2024 ANNUAL SHAREHOLDERS MEETING
May 17, 2024

Answers to written questions submitted prior to the Annual Shareholders Meeting

Management has received 1à written questions from one shareholder and answers them below.

The Environment

Question 1

a) Please state your short, medium and long-term decarbonization targets for your three scopes, in both absolute value and intensity. For each target, please explain the main initiatives being undertaken to meet it, specifying each one's percentage contribution towards achieving the target.
How much of your strategy is dedicated to negative emissions (capture and storage), avoided emissions and carbon credits (aside from your decarbonization targets)? To help you answer these questions, you may complete the table in Appendix 1.

b) Please indicate the amount of capital expenditure needed for each of the main initiatives deployed across the three scopes. Please specify the timeframes for these capital projects.
Note that the information expected here is usually different from the amount of CapEx/OpEx aligned with the European Taxonomy, which only relates to expenditure on your sustainable activities and not outlays allocated to your decarbonization plan as a whole.

c) Which baseline scenario(s) are you using for your decarbonization strategy, in each of the three scopes? Is the strategy aligned with a 1.5°C scenario? Has it been approved by an independent third party *(*SBTi, ACT-ADEME, etc.)?
Please indicate the name of the scenario(s) and the reference organization(s) (e.g. IEA, IPCC, etc.).

ANSWER:

The Group's climate strategy is organized around two key plans. The first is a transition plan including (i) initiatives to decarbonize direct and indirect activities in the value chain (Scopes 1, 2 and 3) and (ii) strategic initiatives to build resilience and support a low-carbon economy. The second is an adaptation plan to prepare for the physical impacts of climate change.

Decarbonization targets for the short (2030) and long term (2050) are presented in Appendix 1, along with their allocated capital expenditure.

Past and future improvements are being driven by a two-pronged strategy designed to (i) reduce energy use and (ii) shift to a less carbon-intensive energy mix.

- The first objective is being pursued through programs to increase energy efficiency in the production plants.
- The second is being met by activating both structural levers, to upgrade energy supply infrastructure to use less carbon-intensive energies, and market levers to purchase less carbon-intensive energies.

With regard to Scope 3, the priority areas for action concern the reduction of emissions from:

- Purchased raw materials and components, with a focus on the former, which account for around 85% of emissions from purchased goods and services

- The Group's transportation operations, which concern the supply of semi-finished product raw materials to the production plants, the inter-plant transportation of semi-finished products, the delivery of finished products to customers and the management of warehouses
- Upstream purchased energy, i.e., the extraction, production and transportation of fuel purchased by the company or used in the generation of electricity or heat.

In July 2021, Michelin joined the “Race To Zero” campaign, answering the call to action by the international consortium comprising the Science Based Targets initiative (SBTi), the United Nations Global Compact and We Mean Business.
Under this commitment, the Group has defined short-term (2024–2034) milestones and long-term (2035–2050) targets for reductions in all three scopes (excluding the in-use phase) and will offset any residual emissions every year to reach net-zero by 2050. The short-term milestones, which are consistent with the “well below 2°C” global warming scenario, were approved by the SBTi in January 2023. In January 2024, the Group submitted to the SBTi new short and long-term targets aligned with a 1.5°C pathway, which are described in Appendix 1.

Question 2

Companies are still not sufficiently addressing biodiversity-related risks, impacts, dependencies and opportunities in their internal operations, supply chain, products, customer services and other aspects of their business. However, progress is being made in terms of awareness, tools (TNFD, SBTN, GRI, etc.) and practices.
While this issue may not seem very material to some industries, we believe that it deserves analysis in each one.

a) Have you deployed initiatives to assess, track and reduce your biodiversity and nature-related dependencies, risks and overall footprint? Have you also explored opportunities to invest in projects with a net positive impact on nature or in services to support biodiversity?
Is your assessment up to date and does it cover your entire value chain (direct, upstream and downstream operations)? If it covers only part of your value chain, do you plan to extend its scope? If not, why not?

ANSWER:

The Michelin Group has deployed initiatives to understand and assess its biodiversity dependencies and impacts across its value chain.

Significant nature-related dependencies.

Of the 200 or so materials used to make a tire, natural rubber accounts for around 21% of the Group’s purchased raw materials inputs. This means that Michelin is highly dependent on this natural raw material and, in turn, that its income depends on maintaining proper environments for biodiversity and ecosystems. Michelin is also dependent on water supply for its manufacturing operations.

VALUE CHAIN	Upstream / Direct Operations *(Natural Rubber Production)*	Direct Operations	Downstream
ECOSYSTEM SERVICES...	**Production of raw materials from biomass**	**Production facilities**	**Storage, Transport, Usage, End-of-life**
MATERIAL DEPENDENCIESON NATURE			
...for regulation purposes	• Climate • Water cycle • Erosion management • Diseases and pests	• Extreme weather events	The data establishing the dependencies of downstream operations are not yet available
...that enable the production of natural raw materials	• Groundwater • Pollination • Soil quality		
...for supply purposes	• Natural rubber and other raw materials • Surface water • Energy	• Energy from biomass • Groundwater and surface water	
...that mitigate direct impacts	• Natural bioremediation • Bioregeneration		

Level of dependence: Very high, High, Medium, Low, Very low

The table above is a non-exhaustive illustration that does not reflect weak dependencies.

Potential impacts of Michelin's activities on nature: analysis based on internal studies, the Encore® tool and the findings of the first two steps of the Science Based Targets for Nature guidance

VALUE CHAIN		EXAMPLES OF PROCESSES THAT CAN CAUSE SUCH IMPACTS		
		Upstream / Direct Operations *(Natural Rubber Production)*	Direct Operations	Downstream
Pressure	**Potential Impacts**	**Production of natural rubber and other raw materials**	**Production Facilities**	**Storage, Transportation, Usage, End-of-life**
Land use change	• Deforestation • Biodiversity loss • Habitat loss	• Unsustainable forest management • Landscape conversion and/or fragmentation	• Soil artificialization and sealing • Fragmentation of natural areas • Biomass energy use	• Soil artificialization and sealing • Fragmentation of natural areas
Over exploitation of Resources (Water use)	• Water resources depletion	• Nursery irrigation (e.g. natural rubber) • Other water-intensive raw materials	• Water withdrawals	
Climate Change (CO_2 emissions)	• Increase in atmospheric CO_2	• Production, processing and transportation of fossil-based raw materials • Production and transportation of raw materials from biomass	• Energy use	• Transportation • Vehicle fuel consumption caused by tires • Recycling
Air, water and soil pollution	• Increased GHG concentration in the atmosphere • Water and soil quality changes • Eutrophication	• Use of pesticides and fertilizers • Use of chemicals • Wastewater discharges • Waste	• Use of chemicals • Wastewater discharges • Waste • Air emissions	• Waste from tire abrasion • Elimination of waste in landfills
Invasive species	• Biodiversity loss • Habitats loss	• Introduction of non-native species		• Transportation

Level of potential impact: Very high, High, Medium, Low, Not yet determined

Source: internal analyses, Encore®and SBTN Steps 1&2 test results.

Based on this analysis, the Group's main potential impacts stem from the use of land for the production of natural rubber and from the CO_2 emissions, water withdrawals and waste generated by production plant operations.

The Scope 1, 2 and 3 climate change impacts and the impacts from production plant operations are being attenuated by 2030 reduction targets and dedicated programs.
(See the 2023 Michelin Universal Registration Document, pp 200-202.)

With regard to investment opportunities to support biodiversity, the Group is funding and leading a number of biodiversity protection, restoration and conservation projects in Brazil and Indonesia, where it directly owns natural rubber production operations. Thanks to these projects, 3,900 hectares of Atlantic forest are now protected as part of the Michelin Ecological Reserve (REM) in Bahia, Brazil and more than 11,000 hectares are being conserved and restored in the concession operated by our PT Royal Lestari Utama (RLU) subsidiary in Indonesia. *(See the 2023 Michelin Universal Registration Document, pp 204-206.)*

The Michelin Foundation is supporting WWF Brazil by participating in a project to safeguard biodiversity in the Amazon rainforest by developing alternative deforestation-free business models for local communities. Its social and environmental impact concerned 522 families or 2,600 people in 2023, when, in addition, a forest conservation reserve was extended to 1,380,000 hectares.
(See the 2023 Universal Registration Document, page 256; https://fondation.michelin.com/en/the-natural-rubber-value-chain-in-the-brazilian-amazon)

b) Have you disclosed the findings of your assessments? If not, are you planning to? Please give the reasons for your answer.
Are you planning to use voluntary frameworks, such as TNFD, SBTN and GRI 101, to disclose your nature-related risks and opportunities?

ANSWER:

Summarized findings of the assessment of the biodiversity dependencies and impacts of our activities may be found in the 2023 Universal Registration Document, pages 200-202.

Michelin has test-performed the first two steps in the Science Based Targets for Nature (SBTN) guidance: 1. Assess and 2. Interpret & Prioritize. A compilation of feedback from Michelin and other stakeholders was published (in French) by the Natural Capital Lab in 2022. *(https://lab-capital-naturel.fr/media/integrer-l-entreprises-dans-les-limites-planetaires.pdf)*

Moreover, Michelin has expressed its intention to apply the recommendations of the Task Force on Nature-related Financial Disclosures (TNFD) in its 2025 non-financial reporting exercise, as part of TNFD's inaugural cohort of Early Adopters launched at the World Economic Forum in Davos in January 2024.
(https://tnfd.global/engage/inaugural-tnfd-early-adopters/?_sfm_adoption_year=2025)

c) Do you disclose or are you planning to disclose metrics to track biodiversity-related risks and opportunities for your company (asset value, liabilities, revenue and expenditure deemed vulnerable to nature-related risks, capital expenditure, financing or investments dedicated to nature-related opportunities, etc.)? If so, which metrics do you use and have you set targets for them? Please explain why you chose them. If not, why not?

ANSWER:

In 2018, Michelin undertook specific commitments to safeguard biodiversity and ecosystems in association with the act4nature international initiative. These commitments were strengthened in 2021 and again in 2023 with the definition of 2030 targets for research and development, raw materials and manufacturing and research facilities.

Progress on these targets is being tracked by measurable indicators rated as SMART by act4nature international and reported every year in the Universal Registration Document (page 203 in 2023).

In 2025, Michelin plans to disclose other indicators for its direct operations, depending on the results of the double materiality analysis performed in compliance with the Corporate Sustainability Reporting Directive (CSRD). The choice of indicators is currently being studied.
These indicators will also be aligned with the standards of the Taskforce on Nature-related Financial Disclosures (TNFD) in 2026.

Question 3

a) How does the circular economy fit in your company's strategy?

Criteria to be assessed:

- *Targets (measurable, ambitious, scope)*
- *Goal and quality of the strategy*
- *Ties to other sustainability issues (particularly carbon reduction and biodiversity)*

ANSWER:

The circular economy is both a strategic challenge and a growth driver for the Group. Circular practices address the twin imperatives of responding to the environmental emergency and securing the sustainability of our business operations.

They also help to make our products, services and solutions more sustainable. This is why, across the Group, we are developing eco-designed solutions that address environmental impacts over their entire lifecycle (design, manufacture, use, etc.), using as few resources as possible and incorporating an increasing proportion of renewable and recycled materials (40% by 2030 and 100% by 2050).

Circularity fits seamlessly with Michelin's philosophy focused on long-lasting performance, which helps to combat planned obsolescence and reduce the use of fossil fuels. Michelin is committed to using resources more effectively, by embracing eco-design practices, using life cycle assessments and deploying the Michelin 4R circular economy approach (Reduce, Reuse, Recycle and Renew), which is reflected in our R&D and open innovation strategy.

The approach is also consistent with the Group's sustainability objectives, which are aimed at reducing its environmental impact by:

- Avoiding biodiversity loss by fostering material circularity (embedding circularity into the business model, developing and supporting recovery and reuse channels, using recycled instead of raw material and developing new technologies)
- Reducing carbon emissions with the 4R approach (e.g. Reduce, with eco-design enabling tires to be replaced less often, or Reuse, with a smaller carbon footprint for products such as repairs or services such as connected fleet solutions)
- Reusing, thanks to solutions such as repairing, regrooving and retreading tires, which help to conserve raw materials because they extend a casing's useful life and use less raw material compared to manufacturing a new tire. For example, assuming the Michelin Truck tire has a theoretical lifespan of 100,000 km, regrooving can add 25,000 km without any additional material. Retreading can then add a further 100,000 km using four times less raw material than it takes to make a new tire. Lastly, the final regrooving increases total tread life by another 25,000 km.
- For 50 years, Michelin has been operating the "Tire as a Service" business model, which is part of the functional economy. This pay-per-use system is based on the mileage driven by customers. This currently involves approximately 400,000 vehicles, and demand for this type of solution is growing faster than the traditional tire market. The "Tire as Service" model brings the in-use phase of the product life cycle, which is the main source of CO_2 emissions, under control. Over one year of

operation, we estimate that we will reduce consumption by 26,000 tonnes for materials and 130 million liters for fuel, and reduce CO_2emissions by 330,000 tonnes.

b) Which risks has your company identified concerning the resources, incurred costs and CapEx/OpEx allocated to the circular economy?

Criteria to be assessed:

- *Identification of upstream and downstream risks (resource depletion, supply and access difficulties, waste management, legislation, etc.)*
- *Related financial costs*
- *CapEx and OpEx (in %)*

ANSWER:

If we analyze the renewable and recyclable material inputs that we will need by 2040, the value chains capable of supplying 20% of these renewable or recycled material inputs will not yet be fully scaled up. They are either still in the pilot or maturation phase, in laboratories, or their technologies have not yet been developed. The initial estimations for the capital outlays required to support the creation of these new value chains by 2040 have been estimated at more than €10 billion.

In addition to creating these new value chains, securing access to the requisite quality and quantity of primary and secondary feedstock is strategic at a time when competition for these resources is becoming increasingly fierce. As these new circular value chains emerge, the notion of end-of-life waste will have to be disregarded to speed the transition and remove the inherent regulatory obstacles.

All these value chains will have to develop the technological means of creating value from recovering and reusing these materials, while minimizing their environmental impacts. Circularity decisions will necessarily be based on business and environmental synergies. At this stage, it's very difficult to estimate this revolution's cost impact on our value chains. We are sure that we will transition through a number of phases involving a variety of chain of custody models (mass balance, identity preservation, segregation), depending on the channel, which will feed through to varying economic impacts.

Currently, initial data show that the price of renewable and recycled raw materials can increase significantly due to the structure of their different value chains (doubling, quintupling or more). Because these channels are still emerging, it is very difficult to estimate the additional costs.

c) What key initiatives have you taken to make your business model more circular? What percentage of sales do these initiatives represent?

Criteria to be assessed:

- *Inclusion of key circular economy priorities (reducing resource use, encouraging resource sufficiency, eco-design, sustainable sourcing, reuse, industrial and community ecology, recycling, etc.)*
- *Upscaling of circular economy initiatives and projects*
- *Percentage of sales from circular economy solutions (or any other relevant circular economy metric)*

ANSWER:

To drive this transformation, in 2023 the Group created a new Operational Direction - Solutions for Materials Circularity, which is tasked with orchestrating the circularity revolution both internally and externally. It is committed to securing access to feedstock, supporting the emergence of new value chains and developing new circularity solutions resonant with our tire performance products.

More generally, it will enable us to deliver improved environmental performance across the entire product lifecycle, by supporting the recovery and reuse of end-of-life tires.

To move this circular economy forward, we will use all the supporting capabilities that we have already started to deploy, such as:

- European projects in collaboration with other public and private-sector stakeholders
  - BlackCycle: a European project coordinated by Michelin bringing together 13 public and private-sector stakeholders develop an end-of-life tire recycling value chain.
  - WhiteCycle: a European consortium coordinated by Michelin bringing together 16 public and private-sector stakeholders to develop a circular solution for recycling complex plastic waste.
- Partnerships to develop innovative recycling technologies that transform waste into raw materials
  - Enviro: a pyrolysis technology used to recycle tires and recover new materials, such as recycled carbon black, pyrolysis oil and gas.
  - Pyrowave: a pyrolysis process that produces recycled styrene from polystyrene.
  - Carbios: an enzymatic recycling process that transforms plastic waste, which was tested and approved by Michelin in 2021.
- Support for the creation of joint ventures, such as Antin-Enviro.
- Projects supporting the emergence of bio-based materials supply chains and the replenishment of natural raw materials, including the construction of industrial demonstrators such as BioButterfly, France's first demonstrator unit for the production of bio-based butadiene.

These examples illustrate the full diversity of the initiatives required to successfully meet these new challenges.

Social

Question 4

a) In France, the Climate and Resilience Act of August 22, 2021 and the National Interprofessional Agreement (ANI) on the environmental transition and social dialogue signed on April 11, 2023 have extended the environmental remit of the CSE works councils and strengthened the role of local employee representatives. Which initiatives undertaken over the past twelve months do you feel significantly illustrate a change in the way these councils function in your organization as a result of these new regulations?

b) In exercising this new remit, the training and expertise of employee representatives play an essential role. Have you recently developed, or are you planning to develop in the near future, any programs specifically intended for employee representatives to strengthen their expertise in environmental issues, over and above compliance with prevailing legislation?

c) International framework agreements tend to improve the quality of labor relations in a company. Has your Group signed a framework agreement that extends beyond the European Union? If so, how have you ensured that it addresses the environmental transition and, more broadly, environmental issues? If not, are there any plans for such a project? In any case, please list any major initiatives undertaken in your five main geographic markets outside France that demonstrate that employee representatives have recently become more involved in your environmental policy.

ANSWER:

In France, environmental issues are addressed in every project presented to our governing bodies. For example, as part of the reorganization of the Vannes maintenance workshop, the project teams took into account the need to maintain the skills required to bring about the breakthrough in sustainable resources in the water and energy sectors.

More generic projects, involving local representatives, are also being set up to enable employees who wish to simplify their user patterns, for example by authorizing them to use just one (personal) smartphone instead of two (with two SIMs or e-SIMs), in response to "PLANET" and "PEOPLE" issues.

Concerning information for employees who may be impacted by climate change:

We serve our customers with products and services aligned with their needs.

The widespread take-up of electric mobility requires different products and services, which could lead to a decline in demand for legacy products, causing difficulties at certain production plants. In this case, we consistently ensure that every employee is taken care of and supported. A recent example is the plant in Ardmore (ARD), Oklahoma, where the production facilities can no longer manufacture the products expected by our Original Equipment customers, and eventually our Replacement customers as well.

A dedicated, highly detailed plan is now underway to support every impacted employee.

Concerning the involvement of employee representatives in our environmental transition:

i. These issues are regularly addressed in two representative bodies, the Michelin European Works Council (CEEM) and the Michelin Global Works Council (MWC).
ii. The CEEM has 32 members, representing 16 European countries, proportionate to the number of employees on payroll in each one.
iii. The MWC has 49 members, representing 19 host countries worldwide, proportionate to the number of employees on payroll in each one.
iv. The CEEM meets twice a year and the MWC once a year.
v. Each meeting is attended by Group Executive Committee members, corporate and operational department executives, and regional managing directors. We are particularly focused on the 3Ps (People/Profit/Planet), with the Group's performance in each one systematically reviewed in the CEEM meetings. We also devote a significant portion of the agenda to People issues. At the last MWC meeting in Ladoux, we shared with the 49 members our product upgrades to support the environmental transition, as well as the initiatives undertaken by the Ladoux center to attenuate its environmental impact.

In addition, a framework agreement with the IndustriALL Global Union is in place governing a Michelin Global Works Council (MWC), which meets in person once a year to discuss People, Profit and Planet issues and corporate strategy.

The last meeting was held in September 2023 at the Ladoux research center in France and the next one will take place in October 2024 in Clermont-Ferrand.

Question 5

a) For each of the past five years, please indicate the number of shares bought back over the year (including the number held under liquidity contracts), the number of new shares issued and the number of shares held in treasury at the beginning and end of each year. For each of these same years, please provide a breakdown of the number of shares canceled; the number of shares allocated under performance share plans (as well as the number of grantees and the percentage of the total workforce they represent); the number of shares distributed under employee share ownership plans (as well as the number of eligible employees, the number of investing employees, and the percentage of the total workforce they represent); and the number of shares used for other purposes (specifying details).
To help you answer, you may complete the table in Appendix 2.

ANSWER:

The information requested is presented in Appendix 2.

b) In the case of performance share plans, and where relevant, how do you offset the impact of treasury shares or canceled shares when calculating the target achievement rate?

ANSWER:

Compagnie Générale des Etablissements Michelin does not generally hold any shares in treasury, and any that are so held are canceled at year-end.

c) How much capital expenditure (including R&D) have you committed in each of the past five years? How much did you spend on share buybacks and cancellations over this same period? To help you answer, you may complete the table in Appendix 3.

As part of your overall process of sharing value, do you determine the amount allocated to share buybacks in relation to capital expenditure committed during the year (particularly outlays dedicated to the environmental transition), given the critical role such spending plays in creating value and securing the company's long-term viability? If so, do you have specific guidelines in place? If not, please explain why you do not consider capital expenditure in determining the budget for share buybacks.

ANSWER:

The amount allocated to share buybacks is determined based on the Group's total investment needs, including both capital spending and acquisitions to support the environmental transition and deployment of the Michelin In Motion strategy. Throughout, the Group consistently ensures that spending on share buybacks does not hinder these strategic financing needs.

For example, investments in 2023 (CAPEX + acquisitions) amounted to €2.9 billion, which represents nine times the average annual share buyback program over the next three years (€1 billion between 2024 and 2026).

Appendix 3 has been completed.

Question 6

The Global Living Wage Coalition defines a living wage as: *"The remuneration received for a standard workweek by a worker in a particular place sufficient to afford a decent standard of living for the worker and her or his family. Elements of a decent standard of living include food, water, housing, education, health care, transportation, clothing, and other essential needs including provision for unexpected events."* Note that the living wage is not the same as the local legal minimum wage.

a) Have you adopted a definition of a living wage similar to the one above? If so, what is it? Have you deployed a policy or commitment with regard to living wage issues (public commitments, certification as a Living Wage Employer, etc.)?

Please note that for the remaining questions, we are specifically looking for information related to a living wage, as opposed to the local legal minimum wage. If you have not yet made any such commitment, please go to question 7.

b) Based on your definition of a living wage, have you started to calculate one? If so, which method are you using and for which region(s) and scope (just employees or also contractors, smallholders, etc. and/or supplier employees)? What information do you disclose about this issue?
Have you identified any gaps between the minimum wage and the living wage?

c) Please describe the initiatives undertaken to implement living wage polices? (e.g.: deploying living wage management practices, supported by training, engaging with employee representatives and/or suppliers, improving purchasing practices, fostering freedom of association and collective bargaining, etc.).

d) How do you measure the application of a living wage for your employees and at your suppliers? Please give details of any external audits you use to track implementation.

e) Have you identified any obstacles that might stand in the way of paying a living wage to your employees and your suppliers' employees *(for example, in a country where rights and certification rules are less stringent)*? If so, what are you doing to overcome them?

Additional question: Do you disclose the findings of any reviews and have you set up a whistleblowing mechanism for your employees and suppliers?

ANSWER:

In most of our host countries, the living wage benchmarks defined by the Fair Wage Network are higher than local legal minimum wages.
The Fair Wage Network updates these benchmarks every year, and 2023 saw a substantial increase in some countries.
As part of the certification process undertaken with the Fair Wage Network, individual compensation is systematically compared with these living wage benchmarks.

We use the definition of the United Nations Global Compact and our partner, the Fair Wage Network: compensation that enables an employee to meet the needs of his or her family (food, housing, transportation, children's education, healthcare), while also saving for the future and purchasing "standard" consumer goods (depending on each country's standard of living). This benchmark is defined for a standard number of working hours, excluding overtime. Our partner, the Fair Wage Network, provides us with local benchmarks that more accurately reflect the actual living conditions of local employees.

In the interests of fairness and consistency, Michelin has a single compensation strategy for all units, job families and employee categories, with the same management rules and procedures in every host country. Employees are paid according to their level of responsibility, guaranteeing each one compensation that is fair and competitive in the local job market. Every year, we participate in compensation surveys conducted by specialized firms such as Korn Ferry and Mercer, thereby ensuring that our compensation practices are well positioned against industry benchmarks.

In addition, since 2020, Michelin has partnered with the Fair Wage Network, an internationally recognized expert in these issues, to assess whether the fixed compensation paid to Group employees provides sufficient income to meet the basic needs of their families (such as food, housing, children's education and healthcare), while also saving for contingencies and the future.

- In 2021 and 2022, a review of Group-wide compensation found that 98.5% of employees around the world were paid at least the equivalent of the living wage benchmarks defined by the Fair Wage Network.
- This process was pursued in 2023, when the Fair Wage Network certified Michelin Group as a "Global Living Wage Employer" in December.

LIVING WAGE CERTIFIED

LIVING WAGE CERTIFICATE

The Fair Wage Network guarantees that all employees of the company **MICHELIN** are paid at or above the Living Wage threshold as defined by Fair Wage Network. Therefore, **MICHELIN** can be qualified as a `Global Living Wage Employer'

In addition, in most of our host countries, national healthcare, insurance and pension systems are supplemented to ensure that employees enjoy competitive local benefits. In 2021, for example, Michelin defined the Michelin One Care Program, a set of basic social protection benefits, supplementing national public systems as needed, that is offered to every employee. The Program embodies the Group's commitment to supporting every employee at key stages in their lives, covering parenthood, death and access to healthcare. Roll-out began in 2022, for scheduled completion in 2025.

Question 7

a) France-specific questions: How many funds are offered to participants in your employee savings plans, excluding employee share ownership funds? How many funds offered to employees have been certified as socially responsible (please specify each one's name and its label/certification)? Please specify the amount of assets under management in each SRI-certified fund.
As well, please indicate the total amount of assets under management and the amount of assets under management (excluding employee share ownership funds) in non-SRI funds.
To help you answer, you may complete the table in Appendix 4.

On average, are the matching employer contributions offered on your SRI funds larger than those offered on non-SRI funds (excluding employee share ownership funds)?

ANSWER:

The same range of funds is offered to Michelin employees in all three of the tax-advantaged employee savings plans (PEE, PERCOL and PERO). As of March 30, 2024, total assets under management stood at €828 million, of which €724.5 million excluding employee share ownership funds and euro funds (*fonds euros*).
The range comprises three multi-company funds:
Natixis ES Monétaire (19% of assets excluding employee share ownership funds and *fonds euros*) => in the process of obtaining SRI certification
Avenir Patrimonial (1% of assets excluding employee share ownership funds and *fonds euros*)
Sélection DNCA Actions Euro PME (1% of assets excluding employee share ownership funds and *fonds euros*) => SRI-certified

And six dedicated funds (79% of assets excluding employee share ownership funds and *fonds euros*):
BIB ISR Diversifié Solidaire
BIB ISR Equilibre
BIB ISR Equilibre Planète
BIB ISR Dynamique Euro
BIB ISR Dynamique Monde
BIB ISR Dynamique Climat

These six dedicated funds cover 27 underlying assets, one third of which are index-linked funds.

		ETF	Label	SFDR
Amundi MSCI World Climate PAB	LU2182388400	x	ISR	8
BNP Paribas ECPI Cirular Economy Leaders	LU1953136527	x	ISR/Towards Sustainability	8
DNCA INVEST DIVIDEND GROWER I EUR	LU2194925884		ISR	8
DNCA SRI Euro Quality I(C) EUR	FR0010948463		ISR	8
HSBC RESPONSIBLE INVESTMENT FUNDS - EUROPE EQUITY GREEN TRANSITION ZCE	FR0011235340		Greenfin/ISR/ Towards Sustainability	9
Ishares EMU ESG Enhanced Focus CTB EUR-D	IE00BHZPHZ28	x		8
Ishares Euro Government Bond Climate UCITS ETF	IE00BLDGH553	x		8
iShares Global Clean Energy UCITS ETF USD (Acc)	IE000U58J0M1	x		8
Ishares Word ESG Enhanced Focus CTB USD-A	IE00BHZPJ569	x		8
LAZARD SUSTAINABLE EURO CREDIT	FR0010751008		ISR	8
MIROVA CLIMAT SOLUTIONS EQ FD SI-NPF/A EUR	LU2646175450		Greenfin/ISR/ Towards Sustainability	9
MIROVA EURO GREEN SUSTAINABLE BOND FUND	LU1469472473		ISR/ Towards Sustainability	9
Mirova Euro Short Term Sustainable Bond Fund	LU2478818839		ISR	9
Mirova Europe Environnement	LU1847728414		Greenfin/ISR/ Towards Sustainability	9
MIROVA EURO SUSTAINABLE EQUITY	LU0914731780		ISR/ Towards Sustainability	9
MIROVA GLOBAL GREEN BONDS	LU1525462542		Greenfin/ISR/ Towards Sustainability	9
MIROVA INSERTION EMPLOI DYNAMIQUE	FR0014000IA7		ISR/Finansol/Relance	9
MIROVA SOLIDAIRE M	FR0010354555		Finansol	9
OSSIAM BLOOMBERG EUROZONE PAB	LU1847674733	x		9
OSSIAM BLOOMBERG USA PAB	IE000IIED424	x		9
Ossiam Bloomberg Japan PAB NR - UCITS ETF 1C (EUR)	LU1655103643	x		9
OSTRUM SRI EURO BONDS 3-5 I (C/D) EUR (4065)	FR0011314798		ISR	8
Ostrum SRI Money	FR0007075122		ISR	8
PICTET - GLOBAL ENVIRONMENTAL OPPORTUNITIES - Z EUR	LU0503631631		ISR/ Towards Sustainability	9
Robeco Smart Energy Funds I EUR	LU2145462722		Towards Sustainability	9
SYCOMORE EUROPE ECO SOLUTIONS	LU1183791281		Greenfin/ISR/ Towards Sustainability	9
THEMATICS WATER S/A EUR	LU1951229381		ISR/ Towards Sustainability	9

In all, €450 million* is invested in certified funds, representing 62.1%* of total assets under management excluding employee share ownership funds and *fonds euros*. (*including Natixis ES Monétaire, currently in the process of being certified)
The employer contribution policy is designed to encourage savings in general. There is no specific earmarking for the employee share ownership fund.

b) If certain funds are not certified but comply with ESG criteria, explain how these criteria demonstrate a robust, selective ESG approach *(please indicate the proportion of funds invested according to ESG criteria and/or theme of these funds*).
Have you agreed with employee representatives to increase the number of certified funds over the next three years?

ANSWER:

The savings solutions were developed jointly with employee representatives, who were involved in every stage of the project, from drafting specifications and analyzing tender bids to selecting the custodian and validating the final range of funds and the communication plan.
One of the project's objectives was to offer an array of funds aligned with the Group's values and engaged with the environmental transition and sustainability. To avoid greenwashing, the following principles guided the choice of the six dedicated funds:

- They had to be SRI-managed
- At least 15% of the assets had to be invested in Finansol, Greenfin or Relance-certified funds
- Funds that had not earned one of those three labels had to be certified to similar standards (SRI, Towards Sustainability, CIES, etc.)
- The underlying funds had to be exclusively SFDR Article 8 or Article 9 funds.
- To limit costs for investors, one third of the underlyings were index-linked funds, with management focused on the Paris agreements (PAB index) or the climate transition (CTB index).

Moreover, two of the dedicated funds (BIB ISR Equilibre Planète and BIB ISR Dynamique Climat) were created based on themes from a Group initiative that involved all our employees. In their first year of existence, these two thematic funds raised €8.4 million.
As of March 30, 2024:

- 16.9% (€96 million) of the assets in the dedicated funds were invested in Finansol, Greenfin or Relance-certified underlyings,
- 62.1%* (€450 million*) of the assets, excluding employee share ownership funds and *fonds euros*, were invested in certified funds (*including Natixis ES Monétaire, currently in the process of being certified),
- 34.9% (€252.5 million) of the assets, excluding employee share ownership funds and *fonds euros*, were invested in SFDR Article 9 products,
- 100% (€724.5 million) of the assets, excluding employee share ownership funds and *fonds euros,* were invested in SFDR Article 8 or Article 9 funds,
- 98.8% (€715.6 million) of the assets, excluding employee share ownership funds and *fonds euros*, were invested in certified or index-linked funds,

The non-financial performance of the entire range of funds is overseen by the Supervisory Board, which is fully empowered to adjust or modify the range in the years ahead.

c) How do you involve employee representatives in choosing socially responsible funds *(e.g.: providing training, appointing an expert to help employees learn about responsible investing, allocating time for representatives to challenge the selection of SRI funds)*?
How do you involve employee representatives in monitoring the funds' SRI engagement (training of Supervisory Board members beyond the legally mandated three days, creation of an employee savings commission, etc.)?

ANSWER:

The savings solutions were developed jointly with employee representatives, who were involved in every stage of the project, from drafting specifications and analyzing tender bids to selecting the custodian and validating the final range of funds and the communication plan.
A single Supervisory Board has been appointed for the six dedicated funds to ensure greater consistency in fund oversight and to sustain, over time, the commitment to offering a range engaged with the environmental transition and sustainability. Most of the participants in the project to overhaul the employee savings system were elected to this new Board. In the end, half of the members were appointed by the unions and the other half following a call for candidates, based on the criteria of diversity and an interest in savings and sustainable development issues.

Supervisory Board members and their alternates received three days of training, starting with a one-day session at the custodian's, followed by two days of courses designed by a team of experts specifically for Michelin and tailored to the profiles of the Board members and the range of funds.

The Supervisory Board meets twice a year, while once a month, Board members and their alternates are invited to come and talk to the manager of one of the underlying funds. This gives them a better grasp of the fund's commitment to responsible investing and an opportunity to deepen their financial knowledge.

Governance

Question 8

To ensure that a company's tax responsibility is consistently aligned with its social responsibility, the Board of Directors has to be fully engaged in tax compliance decisions (in line with B Team Initiative and similar principles). With this in mind, the FIR expects companies to issue a publicly available tax responsibility report, prepared in accordance with GRI 207 guidance and presenting a country-by-country breakdown, that is reviewed and signed by the Board of Directors.

a) Do you publish detailed guidelines describing your tax responsibility commitments (unacceptable tax practices, tax havens)? If so, how often are they reviewed and approved by the Board? How does the Board ensure compliance?

ANSWER:

Michelin's tax policy, approved by the Managers and the Deputy Chief Financial Officer, is defined with the utmost precision and applied to the entire Group, regardless of geography. It is described in the tax transparency report, which covers our tax responsibility commitments and which will be issued in June 2024.

b) Do you publicly disclose your country-by-country tax reporting for all your host countries, i.e. exceeding compliance with the EU directive, which limits disclosure to EU member countries and countries on the list of non-cooperative jurisdictions? If not, please explain why. Is the country-by-country breakdown of taxes discussed by the Board?

ANSWER:

We plan to issue a tax transparency report, which will disclose detailed data for the top 17 countries by amount of tax paid. Together, they account for 88% of total sales and 88% of worldwide taxes paid.

c) Can you explain your effective tax rate for 2023? How is it consistent with your tax responsibility commitments?

Will special attention be paid to companies with tax rates that are either particularly low (less than or equal to 20%) or particularly high (around 30%)?

ANSWER:

Michelin's effective tax rate was 20.4% in 2023, taking into account the provisions for restructuring recorded during the period. This rate reflects the Group's global tax footprint. A recurring effective tax rate of close to 20% and the lack of any tax adjustments or convictions for tax fraud attest to the effectiveness of the initiatives and tax governance in place to combat tax evasion. Current tax rose by €224 million to €849 million for the year. In addition, the Group's total tax contribution for FY23 amounted to €1.4 billion.

Question 9

Because companies are legally required to register their interest representatives (lobbyists) in the European Union's Transparency Register and with France's *Haute Autorité pour la transparence de la vie publique*, the FIR has access to your filings (human and financial resources, special interests).

In answering this question, we'd like you to focus more on your ESG-related lobbying activities (via your corporate headquarters, subsidiaries, trade associations or consultancies). We'd like to understand how your lobbying activities align with your sustainability targets and how they fit into your CSR strategy.

a) What are your top three lobbying programs that are being prioritized in line with your material ESG issues? Please specify all the jurisdictions where you conduct these activities.

ANSWER:

The Michelin Group's Public Affairs department is tasked with two missions:

- Promote and defend the interests of the Michelin Group by engaging with public decision-makers and civil society, including NGOs, in all our host countries. In this regard, lobbying activities are consistently and seamlessly aligned with our publicly disclosed strategy.
- Identify emerging issues among local, national and international public decision-makers, and relay them to in-house teams to help nurture their strategic thinking.

Michelin lobbies on a wide range of issues and public decisions related to its business operations in tires, tire-related services and solutions, and non-tire segments, such as high-tech materials. These activities can be conducted either directly or indirectly through associations in our various host countries. We engage in the jurisdictions where we have operations, particularly manufacturing facilities.

Over the past two years, Michelin's main lobbying activities addressing its material ESG challenges have focused on defending the following positions:

Product regulations
Supporting, alongside the California state government, the introduction of minimum rolling resistance performance standards that would ban from sale the least energy-efficient tires.
Supporting the introduction of minimum tire abrasion standards in the Euro 7 Regulation to reduce tire and road wear particle emissions.

The circular economy
Supporting progress on the future EU Ecodesign for Sustainable Product Regulation (ESPR) and the introduction of a tire carbon footprint rating in China.
Supporting end-of-waste status for tires, to speed the transition to greater circularity in Europe.
Dialoguing with authorities to introduce collection, recovery and reuse systems for end-of-life tires (ELT) in jurisdictions where they do not yet exist.

Industrial footprint
Calling for the deployment of binding water plans to secure everyone's sustainable access to water in sufficient quantity and quality.
Supporting the creation of a global carbon price.
Supporting, in partnership with local authorities, initiatives to revitalize communities impacted by plant closures in France, Germany and the United States.

Value chain and non-financial reporting
Submitting proposals for the operational implementation of the EU Deforestation Regulation, to ensure effective enforcement without any negative impacts on the value chain.

Supporting the implementation of a European duty of care obligation that is based on best practices and is operationally feasible.
Requesting inclusion in the European Taxonomy of criteria to:
Address the climate impact of tires
Value the capital expenditure committed to reducing the carbon impact of production facilities
Supporting the introduction of sustainability standards, interoperable with non-European standards.

b) How do you ensure alignment between your ESG objectives and the positions of trade associations? How do you manage any divergence? (Examples: seeking to realign trade association positions with your ESG objectives; considering the possibility of leaving a trade association that could never be aligned with your ESG strategy). What do you disclose about the issue of alignment and/or divergence in this regard?

ANSWER:

Michelin is a member of a variety of trade associations in France and Brussels, and its leading host countries around the world. These organizations may be (i) tire industry trade associations, such as the European Tyre and Rubber Manufacturers' Association (ETRMA) in Brussels, the US Tire Manufacturers' Association (USTMA) in Washington, DC, ANIP in Brazil, TATMA in Thailand and Elanova in France; (ii) cross-industry associations such as AFEP or PFA in France, Business Europe or the European Round Table for Industry (ERT) in Brussels and the Global Business Alliance in the United States; or (iii) various French or European chambers of commerce.

Each association has its own by-laws and operating procedures, but in general they all seek to reach a consensus. It should also be noted that Michelin's potential influence over an association's decisions depends not only on the association's by-laws, but also on its organization, with some bringing together a large number of stakeholders and national associations (such as Business Europe and Cefic) and others focusing more on issues in which Michelin is a leading stakeholder (such as ETRMA). However, if an association were to defend positions contrary to the ones upheld by Michelin, the Group reserves the right to exercise a veto, when permitted by the bylaws, or to make its disagreement public.

Michelin is participating in the OECD's work on guidelines for responsible lobbying. As soon as the OECD recommendations are finalized, the Group will in accordance disclose its positions, the associations of which it is a member and its strategy in the event of misalignment. In the meantime, Michelin has publicly stated its commitment to pursuing its lobbying activities as part of its climate strategy, in line with the Paris Agreements.
https://www.michelin.com/en/investor/regulatory-information

c) What role does the Board of Directors play in implementing your lobbying policy (e.g. activities, budget, meetings)?

ANSWER:

The Michelin Group does not have a Board of Directors. Instead, it is led by two Managers: Florent Menegaux, Managing Chairman and General Partner, and Yves Chapot, General Manager. They are overseen by an 11-member Supervisory Board, which includes two employee representatives and eight independent members.

The Group's Public Affairs are managed by the Executive Vice President, Corporate Engagement and Brands, who is a member of the Executive Committee. This ensures that Public Affairs strategy is directly tied to the Group's corporate strategy. The budget and oversight of the Public Affairs team's activities are also managed at the highest level of the company.

d) Do you train in-house or external people (e.g., consultancies) in responsible lobbying practices? If so, which criteria do you apply in selecting consultancies to support you?

ANSWER:

When first inducted, new Public Affairs employees are offered an individualized training plan (PIF) based on their job description and initial career path. These plans always include mandatory training in understanding the Code of Ethics, combating corruption and influence peddling, and preventing conflicts of interest. In addition to these modules, in carrying out their duties, the teams can refer to an in-house manual of responsible lobbying guidelines.
Public Affairs teams may commission agents or intermediaries to represent the Group in its lobbying activities. Before any contract is signed, the service provider's ethics performance must be assessed by the compliance team for the geography concerned. A contract is then prepared and validated by the Legal Affairs department, with, at the very least, the precise details of the assignment, the services rendered, the system for reporting back to the Group, compensation and payment terms, and strict ethics and anti-corruption clauses.

Question 10

a) How many Board members have expertise in CSR issues? Who are they and how did they acquire that expertise (studies, training, professional experience)? Is their expertise specific to your industry's challenges (biodiversity, energy transition, workforce and value chain issues, financial impact of climate change, etc.)?
Do you disclose a skills matrix of the Board members' specific areas of expertise?

b) How do you ensure that Board members' knowledge of CSR issues remains up to date (in-house or external training programs, talks by experts, updates on regulatory developments or key issues, etc.)? How often do you do this?

c) How do you assess the CSR expertise of Board members? Which criteria do you use? How often do you assess? Do you assess individual members or the Board as a whole?

d) Do you include a CSR component in the nomination process for new directors?

ANSWER:

a) Because of their professional backgrounds, all the members of Michelin's Supervisory Board and both the Managers have expertise in corporate social responsibility issues and are highly sensitive to the attendant challenges. A large majority of our corporate officers have experience as senior executives or directors of major international corporations which, like Michelin, are primarily engaged in manufacturing. As such, they have had to address these issues in making decisions concerning this type of business.
Each Board member's main areas of expertise are presented in the matrices published in the Supervisory Board's annual corporate governance report (see pages 85 and 112 of the 2023 Universal Registration Document).

The members of the Corporate Social Responsibility Committee, created in 2020, have the following specific CSR expertise:

- Monique Leroux (Chair) is the former Chair of the Board of Investissement Québec and Desjardins Group, which promotes investment in innovative sustainable development and climate projects and is currently Chair of the Governance and ESG Committee of BCE/Bell. Ms. Leroux is a member of a number of Canadian expert committees advising on climate projects, such as the Canadian

Industry Strategy Council and the G7 Impact Task Force. She is Chair of the Board of the University of Sherbrooke (Canada), which has the highest STARS ranking in sustainable development among Canadian universities, and recently signed a sustainable development research agreement with the CNRS. In addition, Ms. Leroux is co-author of the Institute of Corporate Directors (ICD) Report on the Future of Corporate Governance in Canada, which includes major recommendations on ESG issues, and will be one of the speakers at ICD's upcoming annual conference on governance and CSR.

- Anne-Sophie de La Bigne is Chair of the environment working group of the French Institute of Corporate Directors' ESG club and member of the French Foundation for Biodiversity Research's Stakeholder Assembly.

- Jean-Christophe Laourde (employee representative) has served a number of terms as employee representative in the Michelin Group. He is also a member of the Chimie AURA trade union council, is actively involved in the Shift Project, Time for the Planet and is a member of the CFE-CGC trade union's Environment section.

- Jean-Michel Severino is Director of Phitrust Impact Investors. Formerly, he served as Senior Independent Director of Danone and Chairman of its Governance and Compensation Committee, and was a member of the Governance Committee of Orange. In addition, at the French Development Agency (AFD), he managed investments in the renewable energy, water, and green and inclusive growth sectors. He actively participates in World Bank expert groups on CSR issues and sits on the Investment Committee of Energy Access Ventures, an African green energy fund. He is also Chair of Veolia's Critical Friends Committee, which assess the group's exposure to environmental and social risks.

These skills and capabilities are clearly aligned with all the unique challenges of Michelin's business sectors, ranging from governance to industry-specific issues.

b) Each year, Supervisory Board members and the Managers attend training sessions organized by specialized external organizations and regularly receive input from experts on topical issues.

In 2023, Board members and the Managers attended a course reviewing important regulations governing CSR commitments and reporting. The course was led by the Independent Third-Party Body (ITB) responsible for auditing the Non-Financial Statement. It focused mainly on the challenges created by these regulations and their future direction, the key issues and points of attention for Boards of Directors and Supervisory Boards – particularly with regard to the Corporate Sustainability Reporting Directive (CSRD), the European Sustainability Reporting Standards (ESRS) and the European Taxonomy – and the practical implications for Michelin.

During a two-day visit to a multi-purpose production plant in Central Europe, Board members heard a presentation on the region's characteristics, Michelin's position and the capabilities that the plant is deploying in the drive to achieve operational excellence in support of the Group's all-sustainable strategy. The visit was also an opportunity for the Board members to meet with the local teams to discuss the plant's key projects and the social, societal and climate-related aspects of its operations.

The Corporate Social Responsibility Committee also continued to track regulatory developments, with a particular focus on the Corporate Sustainability Reporting Directive (CSRD), the recently adopted European Sustainability Reporting Standards (ESRS), the standards proposed by the International Sustainability Standards Board (ISSB) and the rules to combat deforestation. Committee members also attended a presentation of the opportunities for companies to develop environmental and climate programs, given by a former member of Michelin's Stakeholder Committee who is also a member of the UN Global Compact Executive Committee and Chair of the Science Based Targets initiative (SBTi).

The CSR Committee regularly invites and interacts with UN and other climate experts to elicit their opinions on the level of climate risks and the quality of Michelin's action plans.

c) Each assessment of the Supervisory Board’s practices, whether internal (annually) or performed by a leading specialist firm (at least once every three years) pays particular attention to reviewing the robustness of the members’ social responsibility expertise and the synergy among their capabilities.

Given the broad scope of the issues to be addressed, specialized expertise is sometimes required. In this case, the Supervisory Board calls on experts to cover both the breadth of the issues involved and the depth of a given aspect.

d) Sustainability is clearly an integral part of the criteria used in the selection process for possible Michelin Supervisory Board members and Managers. This was particularly the case for the process that led to the election of Jean-Michel Severino as a member of the Supervisory Board and its Corporate Social Responsibility Committee.

Material challenges – Weighting of the overall score for the 2024 written questions campaign

As it has done every year for the past five years, France's Sustainable Investment Forum (FIR) has launched a campaign of dialogue with CAC 40 companies to coincide with their Annual General Meetings. The conversation is based on of a series of written questions that you have received by e-mail.
This year, the overall score for the campaign is likely to be weighted according to your material challenges. For that reason, we ask you to indicate below the financial materiality and impact materiality of each challenge.

Company name*	MICHELIN
Person in charge/respondent*	
Name	ANTUNES
First name	Elisabete
Position	Manager of Securities Services and Individual Shareholder Communication
Telephone	33 (0)6 70 67 65 50
Email	elisabete.antunes@michelin.com

		Please tick one box for each line		
CHALLENGES:		Low	Medium	High
Climate (Q1)*	Financial materiality			1
	Impact materiality			1
Biodiversity (Q2)*	Financial materiality		1	
	Impact materiality			1
Circular economy (Q3)*	Financial materiality		1	
	Impact materiality			1
Involvement of employee representatives and choice of your environmental strategy (Q4)*	Financial materiality	1		
	Impact materiality		1	
Share buyback program (Q5)*	Financial materiality			1
	Impact materiality	1		
Living wage (Q6)*	Financial materiality	1		
	Impact materiality		1	
Employee savings (Q7)*	Financial materiality	1		
	Impact materiality		1	
Tax accountability (Q8)*	Financial materiality			1
	Impact materiality	1		
Interest representation (Q9)*	Financial materiality	1		
	Impact materiality		1	
Directors' expertise/training in ESG issues (Q10)*	Financial materiality		1	
	Impact materiality		1	

*indicates a mandatory question.

APPENDIX 1

Question 1

		Short-term decarbonization targets	Medium-term decarbonization targets	Long-term decarbonization targets
Scopes 1 and 2	Absolute amount	Our 2030 target, submitted to the SBTi in January 2024, is a 47.2% reduction compared with 2019 in Scope 1 & 2 emissions. This target is pending validation by the SBTi. It corresponds to an SBTi/IPCC pathway compatible with a 1.5°C target. Based on the Group's current scope*, in line with this target, the Group's Scope 1 and 2 emissions are expected to decrease from 2.311 million tonnes in 2019 to 1.703 million tonnes in 2030.		Our 2050 target, submitted to the SBTi in January 2024, is a 90% reduction compared with 2019 in Scope 1 & 2 emissions. This target is pending validation by the SBTi. It corresponds to an SBTi/IPCC pathway compatible with a 1.5°C target.
	Intensity			
Scope 2	Absolute amount			
	Intensity			
Scope 3	Absolute amount	Our 2030 target, submitted to the SBTi in January 2024, is a 27.5% reduction compared with 2019 in required disclosure Scope 3 emissions (i.e., excluding the in-use phase). This target is pending validation by the SBTi. It corresponds to an SBTi/IPCC pathway compatible with a 1.5°C target.		Our 2050 target, submitted to the SBTi in January 2024, is a 90% reduction compared with 2019 in required disclosure Scope 3 emissions (i.e., excluding the in-use phase). This target is pending validation by the SBTi. It corresponds to an SBTi/IPCC pathway compatible with a 1.5°C target.
	Intensity			

*including emissions from the Camso and Fenner facilities.

		Main actions for each target	% contribution to target of each action
Short-term decarbonization targets (2030)	Scope 1	Action No. 1: reduce energy use. Objective: improve the energy efficiency of our production facilities by 37% between 2010 and 2030 (i.e., a 24% improvement between 2019 and 2030). Action No. 2: shift to a less carbon-intensive energy mix, - by shifting energy supply infrastructure towards less carbon-intensive energy solutions (in particular: eliminating coal use by 2030, electrifying facilities, etc.), and - by purchasing electricity from certified renewable sources.	50% (i.e., a 0.8 $MtCO_2eq$. reduction between 2019 and 2030 with a +/-10% margin)
	Scope 2		50% (i.e., a 0.8 $MtCO_2eq$. reduction between 2019 and 2030 with a +/-10% margin)
	Scope 3	We are mainly focused on reducing the carbon footprint associated with the purchase of our raw materials. We have also taken steps to reduce the impact of our logistics operations through our "transport less, transport better and transport differently" strategy, and of upstream energy consumption (extraction, production and transportation of fuels, purchased by the company or used to produce electricity or thermal energy).	80% (i.e., a 2.5 $MtCO_2eq$. reduction between 2019 and 2030 with a +/-30% margin) 20% (i.e., a 0.5 $MtCO_2eq$. reduction between 2019 and 2030 with a +/-30% margin)
Medium-term decarbonization targets	Scope 1		
	Scope 2		
	Scope 3		

APPENDIX 1

Question 1

		Short-term decarbonization targets	Medium-term decarbonization targets	Long-term decarbonization targets
Long-term decarbonization targets (2050)	Scope 1	Action No. 1: reduce energy use. Objective: improve the energy efficiency of our production facilities by 37% between 2010 and 2030 (i.e., a 24% improvement between 2019 and 2030).	50% (i.e., a 1.4 $MtCO_2eq$. reduction between 2019 and 2050 with a +/-10% margin)	
	Scope 2	Action No. 2: shift to a less carbon-intensive energy mix, - by shifting energy supply infrastructure towards less carbon-intensive energy solutions (in particular: eliminating coal use by 2030, electrifying facilities, etc.), and - by purchasing less carbon-intensive energies. + These levers will need to be complemented by new solutions that are currently being explored, e.g., other decarbonized energies, carbon capture in chimneys.	25% (i.e., a 0.7 $MtCO_2eq$. reduction between 2019 and 2050 with a +/-10% margin) 25% (i.e., a 0.7 $MtCO_2eq$. reduction between 2019 and 2050 with a +/-10% margin)	
	Scope 3	Shift towards 100% renewable or recycled raw materials Continued implementation of the same levers used to achieve our short-term objectives	30% (i.e., a 3.5 $MtCO_2eq$. reduction between 2019 and 2050 with a +/-30% margin) 70% (i.e., a 8.0 $MtCO_2eq$. reduction between 2019 and 2050 with a +/-30% margin)	

The portion of your goals dedicated to negative emissions (absorption and storage, etc.):	We do not include any negative emissions in our carbon accounting.
The portion dedicated to avoided emissions:	We do not include avoided emissions in our carbon accounting.
The portion dedicated to carbon credits:	We do not account for any carbon credits.

CapEx required for the decarbonization plan:	Our capital expenditure plan totals €90 million per year, at least until 2028.	CapEx allocation for 2023: - Levers for energy efficiency: 39% - Electrification of facilities: 42% - Plant decarbonization project: 19%

APPENDIX 2

Question 5

c) For each of the last five financial years, please indicate the following:

	2023	2022	2021	2020	2019
Number of shares bought back	-	4 326 536	-	4 390 160	5 382 744
Number of shares bought back under liquidity agreements	-	-	-	-	-
Number of shares created	840 812	4 322 150	761 456	3 240 284	272 068
Number of treasury shares held at the beginning of each year	-	-	-	-	-
Number of treasury shares held at the end of each year	-	-	-	-	-
Number of shares canceled		4 326 536		4 390 160	5 382 744
Shares allocated as **performance shares**					
Number of shares allocated in respect of performance shares **(Number of shares that vested taking into account performance criteria)**	838 268	149 164	718 560	326 072	246 264
Number of beneficiaries and proportion relative to total Group headcount	933	79	1 166	70	69
Shares distributed under **employee share ownership plans**					
Number of shares distributed under employee share ownership plans	No plan	3 791 236	No plan	2 855 932	No plan
Number of eligible employees/proportion relative to total Group headcount		119,236 (90%)		114,968 (92%)	
Number of employee beneficiaries/proportion relative to total Group headcount		62,413 (48%)		57,093 (46%)	
Other uses	NONE	NONE	NONE	NONE	NONE

Appendix 3

Question 5

c) For each of the last five financial years, please indicate the following:

	2023	2022	2021	2020	2019
R&D (Research and Development expenditure in € millions; source: 2023 URD)	756	698	682	646	687
Gross capital expenditure (CapEx) in € millions; source: 2023 URD)	2 236	2 141	1 705	1 221	1 801
Share capital bought back (in €)	-	120 000 000	-	100 000 000	140 000 000
Share capital cancelled (in €)	-	120 000 000	-	100 000 000	140 000 000

APPENDIX 4

Question 7

Answers on Word document

Number of funds open to participants in your employee savings and pension plans, excluding employee share ownership	
Number of funds open to your employees and labeled sustainable	

	Name of labeled fund	Name of associated label(s)	Total amount held in labeled funds	Dedicated employer contribution amount
1				
2				
3				
4				
5				

Total amount held in funds (including employee share ownership)	
Total amount held in funds excluding non-labeled share ownership	