



**DIVERSITY,
EQUITY AND
INCLUSION
POLICY**



**DIVERSITY
EQUITY
INCLUSION**





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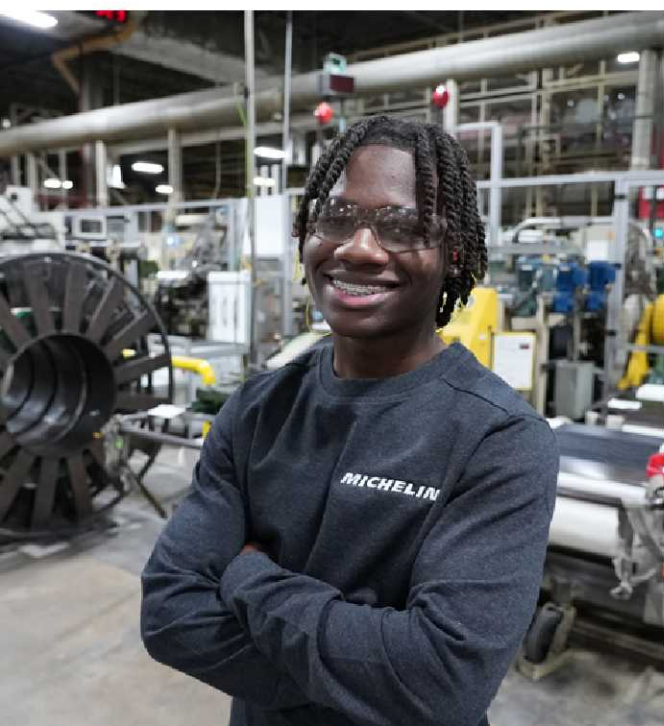
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INTRODUCTION

Diversity, Equity, and Inclusion (DEI) are, for Michelin, an extension of the core value that has driven the company since its inception: respect for people.

This new DEI policy addresses the need to be more explicit about the reasons that drives us to act on these topics, but also about what is concretely expected within the Group, both at Corporate level and in the Regions.

It also reflects the recognition of the many existing dimensions of diversity (i.e. gender, cultures, ages, ethnicity, LGBTQ+, religion, social origin, etc.) and of society's growing expectations in these areas.

While this policy aims to increase the openness of the company and the acceptance of all forms of diversity wherever the Group is located, we acknowledge that there are significant cultural and legal differences on these topics that must be considered, without ever allowing them to justify unfair treatment or discrimination.



**DIVERSITY
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I. KEY ASPECTS OF THE POLICY

SCOPE – TO WHOM DOES THIS POLICY APPLY?

This policy applies to all employees of companies controlled by the Michelin Group, including those in recently acquired companies.

It provides specific instructions for Diversity, Equity, and Inclusion managers, members of the Personnel Department and management teams in Regions and entities.

WHY PROMOTE DIVERSITY, EQUITY AND INCLUSION?

BECAUSE IT'S ABOUT WELLBEING AND RESPECT OF PEOPLE

Well-being at work

Having inclusive teams means allowing each member to feel accepted and at ease in the company, regardless of their origin, gender, age, disability, sexual orientation, religion, physical appearance, social background, etc. This allows each person to be themselves without hiding their identity while having the same chances of success, which promotes their well-being at work. Inclusion is an essential element in the application of our core values and the ICARE leadership model.

Ethics

By banning favoritism or discriminatory comments or behaviors, and by ensuring that decisions on recruitment, promotions, careers, training, or social benefits are not influenced by bias and stereotypes towards any form of diversity, the company establishes an ethical framework. This framework prevents people from being marginalized or feeling rejected, less motivated, or even suffering psychological and physical harm.

BECAUSE IT'S A PERFORMANCE ISSUE

Foster collective intelligence

Having diverse teams allows a multiplication of ideas and perspectives, thereby fostering collective intelligence. This stimulates creativity and innovation and enables us to make relevant decisions.

Understanding customers

Having employees who represent the different people in the company allows us to better understand customer expectations in all their diversity.

Draw from a wider talent pool

Being inclusive in recruitment increases the pool of talent that could join Michelin, gives the best candidates a chance based on their skills, and makes it possible to build the most talented teams.

Having engaged teams

By creating an inclusive environment for all kinds of people, we enable everyone to feel accepted and valued, thereby fostering high levels of motivation and engagement to contribute to performance.

BECAUSE IT'S A SOCIAL RESPONSIBILITY ISSUE

Michelin is committed to having a positive impact on society, both environmentally and socially.

- The company believes it has a societal responsibility to work towards the **inclusion of individuals who face greater challenges in finding employment**, such as people with disabilities, refugees, or those who are socially or culturally far from the labor market.
- The company also strives to guide **its suppliers and partners** in integrating and accepting diversity and to use suppliers presenting diversity in countries where it is possible.
- Finally, where relevant, it develops **products offers and services that enhance the lives of individuals with distinct characteristics** (e.g., mobility solutions for people with disabilities).

BECAUSE THERE ARE LEGAL CONSTRAINTS

In an increasing number of countries, local laws require the implementation of processes to combat all forms of discrimination. They also require companies to reflect the society in which they operate. Some countries prescribe ambitions for women in leadership positions, for people with disabilities, or for ethnic groups less represented in the company.





OUR PRINCIPLES

Everyone, whether an employee or an external partner of the company, must be treated with respect and fairness regardless of their unique characteristics they embody. This applies to all day-to-day interactions (listening to everyone's opinions, allocating tasks or days off, etc.), as well as career development (mobility, promotions) and the treatment of external partners (candidates, suppliers, contractors, etc.). Everyone should be able to live their identity and differences peacefully within the company, without fear of being judged, marginalized, discriminated against, or disadvantaged.

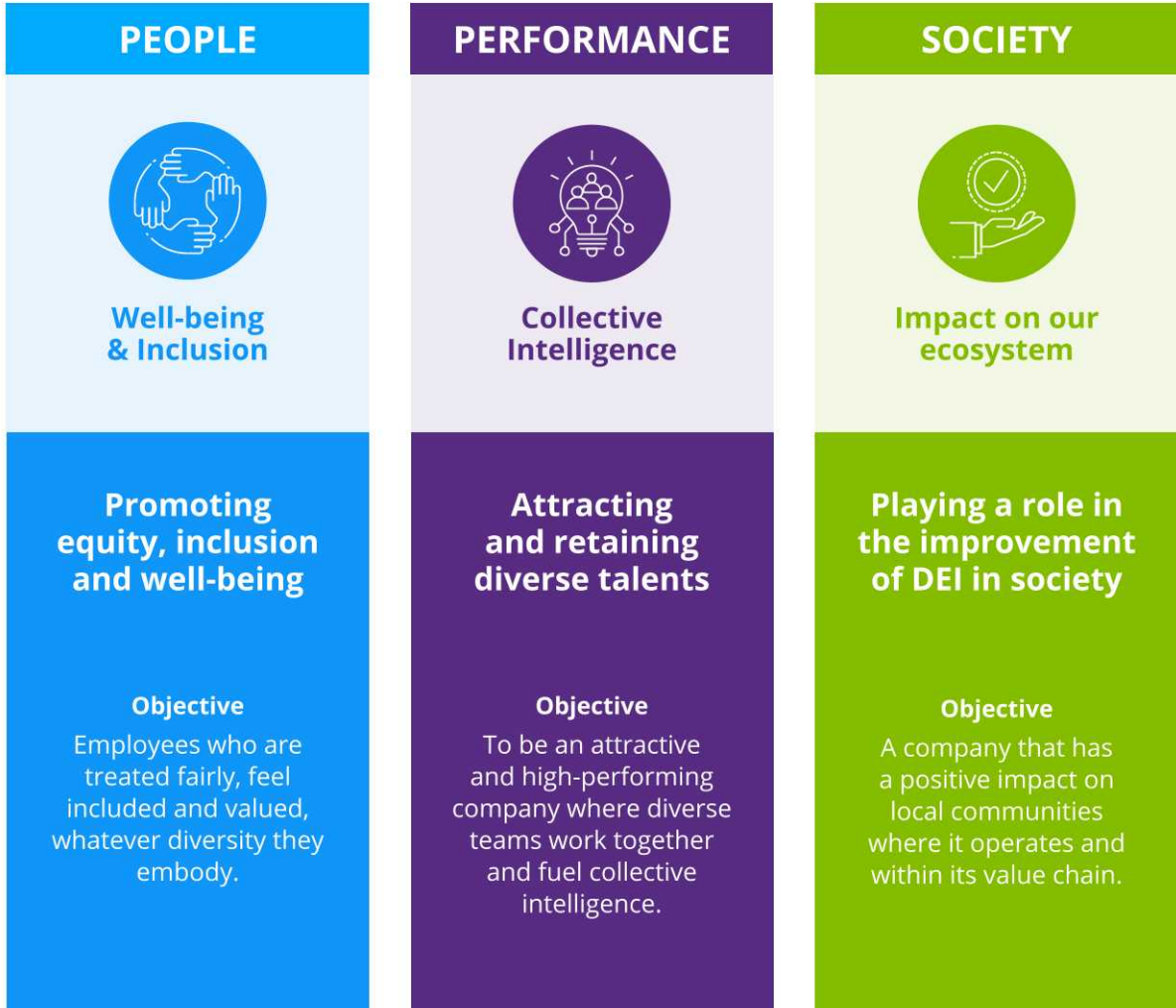
But our ambition goes far beyond respect and fairness. **We want diversity to be actualized as a real asset and opportunity for the teams' and company's performance.** Therefore, we encourage everyone to build diverse teams that reflect the current society as much as possible, and to embrace others' differences and the diversity they embody in a spirit of openness and inclusion to foster collective intelligence.

To achieve this, the company raises awareness among all its employees about the need to understand and include all people (i.e. gender, disability, LGBTQ+, age, ethnicity, cultures, etc.). This involves training aimed at reducing unconscious biases and disseminating **communications** at regular intervals that highlight diversity with the aim of better understanding and accepting them.

We also ensure that all our systems, tools, and social benefits are **accessible and equitable to all our regardless of their differences.** Finally, we implement systems to report discrimination acts which lead to sanctions if they are substantiated.

As part of our corporate social responsibility, **we also aim to have a positive impact on society regarding diversity, equity, and inclusion.** In the areas where we operate, we undertake concrete projects aimed at welcoming people from diverse backgrounds who are less likely to be employed and promoting diversity among our business partners.

THE PILLARS OF THE APPROACH





II. IMPLEMENTATION

**Well-being
& Inclusion**

**Collective
Intelligence**

**Impact on our
ecosystem**

LEVERS

TRAIN
managers and recruiters on biases and stereotypes, non-discrimination, and the creation of diverse teams.

COMMUNICATE to and **TRAIN**
all employees on diversity to increase their inclusion.

ADAPT WORKING CONDITIONS and **ACCESSIBILITY**
to allow inclusion (disability...).

HAVE FAIR PROCESSES
and fight against workplace discrimination (ethical line...).

INITIATE PROJECTS AND PARTNERSHIPS
to promote the employment and recruitment of people at a disadvantage in the job market.
Promote diversity and inclusion in **THE VALUE CHAIN**.



RESPONSIBILITIES IN IMPLEMENTATION

At Corporate level

The Social Cohesion Governance develops the strategy and orientations for DEI. It is chaired by the Group's Chief People Officer and meets twice a year.

The Diversity, Equity and Inclusion Steering Committee oversees the DEI action plan. It meets three times a year.

The Diversity, Equity, and Inclusion Manager:

- Proposes DEI policy updates to the Governance and develops the annual action plan.
- Leads the network of DEI managers in the Regions at least six times a year.
- Ensures that the policy is well understood and applied in the Regions.
- Oversees the Corporate communication plan on DEI topics.
- Develops appropriate tools:
 - Training programs;
 - Specific instructions on new topics;
 - Communication campaigns.
- Monitors and manages diversity-related indicators (IMDI in particular).

At Region level

Region Management Team

- Each Region director appoints a DEI manager for the Region, with time allocated to this mission reflecting Michelin's presence and the challenges in the Region (e.g., 2 people in AMN and 2,5 in France). DEI managers in major countries where the Group operates are also appointed when necessary for the proper implementation of the policy in those countries.
- The regional management team is informed about DEI topics at least twice a year.
- It supervises the action plan and reports the planned actions in the strategic planning each year.

DEI Manager

- Proposes an annual action plan to promote diversity, equity and inclusion in the region.
- Establishes a cross-departmental committee that includes a representative from SP (Personnel Department), DCDI (Sustainable Development and Impact Department), and from the industry in industrial countries, and meet several times a year.
- Establishes a network of DEI ambassadors across the sites of all companies.
- Develops and deploys a communication plan in collaboration with the communication teams.
- Ensures that training to prevent biases, stereotypes, and discrimination is available and deployed in the language(s) of the Region's countries and that the following groups are trained (mandatory training):
 - ① Region Management team;
 - ② Managers;
 - ③ SP, particularly recruiters;
 - ④ Depending on the challenges in the countries and the maturity of the topic, training may be extended to all employees, as decided by the Steering Committee.
- Ensures, in collaboration with SP managers, that processes (recruitment, internal mobility, promotions, social benefits, etc.) are fair and that the company's tools are accessible to everyone.
- Implements projects and forges partnerships with specialized organizations to encourage the recruitment of people with disabilities or other categories for whom accessing work is more challenging (e.g., people from disadvantaged neighborhoods, refugees, etc.).
- Develops the use of suppliers that demonstrate diversity (e.g., companies employing people with disabilities, minority owned companies in certain countries, etc.), in collaboration with the procurement department.
- Provides data for the DEI Group reporting (disability etc.)

Employee Groups

Employee groups that come together around a specific identity (e.g., women, age, LGBT, ethnicity, disability, etc.) or multiple (e.g. the Better Together network) are encouraged. Their main mission is to promote understanding and respect of diversity within the company, thereby increasing the well-being of the concerned individuals at work.

They collaborate effectively with DEI managers and are open to all employees, including "allies" who wish to support without embodying it.

They can organize or participate in events related to their diversity according to the framework described below.

Expressing diversity

It is important to make any identity visible to better understand and promote its inclusion.

However, communications about diversity or participation in events related to a diversity should not take on a militant, evangelizing or exclusionary nature. Regional leaders (especially DEI and SP managers) ensure the application of this framework, considering the local context.



INDICATORS AND MONITORING

Indicators

The Group has established and monitors key indicators in the areas of diversity and inclusion:

- The IMDI (Diversity and Inclusion Management Indicator) includes 12 sub-indicators and is calculated each year at Group level as well as for each Region.

	Corporate level monitoring	Regional level monitoring
Gender Equity	% Women in extended management ⁽¹⁾	X
	% Women in top management ⁽²⁾	X
	Gross Pay gap between men and women	X
Identity	Favorable answers to annual survey MFT question: "In my workplace, I am treated with respect, regardless of who I am or what my position is"	X
	Favorable answers to annual survey MFT question: "In my workplace, I believe that people are treated fairly regardless of their background, personal characteristics or other differences"	X
	Difference in outcomes by age group for annual survey MFT question: "I can fulfill my career objectives at Michelin."	X
Multicultural management	% Top management in AMS, AMC, E2A and AIM coming from these Regions	AMS, AMC, E2A, AIM ⁽³⁾
	% Non-french GOS members	
Disability	% Country organizations with more than 1,000 employees that count at least 2% of employees recognized as disabled	X
	% Country organizations with more that 1000 employees that have appointed an Ambassador with expertise in workplace disability issues.	X
Equal opportunities	% Category 1 to 4 employees who began their career as category 5	X
	% Management (NRI ⁽¹⁾ A to N) who is in this position at least 3 years after the hiring date.	X

- In addition to the IMDI, Regions must track, report, and monitor:
 - ① The number of people who have completed diversity and non-discrimination training.
 - ② Actions taken on the social responsibility pillar. For example :
 - Number of suppliers that reflect diversity;
 - Number of suppliers trained by the company on diversity issues;
 - Number of refugees employed by the company;
 - Number of individuals from disadvantaged backgrounds employed by the company.

Internal control:

To ensure effective monitoring of this subject, the Group has established several internal control points that are tracked at both the global and regional levels:

- 1 control point for diversity training of recruiters (GPS_05.02.01);
- 1 control point on the gender pay gap (GPS_05.01.01).

(1) Employees with a level of individual responsibility of A to N, according to the Hay method used by the Group

(2) Employees with a level of individual responsibility of A to G, according to the Hay method used by the Group

(3) AMS = South America, AMC = Central America, E2A = South-East Asia, AIM = Africa India Middle-East



KEY DEFINITIONS

Diversity: Diversity refers to all the differences that make individuals unique. This includes, but is not limited to, gender, age, culture, religion, ethnic and social origin, disability, sexual orientation, trade union membership, family situation, political opinion, physical appearance, ways of thinking, as well as academic and professional background.

Inclusion: Inclusion means promoting a working environment and culture where all differences are valued, respected, and utilised without bias. It means that everyone has the opportunity to contribute and succeed, feels safe regardless of their differences, and feels a sense of belonging to the organization.

If diversity is about “being invited to the party”, inclusion is about “being invited to dance.”

Equity: Equity in the workplace means, on the one hand, that everyone benefits from the same considerations, systems, and advantages without discrimination, favoritism, or value judgment. On the other hand, it involves providing everyone with the means to succeed, taking into account their specific situation. For example, enabling a refugee who has been hired by the company to learn the local language, or adapting a workstation for a person with a disability, are among the measures that ensures greater equity among employees.



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Publication date: July 2024

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