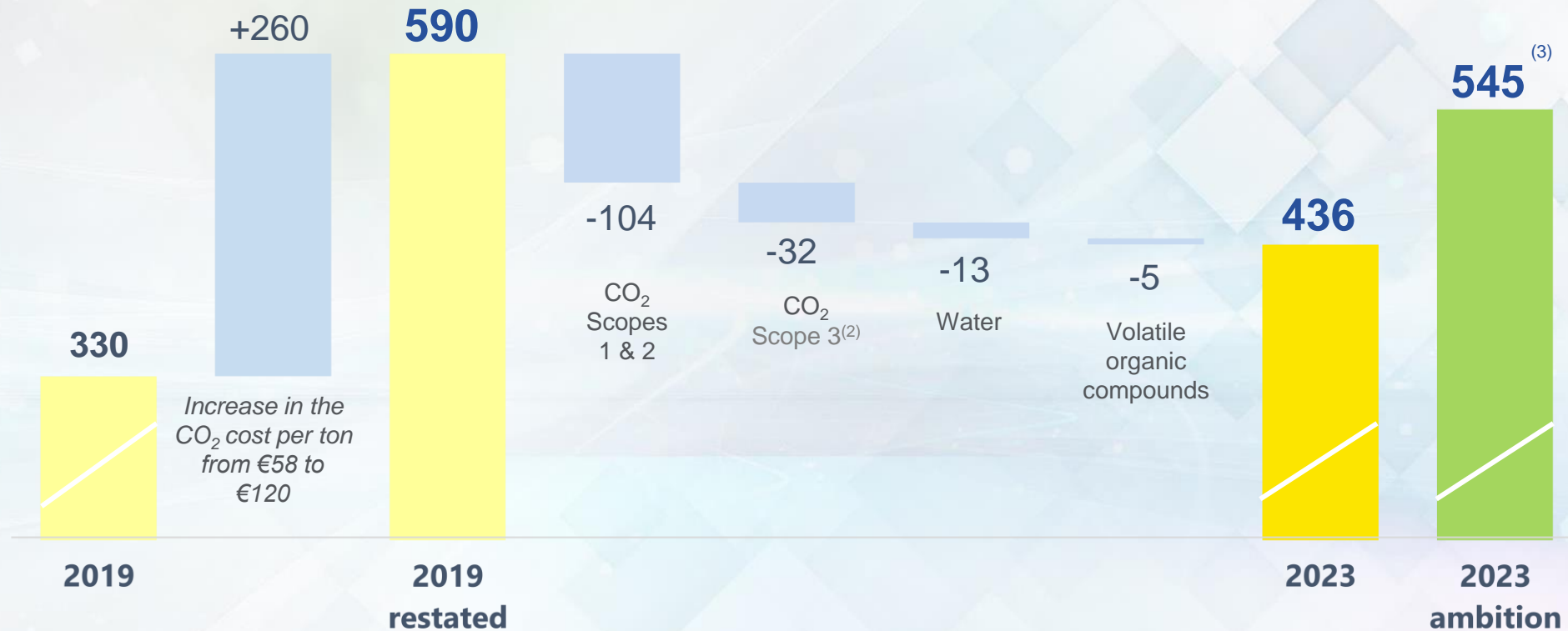
** As part of the Global Platform for Sustainable Natural Rubber (GPSNR)



Reduction of CO₂ emissions, VOC⁽¹⁾ emissions and water withdrawals: 2023 achievements exceeded ambitions

EXTERNALITY COSTS EVOLUTION

(€ millions)



(1) Volatil Organic Compounds

(2) Inbound and outbound transportation and distribution of natural rubber, semi-finished products and finished product

(3) Corresponds to 2023 target of approximately €300m announced at the CMD on April 8, 2021, adjusted for the ton of CO₂ valued at €120/t



Michelin applies the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD)

MICHELIN'S ANSWER

See p. 175 of 2022 Universal Registration Document for more details



Detailed information concerning the application of TCFD recommendations may be found in the public answers to the CDP Climate Change 2022 questionnaire (see <https://www.cdp.net/en/responses>).



GOVERNANCE

As part of the Supervisory Board's role of exercising permanent oversight of the Group's management, the CSR Committee began to review the climate strategy and issue recommendations.

STRATEGY

Four climate scenarios comprising narrative descriptions and quantitative socio-economic and physical assumptions were updated, deepened and deployed for use at two levels:

- by the business lines, regional organizations, operating units, corporate departments and other units as part of strategic thinking and ideation exercises,
- by the Group Executive Committee, to compare them to Group strategy and analyze their resilience about climate change and other indirect risks arising from the environmental transition.

RISK MANAGEMENT

In 2021, an initial internal audit of systemic physical risks was performed and the first pilot study of the vulnerability of certain Group operations was completed.

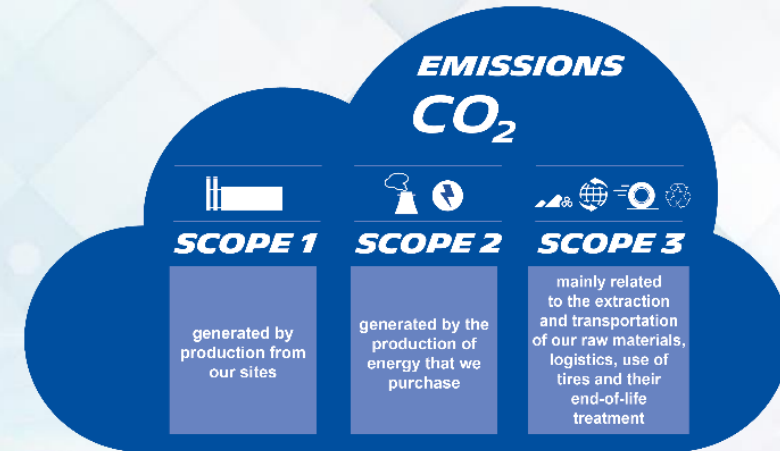
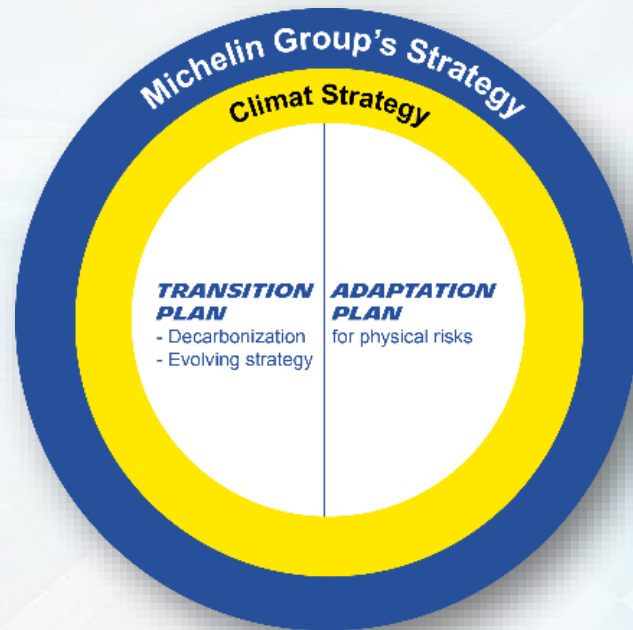
METRICS AND TARGETS

Joining the "Race to Zero" campaign, answering the call to action led by the Science Based Targets initiative (SBTi), the United Nations Global Compact and We Mean Business, by committing to reach net zero emissions by 2050.

Climate strategy structured around transition and adaptation plans, towards Net-Zero emissions by 2050

STRUCTURED AROUND 2 AXES:

- A **TRANSITION plan** including initiatives to decarbonize direct and indirect activities in the value chain (Scopes 1, 2 & 3) and a strategic plan to support a low-carbon economy
- An **ADAPTATION plan** responding to physical impacts of climate change

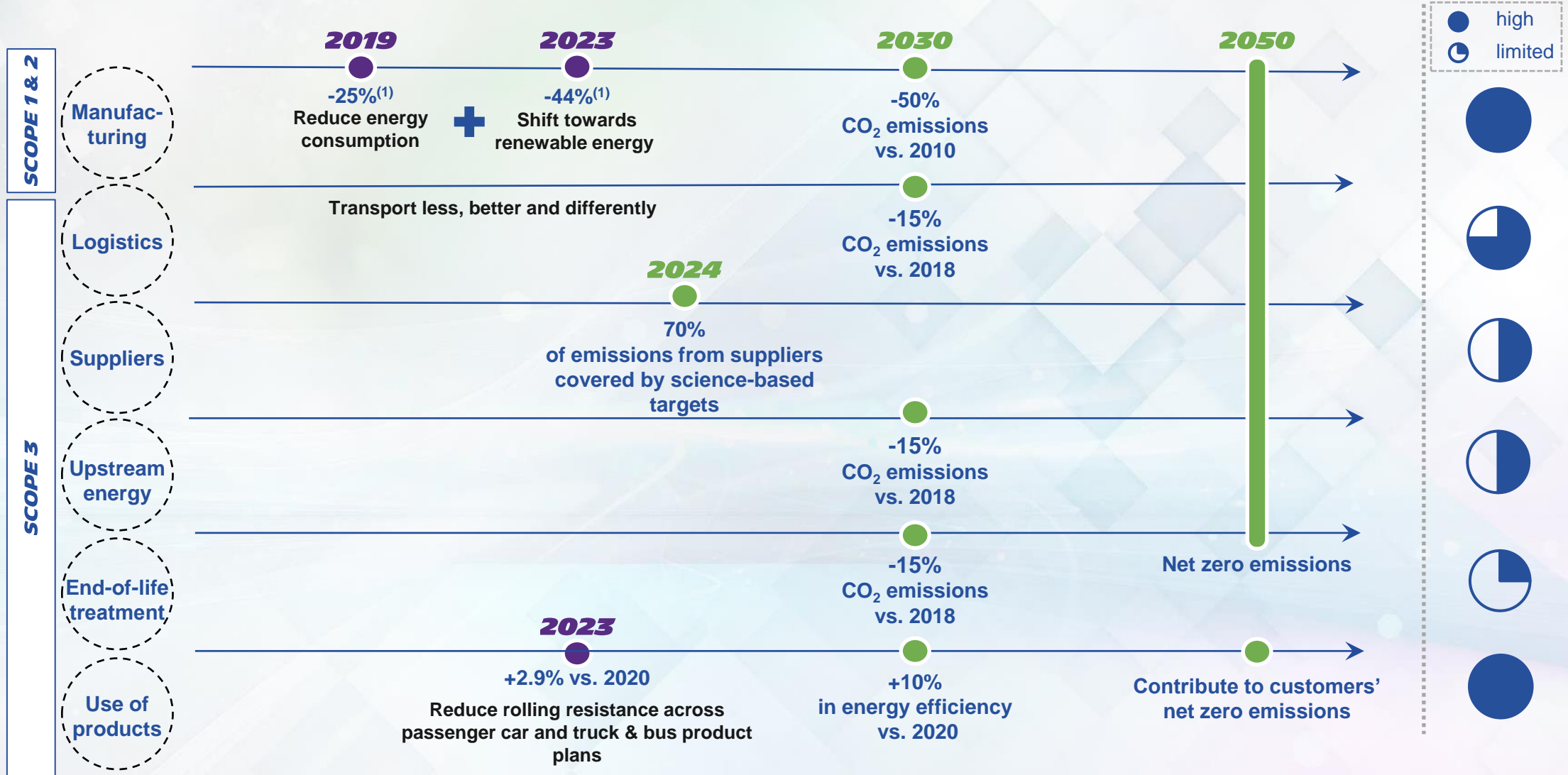


BASED ON 3 PRINCIPLES:

- **Achieve net-zero emissions by 2050** by fulfilling our external emission reduction commitments by 2030,
- **Identify risks and opportunities** based on climate change scenarios,
- **Transparently disclose information** to our external stakeholders.

2030 environmental ambition: on the path to reach net zero emissions in 2050

Group's ability to have an influence



(1) CO₂ emissions vs. 2010 ● Results ● Ambitions



Sharp reduction in the environmental footprint of our operations, on track to reach 2030 target

REDUCTION OF THE ENVIRONMENTAL FOOTPRINT OF OUR SITES

ISO14001- certified



Water withdrawal x water stress



Generated waste



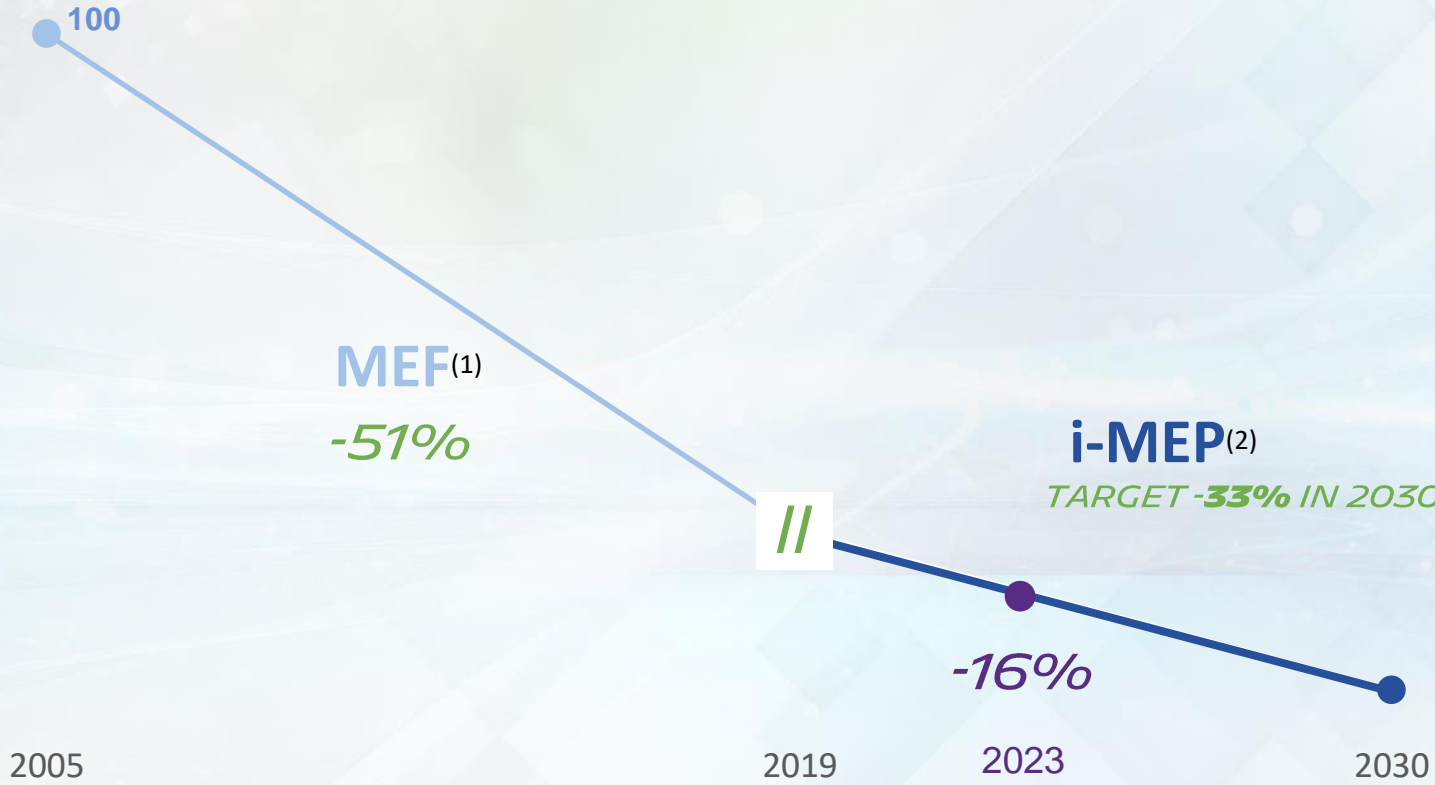
Organic solvent use



Energy use



CO₂ emissions



(1) MEF: Michelin Environmental Footprint;

(2) i-MEP: industrial-Michelin Environmental Performance; see detailed definition p.152 of the 2022 Universal Registration Document



Universal social protection: since March 2022, deployment of the Michelin One Care Program

ESSENTIAL GUARANTEES IN THREE AREAS

GIVE EMPLOYEES TIME TO WELCOME A NEW CHILD

Compensated at 100%

- **Maternity and adoption leave:**
14 weeks minimum
- **Paternity leave:**
4 weeks minimum



PROTECT THE FAMILY IN CASE OF AN EMPLOYEE'S DEATH

Payment of a death benefit
(for employees with at least one year of base salary)

ENSURE ALL EMPLOYEES AND THEIR FAMILIES CAN ACCESS A HEALTH PROGRAM

Including at least:

- in-patient hospitalization
- maternity care
- out-patient and routine care
- emergency care

AMBITION: 100% of employees covered by the **Michelin One Care Program** by January 1, 2025.

Diversity and inclusion: progress in gender balance and acceptance of diversity, demonstrating the Group's commitment

EQUAL OPPORTUNITY

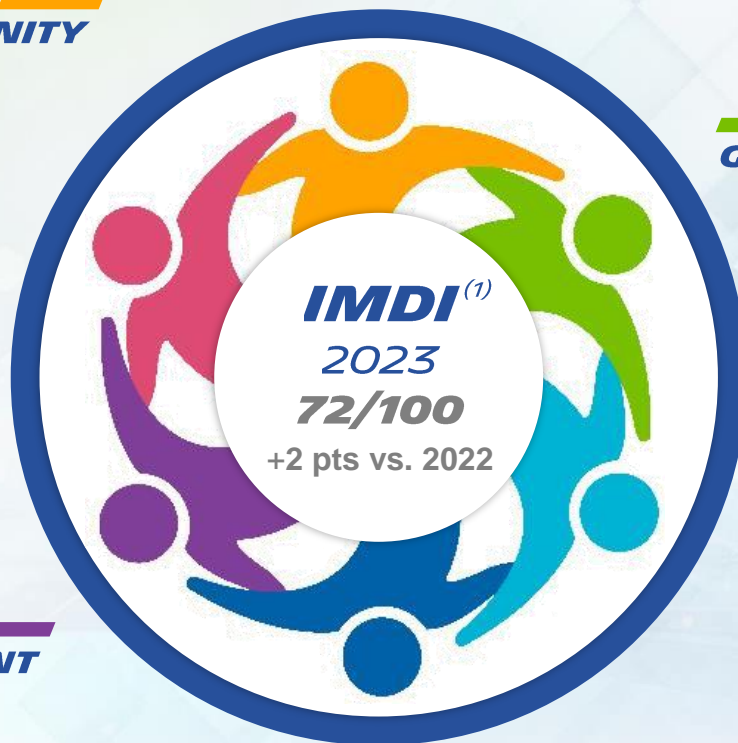
Every employee can develop his/her talents within the company. Michelin pays particular attention to the internal promotion of manufacturing operators.

DISABILITY

Michelin offers career paths to people of all abilities according to its talent development policy.

MULTI-NATIONAL MANAGEMENT

All our host country nationalities and cultures are represented in all corporate functions in the operating regions and at headquarters, in line with the geographical footprint of each business.



GENDER BALANCE

Achieve parity among Group executives and, by 2030, set the gender balance benchmark in our industry.

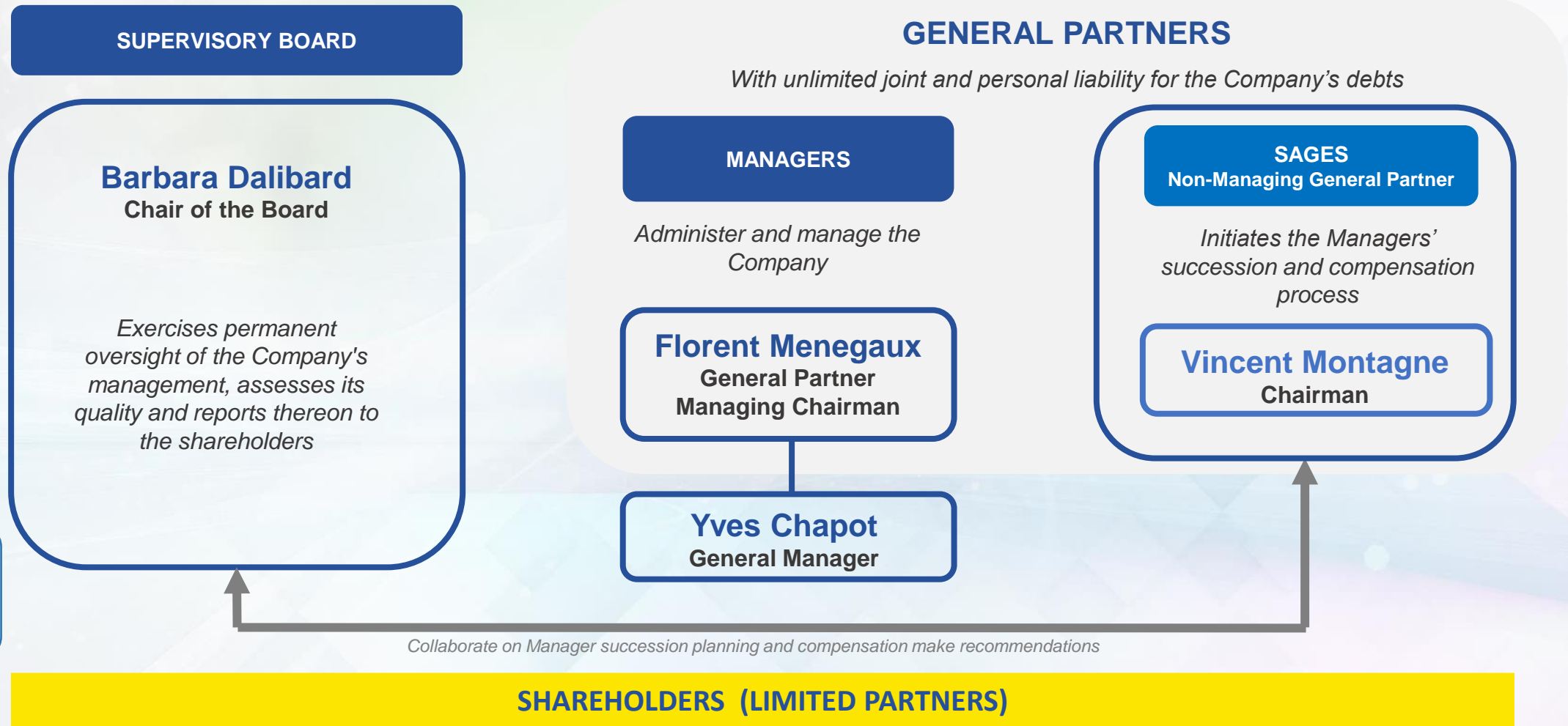
IDENTITY

All D&I⁽²⁾ aspects, (e.g., age, sexual orientation, ethnicity, religion, etc.) Enable every person to be who they really are and to bring their authentic selves to work.

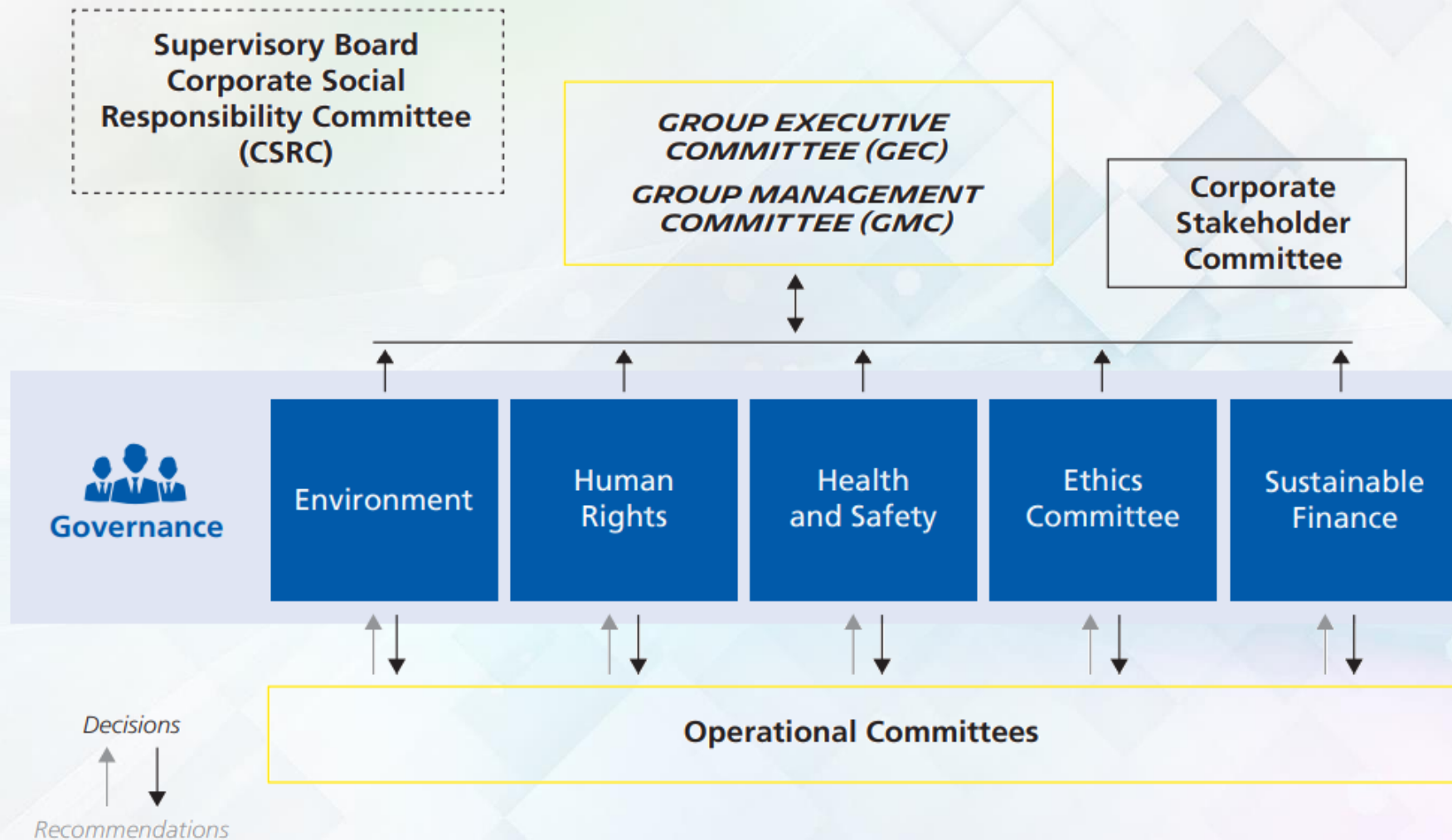
(1) IMDI Management Index: see definition on p. 215 of the 2022 Universal Registration Document

(2) Diversity and Inclusion

Michelin governance pillars: clear segregation of management and supervisory powers



ESG awareness and oversight are fully embodied in Michelin's governance structure



ESG criteria are included in the Managers' compensation and shared with all employees via performance share plans

FLORENT MENEGAUX

Fixed compensation

€1,100,000

Benefit in kind (car)
€10,000

Annual variable compensation

Capped at 150% of fixed compensation

Deducted in full from the General Partners' 2022 Profit Share**

Consolidated
net income

4% of Profit Shares

Overall weighting up to 80% of fixed compensation

Quantitative criteria:

- Growth in **SOI** (25%)
- Growth in **structural free cash flow** before acquisitions (25%)

Quantifiable qualitative criteria:

- Deployment of the Group's **transformations** (10%)
- Employee safety – **TCIR** (5%)
- Percentage of **Women in management positions** (5%)
- Level of **CO₂ emissions** (10%)

The following are applied to each criterion:

- a trigger point, below which no compensation would be due
- a target, if the target is met, 100% of the compensation for the criterion would be payable
- an outperformance tranche, between 100% and 150% of the objective
- an intermediate tranche between the different points (compensation prorated to the achievement rate for the objective)

Performance share grants

Subject to performance conditions over 3 years

- ✓ Allocation limited to 0.05% of Company's share capital
- ✓ Capped at 140% of annual fixed compensation

1. Market performance: Michelin's share price vs. change in the Stoxx Europe 600 index (annual average)

Weighting: 30%

2. CSR performance

- i-MEP, Industrial – Michelin Environmental Performance
- Employee engagement

Weighting: 40%

3. Operating performance: Sales growth excluding tires and distribution and **ROCE**

Weighting: 30%

- Requirement to hold 40% of the vested shares for as long as the Managers remain in office
- Shares may only be delivered if the Profit Share has been distributed in respect of the year preceding the one in which the shares are issued

ESG incentives



FREE CASH FLOW (FCF)

Free cash-flow excluding M&A: free cash-flow, which is stated before dividend payments and financing transactions, corresponds to net cash from operating activities less net cash used in investing activities, including JV financing, adjusted for net cash-flows relating to cash management financial assets and borrowing collaterals. M&A-related cash-flows and repayment of IFRS 16 debt are not included.

ROCE

Return on capital employed is measured as follows:

net operating profit after tax (NOPAT) (1), calculated at a standard tax rate of 25%, corresponding to the Group's average effective tax rate; divided by average economic assets employed during the year (2), i.e., all of the Group's intangible assets, property, plant and equipment, loans and deposits, investments in equity-accounted companies, and net working capital requirement.

TIRES SALES

Correspond to sales from Michelin's core business, including the Tire as a Service (TaaS) business and Distribution operations.

NON-TIRE SALES

Correspond to sales from the Services and Solutions (excluding TaaS and Distribution), Conveyor Belts and High-Tech Materials businesses, excluding joint ventures.

(1) NOPAT = Segment operating income + amortization of acquired intangible assets + the Group's share of profit from equity-accounted companies

(2) Average between the opening and closing balance sheets for the year

This presentation is not an offer to purchase or a solicitation to recommend the purchase of Michelin shares. To obtain more detailed information on Michelin, please consult the documents filed in France with Autorité des marchés financiers, which are also available from the [Michelin.com](https://www.michelin.com) website.

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