



PRESS RELEASE

GROUP

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COMPAGNIE GÉNÉRALE DES ÉTABLISSEMENTS MICHELIN

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

Michelin delivered a high segment operating income in 2023 despite adverse market conditions and currencies, demonstrating once again the quality of its business model while improving people engagement and accelerating its sustainability roadmap.

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

Sales totaling €28.3bn, up 2.0% at constant exchange rates, with mix and price offsetting unfavorable market conditions. Non-tire sales grew by 10%.

- Tire sell-in markets globally flat but with an adverse mix, with Original Equipment growing in most segments while Replacement faced massive destocking (now considered complete).
- 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 all-time high of €3.6bn; margin up 0.7pts 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 reached 11.4%, up 0.6 pts, reflecting intrinsic performance and active portfolio management.

Net income was stable at €2.0bn despite €0.6bn of industrial restructuring provisions. A dividend of €1.35 per share will be submitted to the Annual Meeting, up 8% versus 2022.

Given its structural cash generation and solid financial structure, the Group will initiate a share buyback program, which could be worth up to €1 billion over the period 2024-2026.

Michelin is pursuing its "Michelin in Motion 2030" strategy on its other two pillars. On the People side, 2023 saw a record engagement rate of 83.5%. The Group is also improving its environmental footprint, reducing water consumption by 10% and CO2 emissions by 6% (scopes 1&2).

Florent Menegaux, Managing Chairman, said: *"In a challenging business environment, our highly engaged teams have contributed to deliver the very strong results that we are announcing today for 2023. I would like to thank them warmly for their tremendous ability to adapt daily. With these results, our Group has demonstrated its ability to deliver the targets set for 2023 within its "Michelin in Motion 2030" strategy and is looking forward to the next deployment steps".*

2024 guidance: in overall stable global markets, above €3.5bn in segment operating income at constant exchange rates; more than €1.5bn in reported Free cash flow before acquisitions.

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Key figures

(IN € MILLIONS)	2023	2022	2021
SALES	28,343	28,590	23,795
SEGMENT OPERATING INCOME	3,572	3,396	2,966
SEGMENT OPERATING MARGIN	12.6%	11.9%	12.5%
AUTOMOTIVE AND RELATED DISTRIBUTION	13.7%	12.1%	13.7%
ROAD TRANSPORTATION AND RELATED DISTRIBUTION	6.5%	8.6%	9.6%
SPECIALTY BUSINESSES AND RELATED DISTRIBUTION	16.5%	14.9%	13.0%
OTHER OPERATING INCOME AND EXPENSES	(920)	(375)	(189)
OPERATING INCOME	2,652	3,021	2,777
NET INCOME	1,983	2,009	1,845
EARNINGS PER SHARE ¹	€2.77	€2.81	€2.58
DIVIDEND PER SHARE ²	€1.35	€1.25	€1.125
SEGMENT EBITDA	5,489	5,262	4,700
CAPITAL EXPENDITURE	2,236	2,141	1,705
NET DEBT	3,281	4,320	2,789
GEARING	18.3%	25.2%	18.6%
PROVISION FOR POST-EMPLOYMENT BENEFIT OBLIGATIONS	2,726	2,561	3,362
FREE CASH FLOW ³	2,343	(180)	1,357
FREE CASH FLOW BEFORE ACQUISITIONS	3,009	(104)	1,464
ROCE ⁴	11.4%	10.8%	10.3%
EMPLOYEES ON PAYROLL ⁵	132,500	132,200	124,760

¹2021 earnings per share restated to reflect the four-for-one stock split on June 16, 2022.
2021 as reported: €10.31.

²2023 dividend subject to approval by the Annual Shareholders Meeting on May 17, 2024.
2021 dividend per share restated to reflect the four-for-one stock split on June 16, 2022.
2021 as reported: €4.50.

³ Free cash flow corresponds to net cash from operating activities less net cash used in investing activities, adjusted for net cash flows relating to cash management financial assets and borrowing collaterals.

⁴ In calculating ROCE, amortization of acquired intangible assets and the Group's share of profit/(loss) from equity-accounted companies are added to segment operating income. ROCE is calculated after tax, using a standard rate of 25%.

⁵ At period-end.



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Market Review

PASSENGER CAR AND LIGHT TRUCK TIRES

2023/2022 (in number of tires)	EUROPE*	NORTH & CENTRAL AMERICA	CHINA	GLOBAL MARKET
Original Equipment	+11%	+9%	+9%	+9%
Replacement	-4%	0%	+13%	0%

*Including Turkey and Eastern Europe.

The global Original Equipment and Replacement **Passenger car and Light truck** tire market grew by 2% year-on-year in 2023, lifting demand back to 2019 levels in both segments.

ORIGINAL EQUIPMENT

In the Original Equipment segment, **global demand** climbed by 9% year-on-year, impelled by an expanding market dynamic as automakers took advantage of easing supply chain restrictions to steadily rebuild vehicle inventory. Robust EV sales, particularly in China, also helped to support demand for new vehicle tires.

In **Europe**, the market rose by 11% over the year, buoyed by favorable prior-year comparatives. This was particularly the case in the first half, when demand climbed 14% compared with the 2022 period, which was adversely impacted by automaker supply shortages and the outbreak of the war in Ukraine. The market gained a further 7% in the second half, during which most automakers completed the process of replenishing their vehicle inventories. Nevertheless, the European market ended the year well below its 2019 level, with an 18% shortfall.

The **North American** market expanded by 9% in 2023, led by sustained new car demand throughout the year. The automaker strikes called in late third quarter and early fourth quarter weighed somewhat on second-half growth (up 6%), although they did not prevent automakers from rebuilding their vehicle inventories. Nevertheless, the North American market ended the year 5% down on 2019.

The market in **China** improved by 9% over the year, with wide swings from one quarter to the next. The 7% overall gain in the first half, for example, reflected a 6% drop in the first quarter, stemming from the high inventory overhang from year-end 2022, and a 22% rebound in the second three months due to the favorable comparison with second-quarter 2022, when the health crisis re-emerged in April and May. As well, the second half's 11% growth comprised a slight 2% increase in the third quarter from high prior-year comparatives, which were boosted by the lifting of health restrictions in June and by government new car rebates, and a sharp 21% upsurge on favorable prior-year comparatives in the final three months, driven by rising exports of domestically manufactured EVs to the rest of the world. EVs accounted for around 30% of new vehicle sales in 2023, up more than five points year-on-year.



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REPLACEMENT

In Replacement tires, the stability of **global demand** compared with 2022 hid significant disparities by region, with brisk growth in China offsetting a decline in Europe.

In **Europe**, sell-in demand contracted by 4% over the year, primarily due to sustained dealer destocking throughout the period, with a particularly negative impact on winter tire sales. Sell-out demand, which is shaped by the number of kilometers traveled by motorists, was more resilient. By year-end, inventory across the value chain had returned to normal levels, including in the winter tire segment.

The **North American** sell-in market was unchanged over the year, with demand dampened, as in Europe, by dealer inventory drawdowns. In the second half, however, demand continued to trend upwards (by 9%) in a resilient economy, with favorable prior-year comparatives emerging in September (in 2022, dealer buying – and therefore sell-in – had already started to slow by year-end following the massive wave of low-cost imports in July and August). Year-end 2023 inventory levels had returned to normal.

In **China**, the market grew by 13% over the year, as domestic mobility rebounded in 2023 from the sharp restrictions on motorists' freedom of movement imposed during the resurgent health crises in the second and fourth quarters of 2022.

TRUCK TIRES (RADIAL AND BIAS)

2023/2022 (in number of tires)	EUROPE*	NORTH & CENTRAL AMERICA	SOUTH AMERICA	GLOBAL MARKET (excluding China)
Original Equipment	+5%	-4%	-25%	+1%
Replacement	-7%	-15%	+6%	-5%

* Including Turkey and Eastern Europe.

The **worldwide Truck tire sell-in market (excluding China)** declined by 4% in 2023.

In **China**, where the Group's presence is negligible, demand increased by 14% over the year.

ORIGINAL EQUIPMENT

In Original Equipment, the **global Truck tire market (excluding China)** was stable overall for the year, with just a 1% gain.

In **Europe** (up 5%) and in **North and Central America** (down 4%) demand was sustained over the year, albeit on the basis of very high prior-year comparatives. This was particularly the case in North America where, despite some persistent truck maker difficulties with supply and labor shortages, demand was buoyed by truck purchases ahead of the introduction of a new greenhouse gas emissions standard on January 1, 2024.

Demand in **South America** was down 25% at the end of December, following extensive new truck buying in 2022 ahead of the introduction of a new emissions standard on January 1, 2023.



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REPLACEMENT

In Replacement tires, the **global sell-in market (excluding China)** ended 2023 down 5% due to extensive destocking by dealers and fleets throughout the year, despite resilient freight demand.

Sell-in demand contracted by 7% year-on-year in **Europe**, where an economic slowdown, particularly in Northern Europe, has led to a glut in overland freight capacity, exacerbated by the steep reduction in Truck tire inventories across the supply chain throughout 2023. However, most dealer and fleet inventories had returned to normal levels as of year-end.

In **North America**, demand declined by 15% over the year, reflecting both particularly high comparatives and extensive dealer and fleet destocking that brought inventory levels back to normal by year-end.

In **South America**, demand rose by 6% over the year and remains robust, supported in particular by opportunistic dealer buying of low-cost imports.

SPECIALTY BUSINESSES

MINING TIRES: Mining tire purchases are growing at a relatively stable rate year after year, led by ever-increasing ore mining needs. Sell-in demand was somewhat volatile over the year, due to temporary inventory reductions or rebuilding by mine operators, but remains robust.

AGRICULTURAL, INFRASTRUCTURE AND MATERIALS HANDLING TIRES: Original Equipment demand rose overall during the year, buoyed by relatively high farm commodity prices and the wide array of infrastructure projects that are raising demand for equipment. Replacement demand, on the other hand, fell sharply over the period, dragged down by massive destocking in every dealer channel. By the year-end, inventories had returned to more or less normal levels.

TWO-WHEEL TIRES: Demand plunged in 2023, in both the motorcycle and bicycle tire segments, due to the sharp reduction in dealer inventories throughout the year. By year-end, inventories had returned to normal levels.

AIRCRAFT TIRES: The market is expanding and has exceeded 2019 levels, led by an upturn in passenger traffic on regional flights, particularly in China.

CONVEYOR BELTS: The market for conveyor belts remains robust, both in the mining segment, driven by strong demand for commodities, and in the manufacturing segment, supported by high capital spending.

SPECIALTY POLYMERS: Global demand flattened out as the economy cooled and inventories were reduced across the value chain.



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Sales and Results

SALES

Sales for the year amounted to €28,343 million, down a slight 0.9% from €28,590 million in 2022. Sales were up 2.0% at constant exchange rates.

The year-on-year change reflected the combined impact of the following factors:

- a 4.7% decline in tire volumes, stemming from extensive destocking across every segment and value chain as the uncertain economic environment and soaring interest rates prompted dealers and business customers alike to drastically draw down inventory and reduce their standard stock levels. The volume decline was partially offset by an increase in sales in the Group's proprietary dealership networks, reflecting more resilient sell-out demand;
- a 5.7% increase from the positive price-mix effect. The €1,286 million positive price effect, comprising €1,130 million in the first half and €156 million in the second, resulted from the full-year impact of the price increases introduced in 2022 and early 2023 to cover the full range of cost inflation factors (raw materials, freight, energy, payroll, etc.). The price effect remained positive over the second half; it declined compared to first half 2023 due to the 2022 second-half comparison basis, and the deferred impact on certain activities of raw materials-based and other indexation clauses. The highly positive €337 million mix effect reflected the priority focus on the MICHELIN brand and on high value-added products and services, as well as the growth in sales of 18-inch and larger Passenger car tires;
- a 2.9% decrease from the negative currency effect, due in particular to the decline in the US dollar, as well as the Chinese yuan and the Turkish lira, against the euro;
- a 0.5% increase from changes in the scope of consolidation, led by the inclusion of FCG on September 26, 2023, of CPS in Australia, acquired in July 2022, and of US-based Blacksmith, following the acquisition of all its outstanding shares in April 2023.

Sales from the non-tire businesses (particularly conveyors, fine dining and travel services, and fleet connected mobility solutions) rose by 10% over the year, adding 0.5% to consolidated 2023 sales growth.

RESULTS

Segment operating income amounted to €3,572 million or 12.6% of sales for the year ended December 31, 2023, compared with €3,396 million and 11.9% in 2022. The €176 million improvement reflected the net impact of the following factors:

- a €32 million increase from changes in the scope of consolidation, primarily in the non-tire businesses, most notably the acquisition of Flex Composite Group end of September 2023;
- a €702 million decrease reflecting:
 - the decline in volumes sold;
 - the fixed cost shortfall resulting from the decline in output and the general under-utilization of production capacity;



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- a €1,463 million increase from the highly favorable price-mix effect, reflecting (i) the full-year impact of the price increases introduced in 2022 and early 2023 in response to sharply rising costs with a significant proportion of these increases helped to offset the steep decline in certain very high inflation or hyperinflation currencies; and (ii) a mix enhanced by the sustained growth in sales of 18-inch and larger tires in the Passenger car segment, offsetting a market mix impacted by robust gains in Original Equipment sales across every business;
- a €115 million increase from the decline in the cost of raw materials used in production from their peak in 2022;
- a slight €76 million decrease from the rise in manufacturing and logistics costs, as the reduction in finished product shipping costs did not fully offset the increase in payroll and other manufacturing costs;
- a €108 million decrease from the year-on-year growth in SG&A expenses (including research and development outlays) in the Tire operations, reflecting the impact of inflation, particularly on payroll costs;
- a €260 million decrease from other unfavorable cost factors, primarily comprising an adjustment in the variable compensation paid in respect to 2023;
- a €294 million decrease from exchange rate movements, led by the highly unfavorable impact of the increase in the euro against the US dollar, the Turkish lira, the Argentine peso and most other operating currencies.

Other operating income and expenses unallocated to the operating segments represented a net expense of €920 million in 2023 versus a net expense of €375 million in 2022. The €545 million increase was mainly attributable to the impact of industrial restructuring projects in Germany and the United States.

In all, **net income** for the year came to €1,983 million, versus €2,009 million in the prior year.

NET FINANCIAL POSITION

Free cash flow ended the year at a positive €2,343 million, compared to a negative €180 million a year earlier. The positive swing was driven primarily by the reduction in trade working capital stemming from the decline in inventory volume and value and in trade receivables.

Gearing stood at 18.3% at December 31, 2023, corresponding to net debt of €3,281 million, down €1,039 million from December 31, 2022.



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SEGMENT INFORMATION

<i>In € millions</i>	Sales		Segment operating income		Segment operating margin	
	2023	2022	2023	2022	2023	2022
Automotive*	14,339	14,138	1,959	1,711	13.7%	12.1%
Road transportation*	6,975	7,462	456	641	6.5%	8.6%
Specialties*	7,029	6,990	1,157	1,044	16.5%	14.9%
Group	28,343	28,590	3,572	3,396	12.6%	11.9%

* and related distribution

AUTOMOTIVE AND RELATED DISTRIBUTION

Sales in the Automotive and related distribution segment rose by 1.4% year-on-year to €14,339 million in 2023.

Volumes sold declined by 1.9% over the period, reflecting an increase in Original Equipment sales and a contraction in Replacement sales, which were impacted by extensive dealer inventory drawdowns through to the final quarter.

In the midst of this steady return to standard stock levels, spurred by higher interest rates, the Group focused on the most value-accretive market segments, by continuing to broaden its product portfolio and growing its sales of premium 18-inch and larger tires. As a result, the reporting segment enjoyed a very positive mix over the year, with the product and geographic mixes amply offsetting the unfavorable OE/Replacement mix.

Sales were positively impacted by the assertive price increases introduced in 2022 and early 2023 to offset sharply rising costs.

Automotive segment operating income came to €1,959 million or 13.7% of sales, versus €1,711 million and 12.1% in 2022.



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ROAD TRANSPORTATION AND RELATED DISTRIBUTION

Sales in the Road transportation and related distribution segment totaled €6,975 million in 2023, down 6.5% from the prior year.

After two post-Covid years shaped by very strong overland freight demand and highly constricted supply conditions across every value chain, the Road transportation business contracted sharply in 2023, particularly in Europe.

Volumes sold declined by 8.5% over the year, reflecting both unfavorable comparatives, particularly in the second half, and the massive fleet and dealer destocking that continued through to year-end in every geography. In this environment, the Group pursued its selective marketing strategy with a sharper focus on the MICHELIN brand and the highest value-creating regions.

Road transportation segment operating income amounted to €456 million or 6.5% of sales, compared with €641 million and 8.6% the year before.

SPECIALTY BUSINESSES AND RELATED DISTRIBUTION

Sales by the Specialty businesses reporting segment increased by 0.6% year-on-year, to €7,029 million. Exchange rate movements, particularly the decline in the US dollar against the euro, had an unfavorable impact on the segment's sales.

Segment operating income from the Specialty businesses amounted to €1,157 million or 16.5% of sales, versus €1,044 million and 14.9% the year before.

Mining tires: In an ore market still positioned for long-term growth impelled by rising demand for metals, in particular to support the energy transition, Group sales experienced two very different half-year periods in 2023. After rising quickly in the first six months, led by restored operating efficiency and a significant improvement in maritime shipping capacity, sales were hurt in the second half by inventory drawdowns at certain mining companies. In addition, with sales hitting all-time highs in several months of second-half 2022, prior-year comparatives were particularly unfavorable. Despite a slight reduction in indexed prices on July 1 due to the decline in commodity prices in 2022, prices still had a favorable impact over the year, led by the increases introduced in 2022 and first-half 2023 to offset inflation factors unrelated to raw materials, especially energy costs and payroll costs. Digital tire management services continued to deliver sustained growth. This was particularly the case for the Michelin Earthmover Monitoring System (MEMS) connected tire, which offers major competitive advantages in the areas of safety and operational productivity.

Beyond-road tires:¹ In the Original Equipment markets, which trended upwards over the year, particularly in the first half, Group sales were lifted by market share gains in the premium Agricultural tire segment in Europe and North America, as well as in the Materials Handling segment. On the Replacement side, where demand contracted in 2023, the Group pursued its value-driven approach by targeting the higher value-added segments.

The agricultural tracks business, where margins are high and the Group is market leader, maintained its strong growth momentum in the United States, Brazil and other parts of the Americas.

Two-wheel tires: Group sales declined from unfavorable comparatives and in a highly competitive environment, dragged down by massive destocking in both the motorcycle and bicycle tire segments. The drawdowns followed on from two post-Covid years of very brisk demand and favorable financing conditions, which had pushed dealers to maintain high levels of inventory. Sales were nevertheless supported by a favorable price effect.

¹ The Beyond-road segment includes Agricultural, Materials Handling, Quarry, Construction, Defense, and Powersport (snowmobiles, quads, etc.) tires.



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Aircraft tires: As overall air traffic rose above its 2019 levels, both in number of flights and in passenger load factors, the Commercial segment rebounded sharply over the year.

Overall, Group sales volumes rose significantly and exceeded 2019 levels. Sales revenue was also lifted by a favorable price effect, reflecting the market value of the Group's technological superiority and capacity for innovation, as illustrated by the introduction of the new MICHELIN Air X Sky Light tire.

The **High-Tech Materials** business reported growth for the year, driven by the Conveyors business. Momentum was very strong in the first half, but slowed in the second six months due to the extensive inventory drawdowns across the value chain. FCG, which has been consolidated since September 26, 2023, contributed around €50 million to segment sales.

After review by the Supervisory Board, the publication of the accounts for the financial year ended 31 December 2023 was authorized by the Managing Chairman on 12 February 2024.

At the date of this press release, the audit procedures have been carried out and the statutory auditors' report is being issued.



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Non-financial performance

Michelin's non-financial performance attests to the validity of its All Sustainable vision.

The Michelin Group tracks the ratings assigned by the leading internationally recognized non-financial rating agencies in a commitment to assessing its environmental, social and governance (ESG) performance as objectively as possible.

The 2023 results confirmed the Group's excellent ESG performance, with ratings upgraded by Sustainalytics and EcoVadis, maintained by MSCI and ISS, and downgraded only slightly by Moody's.

2023 Results							
Rating agency	Sustainalytics	MSCI	CDP		Moody's ESG	ISS ESG	EcoVadis
Score*	Low risk 11.52	AAA	A- Climate change	B Water security	71/100	B- Prime	78/100 Platinum

* Full details concerning the position and distribution of these scores are available at [Michelin.com](https://www.michelin.com)

- **SUSTAINALYTICS (ESG RISK RATING):** The overall rating was upgraded to 11.52 from 12.2, with a LOW RISK profile, ranking the Group ninth in the global auto components industry.

- **MSCI:** Michelin maintained its AAA rating, the highest on MSCI's ESG rating scale. The rating confirms the Group's position as industry leader in addressing the full range of environmental, social and governance issues.

- **CDP:** Climate Change: with an A-rating, Michelin's «leadership» level is confirmed, in line with IMS's forecast.

Water Security: Michelin's rating (B) has been downgraded vs 2022 and is below the forecast of IMS (A-). It is observed that the industry's average score deteriorated in 2023 vs 2022, at European and global levels, reflecting a higher level of COP requirement.

Michelin is also recognized as a leader in the «Supplier Engagement» category for the third consecutive year. Since 2018, Michelin has been working with its suppliers to measure and reduce its carbon footprint as part of the CDP Supply-chain program.

- **ECOVADIS:** Michelin improved its score by one point, to 78/100, and retained its Platinum Medal rating for its CSR commitment and leadership (awarded to the top 1% of rated companies).

- **ISS ESG:** The B- rating and PRIME status have been retained, keeping Michelin ranked in the top decile across all the rated industries.

- **MOODY'S ESG (formerly VIGEO EIRIS):** With an overall score of 71/100, Michelin ranked second among the 119 companies assessed in the Automotive sector.

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The Michelin in Motion strategic plan

The Group is continuing to deploy its Michelin in Motion strategic roadmap, as announced at the Capital Markets Day in April 2021.

PEOPLE OBJECTIVES

	INDICATOR	2021	2022	2023	TARGET FOR 2030
Set the global standard in employee engagement	Engagement rate	79.8%	82.5%	83.5%	>85%
Set the global standard in workplace safety	TCIR ⁽¹⁾	1.29	1.07	1.01	<0.5
Set the standard for employee diversity and inclusion	IMDI ⁽²⁾	65	70	72	80/100 points
Lead the industry in creating customer value	Partner NPS	38.9	41.6	42.7	48 (up 10 pts vs. 2020)

(1) Total Case Incident Rate: the number of accidents and cases of occupational illness recorded per 200,000 hours worked.

(2) Diversities and Inclusion Management Index.

• Set the global standard in employee engagement:

The engagement rate, which expresses the confidence of Michelin employees in the Group, rose by one point to 83.5% in 2023. The improvement was particularly positive in an unstable economic and geopolitical environment, which required employees to demonstrate a high degree of agility.

• Set the global standard in workplace safety:

In 2023, the workplace safety report was extended to temporary workers in the dealership networks, as well as to Fenner and its subsidiaries.

The improvement dynamic observed in 2022 continued apace in 2023. In the production plants, for example, technical prevention (machinery risks) and behavioral prevention initiatives reduced the number of accidents by more than 10% over the year. The dealership networks, especially Euromaster, were also a major source of progress, with a 7% improvement in their aggregate TCIR.

• Set the global standard for employee diversity and inclusion:

Attesting to the Group’s commitment to diversity and inclusion, the IMDI improved by two points in 2023, led by gains in the percentage of women in management positions (to 30.6% from 29.4%) and senior management positions (to 21.5% from 18.8%), as well as in the perceived acceptance of diversity (the “identity” metric). The Group continued to pursue its policies to support the disabled, although the number of countries with more than 1,000 employees where 2% or more of the workforce is disabled declined somewhat in 2022 (to 35.2% from 35.7% in 2021) following the inclusion of three new countries (Sri Lanka, Indonesia and Canada) in the scope of reporting.

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- **Lead the industry in creating customer value:**

The Partner NPS rose by 1.1 points over the year, to 42.7 from 41.6 in 2022, primarily on a 2.7 point gain with OEM customers, with the dealer score showing a 0.7 point improvement.

The key improvement driver remains the exceptional quality of the products sold by the Group, combined with the renowned reputation of the Michelin brand. Customer perceptions also improved sharply in the criteria pertaining to logistics and delivery times.

PROFIT OBJECTIVES

	INDICATOR	2021	2022	2023	TARGET FOR 2030
Drive significant growth in sales	Average annual growth in sales, 2023 to 2030	€23.8bn	€28.6bn	€28.3bn	5% CAGR⁽⁴⁾
Continuously create value	ROCE ⁽¹⁾	10.3%	10.8%	11.4%	>10.5%
Maintain the strength of the MICHELIN brand	Brand vitality indicator ⁽²⁾	68	65	73	up 5 pts vs. 2021
Maintain the sustained pace of product and service innovation	Product/service vitality indicator ⁽³⁾	31%	31%	31%	>30%

(1) Consolidated ROCE is calculated after adding back (i) goodwill, acquired intangible assets and investments in equity-accounted companies to economic assets; and (ii) amortization of acquired intangible assets and the Group's share of profit from and loans to equity-accounted companies to after-tax earnings.

(2) Composite indicator used to measure the brand's vitality.

(3) Percentage of sales from products and services introduced in the last three years.

(4) Compound annual growth rate.

- **Drive significant growth in sales:**

Consolidated sales at constant exchange rates rose by 2.0% in 2023, lifted by the positive price effect, the enhanced mix and the 10% growth in the non-tire businesses. The Group is continuing to deploy its growth strategy in new ecosystems around and beyond tires. In 2023, this expansion was driven primarily by the conveyors and fleet management businesses. During the year, the Group also acquired Flex Composite Group (FCG), which has annual sales of around €200 million. It will make a significant contribution to accelerating the Group's growth in specialty polymers.

- **Continuously create value:**

Consolidated ROCE stood at 11.4% in 2023, up from 10.8% the year before. This gain reflected the improvements in both the Group's profitability and its optimization of capital employed. It was also supported in 2023 by the effects of asset disposals, in particular in the JVs Symbio and TBC.

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- **Maintain the strength of the MICHELIN brand:**

After leveling off in 2022, the MICHELIN brand vitality indicator rose sharply in 2023. The improvement was strongest in countries where media spend was the highest, such as France and China.

The new 2024 brand campaign will act as a powerful driver to sustain this positive dynamic in a media landscape that will be particularly crowded in France, due to the Paris Olympic Games.

- **Maintain the sustained pace of product and service innovation:**

The product/service vitality indicator was maintained above its objective of 30% in 2023, with 31% of the products and services sold during the period having been introduced within the past three years. The performance was primarily impelled by the Automotive segment and the Fleet Services businesses.

PLANET OBJECTIVES

	INDICATOR	2021	2022	2023	TARGET FOR 2030
Achieve carbon neutrality in manufacturing and energy use by 2050	Scope 1 and 2 CO ₂ emissions	-29%	-41%	-44%	down 50% vs. 2010
Help achieve carbon neutrality in use	Product/tire energy efficiency (Scope 3)	+0.5%	+1.8%	+2.9%	up 10% vs. 2020
Set the global standard for the environmental footprint of manufacturing facilities	i-MEP ⁽¹⁾	-7.4%	-11.2%	-16.1%	down one-third vs. 2020
Reach 100% of renewable or recycled materials in tires	Percentage of renewable or recycled materials	29%	30%	28%	40%

(1) The "industrial – Michelin Environmental Performance" (i-MEP) indicator is used to track the environmental impacts of the Group's manufacturing operations over the next ten years. It will make these impacts easier to understand by focusing on five priority areas: energy use, CO₂ emissions, organic solvent use, water withdrawals, and waste production. The i-MEP is described in more detail in the methodological note in section 4 of the 2020 URD.

- **Achieve carbon neutrality in manufacturing and energy use by 2050:**

In 2023, carbon emissions declined by 6% year-on-year, led by:

- a decrease in output;
- an improvement in energy efficiency, as the decline in output was offset by the sustained deployment of best practices;
- an increase in the percentage of electricity from renewable sources, to 54% of total power use compared with 52% in 2022. The proportion of renewables in the total energy mix rose to 23.9% from 22.7% the year before.



GROUP

- **Help achieve carbon neutrality in use:**

Overall, the indicator improved by 2.9% from the 2020 baseline and by 1.1 points year-on-year.

It was up two points on 2022 in the Automotive segment, supported by the launch of the MICHELIN DEFENDER 2 and DEFENDER LTX 2 tire ranges and the robust growth in sales of the MICHELIN E-PRIMACY and MICHELIN CROSSCLIMATE 2 tire lines.

It also gained 0.6 points in the Truck tire segment, thanks to the introduction of the new X MULTI ENERGY Z tire, higher sales of the X INCITY EV electric urban bus tire and rolling resistance improvements in the X WORKS range of off-road drive tires.

In the Specialties segment, a 0.8-point year-on-year increase was led by the ongoing shift to radials in the Aircraft tire market, the introduction of new solid tire components in the Materials Handling segment, and the product mix in the Mining tire segment.

- **Set the global standard for the environmental footprint of manufacturing facilities:**

Even as output declined over the year, the i-MEP indicator improved by a further 4.9 points in 2023, with gains in every metric.

The environmental footprint of the production plants has shrunk by more than 16% compared with the 2020 baseline, in line with the target of a one-third reduction by 2030.

The 2023 performance was built on:

- roadmaps validated in each metric (energy use, CO₂ emissions, VOC use, water use and waste), with the supporting capital budgets;
- heightened awareness of environmental issues at every level of the organization and in every aspect of the business.

- **Reach 100% of renewable or recycled materials in tires:**

The percentage of renewable or recycled materials (formerly known as the sustainable materials rate) stood at 28% in 2023, down two points on 2022.

This facial drop is punctual: progress is proceeding as expected but is masked in 2023 by a mix effect penalizing purchased materials.

In a context of lower production and purchasing volumes of raw materials in 2023, natural rubber volumes decreased more than the rest of raw materials due to a relative decline in sales of Truck tyres. These are more consumers of natural rubber, which is the highest component of the rate of renewable or recycled materials. This mix effect mechanically decreased the TMRR by about 3 points compared to 2022.

However, the Group pursued its commitment to developing new renewable or recycled materials in 2023 and, in line with the roadmap, delivered a gain of around one point year-on-year that partially attenuated the adverse impact of lower natural rubber volumes.

The Group remains very confident in the robustness of its roadmap and in its ability to meet its objective of having renewable or recycled materials account for 40% of tire content by 2030.



GROUP

Highlights

January 5-8, 2023 [High-Tech Materials] – Symbio, the Group's hydrogen joint-venture with Faurecia, unveils its next-generation fuel cell technology at the 2023 Las Vegas Consumer Electronics Show. The new cells are designed to meet the needs of a full range of carbon-free mobility applications, thereby providing an effective response to today's most pressing environmental challenges.

January 10, 2023 [Tires] – MICHELIN UPTIS, the prototype airless, puncture-proof tire, will be fitted on nearly 50 DHL delivery vehicles in Singapore by end-2023. Based on internal research, Michelin projects that UPTIS airless technology could prevent the premature scrapping of up to 200 million tires a year worldwide. This major breakthrough demonstrates Michelin's ability to innovate in support of mobility that is safer and better for the environment.

February 2, 2023 [High-Tech Materials] – CDI Energy Products, which is part of the High-Tech Materials Division and an industry leader in the custom manufacturing of high-performance polymer products, announces the acquisition of EGC Enterprises, Inc., a leading manufacturer of graphite-based sealing products located in Ohio and North Carolina. The acquisition reflects the assertive deployment of the Group's growth strategy in high-tech materials.

February 15, 2023 [Tires] – Michelin launches MICHELIN EVOBIB, the first tractor tire designed specifically for use with central tire inflation systems (CTIS), whose variable tread pattern delivers excellent performance on the road and in the field. With its promise of longer tread life, better soil protection and greater fuel savings, MICHELIN EVOBIB is a further illustration of the Group's capacity for innovation and its commitment to the environment.

February 22, 2023 [People and Planet] – Michelin formalizes its commitment to small-scale natural rubber estate owners in Sri Lanka as part of the River Project, a three-year public-private project co-funded with the French Ministry of the Economy and Finance. Designed to improve the skills of 6,000 growers with an innovative training model, the project is expected to have a positive impact on approximately 30,000 people.

March 1, 2023 [Tires] – The Group launches its new MICHELIN Power Adventure gravel tire, whose hybrid tread design is engineered for cyclists who spend 80% of their time on roads and 20% on trails. The MICHELIN Power Adventure offers superior durability thanks to an additional protective layer surrounding the entire casing, based on the innovative "BEAD 2 BEAD" technology.

March 6, 2023 [Lifestyle] – MICHELIN Guide 2023 – At an event in Strasbourg, France, Michelin announces the selection of restaurants curated for the MICHELIN Guide France 2023. Awarded for the fourth year in a row, the MICHELIN Green Star promotes the efforts of inspiring, pioneering restaurants that are fully invested in sustainable gastronomy. The award is also fully aligned with the Group's "All Sustainable" vision.

March 13, 2023 [Group] – At the "Michelin in Motion 2030 – Strategy Progress Update" Capital Markets Day, Michelin's top management reaffirmed the validity of the Group's strategic focus on creating more value and strengthening its resilience by driving growth in tires, fleet services and solutions, and high-tech materials. The Managers again noted that the target of a more than 10.5% return on capital employed includes the impact of future acquisitions.

March 14, 2023 [Group] – Michelin announces a C\$300 million (around €200 million) investment in its plants in Nova Scotia, Canada, to accelerate sustainable mobility and improve its environmental footprint.



GROUP

March 15, 2023 [Planet] – For the third year in a row, Michelin has been recognized by international non-profit CDP as a “Supplier Engagement Leader” for the initiatives undertaken with its suppliers and partners to address global warming across its supply chain.

March 22, 2023 [Tires] – Michelin wins two awards at the Tire Technology Expo 2023, confirming the Group’s leadership in innovation. They are the prestigious Tire Manufacturer of the Year award, won for the sixth time, and the Environmental Achievement of the Year award, recognizing the Group’s first two road-approved tires made from 45% and 58% sustainable materials, respectively, one for cars and the other for buses.

March 28, 2023 [People and Planet] – With a score exceeding 80%, Michelin leads the list of tire companies assessed by ZSL SPOTT, an ESG rating platform focused on soft commodities. The ranking demonstrates the Group’s commitment to ESG transparency and its efforts to improve the sustainability of the entire natural rubber value chain.

March 29, 2023 [Planet] – With Michelin’s support, Scandinavian Enviro Systems and Antin Infrastructure Partners form a joint venture to create the world’s first large-scale tire recycling group. Michelin is planning to partner in the JV as the plants are built in the future. This is a further demonstration of Michelin’s ability to reduce the overall environmental impact of its tires through innovative partnerships.

March 31, 2023 [People] – In Canada, Michelin’s Pictou County plant is named Excellence Awardee in the Manufacturing category at Canada’s Safest Employers Awards 2022. This marks the sixth year that the Pictou County facility has received the award, which honors manufacturers with outstanding health and safety records.

April 7, 2023 [Group] – The Group files its 2022 Universal Registration Document with the AMF, supplementing the publication on April 11 with a web-based Excel file presenting data for all of its ESG indicators.

April 13, 2023 [Group] – At its International Media Day event, held at its plant in Cuneo, Italy, Michelin presents two transformations with strategic implications for the Group: the ongoing changes in tire markets and the transformation of its production facilities. During the event, Michelin reaffirmed its commitment to environmental stewardship, and particularly its target of using 100% sustainable materials in its tires by 2050.

First-quarter 2023 [High-Tech Materials] – Michelin’s Wisamo inflatable wing sail system is installed on the Compagnie Maritime Nantaise’s MN Pelican ro-ro container ship. The vessel is testing the inflatable system’s endurance and use on its weekly rotations between Bilbao, Spain and Poole, UK. Feedback generated by these tests will support the giant wing sail’s ongoing development.

First-quarter 2023 [People] – Now being deployed across the organization, the Michelin One Care program incarnates the Group’s dedication to supporting all its employees around the world at important moments in their lives with a package of fundamental benefits. In Sri Lanka, where there is no public social safety net, Michelin has been one of the country’s first companies to introduce such a system for its employees.

First-quarter 2023 [Tires] – Mercedes-AMG has launched its first fully electric SUV, the Mercedes AMG EQE, fitted with Michelin tires as original equipment. As noted in the Mercedes-AMG press release, “Among other suppliers, the MICHELIN Pilot Sport EV MO1 tire specifically designed for electric-drive performance vehicles is worth mentioning. Available in 21- or 22-inch sizes, it features low rolling resistance and superior grip on wet and dry roads.”

First-quarter 2023 [Tires] – Ferrari has introduced the Ferrari Purosangue SUV, its first four-door, four-seater model. Naturally, the prancing horse brand chose Michelin for both the original equipment tires and the model-approved winter tires.



GROUP

April 27, 2023 [Group] – Michelin launches the Michelin 3xplorer Club, an NFT collection depicting the Michelin Man in 5,000 unique versions. The initiative, which reflects the excellence and innovation associated with the Michelin brand, further illustrates the Group's commitment to offering its customers exclusive new non-tire related experiences.

May 12, 2023 [Group] – Nearly 950 people attend the Annual Meeting of Michelin shareholders, held in Clermont-Ferrand, France under the chairmanship of Florent Menegaux, Managing Chairman.

May 16, 2023 [High-Tech Materials] – Stellantis acquires an equal stake with Faurecia and Michelin in Symbio, a leader in zero-emission hydrogen mobility. The binding agreement will give each partner a 33.3% interest.

May 17, 2023 [Tires] – Michelin announces the acquisition of UK-based Canopy Simulation, strengthening its position as a technological leader and data-driven company. Michelin enjoys unique mathematical data processing expertise. By accelerating innovation, simulation optimizes Michelin's work with its partners and vehicle manufacturers, while reducing its Research and Development environmental footprint and providing savings compared with more traditional development cycles.

May 22, 2023 [Group] – Michelin announces plans to invest \$100 million in its agricultural rubber track plant in Junction City, Kansas, United States. Designed to increase output to serve the original equipment and aftermarket, the project will also create around 200 new jobs.

May 23, 2023 [Tires] – TBC Corporation, the North American tire distribution joint venture between Michelin and Sumitomo Corporation, divests its retail portfolio and refocuses on its wholesale, distribution and franchise business operations.

May 24, 2023 [Group] – As part of the United Nations Decade of Action for Road Safety, Michelin works with the International Road Federation (IRF) and the World Bank's Sustainable Mobility for All (SuM4All) initiative to issue the "Enhancing Policy and Action for Safe Mobility" report, which provides thought leadership, policy guidelines and best practices to assist countries in implementing a systemic, integrated approach to road safety.

May 26, 2023 [Group] – After suspending its industrial activities in Russia on March 15, 2022, Michelin sells its Russian assets to Power International Tires LLC, one of the country's leading tire distributors.

June 2023 [Group] – Michelin unveils the first-ever selection of restaurants curated for the cities of Hangzhou, China and of Hanoi and Ho Chi Minh City, Vietnam.

June 1, 2023 [Group] – Michelin announces the launch of the Collaborative Innovation Hub (PIC) in Clermont-Ferrand, France. Designed as an innovation accelerator, the new government-supported facility is part of the Parc Cataroux program, which attests to Michelin's deep attachment to its home region and its commitment to making a positive contribution to the local community and society as a whole.

June 2, 2023 [Tires] – 2023 Le Mans 24 Hours – As it celebrates the centennial of the world's most prestigious endurance race, Michelin reasserts motorsport's key role as an accelerator of sustainable innovation. In response to today's overriding environmental challenges, the nature of auto racing is changing and the Group's involvement is about much more than just collecting trophies. With the unveiling of a tire containing 63% sustainable materials, Michelin has once again demonstrated its ability to deliver disruptive new technologies, in line with its goal of making tires 100% sustainable by 2050.



GROUP

June 12, 2023 [Group] – Michelin’s Troyes plant celebrates 60 years of agricultural tire excellence. The facility, which accounts for 40% of Michelin’s worldwide agricultural tire production capacity, has 760 employees and exports most of its output to Europe and North America. Its customers include such leading manufacturers as Case New Holland, AGCO, John Deere and CLAAS.

June 16, 2023 [Group] – The Michelin Group acquires all outstanding shares in Rugby Club ASM Clermont Auvergne, with the aim of strengthening the organization and supporting its transformation.

June 19, 2023 [High-Tech Materials] – Michelin agrees to acquire 100% of Flex Composite Group (FCG) from IDI for an enterprise value of €700 million, thereby creating a leader in high-tech engineered fabrics and films.

June 21, 2023 [Tires] – At the Paris Air Show, the Group launches the MICHELIN Air X Sky Light tire, engineered in response to the airline industry’s decarbonization objectives. It offers a further illustration of the Group’s ability to develop breakthrough technologies to fulfill its sustainable growth ambitions.

June 21, 2023 [Tires and Connected Mobility Solutions] – At the Paris Air Show, the Group announces that Brazilian airline Azul has chosen the PresSense connected tire and its pressure measurement system to equip its fleet of nearly 110 Airbus and Embraer aircraft. The result of a partnership between Safran Landing Systems, the world leader in landing systems, and Michelin, the world leader in mobility solutions, PresSense is intended to simplify airline maintenance operations.

June 22, 2023 [Group] – As it celebrates its twentieth anniversary, the Global Compact France Network elects Florent Menegaux as President for a three-year term of office. The national branch of the UN Global Compact is dedicated to undertaking actionable initiatives based on ten universal principles related to human rights, international labor standards, the environment and the fight against corruption. It seeks to engage its members in helping to meet the UN’s sustainable development goals.

June 27, 2023 [Tires] – The French Post Office chooses the prototype MICHELIN UPTIS puncture-proof airless tire to equip 40 delivery vans by the end of 2024. The MICHELIN UPTIS is the only airless tire in the world currently in use on open roads in real-life conditions. The innovation demonstrates both Michelin’s expertise in high-tech materials and its ability to meet the huge self-imposed challenge of making all its tires 100% sustainable by 2050.

June 29, 2023 [Group] – Michelin, Banque des territoires and SEM Oryon have created SAS Atinéa, which will manage the end-to-end redevelopment of the Michelin plant in La Roche-sur-Yon, transforming the site into a center of excellence dedicated to renewable energies and sustainable mobility.

July 26, 2023 [Group] – Michelin delivered sales growth of 5.9% and increased segment operating income by 11.4% in the first half of 2023, in adverse markets. Free cash flow before M&A reached €922 million. Guidance has been revised upwards.

July 28, 2023 [High-Tech Materials] – Michelin confirms the sale to Stellantis of part of its shareholding in Symbio, its hydrogen joint-venture with Forvia. Stellantis now owns an equal 33.33% of the venture, a leading fuel cell mobility enabler, on a par with Michelin and Forvia. The new ownership structure will enable Symbio to step up its expansion in Europe and the United States.

September 13, 2023 [Lifestyle] – Colorado joins the MICHELIN Guides family with 44 restaurants, including five starred establishments.

The latest selection illustrates the Group’s commitment to expanding the MICHELIN Guide internationally.



GROUP

September 19, 2023 [Group] – Michelin is partnering with the biggest eSports event ever organized in France, the KCorp Xperience: KCX3–Karmine Corp vs. The World. In this way, the Group is reaffirming its commitment to raising its profile and enhancing its image across a broad audience. Its engagement with the gaming community is consistent with its capabilities in simulation, virtual design and other core competencies.

September 23, 2023 [High-Tech Materials] – Michelin announces a new phase in the development of its innovative WISAMO wind propulsion solution, which will help to decarbonize maritime shipping. The 100 sq.m inflatable wing-sail is being tested in real-world conditions on the ro-ro vessel Pelican, operated by Brittany Ferries (Compagnie Maritime Nantaise) on the Poole, UK – Bilbao, Spain route. Feedback from this latest phase will support the design of an 800 sq.m wing that will be brought to market in 2026.

September 26, 2023 [Group] – For the ninth year in a row (except for second-quarter 2022), Michelin once again retains its first place in the Posternak Ifop Barometer, a survey that tracks the image of leading French corporations.

September 27, 2023 [High-Tech Materials] – Michelin completes the acquisition of Flex Composite Group, creating a leader in high-tech engineered fabrics and films. In line with the Michelin in Motion 2030 strategy, the acquisition marks a significant step forward in the development of the Group's polymer composites activities. It will increase sales of the Group's High-Tech Materials business by around 20%.

September 29, 2023 [People] – The Group has issued its new Health and Safety Declaration, reaffirming that respect for people has always been one of its fundamental values. With the new Declaration, applicable in every host country, the Group is expressing a commitment, defining a framework and deploying resources to enable everyone to safeguard and manage their health and safety over time, both in the workplace and in their personal lives.

September 30, 2023 [Tires] – The Michelin UPTIS wins the Engineering Award at EQUIP AUTO's International Awards for Automotive Innovation. Presented by a panel of international journalists and experts, the Award recognizes Michelin's technological leadership, as the only tiremaker in the world to operate an airless tire in real-life conditions.

October 4, 2023 [High-Tech Materials] – Michelin and its AirCaptif subsidiary launch the MICHELIN Inflatable Lab, an inflatable clean room structure that provides a secure environment where medical or protective operations may be performed while controlling the purity of the air within. Through the MICHELIN Inflatable Lab, Michelin is reaffirming its commitment to expanding its activities in the field of inflatable solutions and demonstrating its expertise in high-tech materials.

October 5, 2023 [Lifestyle] – The MICHELIN Guide has created the MICHELIN Key, a special distinction celebrating the hotels offering the most remarkable guest experiences in the world. The MICHELIN Guide selection teams will unveil the first MICHELIN Key awards in the first half of 2024.

October 5, 2023 [High-Tech Materials] – In a world first in Toulouse, France, Michelin has tested an innovative inflatable shade sail system designed to cool urban heat islands whose configuration hinders the planting of trees and other vegetation. The prototype offers another compelling illustration of Michelin's expertise in high-tech materials.

October 12, 2023 [Group] – Sumitomo Rubber joins the RubberWay initiative alongside Michelin, Continental, Goodyear and Pirelli. Developed in 2017 by Michelin and software company Smag, the app helps to map social and environmental risks across the natural rubber procurement chain to drive faster, wider take-up of sustainable practices.



GROUP

October 15, 2023 [Tires] – The Indonesian Moto Grand Prix witnessed a historic moment as Michelin celebrated both its 500th victory in the Queen class (500cc/MotoGP™) and its 50 years of innovation since its first win in 1973. Today, Michelin's commitment to motorsports is a powerful accelerator of sustainable innovation. This is particularly the case for MotoE™, a fully electric motorcycle championship held as part of MotoGP™, for which Michelin has developed rear tires containing 52% biosourced, renewable, recycled or otherwise sustainable materials.

October 23, 2023 – [Planet] – The Gravanches production facility in Clermont-Ferrand has reduced its water withdrawals by 60%, or 10,000 cu.m of water a year, by installing a process supporting closed-loop water systems. The initiative has made the facility the Group's most water-efficient new tire production plant, while driving progress towards the target of reducing water use across the Group's production base by 33% in 2030 compared with 2019.

October 24, 2023 [Group] – Michelin reports a 2% increase in sales to €21.2 billion in the first nine months of the year, despite soft volumes and a forex headwind, supported by mix enhancement, the non-tire businesses and brand leadership.

October 26, 2023 [Group] – Michelin announces plans to wind down the tire production operations of its Ardmore production facility, in response to the shifting North American market. Around 1,400 people will be impacted by the wind-down, which should be completed by the end of 2025.

October 2023 [Lifestyle] – The MICHELIN Guide extends its international coverage by adding three new destinations, Atlanta in the United States, and Buenos Aires and Mendoza in Argentina. The latter are the first two Hispanic South American destinations to join the world leader in gourmet dining guides.

November 9, 2023 [Planet] – Michelin and Bridgestone have published a white paper to share the results of their joint initiative to increase the reuse in new tires of carbon black recovered from end-of-life tires, as part of their journey to material circularity. The paper follows on from the joint call to action around recovered carbon black at the 2021 Smithers rCB conference.

November 9, 2023 [Tires] – Michelin and Lilium have signed an agreement covering the design and serial production of tires for the Lilium all-electric vertical take-off and landing (eVTOL) jet. The partnership, which leverages Michelin's 100 plus years of experience working with the aerospace industry, is a perfect illustration of the Group's commitment to supporting the transformation of aviation to make it more sustainable.

November 16, 2023 [Connected Mobility Solutions] – At the 2023 Solutrans trade fair, Michelin presents its range of transportation-related mobility solutions, while demonstrating its commitment to enabling carbon-free mobility. The new MICHELIN Connected Mobility solution brings together all of Michelin's unique capabilities to ensure that fleet management operations are safer, more efficient and more sustainable. As well, Watèa by Michelin, a mobility operator specialized in the energy transition of professional fleets, has now integrated hydrogen vehicles into its offering.

November 28, 2023 [Group] – Michelin announces its decision to restructure operations in Germany, with the gradual shutdown of production operations at its Karlsruhe and Trier plants and of new tire and semi-finished product manufacturing in Homburg, and the transfer of the Customer Service Center from Karlsruhe to Poland. A total of 1,532 employees will be impacted by these operations, which are meant to be completed by the end of 2025.

December 5, 2023 [High-Tech Materials] – Symbio, an equally owned joint venture between Michelin, Forvia and Stellantis, inaugurates SymphonHy, comprising both the venture's first gigafactory and its center of technological and industrial excellence. Located in Saint-Fons, in the Auvergne-Rhône-Alpes region in France, SymphonHy is the largest integrated fuel cell production site in Europe. Symbio has strengthened its technological and industrial leadership, while reaching a new milestone on the road to zero-emission mobility.



GROUP

December 6, 2023 [Planet] – Michelin, the French national research institute CNRS and the University of Clermont Auvergne have combined their expertise as part of the new BioDLab joint research laboratory, dedicated to studying the degradation and biodegradation of tire wear particles resulting from contact between road and tire.

December 22, 2023 [Group] – Michelin marks its e-commerce presence in Australia and Asia Pacific with the acquisition of Tyroola, Australia's third largest online player for tires and fitting services. The acquisition will enable the Group to offer customers the best possible experience, from online information seeking to tire fitting.

January 16, 2024 [Planet] – The Group announces its intention to apply the recommendations of the Task Force on Nature-related Financial Disclosures (TNFD), in alignment with the targets defined at COP15 in Montreal. The announcement expands on Michelin's commitments to biodiversity already expressed in 2018 through the act4nature international initiative.

January 19, 2024 [Group] – Michelin, IFPEN and Axens inaugurate the first industrial-scale demonstrator unit capable of producing bio-based butadiene, representing a major milestone in the creation of a new industry. Built on the Michelin site in Bassens, France, the demonstrator is part of the BioButterfly project, which aims to develop and bring to market butadiene using ethanol derived from plant biomass to replace butadiene made from petrochemical feedstocks.

January 20-25, 2024 [People] – The Michelin Volunteers program encourages employees to get involved in local community engagement initiatives addressing a broad array of issues, including health, education, emergency relief, safe mobility, the environment, diversity and inclusion. In 2023, 15.7% of Group employees, or 19,700 people, took part in a volunteer program, with a target of 20% set for 2030. Their engagement is helping to support the Group's deeply held social responsibility commitment to acting in the common good.

Fourth-quarter 2023 [Planet] – To test the Science-Based Targets for Nature (SBTN) methodology, which enables companies to identify biodiversity issues and prioritize their initiatives, Michelin joined the Natural Capital Lab initiative founded by WWF France and the Environmental Accounting Chair at AgroParisTech in 2020. In 2024, three Group facilities will pilot the methodology in assessing their water use.

Fourth-quarter 2023 [People] – Through the Michelin One Care program being gradually rolled out worldwide through 2025, the Group is committed to offering social protection benefits to every employee at important moments in their lives. In 2023, for example, paternity leave was extended, death coverage was improved and healthcare support was broadened. In all, 92% of Group employees benefit from healthcare insurance in compliance with defined standards.

Fourth-quarter 2023 [People] – In 2023, Michelin stepped up deployment of its Diversity and Inclusion process, significantly improving the percentage of women employees and the recognition of all forms of diversity. Michelin measures the program's progress using a composite indicator tracking five metrics: gender diversity, identity, multi-national management, disability and equal opportunity in promotions. In 2023 the indicator improved by two points from the prior year, and now stands at 72, with a target of 80 in 2030.

A full description of the highlights may be found on the Michelin website: www.michelin.com/en



GROUP

Results presentation

PRESENTATION AND CONFERENCE CALL

Full-year 2023 results will be reviewed with analysts and investors during a presentation today, Monday, February 12, 2024 at **6:30 pm** CET. The event will be in English, with simultaneous interpreting in French.

WEBCAST

The presentation will be webcast live on www.michelin.com

CONFERENCE CALL

The conference call will be accessible from 6:20 pm CET on one of the following numbers:

- | | | |
|----------------------|-----------------|------------------|
| • From France | 01 70 91 87 04 | PIN code: 157779 |
| • From the UK | +44 1212818 004 | PIN code: 147778 |
| • From North America | +1 718 705 8796 | PIN code: 147778 |

Financial information for the year ended December 31, 2023 (press release, presentation, financial report) may also be viewed at Michelin.com along with practical information concerning the conference call.

INVESTOR CALENDAR

- April 24 **Quarterly information for the three months ending March 31, 2024**
- May 17 **Annual Shareholders Meeting**
- May 22 **Ex-dividend date**
- May 24 **Dividend payment**
- May 28 **Capital Markets Day**
- July 24 **First-half 2024 results**
- October 23 **Financial information for the nine months ending September 30, 2024**

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This press release may contain a number of forward-looking statements. Although the Company believes that these statements are based on reasonable assumptions at the time of publishing this document, they are by nature subject to risks and contingencies liable to translate into a difference between actual data and the forecasts made or inferred by these statements.