



ROADSHOW USA - CANADA

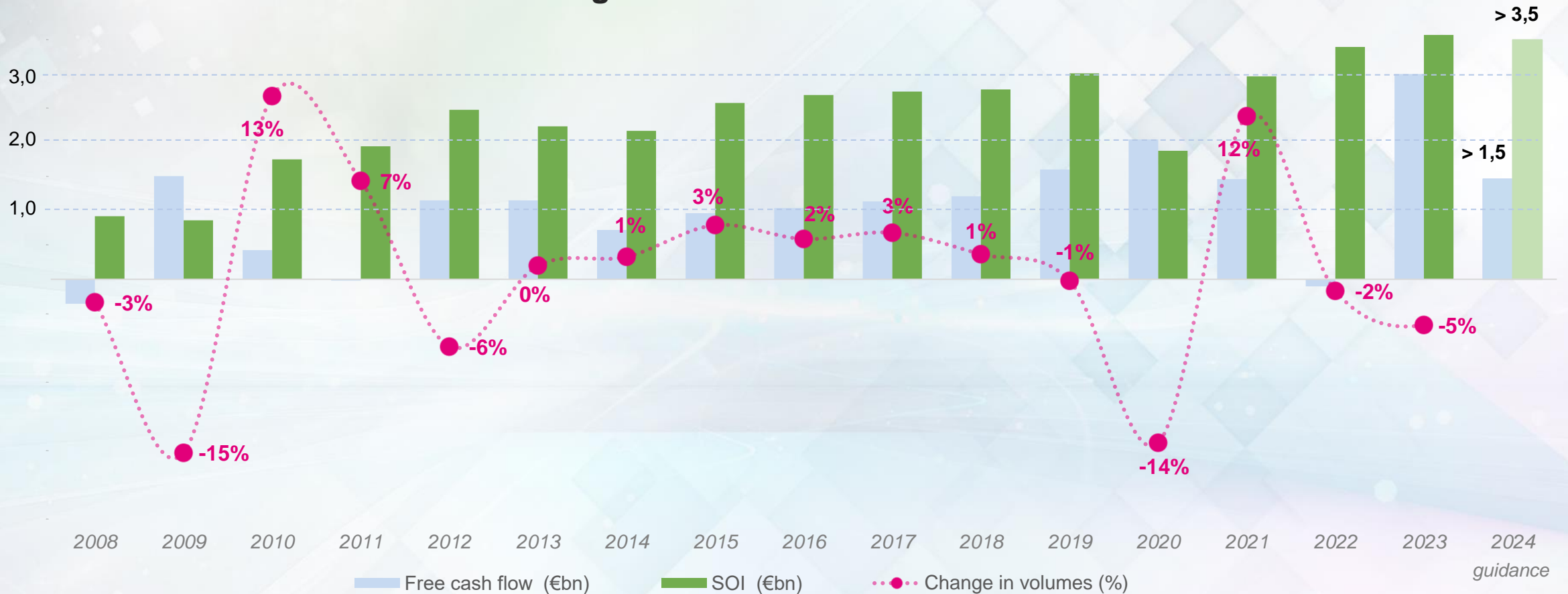
CIC MARKET SOLUTIONS

June 24-27, 2024



Increasing cash and margin generation across business cycles

FCF ⁽¹⁾ and SOI ⁽²⁾ evolution vs. change in volumes



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

(2) Segment operating income

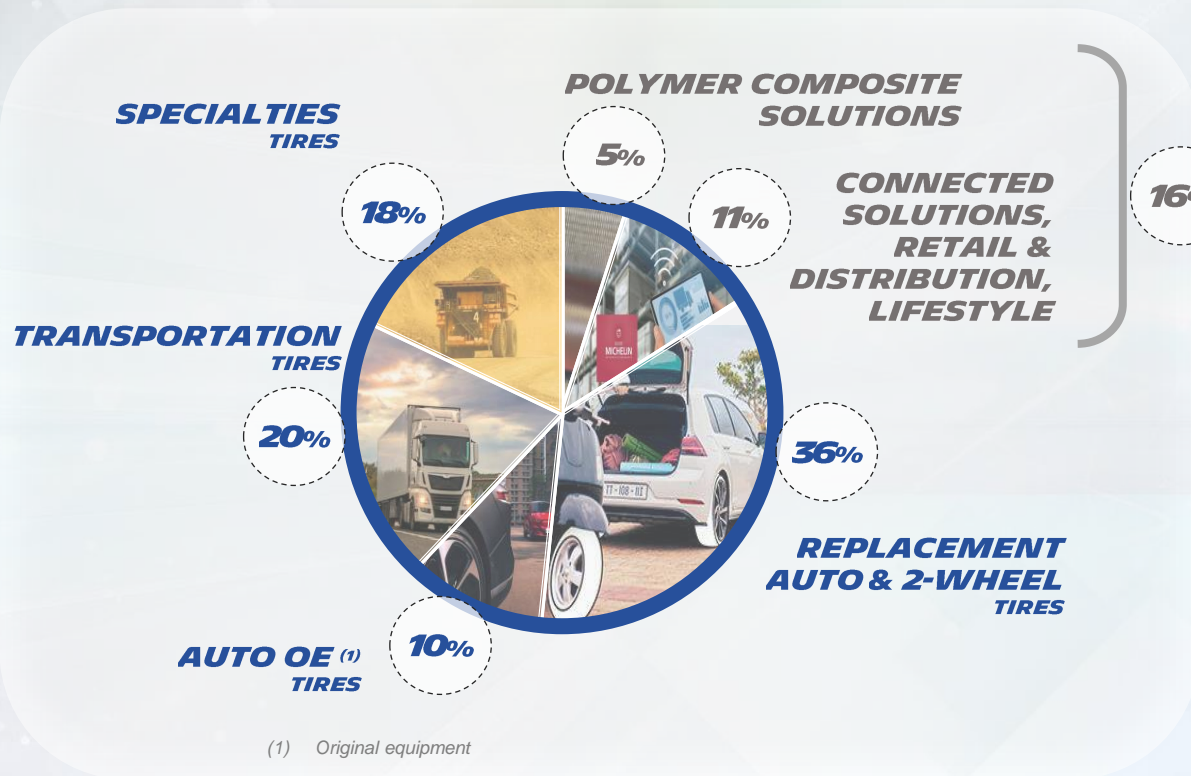


Wide range of destination markets ensuring resilience, ambitious growth in non-tire activities

2030 ambition

Non-tire activities directionally above 20% of total revenue, supported by value-accretive M&A

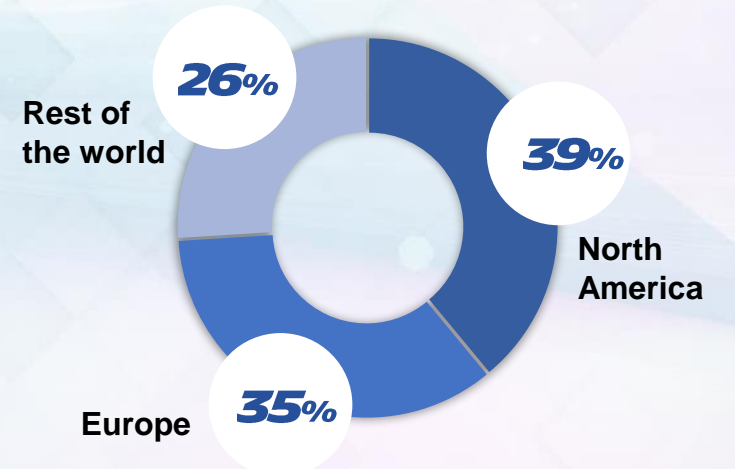
2023 sales breakdown reference (% of revenue)



Reference scope

Businesses other than tire manufacturing

balanced geographies



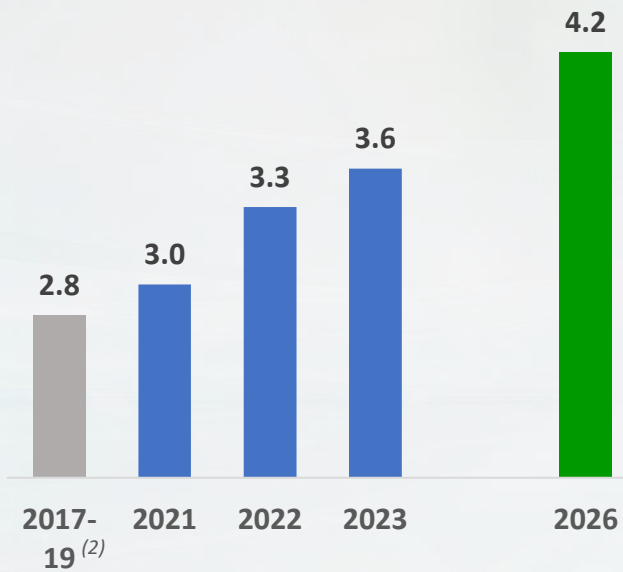
2023 sales breakdown reference (% of revenue)



2026 targets: Driving higher profitability

Segment Operating Income

(bn €, excl. substantial ⁽¹⁾ M&A, @2023 FX)

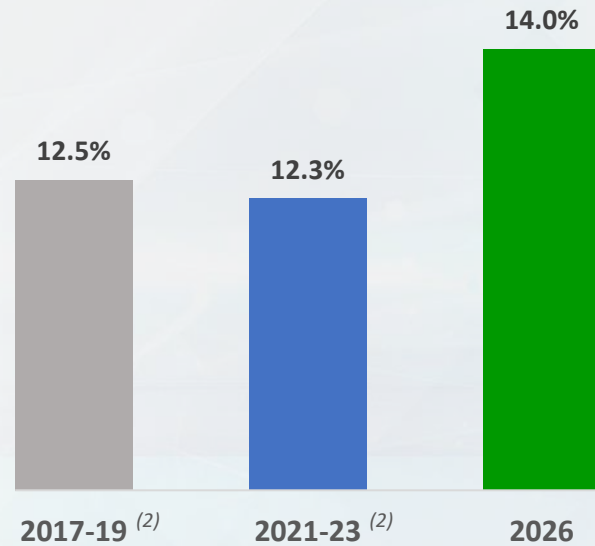


(1) Substantial = leading to structuration of a SR4

(2) Average of the period

Segment Operating Margin

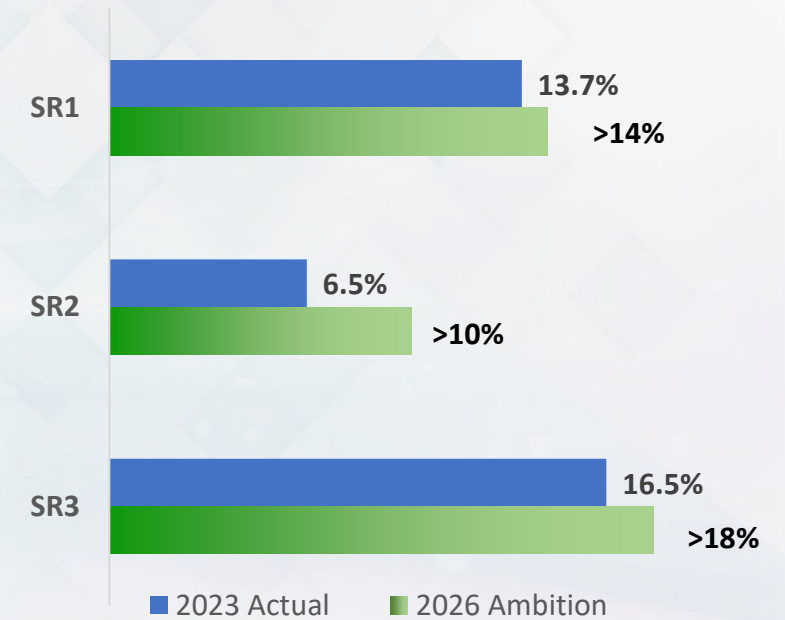
(% of sales)



(2) Average of the period

Segment Operating Margin - by SR *

(% of sales)

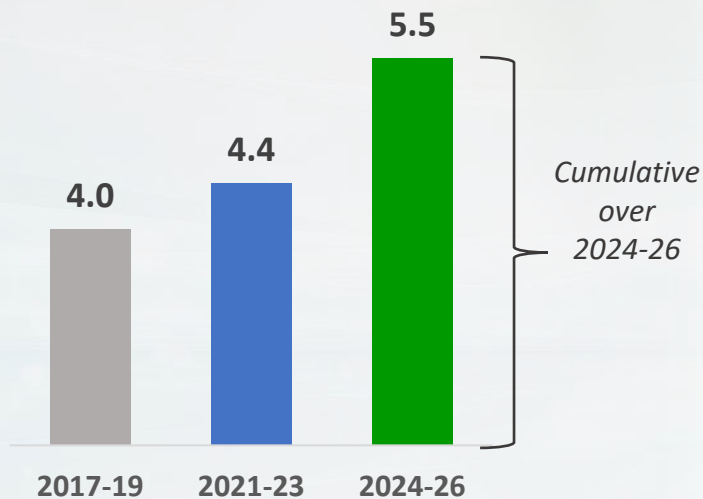


* SOM ambitions by SR for illustration – commitment applies to Group level only

2026 targets: Stronger cash generation, ROCE floor and shareholder return confirmed

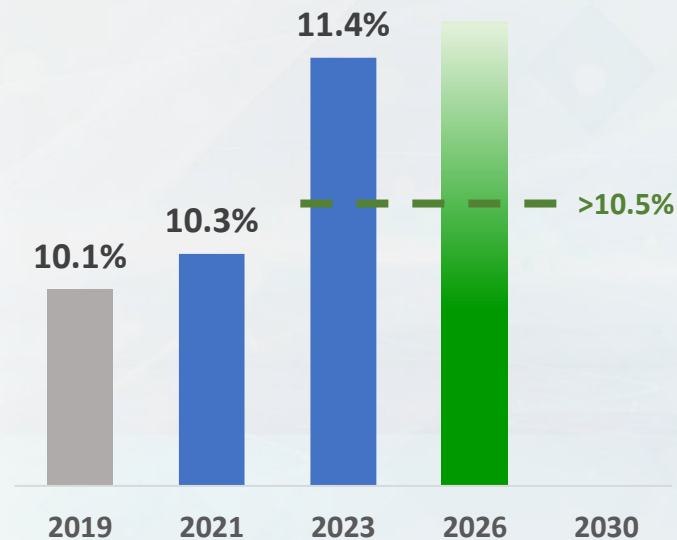
FCF before M&A

(bn €, cumulative over the period)



- ✓ Capex level € 2.0-2.4bn/year
- ✓ Optimized working capital

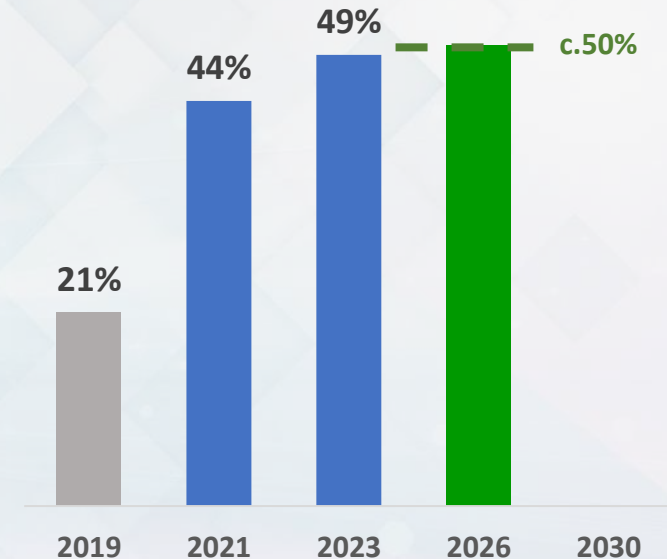
Return on Capital Employed



- ✓ Including impact of M&A (goodwill, amortization of intangible assets)

Payout Ratio

(% of net result)



- ✓ Share buyback program up to €1bn over 2024-2026, o/w. €500m in 2024



Taking Group competitiveness to the next level: Manufacturing

Strategic levers

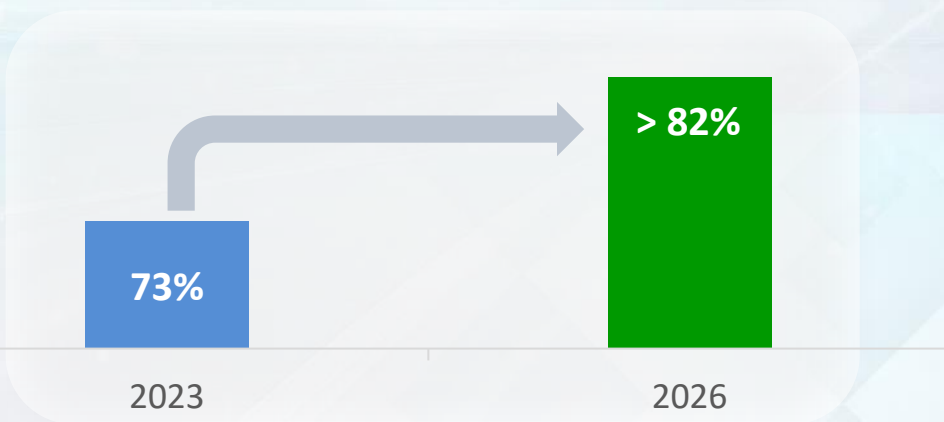
- Local-to-local
- Value-driven production mix
- Lower environmental impact
- Talent attraction & retention

Tech & Care levers

- IA & Digital
- Industrial process optimization
- Reduce water and energy consumption
- Safety, ergonomomy and people empowerment

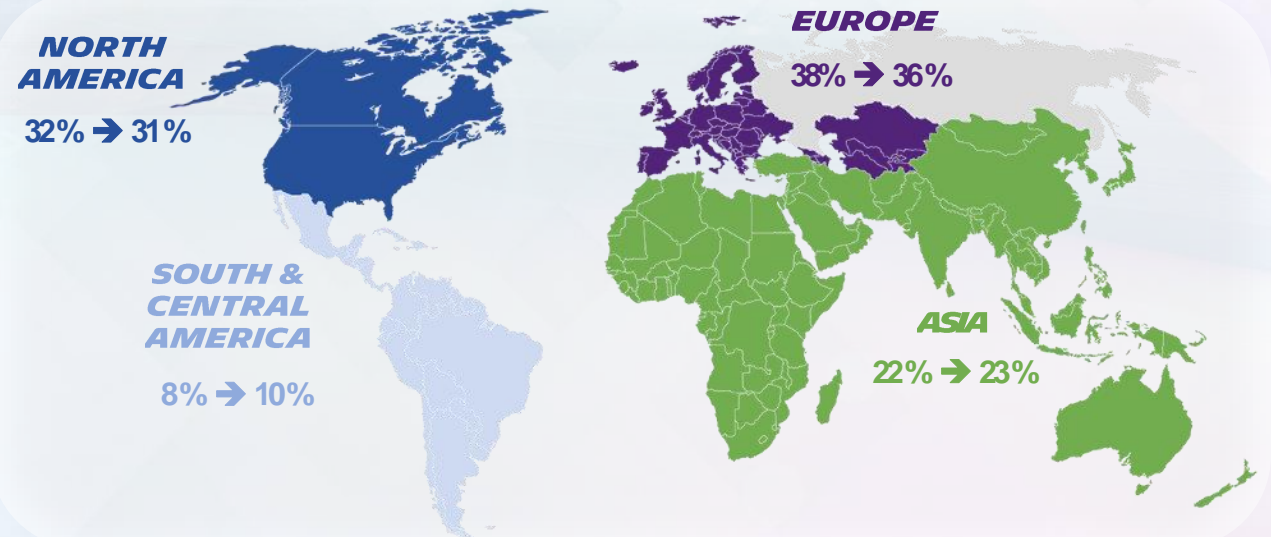
Increasing industrial loading rate

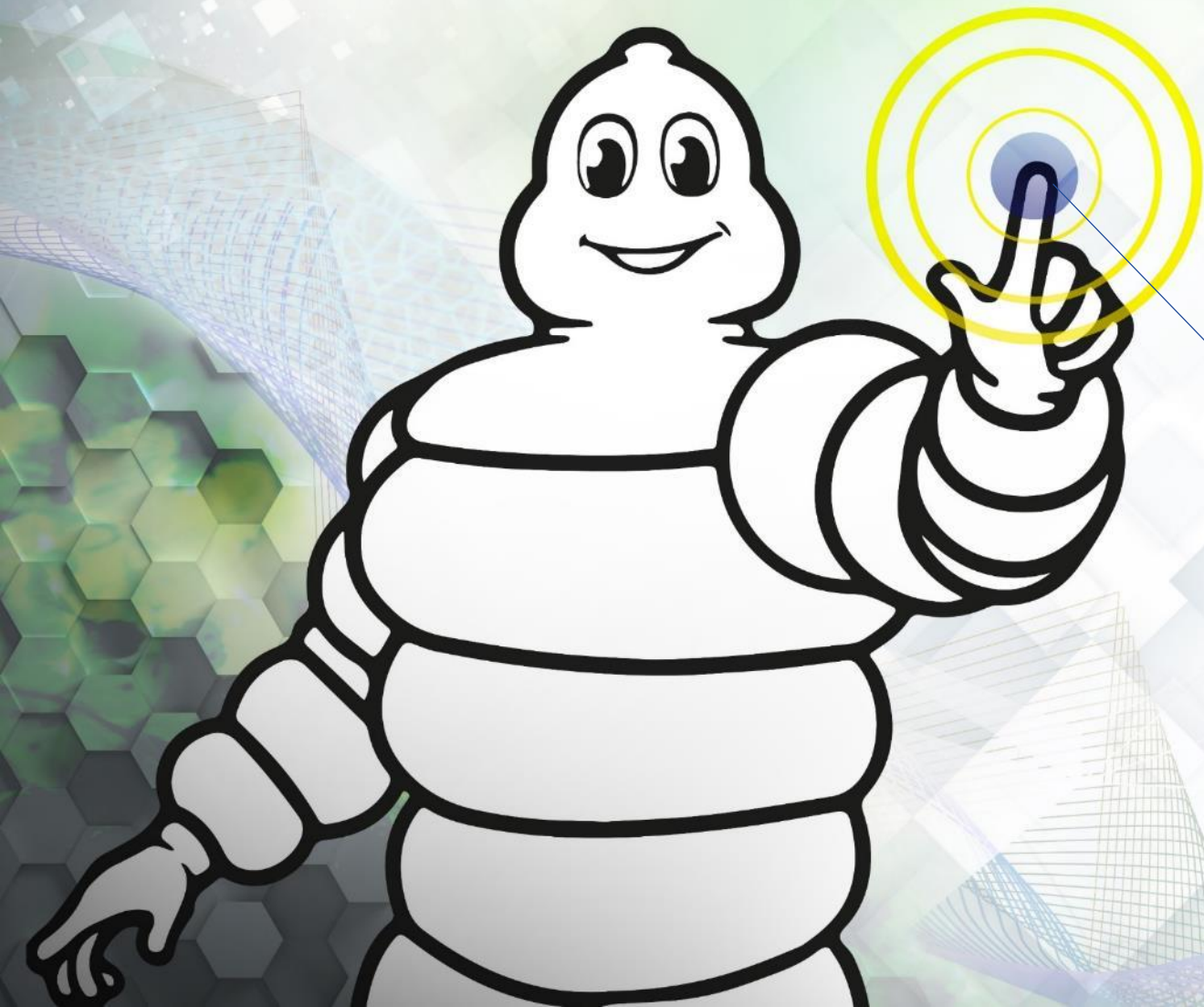
(% of total SR1+SR2 capacity)



Adjusting industrial capacities

2023 → 2026 evolution, as a % of total capacity





2024

GUIDANCE



2024 tire markets scenario maintained overall flat, with favorable OE/RT mix evolution



Passenger car / Light Truck *

-2%/+2%



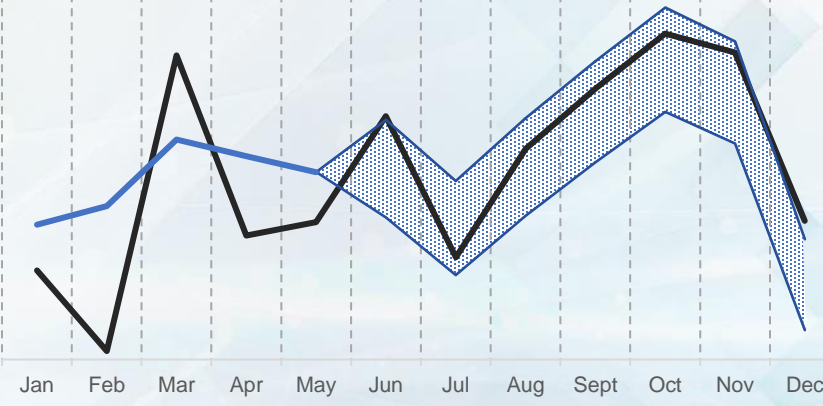
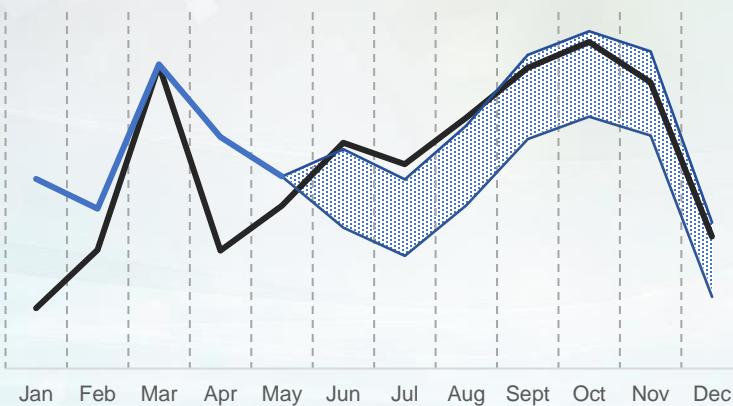
Truck * *excl. China*

-2%/+2%



Specialties *

-2%/+2%



* Sell-in Markets

— 2023

▒ Projection 2024



Mining tires: fundamental demand holds, markets impacted by stock fluctuations



Beyond-road tires: slight growth across RT businesses, OE negative particularly in AG



Two-wheel tires: slight market growth in all regions, inventories back at norm



Aircraft tires: normalized growth with back-to-normal 2023 reference base

OE: decline in overall demand, mitigated by some restocking by OEMs in North America and exports from Chinese OEMs

RT: soft growth in demand with continuous market enrichment

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

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



2024 Group scenario & guidance unchanged

SCENARIO

Volumes

[-2% ; 0%]

Operating performance
net of inflation

slightly positive

Cash-out capex

[€2.2bn ; €2.4bn]

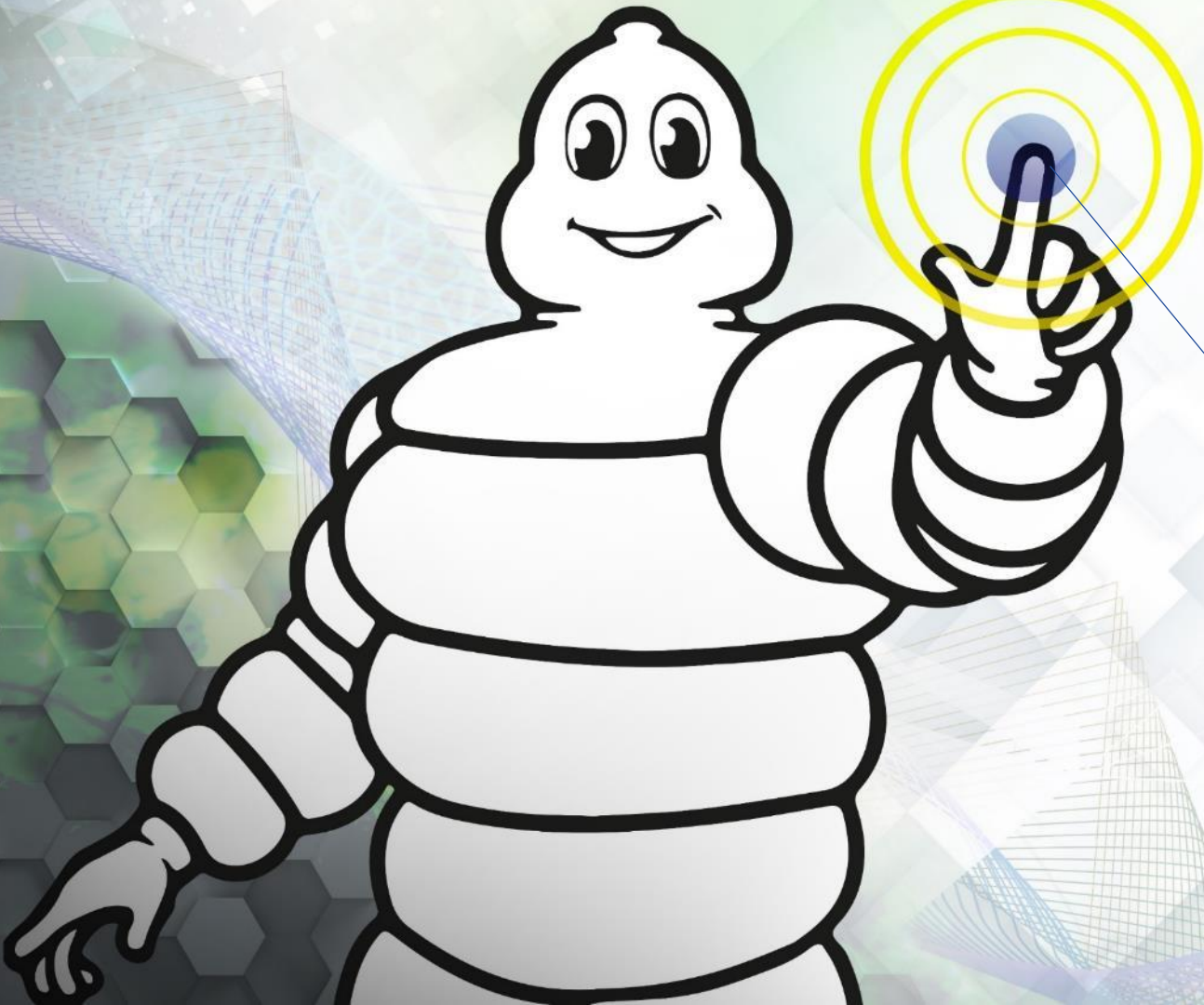
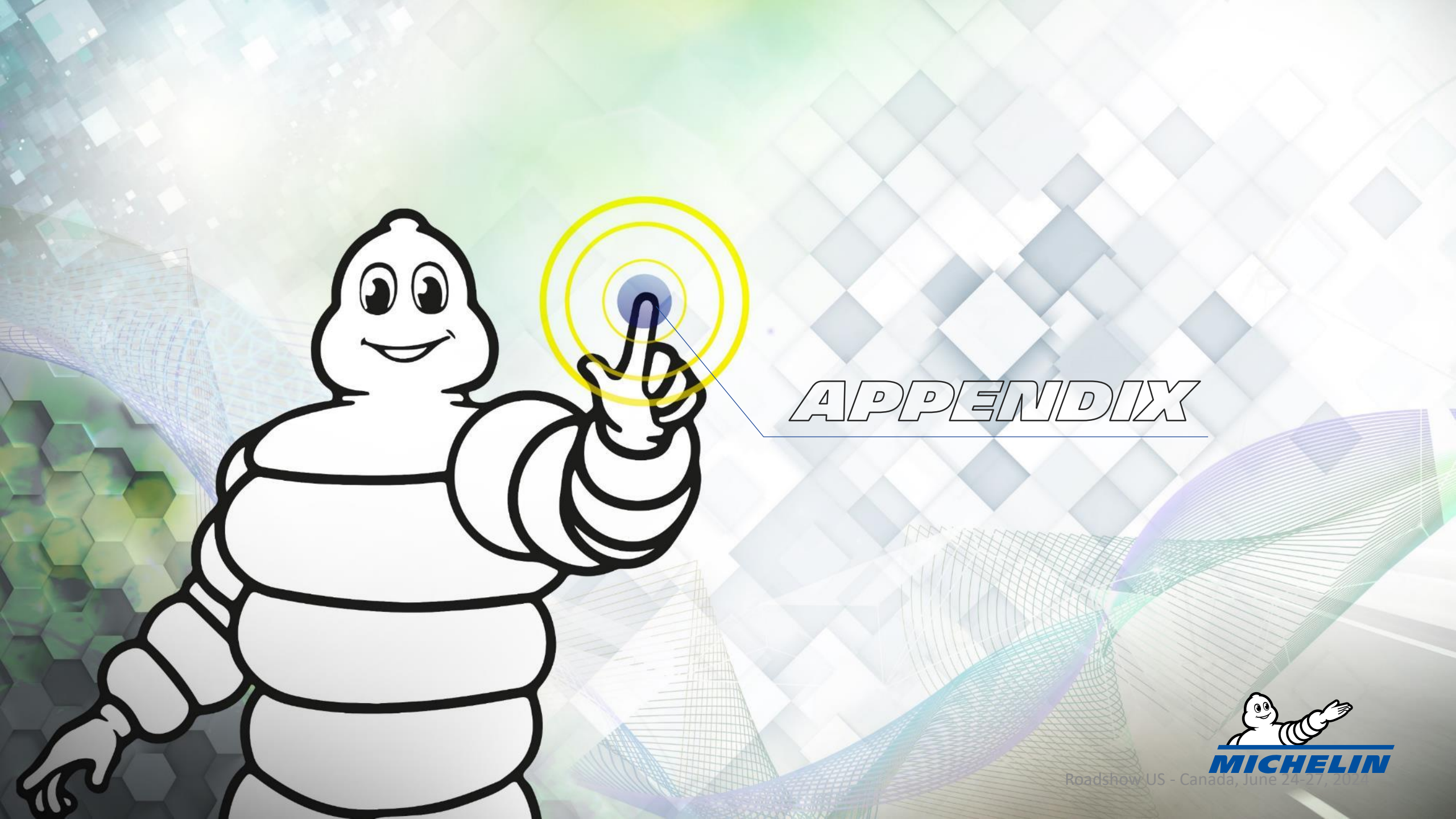
GUIDANCE

Segment operating income
at constant FX vs 2023

> €3.5bn

Free cash flow
before Acquisitions

> €1.5bn



APPENDIX



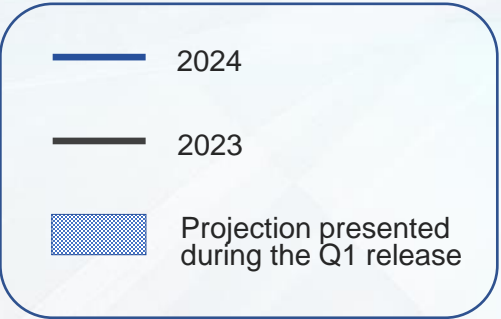
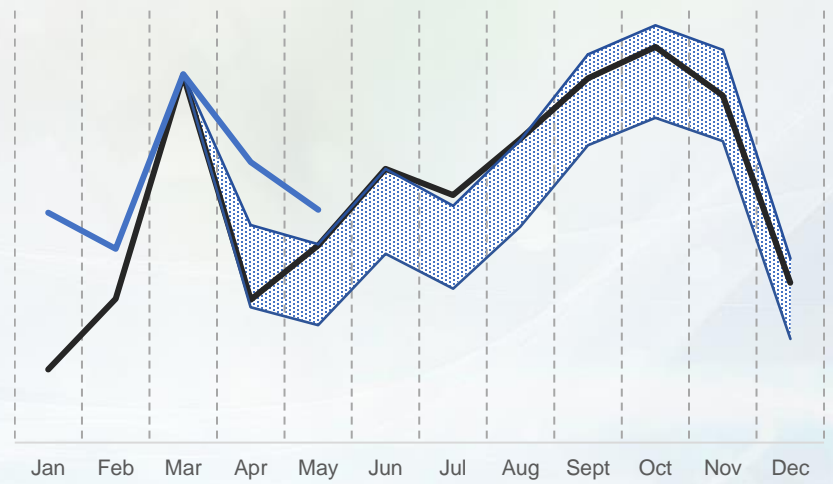
MICHELIN

Roadshow US - Canada, June 24-27, 2024

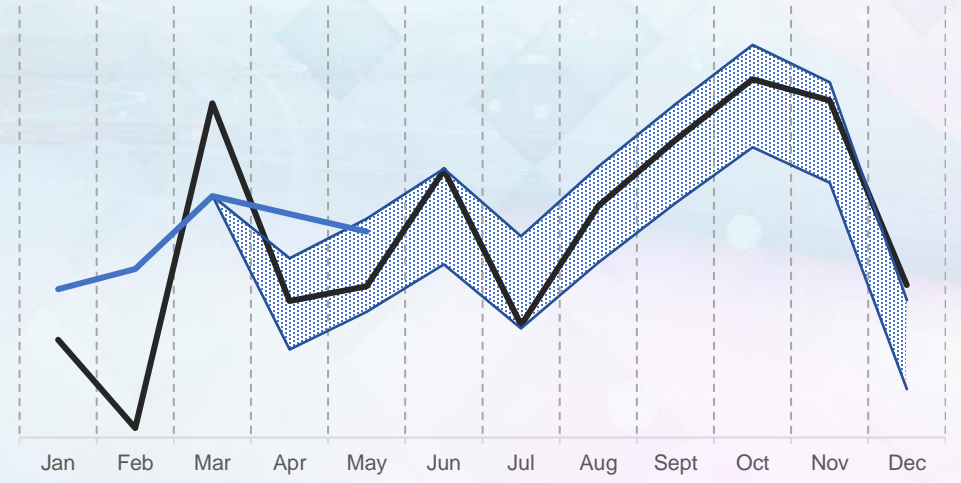
May YTD sell-in tire markets slightly above projected range despite PC OE slowdown in May,



Passenger car & Light truck



Truck excluding China



A wide diversity of destination markets ensuring Group resilience

Accelerating growth on polymer composite solutions with FCG acquisition

(% of 2023 sales)

POLYMER COMPOSITE SOLUTIONS

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

SPECIALTIES TIRES

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

18%

5%

11%

FLEET SERVICES, DISTRIBUTION & LIFESTYLE

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

TRANSPORTATION TIRES

Main drivers:
GDP & PMI

20%

36%

REPLACEMENT AUTO & 2-WHEEL TIRES

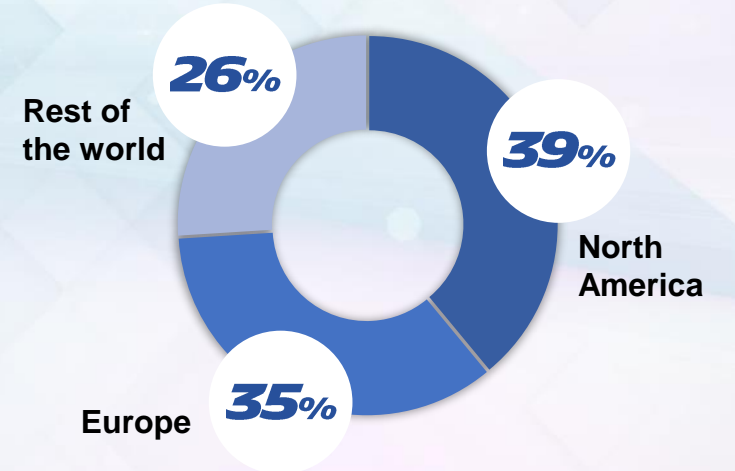
Main drivers: miles driven, GDP, used cars market

10%

AUTO OE ⁽¹⁾ TIRES

Main drivers:
regulation & GDP

A BALANCED GEOGRAPHICAL FOOTPRINT



Cyclicality

● Very high	◐ Low
◑ High	◒ Very low

(1) Original equipment



Shareholder return: further development of dividend and pay-out

Per share data ⁽¹⁾ (in €)

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

DIVIDEND POLICY

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

SHARE BUY-BACK POLICY

- Share buy-back program €1bn over the period 2024-2026, of which €500m in 2024

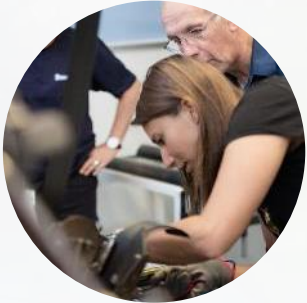
(1) Data prior to 2022 restated for the 4-for-1 stock split of June 2022

(2) Dividend / Net income

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



Leveraging unique and differentiating assets across enlarged playground



Highly engaged and talented **teams**



A powerful and widely recognized **brand**



Innovation leadership and unique **R&D** and **industrial capabilities**



Excellent, market defining **products** and **services**



Tires



Services and Experiences



Connected Solutions



E-Retail



Distribution & Retail



Lifestyle

Polymer Composite Solutions



Sealing technologies



Conveyors, belting solutions and hoses



Engineered fabrics & films



Engineered polymers



M&A: A proven track record of successful integration

Multistrada & Camso

- Multistrada EBIT from negative territory in 2019 to SR1 accretive in 2023
- Camso accelerating in AG Tracks



Tires

Fenner

FCG



Polymer Composite Solutions

Active portfolio management

2018-2019 :
€4.5bn net acquisitions

2021-2023 :
€1.0bn acquisitions
€0.6bn divestments

>60 transactions
o/w 13 with cash amount >€50m

Retail & Distribution

TBC (JV with Sumitomo)

- Cash positive since '21
- \$350m shareholder loans fully paid back
- ~160m€ cash proceeds from Retail activities sale (2023)

Euromaster Denmark sale (2023)

Tyroola acquisition (2023)



Connected Solutions

Symbio (est. 2019)

Michelin 33% | Faurecia 33% | Stellantis 33%
based on €900m EV (2023)

- **Michelin Connected Fleet** regrouping Sascar & Masternaut & Nextraq offers (2022)
- **RoadBotics** acquisition (2022)
- **Watèa** capital opened to Crédit Agricole (2023)



M&A as a growth & value accelerator: Accessing new markets and leveraging Group innovation power

Clear fundamentals

Strategic fit

Parental advantage brought by Michelin

Value-accretive to Group

Cultural fit

Strict financial criteria

EPS-accretive from year 1

Accelerating growth
















Group ROCE sustained above 10.5%

Higher cash conversion

Margin-accretive (SOI%)



2030 ambitions confirmed on People, Profit and Planet dimensions

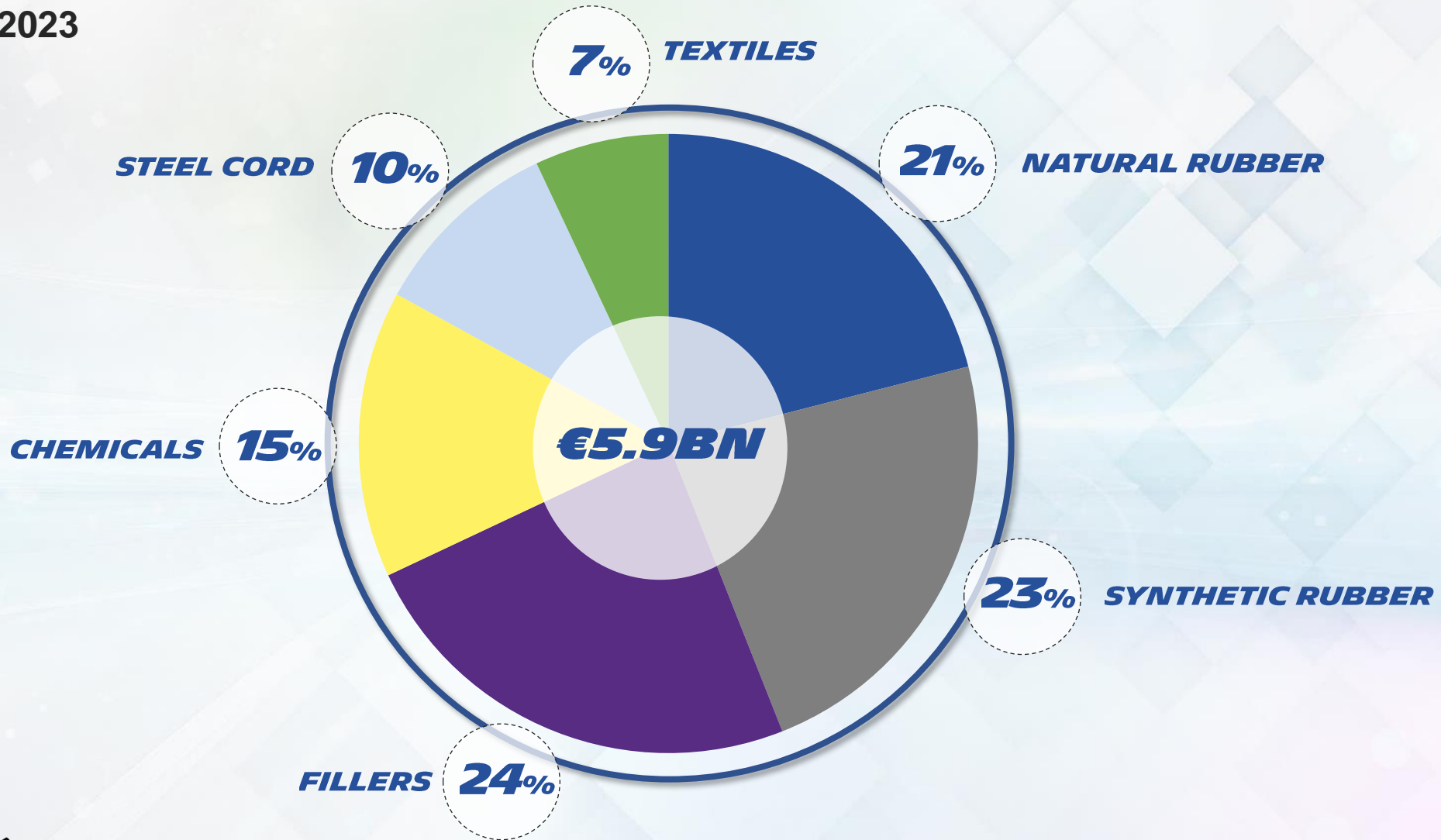
	AMBITION	METRICS	2019	2023	2030 SUCCESS
 People	 Be world-class in employee engagement	Engagement rate	79.8%	83.5%	>85%
	 Be world-class in employee safety	TCIR ⁽¹⁾	1.43	1.01	<0.5
	 Be a reference in diversities and inclusion of teams	IMDI ⁽¹⁾	-	72	80 pts (over 100)
	 Be best-in-class in value created for customers	NPS partners ⁽¹⁾	38	42.7	48 (+10 vs. 2020)
 Profit	 Deliver substantial growth	Total sales	€24.1bn	€28.3bn	5% CAGR 23-30
	 Deliver continuous financial value creation	ROCE ⁽¹⁾	10.0 %	11.4%	>10.5%
	 Maintain Michelin brand power	Brand vitality quotient	-	73	63 (+5 pts vs. 2020 ⁽²⁾)
	 Maintain best-in-class innovation pace in products and services	Offers vitality index	30%	31%	>30%
 Planet	 Reach net zero emission by 2050 (scopes 1&2)	CO2 emissions (Kt, scopes 1&2)	-24.8%	-44%	-50% vs. 2010
	 Contribute to reaching net zero emission (scope 3)	Products energy efficiency (scope 3)	-	+2.9%	+10% vs. 2020
	 Be best-in-class in environmental footprint of industrial sites	i-MEP ⁽¹⁾	-	-16.1%	-1/3 vs. 2019
	 Reach full circularity of products by 2050	Renewable or Recycled Material Rate ⁽¹⁾	26%	28%	40%

(1) See Glossary

(2) Reference year adjusted to 2020 (vs 2021)

Raw materials cost breakdown

FY 2023



Natural rubber price

TSR20 and RSS3 in \$/kg



Source: SICOM

● RSS3
● TSR 20



Brent price

Brent in \$/bbl



Butadiene price

Butadiene EUROPE in €/t



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

% OF SALES Q1 2024 12 rolling months		2024 currency change vs. €	DROPTROUGH* SALES → SOI	% OF SALES Q1 2024 12 rolling months		2024 currency change vs. €	DROPTROUGH* SALES → SOI
USD	40%	-1.2%	20% / 30%	AUD	3%	-5.0%	60% / 70%
EUR	31%	-	-	JPY	1%	-11.8%	80% / 85%
CNY	6%	-6.0%	20% / 30%	MXN	1%	+8.7%	25% / 30%
BRL	4%	+3.7%	-30% / -20%	TRY	1%	-39.7%	80% / 85%
GBP	3%	3.2%	20% / 30%	THB	1%	-5.9%	-130% / -100%
CAD	3%	-0.9%	25% / 30%	Other	6%	-	-

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

$$\text{Sales} \times \underbrace{40\% \times (-1.2\%) \times \sim 25\%}_{\text{impact on sales } -0.3\%} = \text{impact on SOI } (-0.1\%)$$

* Droptrough linked to the export/manufacturing/sales base



Outstanding bond issues

(As of December 31, 2023)

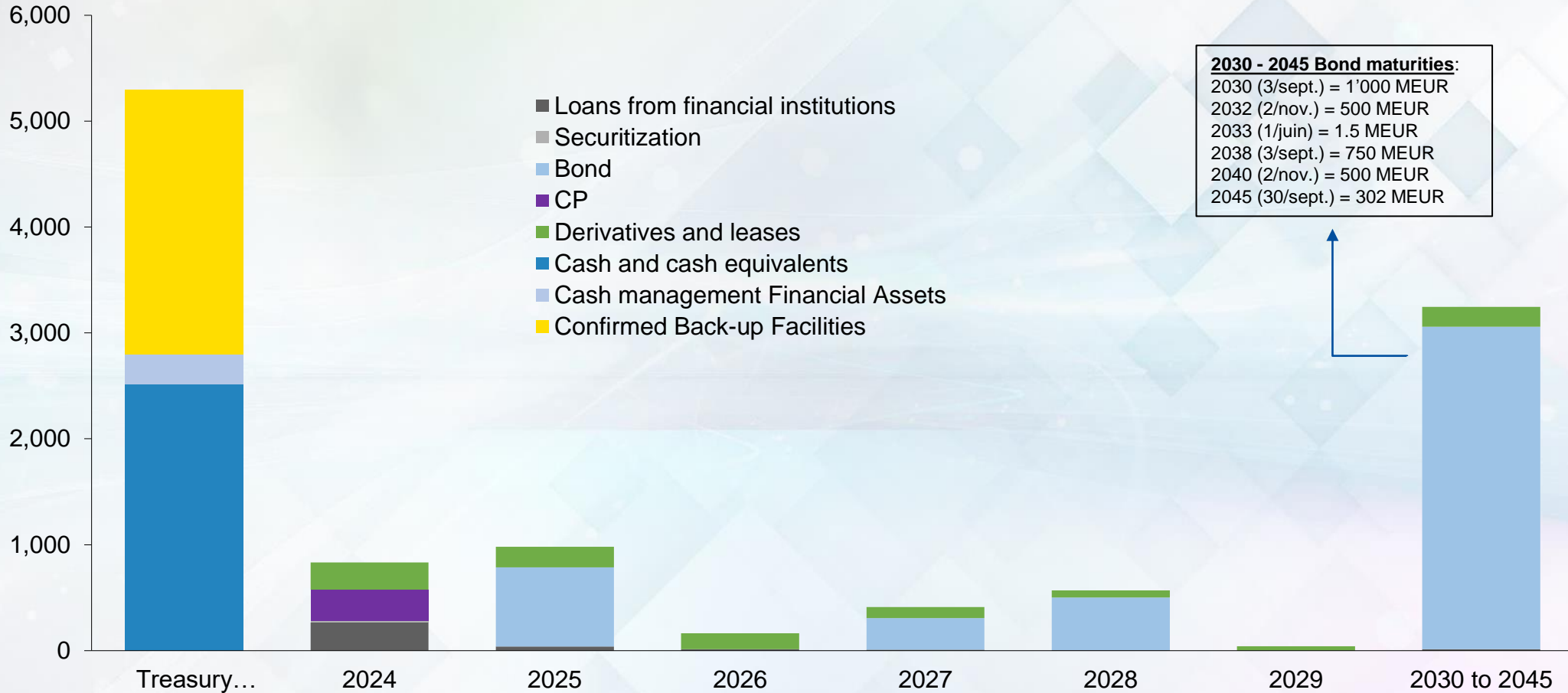
Issuer	Compagnie Générale des Etablissements MICHELIN	Compagnie Générale des Etablissements MICHELIN	Compagnie Générale des Etablissements MICHELIN	Compagnie Générale des Etablissements MICHELIN	Compagnie Générale des Etablissements MICHELIN	Compagnie Générale des Etablissements MICHELIN	Compagnie Générale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

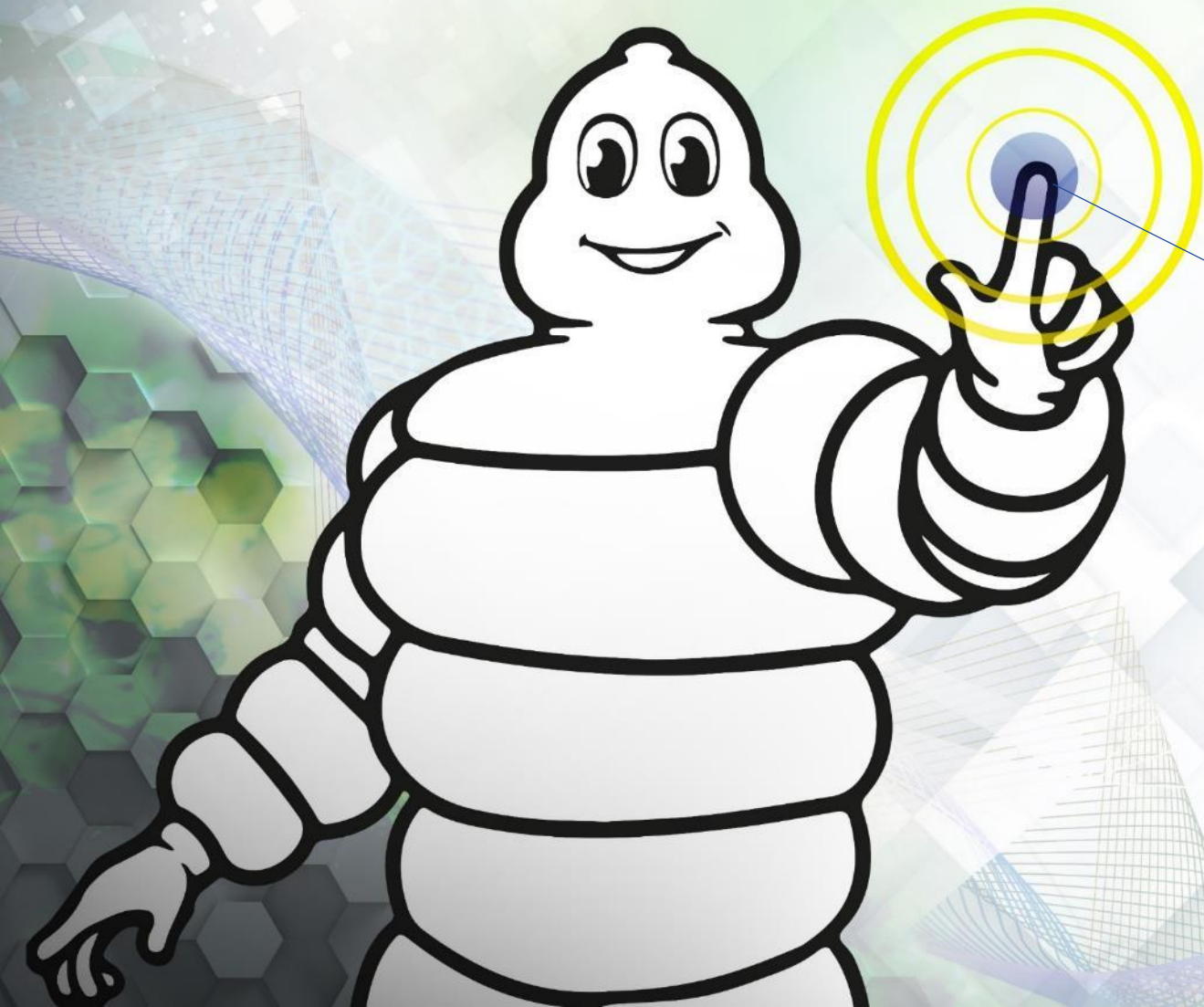


An adequate cash position with maturities well spread over time

Debt maturities at December 31, 2023

(carrying amount in € millions)





APPENDIX

Tire businesses



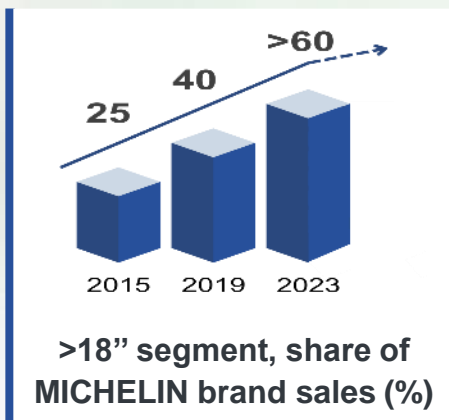
Strengthening leadership in high-value and increasingly demanding market segments



Acceleration of >18” segment fostered by electrification, driving substantial mix enhancement



Specialities: Winning where it matters



>100m€

Sustainable mix impact on EBIT, per year



Focusing our where-to-play on most demanding customers



50% OF AG MARKET IN VALUE

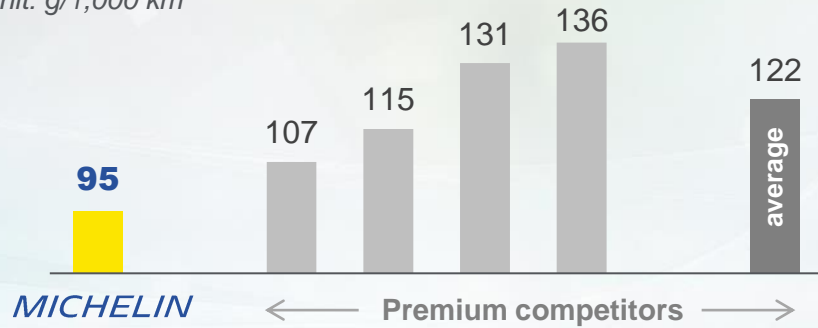
* 2023 - 2028



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

Particle emissions: Michelin vs. other premium tiremakers ⁽¹⁾

Particle per vehicle
unit: g/1,000 km



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

[+ Download the ADAC study](#)

(1) Tyre wear particles in the environment, ADAC, March 2022 – 100 sizes tested

(2) DEKRA studies in 2020 (MARK20B, MARK20E) and 2021 (MARK21E)

Particle emissions get reduced with each new range ⁽²⁾



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

Scientific studies have started to measure the environmental impact of TRWP ⁽¹⁾ :



AIR

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



WATER

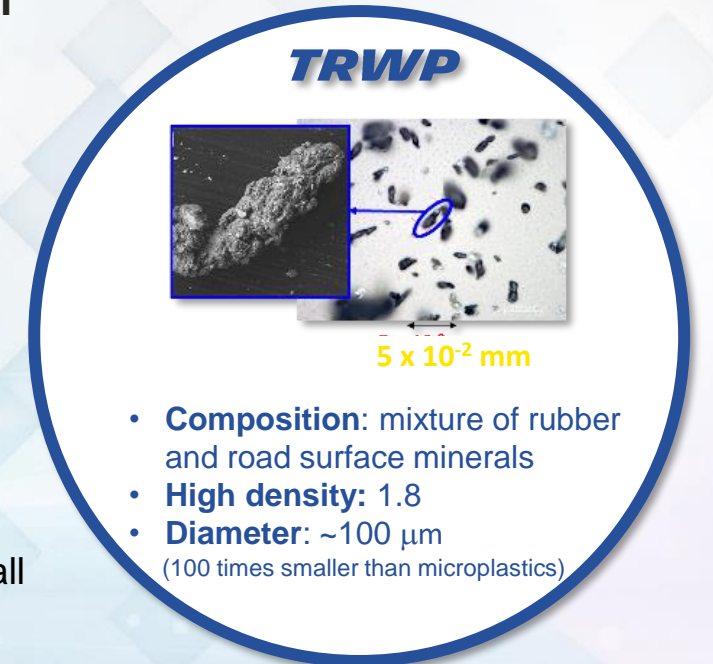
Studies suggest that most TRWP never reach estuaries.

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

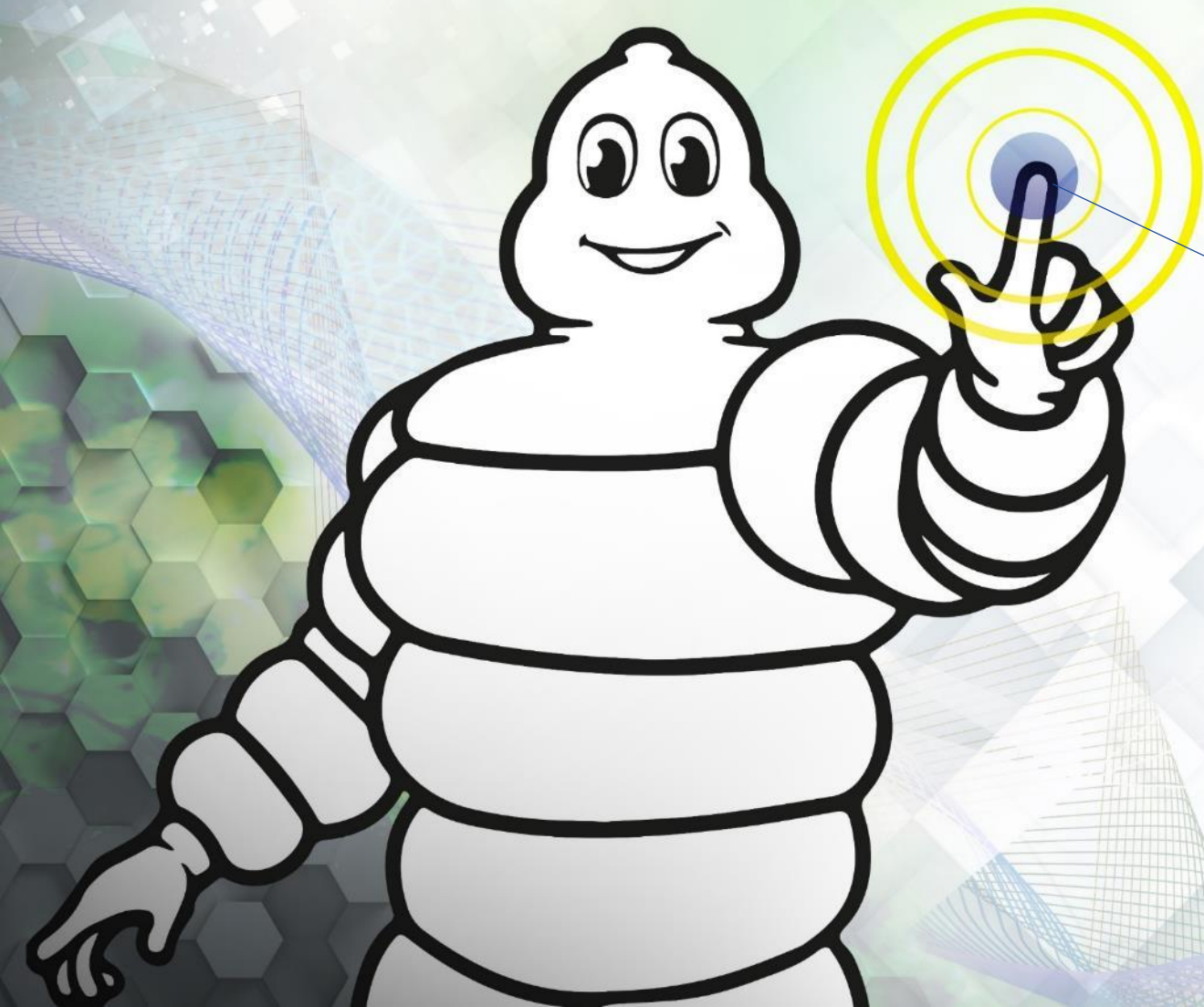
- define a standardized TRWP emission rate test method
- promote a threshold regulation and eliminate the less performing tires from the market.

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

(2) European Tyre & Rubber Manufacturers Association



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



APPENDIX

Services & Solutions



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

Unique customer intimacy and usage expertise

CONNECTED SOLUTIONS

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



MICHELIN CONNECTED FLEET

Connected fleet management services



Tire-as-a-Service

High-value tire outsourcing offer



MICHELIN ONCALL

24/7 road emergency service



WATÈA

by Michelin

LCV fleets decarbonation solution



MICHELIN MEMS 4

Monitoring tool for Mining tyre and usage conditions

MICHELIN MOBILITY INTELLIGENCE

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



SAFER ROADS

Save lives



BETTER ROADS

Optimize road maintenance



MICHELIN MOBILITY DATA

Monetize Michelin's high value mobility data outside



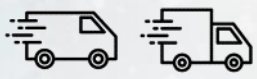
First and unique European truck driver's community

Powered by Michelin connected technologies



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

Stakes of transition to E-LCV



LCVs ~ 3-4% of global CO2 emissions



Switch to EV
→ - 60% emissions



Mandatory to operate in cities

Fleets pain points

How to transition ?



How to operate?



How to finance ?



Value proposition



Tailored solution

EV, charging solution, maintenance



Digital services

productivity increase and service continuity



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

Leveraging multiple Group assets



Tire



Connected Mobility Solutions



Polymer Composite Solutions



MICHELIN AGILIS CROSSCLIMATE



MICHELIN CONNECTED FLEET
Powered by MASTERNAUT



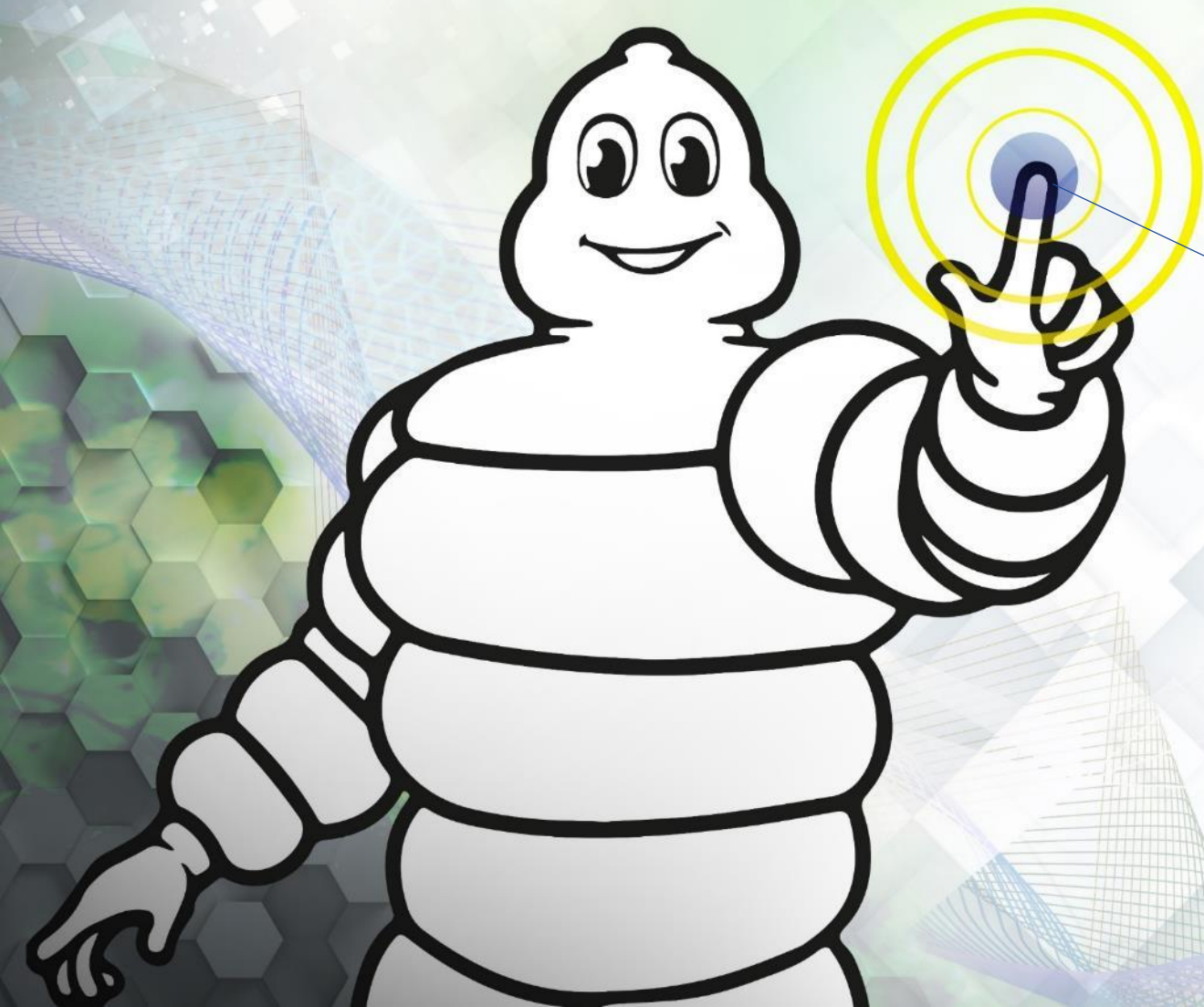
Partnering with CA for vehicle financing

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



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

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



APPENDIX

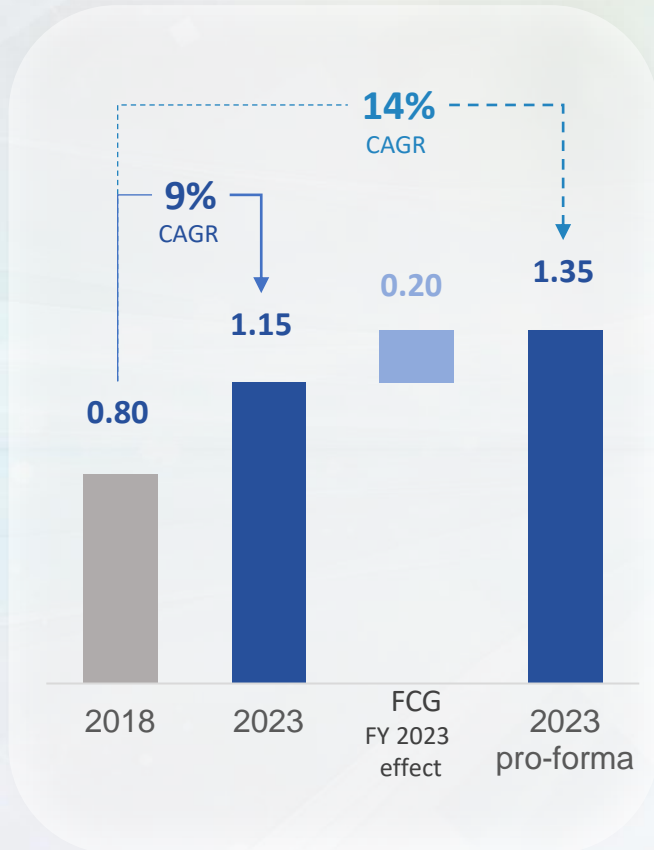
Polymer Composite
Solutions



Polymer Composite Solutions: Delivering sustainable growth and value

Dynamic growth

PCS sales (€ bn, excl. Solesis)



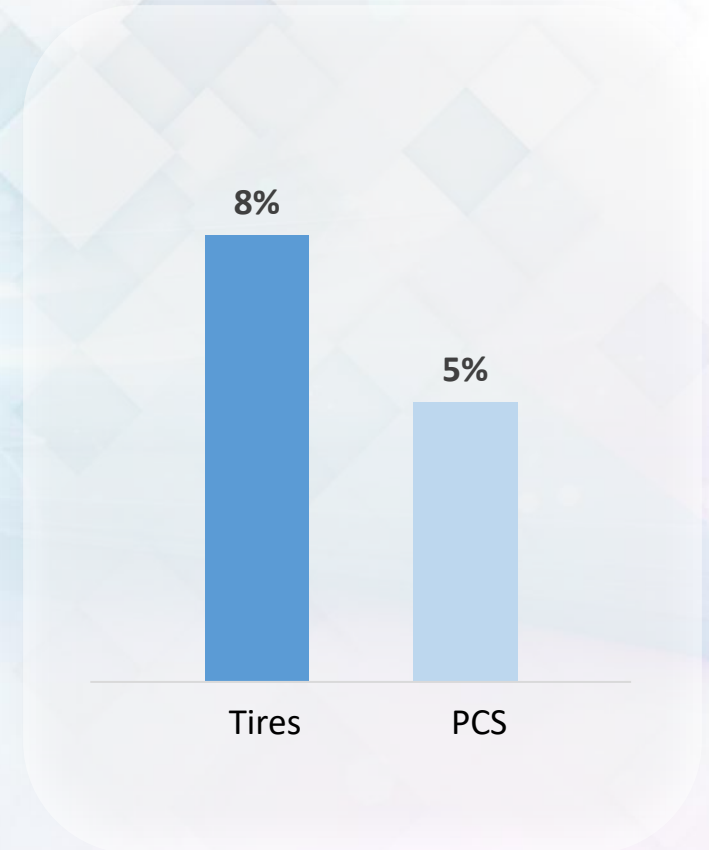
Increasingly EBIT-accretive

PCS operating margin as a % of sales



Low capital intensity

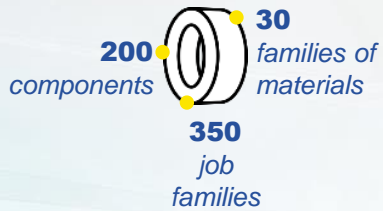
Capex as a % of sales, 2023



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

R&D

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



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

Manufacturing

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



- Proficiency in **industrial processes**



With the same level of quality



Around the world

Growth strategy

- **Organic growth**



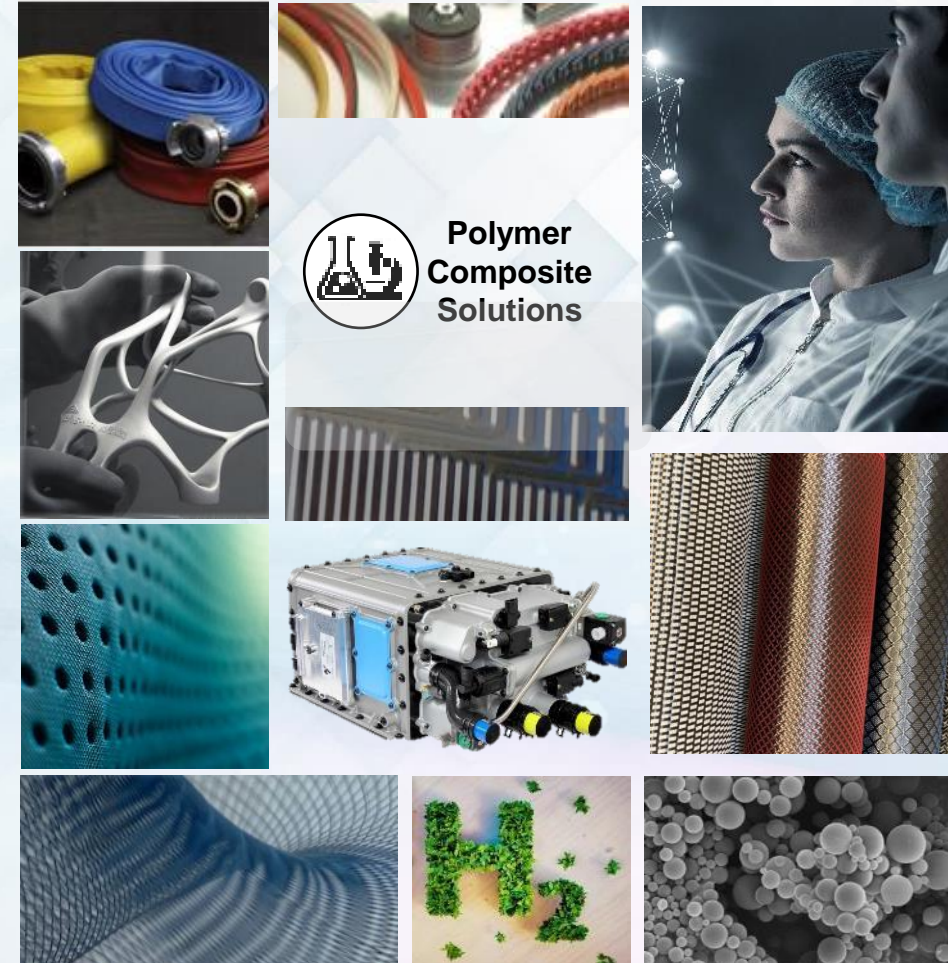
- **M&A-driven growth**

Features vs. tires:

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



- **Joint ventures**



Polymer Composite Solutions



FCG: Strong financial profile confirmed, on track to deliver synergies

Strong financial profile

2023 FY data (1)

Dynamic growth

~€200m
revenue

+9%
organic revenue CAGR
over 2015 – 2023

EBIT-accretive businesses

~€43m
EBIT

~22%
of sales

Low capital intensity

~€10m
capex

~5%
of sales

Targeted EBIT synergies confirmed


- ✓ €21m run-rate EBIT synergies by 2028
- ✓ Accelerated innovation pipeline leveraging Group's R&D assets
- ✓ Business line dedicated to Composite Fabrics and Films




(1) Consolidated from September 26, 2023



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

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


Fuel cell development leveraging expertise in materials and industrial processes

2014

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


faurecia
inspiring mobility


2019

A FAURECIA MICHELIN HYDROGEN COMPANY

**2020
2022**


New headquarters and facility in Venissieux, France

2022


SCHAEFFLER
creation of **Innoplate** 50/50 JV

2023


Start of Saint-Fons giga factory, France
1st production line in California, USA


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

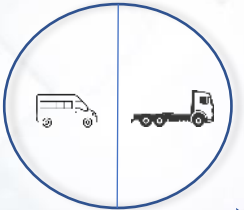
2026

Fuel cell assembling capacity increase

50,000 per year



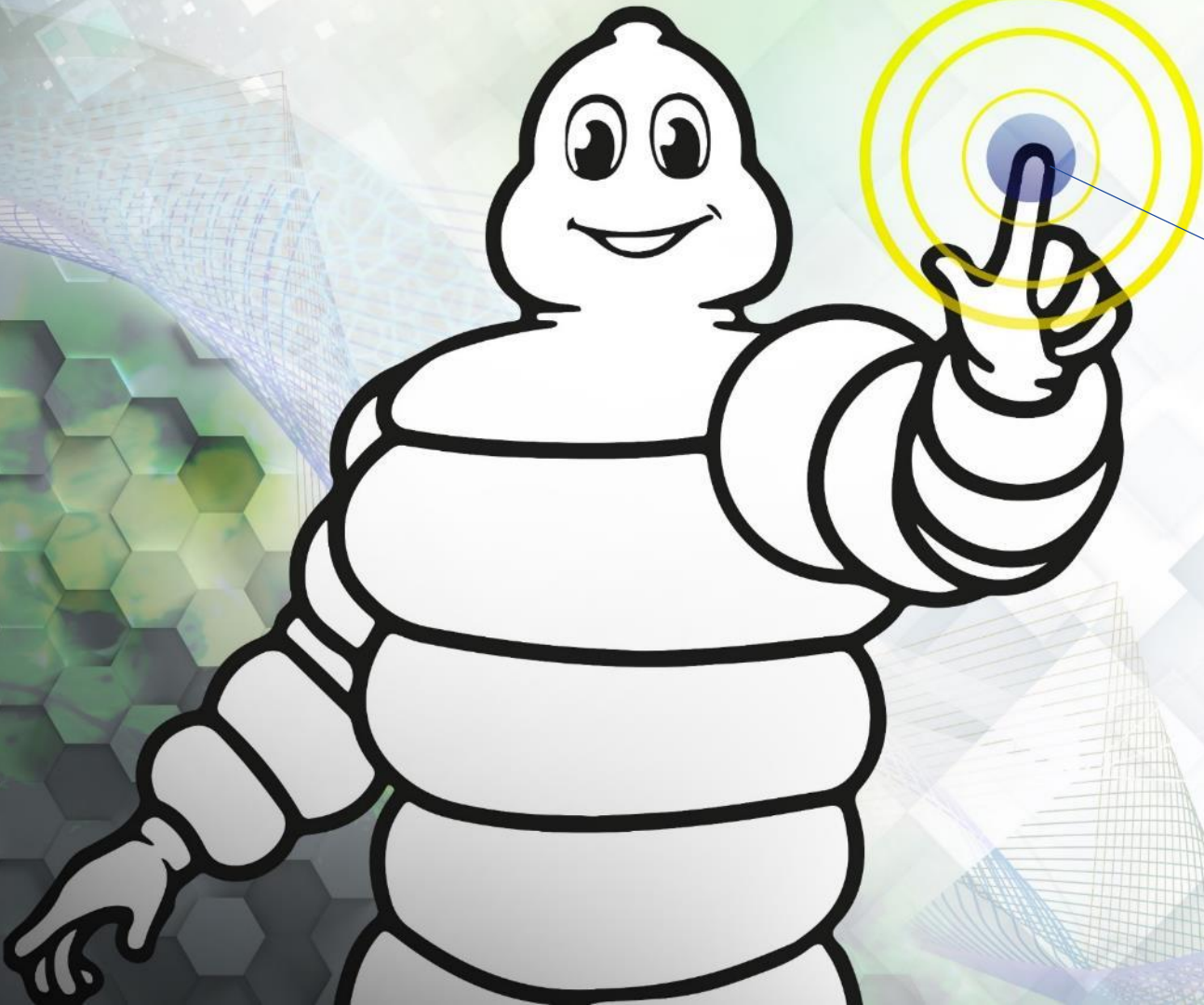
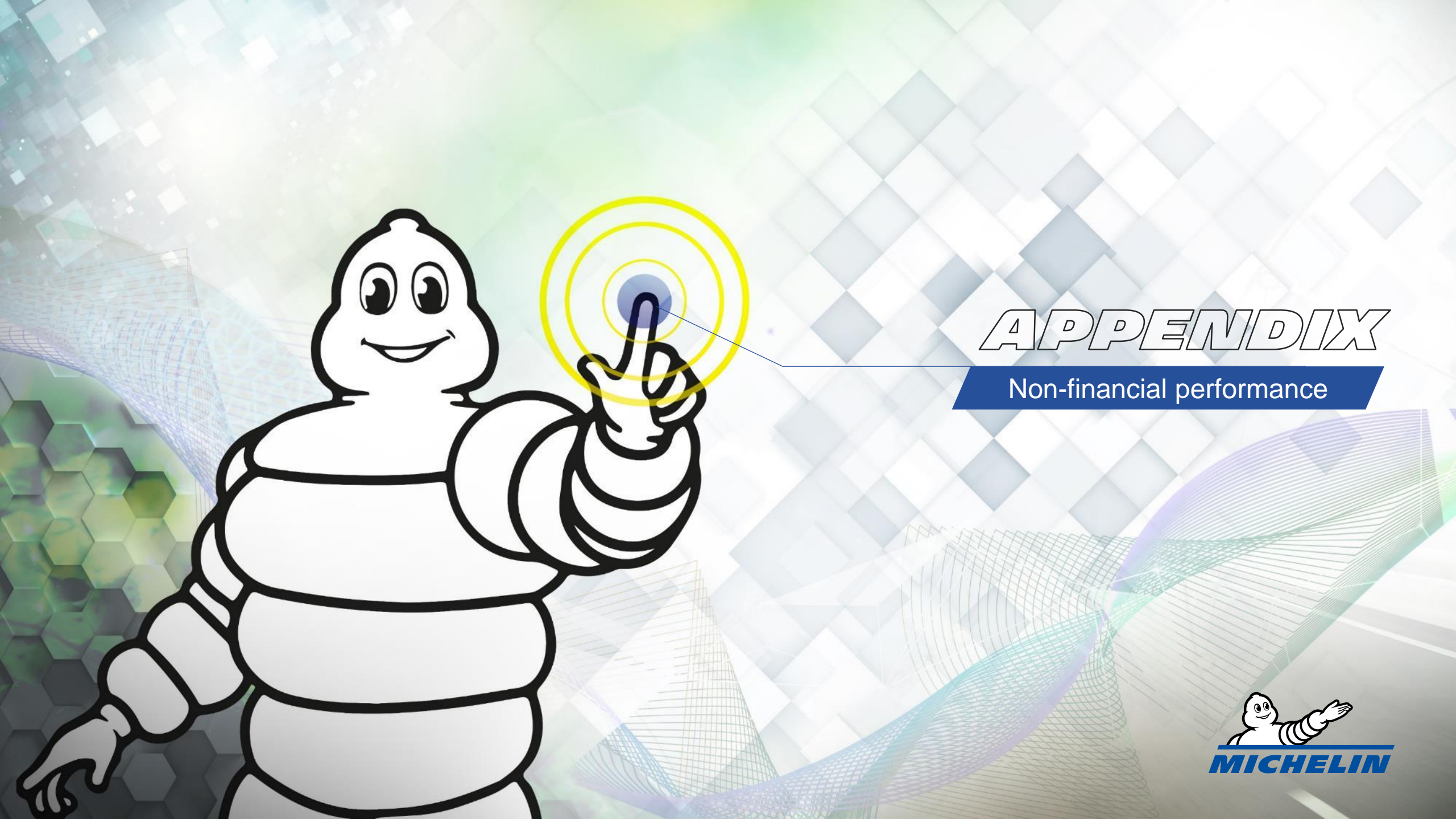
100,000 per year



2030

* Important Projects of Common European Interest





APPENDIX

Non-financial performance

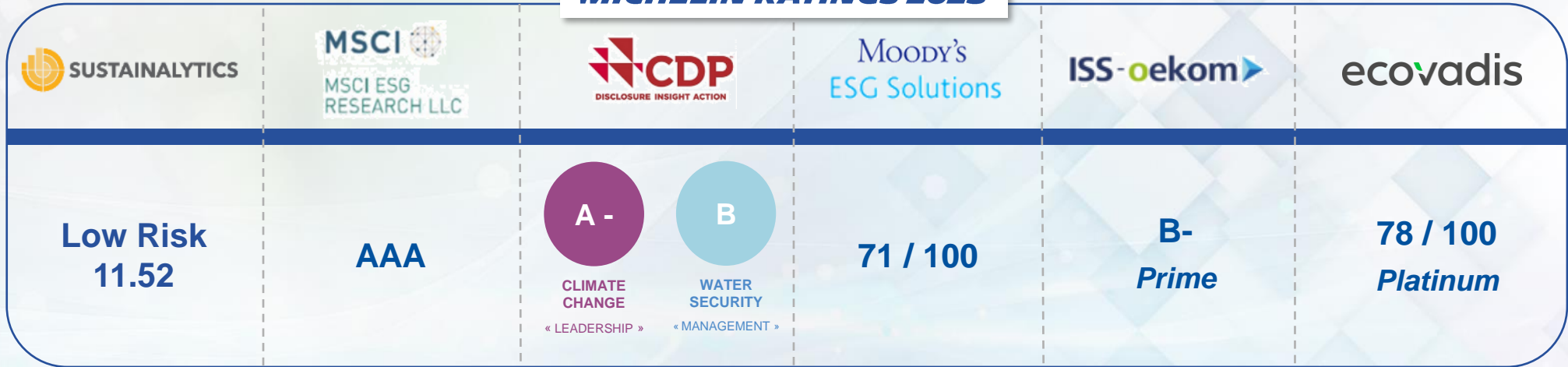


Recognized leadership in non-financial performance

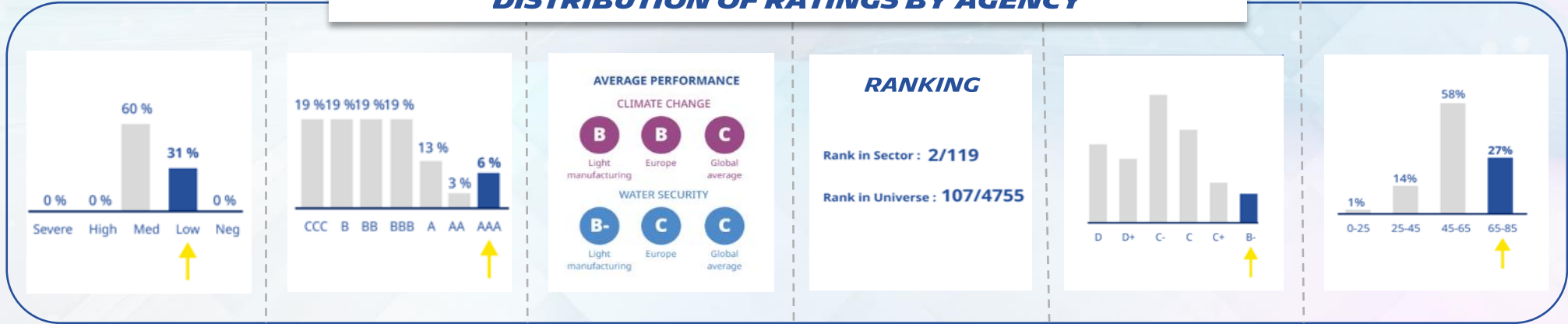
Major ratings

(as of December 31, 2023)

MICHELIN RATINGS 2023



DISTRIBUTION OF RATINGS BY AGENCY



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

If the world was driving on michelin PC/LT tires, it would save every year...



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

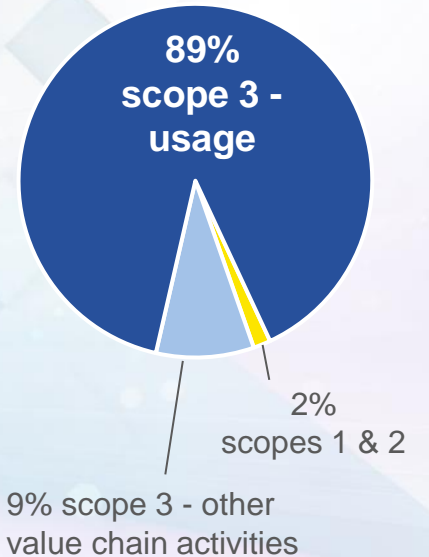


thanks to **lower rolling resistance**, without sacrificing other performance features such as safety and low abrasion.



Tire industry CO2 emissions are mostly related to scope 3⁽³⁾

Illustration: Michelin 2023 CO2 emissions



(1) Underlying hypothesis: 30% advantage for Michelin vs. competitors in abrasion, as calculated by ADAC - Tyre wear particles in the environment, March 2022.

(2) Estimated impact on scope 3 usage of the tire industry if Michelin's technology was used by all manufacturers in all geographies. Underlying hypothesis: 20% advantage for Michelin vs. competitors in rolling resistance, based on data extrapolated by Michelin.

(3) See page 179 of the 2023 Universal Registration Document for details.



Michelin has been leading all major innovations in the tire industry

PRODUCT RANGES SUBJECT TO LIFE-CYCLE ANALYSIS

50% IN 2021 ► 100% IN 2025



On the path to full product circularity with 40% renewable or recycled materials by 2030, up to 100% by 2050



NATURAL RUBBER



PLASTIFIERS/RESINS



TEXTILES



SYNTHETIC RUBBER



PYROWAVE

FILLERS



METALS



OTHER



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

(2) Carried out with the support of ADEME



Michelin 1st manufacturer to design a road-homologated tire with 58% renewable or recycled materials

On the way to our “100% Renewable or Recycled materials by 2050” goal: new tires with breakthrough technologies



(1) Size: 275/70 R22.5 152/149

(2) Size: 235/55R19 105W



Strong commitment to reduce impact of operations on biodiversity and ecosystems

2023 results, 2030 commitments

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



[+ To know more](#)

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

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

(3) Per hectare

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

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

ID CARD

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

Up to 7 middlemen between direct suppliers and smallholders in Asia

~150 direct suppliers

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

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

GPSNR Founding member (Global Platform for Sustainable Natural Rubber)



ACCELERATING SUSTAINABILITY ACROSS THE INDUSTRY BY 2025

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



EXTENDING ASSESSMENTS OF PRACTICES ACROSS THE VALUE CHAIN : 2023 ACHIEVEMENTS

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



IMPLEMENTING IMPACTFUL PROJECTS

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

* With WWF

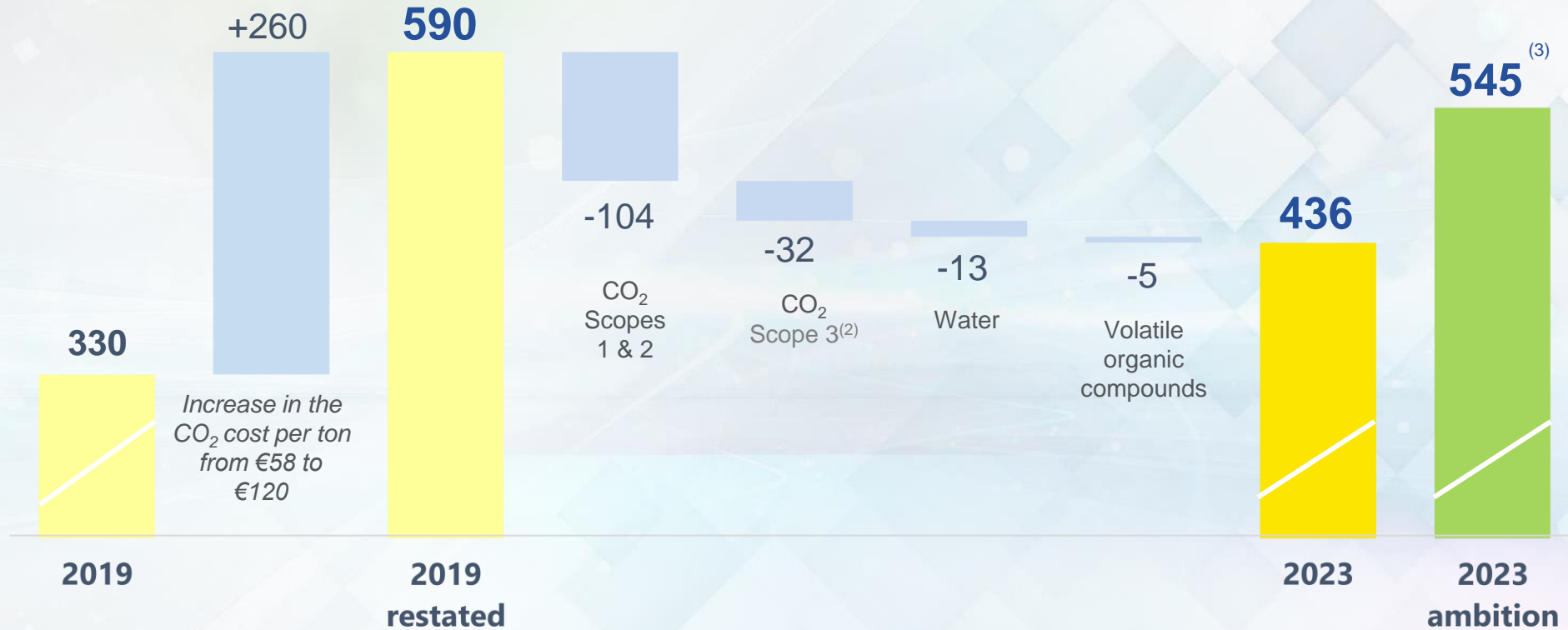
** As part of the Global Platform for Sustainable Natural Rubber (GPSNR)



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

Externality costs evolution

(€ millions)



(1) Volatil Organic Compounds

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

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



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

Michelin's answer

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



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



GOVERNANCE

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

STRATEGY

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

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

RISK MANAGEMENT

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

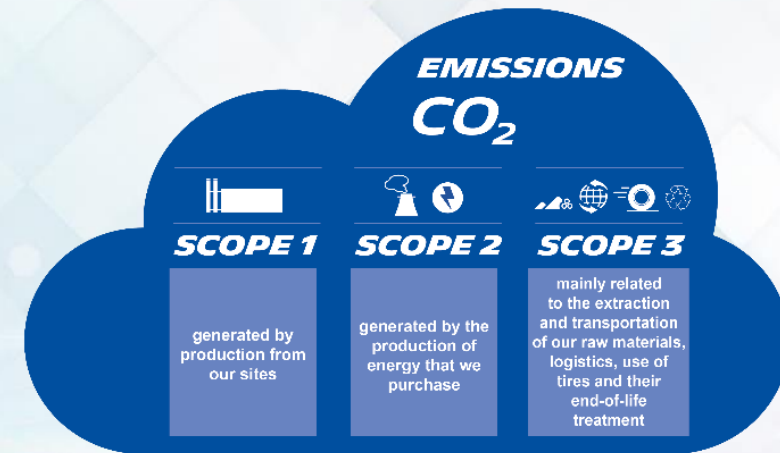
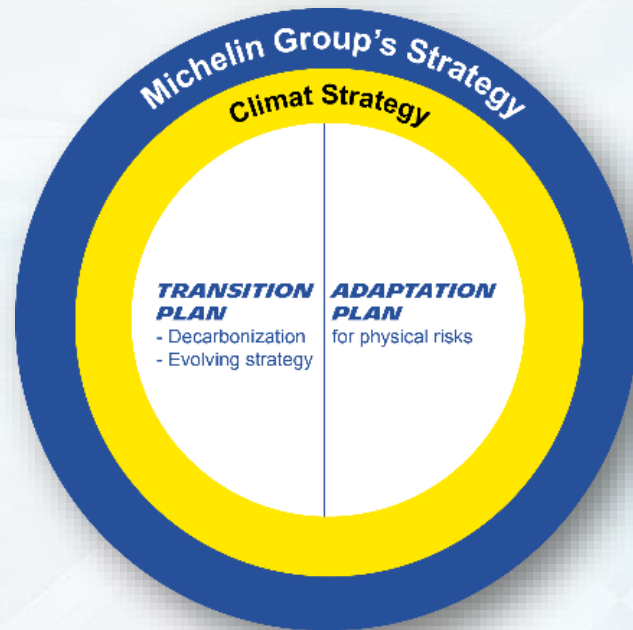
METRICS AND TARGETS

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

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

Structured around 2 axes:

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

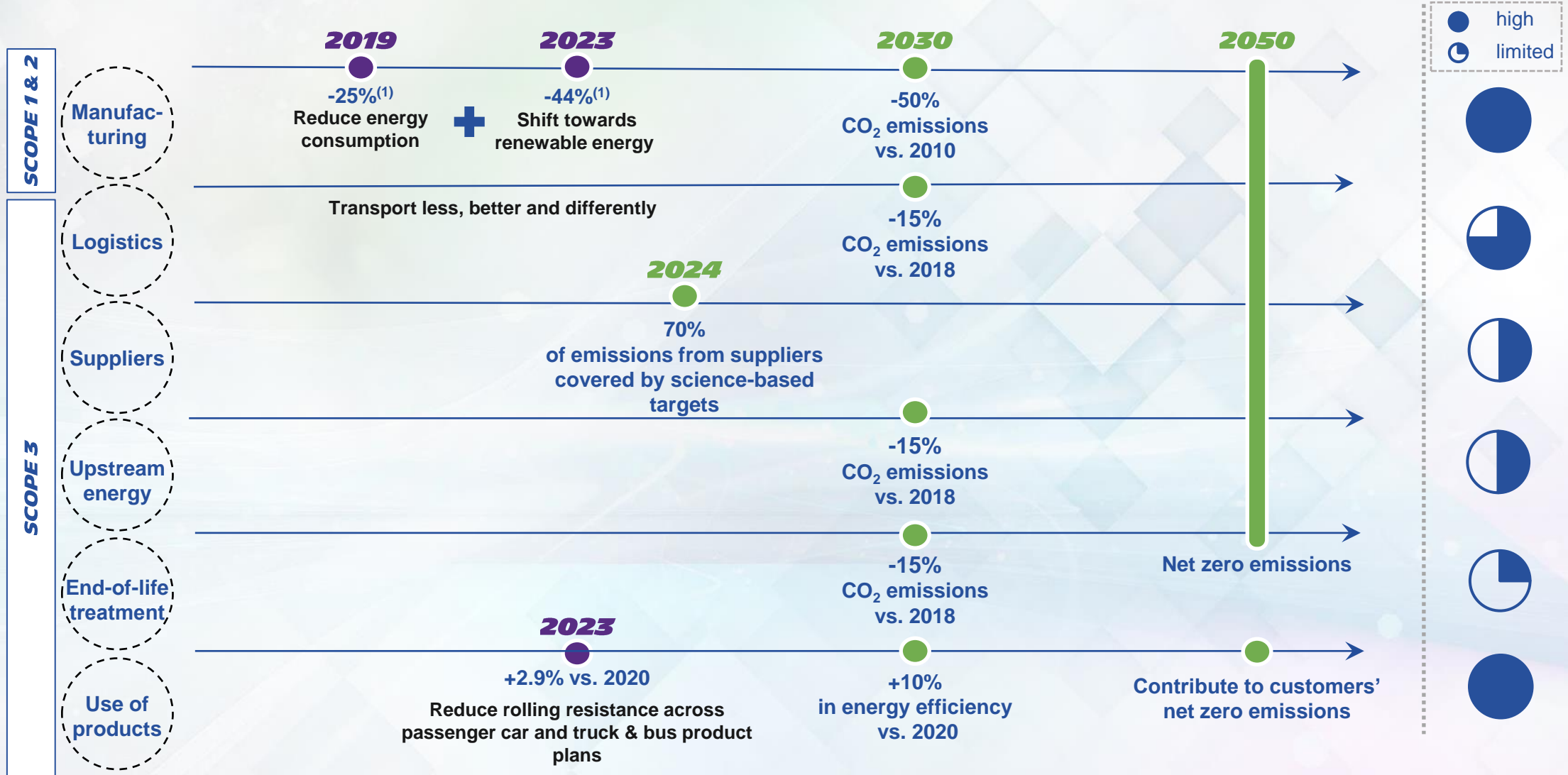


Based on 3 principles:

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

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

Group's ability to have an influence



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



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

Reduction of the environmental footprint of our sites

ISO14001- certified



Water withdrawal x water stress



Generated waste



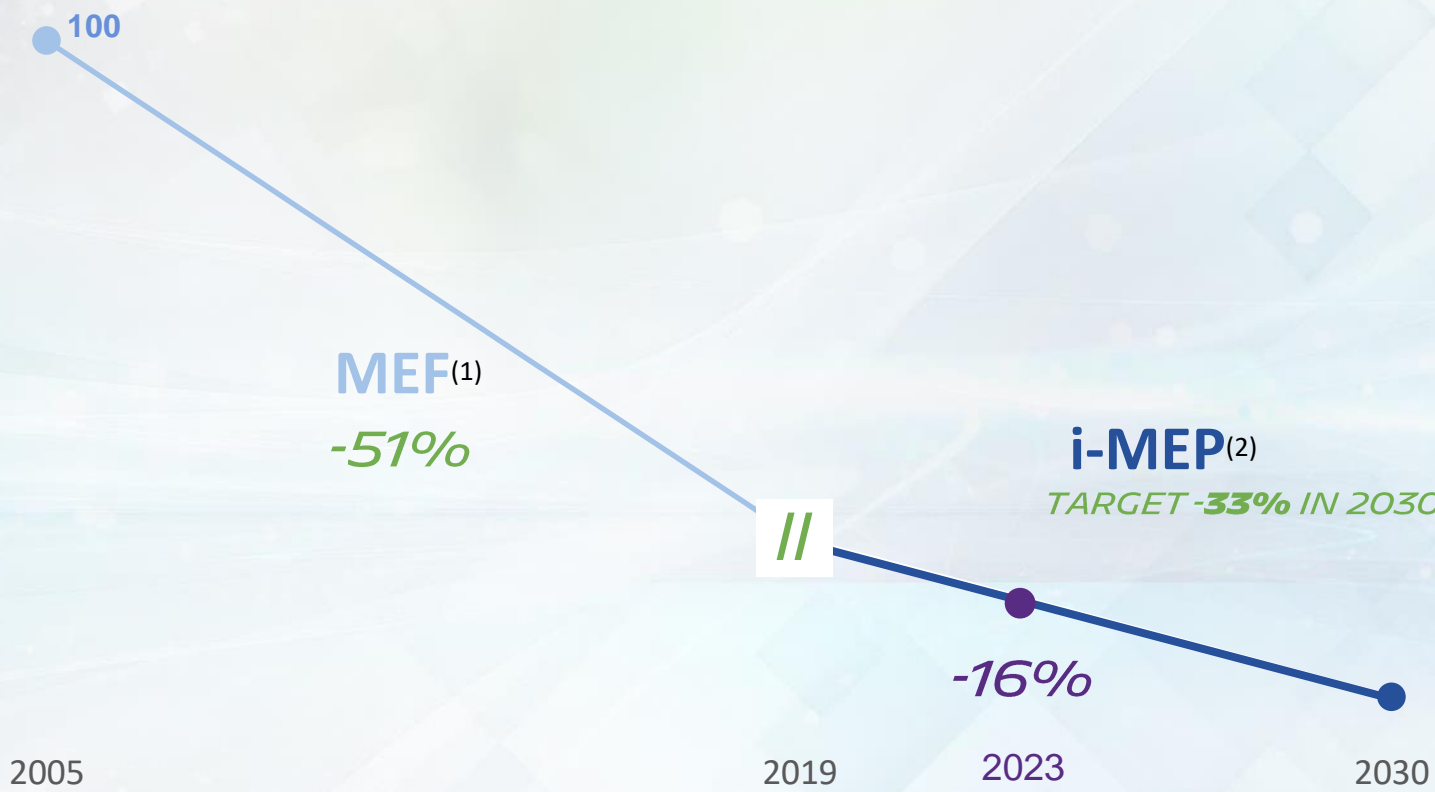
Organic solvent use



Energy use



CO₂ emissions



MEF⁽¹⁾
-51%

i-MEP⁽²⁾
TARGET -33% IN 2030 VS 2019

-16%

(1) MEF: Michelin Environmental Footprint;

(2) i-MEP: industrial-Michelin Environmental Performance; see detailed definition p.173 of the 2023 Universal Registration Document



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

EQUAL OPPORTUNITY

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

DISABILITY

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

MULTI-NATIONAL MANAGEMENT

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



GENDER BALANCE

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

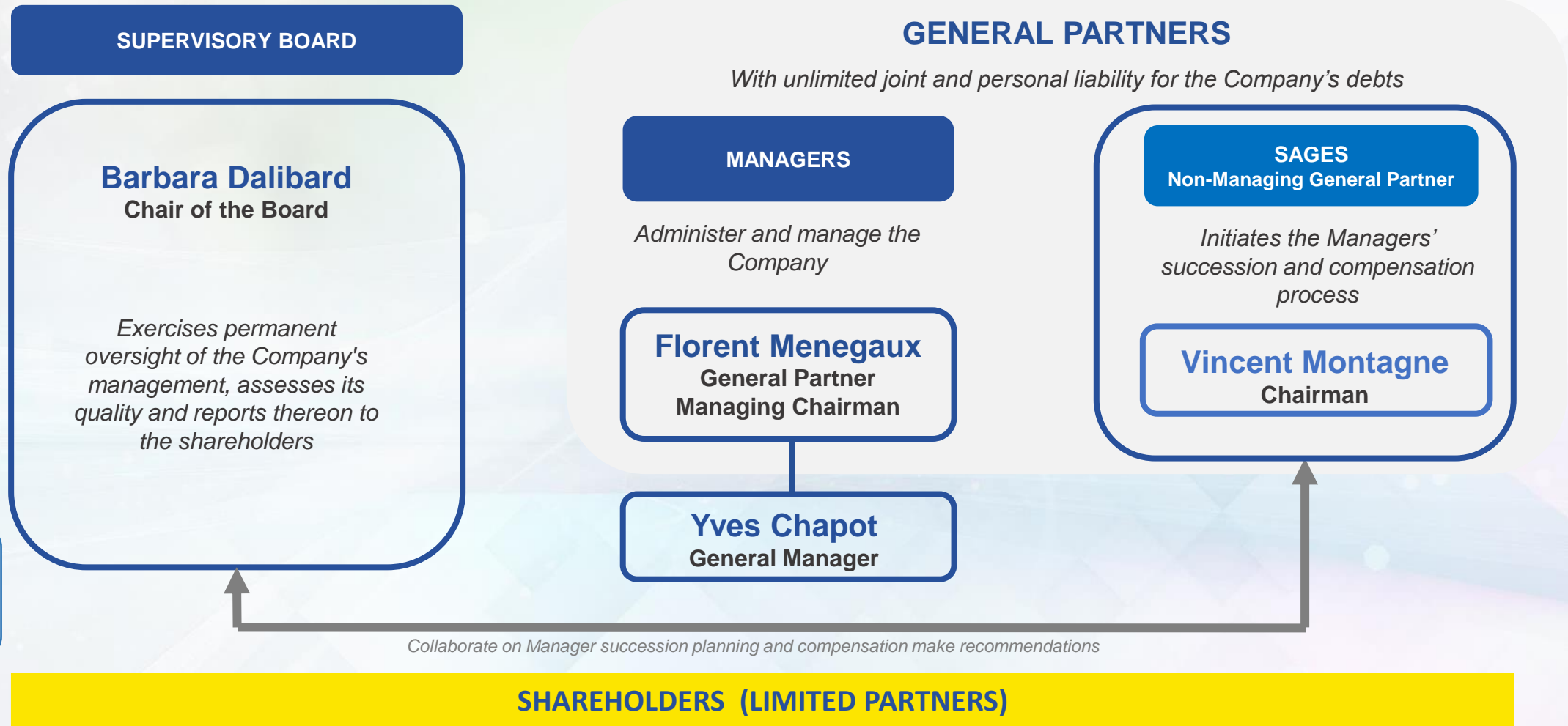
IDENTITY

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

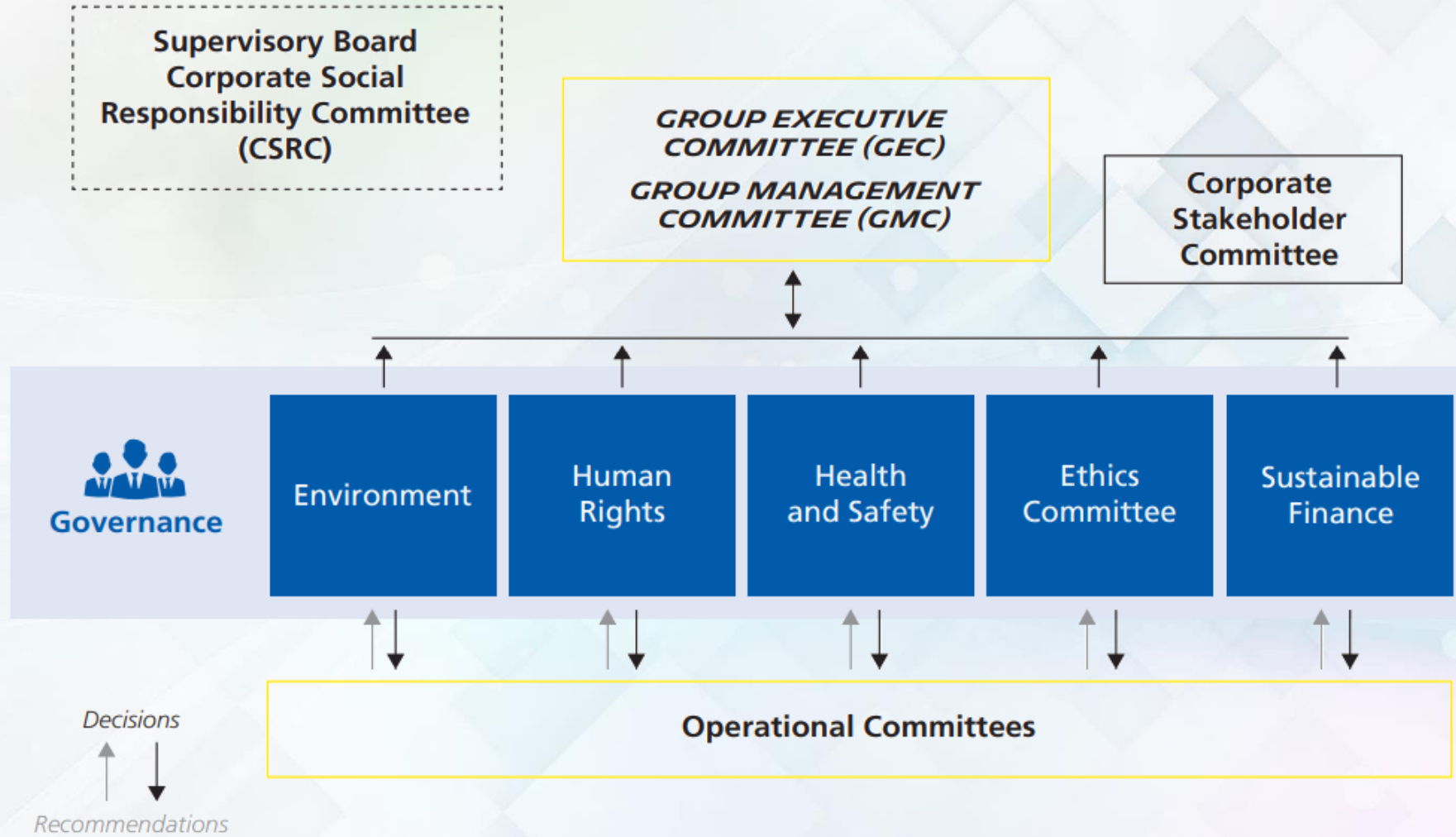
(1) IMDI Management Index: see definition on p. 237 of the 2023 Universal Registration Document

(2) Diversity and Inclusion

Michelin governance pillars: clear segregation of management and supervisory powers



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



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

FLORENT MENEGAUX

Fixed compensation

€1,100,000

Benefit in kind (car)
€10,000

Annual variable compensation

Capped at 150% of fixed compensation

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

Consolidated
net income

4% of Profit Shares

Overall weighting up to 80% of fixed compensation

Quantitative criteria:

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

Quantifiable qualitative criteria:

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

The following are applied to each criterion:

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

Performance share grants

Subject to performance conditions over 3 years

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

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

Weighting: 30%

2. CSR performance

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

Weighting: 40%

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

Weighting: 30%

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

ESG incentives



Glossary

FREE CASH FLOW (FCF)

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

ROCE

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

TIRE SALES

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

NON-TIRE SALES

Sales from the Connected Solutions (excluding TaaS and Distribution) and Polymer Composite Solutions businesses, excluding joint ventures.

IMDI

Inclusion and Diversities Management Index, see definition p.237 of the 2023 Universal Registration Document

TCIR

Total Case Incident Rate, see definition p.264 of the 2023 Universal Registration Document

I-MEP

Industrial - Michelin Environmental Performance, see definition p.173 of the 2023 Universal Registration Document

RENEWABLE OR RECYCLED MATERIALS

New KPI name for "Sustainable materials", definition unchanged see p.193 of the 2023 Universal Registration Document

NPS

Net Promoter Score, see definition p.287 of the 2023 Universal Registration Document



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

This presentation may contain a number of forward-looking statements. Although the Company believes that these statements are based on reasonable assumptions as 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.

Guillaume JULLIENNE

Flavien HUET

Benjamin MARCUS

BUSINESS CENTER PARIS TROCADERO
112 avenue Kléber
75116 Paris – France

23 place des Carmes Dechaux
63040 Clermont-Ferrand – France

investor-relations@michelin.com

