## 2024 TAX TRANSPARENCY REPORT



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### **GLOSSARY**

### Tangible assets:

the sum of the net book values of the physical assets, excluding cash and cash equivalents, and right-of-use assets of all the constituent entities resident for tax purposes in the relevant jurisdiction.

### APA:

an Advance Pricing Agreement (or arrangement) on transfer prices negotiated with tax authorities on a unilateral, bilateral or multilateral basis.

### Profit (loss) before tax:

the sum of the profit or loss before tax for all the constituent entities resident for tax purposes in the relevant tax jurisdiction. Profit or loss before tax, restated for intragroup dividends, includes all non-recurring income and expenses.

### Country-by-country reporting (CbCR):

a requirement in force since 2016 to report a country-bycountry annual tax return in accordance with Article 223 quinquies C of the French General Tax Code (Code général des impôts). Its purpose is for multinational enterprises to provide the relevant tax authorities with information on their allocation of income, taxes paid and economic activity among tax jurisdictions (see the OECD Action 13 report on the CbCR).

### Contribution to income tax:

portion of the income tax due by a given country in relation to the income tax due by the Group.

### Contribution to Group income before tax:

portion of income before taxes generated by a given country in relation to the income before taxes generated by the Group.

### Global tax contribution:

all the direct and indirect taxes, duties and levies borne by the Group in its capacity as an economically liable taxpayer organization. These include income tax, taxes on goods and services such as customs duties, payroll taxes, withholding taxes and environmental taxes. The global tax contribution does not include taxes collected by the Group on behalf of the tax authorities, nor employer social security contributions borne by the Group.

### Social security contribution:

these are legally mandated contributions payable by the employer and calculated based on various elements of compensation. They typically cover employee participation in statutory and mandatory pension, healthcare and welfare schemes. Social security contributions are distinct from payroll taxes.

### **Customs duties:**

indirect taxes levied on goods when they enter a country.

### Income tax accrued:

tax due on the taxable income of an entity or group of entities within a country. This category also includes taxes other than on income that are also based on income (the sum of taxable income less deductible expenses), such as the business tax on value added (Contribution sur la Valeur Ajoutée des Entreprises – CVAE) in France and the regional production tax (Imposta Regionale sulle Attivita Produttive – IRAP) in Italy.

### Tax on goods and services:

all taxes levied on the production, extraction, sale, transfer, leasing or delivery of goods and the rendering of services, or on the use of goods or permission to use goods or to perform activities. In particular, these include non-recoverable value-added tax, sales taxes, property taxes, excise duties, duties levied on the import and export of goods, and customs duties.

### Payroll taxes:

all the various taxes paid by employers, employees and the self-employed, as a percentage of wages or as a fixed amount per person.

### Number of employees:

the number of employees registered as of December 31 of the fiscal year in all the constituent entities resident for tax purposes in the relevant tax jurisdiction.

### Tax ruling:

a formal position taken by a tax authority on a matter referred to it by a private or corporate taxpayer concerning how a tax rule applies to their specific circumstances. It is an instrument used by governments to provide legal certainty.

### Withholding tax:

tax levied on the payment of certain transactions (royalties, interest or dividends) conducted as part of a cross-border relationship.

### Revenue:

the sum of the gross sales of all companies before elimination of intra-country transactions, plus income from participating interests, excluding dividends received from affiliated undertakings, income from other capitalized investments and loans, other interest receivable and similar income.

### **Environmental tax:**

taxes and duties levied on energy products, measured or estimated emissions into the air or water, ozone-depleting substances, certain sources of diffuse pollution of water, land, forests and biodiversity.





### **FOREWORD**

The following tax transparency report has been prepared in accordance with the guidance provided in the "GRI 207: Tax 2019" standard, a voluntary reporting methodology that enables a company to report on its approach to taxation and the link between its business and its tax contribution.

Its content is based on the consolidated scope of Compagnie Générale des Établissements Michelin (CGEM; hereafter, the "Group" or "Michelin"). The reporting cycle is annual, with this year's reported data covering the 12 months from January 1 to December 31, 2024.

Some of the figures in this report figures in this report, including the global tax contribution, the social security contribution and certain figures in the country data sheets, have been subject to limited assurance procedures carried out by the Company's Statutory Auditors.

The report was authorized for issue by the Managers on July 4, 2025.

# MESSAGE FROM THE GENERAL MANAGER AND THE DEPUTY CHIEF FINANCIAL OFFICER





Yves CHAPOT

Carine DAMOIS

"A company is a community of people who purposefully come together to join intellectual forces and create solutions and opportunities every day. The human element is, and must always be, at the heart of our approach."

### Florent MENEGAUX

(extract from an interview with Florent Menegaux published by Eco Keys magazine in 2024)

## In 2024, our global tax contribution remained stable, despite a highly complex and uncertain environment.

2024 brought significant reforms in international taxation, with an associated impact on the tax footprint of large multinational groups such as ours. These changes are designed to increase transparency, strengthen international cooperation and enhance tax fairness. Some of the reforms also seek to broaden the taxable base of large groups by targeting tax practices considered harmful, or by calling for an additional effort to improve public finances.

These reforms are focused on the following in particular:

- · the implementation of a global minimum tax,
- the new European Commission's plan to introduce measures to simplify administrative procedures, with the welcome aim of ultimately reducing corporate reporting obligations by 25%,
- the OECD's strengthening of its ICAP program, making it easier for multinational groups and tax administrations in several countries to work collaboratively on risk assessments.

The year's developments in international taxation bring both challenges and opportunities for large groups, which must constantly adapt and remain vigilant and proactive in order to navigate this rapidly evolving tax landscape.

## THE STRENGTHS OF OUR GLOBAL FOOTPRINT

## The geographic distribution of our locations is driven by business needs and opportunities.

We operate in 174 countries, and have a physical presence in 63 of these countries through our manufacturing, sales & marketing, development and service sites. This diverse range of markets gives us a direct connection to the world and to global developments, enabling us to pick up on weak signals of future transformations early on before they become widespread.

Our broad geographical footprint also enhances our resilience, helping us to anticipate and absorb shocks when they occur. Our local-to-local approach developed over time is a key advantage at a time of unprecedented challenges in global trade.

## OUR VALUES AND OUR TAX CONTRIBUTION

## We are committed to compliance with local laws in all of our host countries.

Michelin ensures that it pays the relevant taxes and customs duties in all countries where it operates. As a global taxpayer, the Group helps to finance the development of nations and communities in the regions where it does business.

### 2024 – AN UNSTABLE GLOBAL ENVIRONMENT AND AN EVOLVING REGULATORY FRAMEWORK

In 2024, Michelin demonstrated its agility amid uncertain economic conditions and a tense geopolitical environment.

Against a backdrop of persistently high inflation, unstable interest rates, rising energy costs, supply chain and raw material disruption and uneven growth across regions, Michelin has shown its ability to adapt by delivering solid results in the face of global economic turbulence.

Nevertheless, in this weaker environment we have had to make difficult decisions to shut down or scale back activities in France, China, Poland and Sri Lanka. In such cases, Michelin's priority is to support people through these changes with respect, transparency and fairness throughout the process.

### Message from the General Manager and the Deputy Chief Financial Officer

Yves Chapot and Carine Damois

## Our Group has also shown agility in keeping pace with rapid changes in legislation.

Michelin regularly strengthens the implementation of its processes to facilitate tax compliance and transparency, especially in response to new requirements such as the OECD's "Pillar Two" regulation and the Corporate Sustainability Directive (CSRD).

In keeping with our commitment to transparency and comparability, some of the figures provided in this tax transparency report conform to the definitions of the aggregates that will appear in the forthcoming income tax report (Article L. 232-6 of the French Commercial Code). This report, which will be based on the consolidated financial statements for the 2025 fiscal year, will be published by Michelin no later than December 31, 2026.

### TOWARD GREATER STABILITY

These global uncertainties are creating a desire for long-term stability, especially in tax matters.

Just as Michelin has established a solid industrial footprint, so it pursues a sustainable tax policy, which ensures that profits are geographically allocated in line with the location of its value-creating functions such as the industrial and business strategy functions and R&D centers.

Furthermore, Michelin operates in a process-based industry that requires major capital expenditure that is depreciated, and pays off, over long periods of time. In these circumstances, it is difficult to make investment decisions in unstable and/or uncertain environments.

This desire for stability has prompted the Group to enter into long-term arrangements with tax authorities where permitted by the regulations. By entering into such arrangements, Michelin ensures that its tax positions will not be challenged for a certain period of time, as they

have been approved by the tax authorities. These initiatives are designed to encourage transparent communication and to clarify the interpretation of regulations to ensure that they are properly applied.

### CONCLUSION

In 2024, the Michelin Group's global tax contribution amounted to €1.238 billion, including €753 million in corporate income tax accrued, €376 million in taxes on products and services, €93 million in payroll tax, and €15 million in environmental and other taxes. Our total tax contributions (excluding social security contributions) represent around 37% of our segment operating income. The Group's social security contributions amounted to €1.030 billion in 2024.

In this second edition of our tax transparency report, we share the country-by-country breakdown of our tax contribution and the underlying principles of our global tax policy.

Yves CHAPOT and Carine DAMOIS







MICHELIN, A GLOBAL INDUSTRIAL FOOTPRINT, AN INNOVATION AND PERFORMANCE-DRIVEN STRATEGY

Our strategy

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### 1.1 OUR KEY FIGURES

### 2024 KEY FIGURES

**Financial performance** 







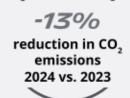
### Highlights





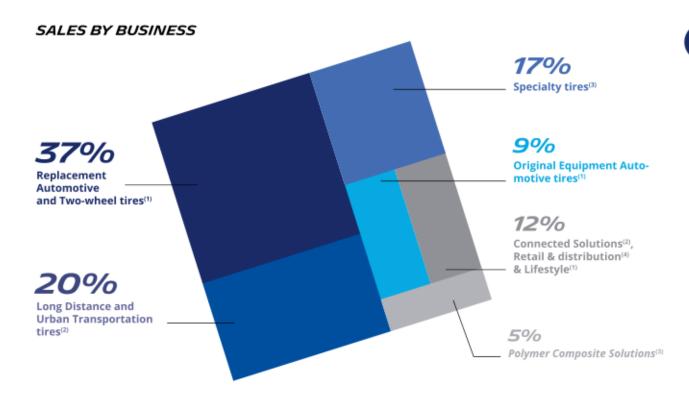












### WORKFORCE AND SALES BY REGION





Employees Sales 48% 36%

### **North America:**



Employees Sales 21% 39%

### Other regions:



Employees Sales 25%



(1) Reporting segment 1. (2) Reporting segment 2. (3) Reporting segment 3. (4) Allocated pro rata to each of the three reporting segments.

### **1.2** OUR STRATEGY

### MANUFACTURING IN A WORLD FULL OF CHALLENGES

Today, the world is seeing an acceleration in three underlying trends that are disrupting societies and spurring companies to transform their operations. Inspired by its All Sustainable vision, Michelin has clearly identified the resulting challenges and defined its priorities in responding to these structural transitions.



► ENVIRONMENTAL CHALLENGES Intensifying impacts

### **MICHELIN'S PRIORITIES**

- Reach net-zero carbon emissions by 2050 for Scopes 1 and 2 and for the Scope 3 categories of upstream and downstream logistics activities, suppliers, treatment of end-of-life tires and energy.
- Demonstrate a firm commitment to biodiversity, particularly in the natural rubber value chain.
- Make eco-design a standard and foster the circular economy to preserve resources, in particular by increasing the percentage of recycled or renewable materials used in our tires.
- Continue to reduce the rolling resistance of our tires and further attenuate the release of tire and road wear particles.
- Reduce our water withdrawals more quickly.



► TECHNOLOGICAL REVOLUTIONS Increasingly digitalized societies

### **MICHELIN'S PRIORITIES**

- Support connected mobility with a range of services and solutions for safer, more sustainable mobility.
- Offer millions of travelers remarkable experiences through innovative digital services.
- Monetize high value-added services based on data analytics.
- Improve the customer experience and interface with greater simplicity, seamlessness and responsiveness.
- Scale up artificial intelligence to make production processes more efficient.

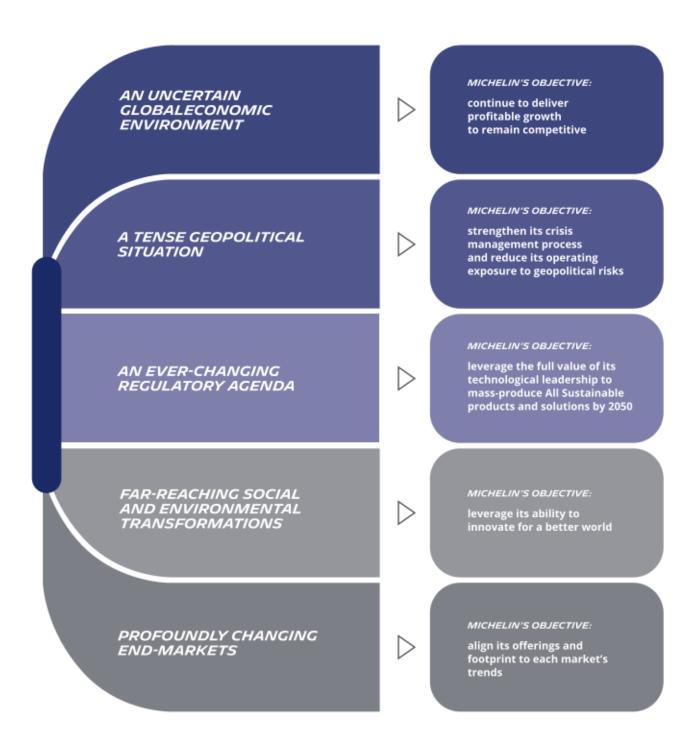


► GEOPOLITICAL AND SOCIAL FRAGMENTATION

### **MICHELIN'S PRIORITIES**

- Optimize risk management processes to secure the Group's business operations.
- Provide for alternative plans to align operations with the new geopolitical situation.
- Increasingly put people first in decision-making processes, through the universal social protection floor, a commitment to inclusion, a living wage and other social innovations.
- Improve the appeal of manufacturing jobs and career paths, and enhance employability and personal growth through lifelong learning policies.
- Support jobs and economic activity in our host communities to foster social cohesion.

Michelin operates in a market undergoing multi-faceted change in a highly volatile global business environment.



### **OUR BUSINESS MODEL**

### Resources

## Strategy

### **DIVERSE, ENGAGED TEAMS**

- 129,832 employees in 63 countries
- 84.7% employee engagement rate (UP 1.2 pts vs. 2023)
- 30.4% of managers are women

### AN UNRIVALLED CAPACITY FOR INNOVATION AND DISTINCTIVE EXPERTISE

- Designing and process engineering flexible composite products
- Materials science
- Engineering innovative processes
- Capturing the value of data
  - More than 12,000 patents (including 258 filed in 2024)
  - A unique open innovation ecosystem, with more than 170 new partnerships per year and 8 joint laboratories opened in 2024
  - Vertically integrated in critical components, with more than 30 dedicated workshops or plants, including 3 synthetic rubber plants 38% of natural rubber inputs processed in-house<sup>(1)</sup>
  - 1.6 billion kilometers of mobility data captured every day

### A POWERFUL, ICONIC BRAND

- A brand valued at €8.4 BILLION<sup>(2)</sup>
- The Michelin Man VOTED ICON OF THE MILLENNIUM by New York's Advertising Week in 2018 and BEST LOGO OF THE CENTURY by the Financial Times in 2000
- 130 years of remarkable, one-of-a-kind fine dining and travel experiences

### LASTING, ROBUST FINANCIAL RESOURCES

- €18.6 BILLION in equity
- Robust credit ratings, with stable outlooks at Standard & Poor's, Fitch and Scope
- An evenly balanced shareholder structure: 20.6% French institutional investors, 65.8% non-resident institutional investors, 11% individual shareholders, 2.6% employee shareholders

Including joint ventures.
 Brand Finance Global 500 ranking, January 2025, based on €1 = \$1.05.



BUILDING SUSTAINABLE GROWTH ON DIFFERENTIATED

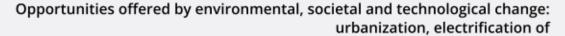
PRODUCTS, SERVICES
AND EXPERIENCES



GROWING

IN MARKETS WITH HIGH TECHNOLOGICAL REQUIREMENTS,

SUCH AS AEROSPACE, ENERGY AND HEALTHCARE



Michelin is a world-leading manufacturer of life-changing composites and experiences.

## RESPONDING TO THE CHALLENGES OF EVERY MOBILITY ENABLER AND MANUFACTURER PERSONAL SAFETY, OPERATING PERFORMANCE AND ENVIRONMENTAL IMPACT

### (3) In the case of Passenger car, Light truck and Truck tires. (4) 2024 dividend of €1.38 per share subject to approval by the Annual Shareholders Meeting on May 16, 2025.

### Creating value

### **FOR EMPLOYEES**

- 57% of employees invested in the 2024 employee share ownership plan (UP 4 pts vs. the previous plan in 2022)
- Fair Wage Network certification in 2024
- 98% of employees covered by a universal social protection floor, supplementing local social security systems

### FOR SOCIETY

- The best balance of product/service performance and durability e.g., 25% BETTER TIRE ABRASION PERFORMANCE than the average of premium competitors
- Nearly 19,000 volunteer initiatives involving Group employees in 2024
- more than 1,000 jobs created every year thanks to Michelin Development's support in renewing and revitalizing local labor markets

### FOR THE PLANET

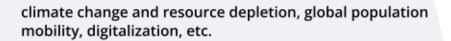
- UPSTREAM PHASE SUPPLY
  - 98% of natural rubber inputs assessed as deforestation free
  - 11% year-on-year reduction in intercontinental finished product shipment tonnages
- OPERATIONS PHASE
  - 7.7% year-on-year reduction in water withdrawals
  - 34% of energy used came from renewable resources (UP 6 pts vs. 2023)
- DOWNSTREAM PHASE USE
  - nearly €120 MILLION invested in 2024 to reduce tire rolling resistance (which has been cut by more than 50%<sup>(3)</sup> since 1992)
  - 31% of tire raw materials were renewable or recycled (up 3 pts vs. 2023)

### FOR PARTNERS AND CUSTOMERS

- Net Promoter Score exceeding 40
- Product/service vitality: around 30% of annual sales derived from products or services introduced in the last three years

### FINANCIAL VALUE CREATED

- 10.5% return on capital employed (ROCE) in 2024
- 52% of 2024 net income paid out in dividends<sup>(4)</sup>





### **PURSUING OUR 2030 STRATEGIC VISION**

In 2021, Michelin launched the Michelin in Motion strategic plan, which lays the foundations for sustainable growth through the rest of the decade in seamless alignment with the Group's All Sustainable commitment.



It embeds social, economic and environmental issues deep in the heart of the Group's growth dynamic.



A tire may look simple, but it is actually a highly complex, composite product made from more than 200 different components and materials, which Michelin proficiently blends to enable all forms of mobility.





## COMPOSITES & EXPERIENCES THAT TRANSFORM OUR DAILY LIVES







### 1.3 A COMPLIANT TAX CONTRIBUTION

The Group generates operational and financial flows worldwide in its dealings with customers, suppliers, financiers, and other partners.

From a regulatory standpoint, national and international tax laws provide for various types of levies for which the taxpayer may be liable depending on:

- · what the taxpayer owns (property taxes);
- · what it produces and sells (taxes on goods and services);
- · the income it generates (income tax);
- what it transfers, for example, customs duties and withholding taxes;
- or the people who make it possible to carry out its activities (payroll taxes).

As the world's leading tire manufacturer, the Michelin Group is liable for tax in the broadest sense of the term, either:

- economically, by directly bearing the cost of the taxes (e.g., income tax); or
- legally, by acting on behalf of governments as the collector of pass-through taxes levied on other economic actors (e.g., VAT, payroll taxes, withholding tax).

The Group's tax responsibility is to calculate and pay the various levies borne in respect of its many business activities, in compliance with the diversity of legislation to which it is subject as a result of its global footprint.

Michelin's global footprint and organization make it a major taxpayer.





## A TAX POLICY IN LINE WITH OUR BUSINESS

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### **2.1** OUR TAX POLICY APPROACH

Faced with the increasing globalization of trade and an everchanging regulatory environment, Michelin has defined its tax policy in an internal tax procedures guide. This guide defines how the Group manages its tax affairs across all of its host communities.

It also identifies the cardinal tax and customs rules that the Group must observe when executing its strategy and conducting its business activities. The members of the Tax and Customs Department are tasked with ensuring compliance with these rules, which are outlined in the following paragraphs.

NB: This report has been prepared on the basis of the GRI 207: Tax 2019 standard, a voluntary reporting methodology that enables a company to report on its approach to taxation and the link between its business and its tax contribution.

## **2.2** OUR COMMITMENT TO SUSTAINABLE, TRANSPARENT AND RESPECTFUL TAXATION

### 2.2.1 GENERAL PRINCIPLES

The Michelin Group undertakes to comply with local legislation in all its host jurisdictions. For this purpose, the Group becomes a taxpayer in every country where it does business, preferably by setting up local subsidiaries to house the human, physical and financial resources required to conduct said business.

In so doing, the Group is committed to observing all local tax obligations and accurately declares its business activities and the bases for calculating the taxes for which it is economically or legally liable. It also makes the corresponding payments.

The Michelin Group's tax policy is consistent with its industrial and business strategy, with the result that financial transactions, the designation of operating entities and the choice of host communities are always based on operational grounds. This means that the tax impacts resulting from these industrial and business choices in no way reflect the use of aggressive tax policies, tax optimization schemes or artificial transactions.

Our business activities generate a substantial amount of taxes both in France and other countries, representing a major portion of our economic contribution.

In particular, the Group pays income tax, withholding taxes, import taxes and customs duties, stamp duties and other taxes in the territories where its operating activities are located.

It also collects and pays taxes on the salaries paid to its employees, as well as indirect taxes such as VAT and certain sector-specific taxes.

In every country where the Group operates, it is committed to exemplary behavior in tax matters, which is notably reflected by efforts to nurture cooperation with local tax authorities (such as in France, Italy or Indonesia).

This relationship is governed by the Michelin Anti-Corruption Code of Practice, which specifically bans any facilitating or expediting payments to public officials.

### 2.2.2 PILLAR TWO

On December 20, 2021, the OECD released its Two-Pillar Solution to tackle base erosion by multinational enterprises. In 2024, the Pillar Two rules for groups with consolidated revenue above €750 million came into effect. These rules require such groups to pay a minimum tax rate of 15% in each jurisdiction where they operate.

This mechanism mainly concerns the ultimate parent entity of the multinational group. If the combined net profits

arising in any single jurisdiction are taxed at an effective rate of less than 15%, the parent entity must pay a top-up tax in its home country to bring the overall tax burden in the undertaxed country up to 15%. However, by way of exception, the jurisdictions where subsidiaries are located may introduce their own domestic minimum tax, which then replaces the tax that would otherwise be payable by the parent entity for the subsidiaries concerned.

The Michelin Group, which is based in France, has applied these rules since January 1, 2024. Under this standard, the minimum tax may be paid either by the parent entity or by the subsidiaries themselves where they are based in jurisdictions that have introduced their own domestic minimum tax.

The Group tax department acts both centrally and locally to support the tax teams in each jurisdiction in applying the Pillar Two rules transparently and in a spirit of cooperation with the tax authorities. In 2024, the impact of Pillar Two on the Group's income tax expense was €16 million.

### 2.3 KEY ELEMENTS OF OUR TAX POLICY

### 2.3.1 VISION OF COMPLIANCE

Compliance means upholding all rules and condemning tax fraud and evasion.

The Michelin Group's tax policy:

- aims to apply the international, regional and local tax rules defined by governments or their representatives;
- · condemns all forms of tax fraud and evasion;

 states that the Tax and Customs Department does not seek to take advantage of controversial tax schemes.

Similarly, the Michelin Group does not carry out any financial transactions or operations that would have no operational and/or economic benefit for the Group other than tax avoidance.

### 2.3.2 LINKS BETWEEN BUSINESS AND TAXATION

### Level of substance in each legal entity

The Michelin Group ensures that each entity demonstrates the appropriate level of substance for its business activities, i.e., that it can muster all the necessary human, physical and financial resources.

A Group legal entity must house all the functions required to conduct its business. The Group makes every effort to ensure compliance with this rule.

Each Head of Tax ensures compliance with this cardinal rule in their geographic remit, in liaison with all the other Group departments concerned.

### Management of legal entities

Each legal entity is a taxpayer in its country of tax residency, in compliance with local legislation.

The Group strives to ensure that no key industrial or business function can be performed by a legal entity in a country other than its country of tax residency.

In addition, the risk of a legal entity having a permanent establishment is under control, as is the place of effective management.

### 2.3.3 SUMMARY ORGANIZATION CHART

The Michelin Group prioritizes the creation of subsidiaries over the presence of branches, to ensure greater clarity and transparency within the Group.

Its objective is to allocate a single taxpayer role to each legal entity, i.e., the role linked to the location in which the subsidiary operates.

Lastly, in recent years, the Tax and Customs Department has been overseeing, with the legal, financial and operational teams, a program to streamline the Group's organizational structure, by limiting the number of legal entities as much as possible at a time of sustained external growth. For example, around 15 entities were removed from the organization chart in 2024 after being wound up or merged with other Group subsidiaries. These operations were carried out to streamline the Group's legal structure and had no impact on the number of employees.

### 2.3.4 APPROACH TO UNCERTAINTY AND RISK APPETITE

### Analysis and documentation of tax positions

The Michelin Group makes every effort to comply with and apply the tax regulations of the jurisdictions where it operates.

The Group is committed to complying with the letter and spirit of all laws and regulations. In this regard, it might – when it thinks that it has solid and relevant technical arguments – adopt a tax position that could be interpreted differently by the tax authorities.

In all cases, these tax positions are subject to a technical analysis and supporting documentation.

In the event that the outcome is deemed uncertain, the accounting consequences of this uncertainty are assessed:

- For income tax, in accordance with IAS 12 Income Taxes, and in particular its interpretation IFRIC 23 – Uncertainty over Income Tax Treatments;
- For other taxes, in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

### Analysis of favorable tax regimes

The Michelin Group applies the favorable tax policies available to all economic operators in compliance with the specific applicable rules, whenever these policies are in line with its own manufacturing and/or operating objectives and are consistent with the economic substance of its investments.

These favorable tax regimes are a key feature of the development of economic policies, which countries use to stimulate growth and attract investment in support of national policy.

They generally take the form of a reduction in long-term tax liabilities (tax reduction) or simply a temporary deferral of tax payments.

Members of the Tax and Customs Department analyze the tax regimes available in the Group's countries of residence and verify that our business activities are effectively eligible.

Their analyses cover the full range of classic and specific regimes, from tax consolidation to research and investment incentive regimes.

For example, the R&D function at Michelin employs around 6,000 people worldwide, with innovation-related expenditure (broadly defined) approaching €1.2 billion in 2024. As a result, the Group receives approximately €65 million in research tax credits globally.

We also operate in countries that, today, are sometimes said to benefit from certain advantageous tax regimes. Nevertheless, these operations correspond to real economic activity with the human, physical and financial resources needed to serve the local market.

### **2.4** MICHELIN'S PRESENCE IN NON-COOPERATIVE JURISDICTIONS FOR TAX PURPOSES

The European Union (EU) reviews the list of non-cooperative jurisdictions for tax purposes each year when it updates the black and grey lists.

Countries on the BLACKLIST have refused to cooperate with the EU or to remedy shortcomings in their disclosure of tax information and in good tax governance practices.

Countries on the GREY LIST have committed to disclosing tax information and applying other principles of good tax governance and have begun implementing necessary reforms.

To identify Michelin's presence in non-cooperative jurisdictions for tax purposes, we referred to the lists drawn up by the European Union and adopted by the Council on October 8, 2024.



PANAMA

present since 2000 subsidiary

employees

The Company is home to the Sales & Marketing Department for the Central America (excluding Mexico) and Caribbean region, and leverages the port infrastructure of Panama.



RUSSIA

present since

2023

subsidiary

n employee When Michelin acquired Flex Composite Group in 2023, it inherited a dormant company in Russia. The liquidation of this company was completed on June 18, 2025.



HONG KONG

present since

1985

3 subsidiaries

13 employees

Michelin has been present in Hong Kong since 1985, with three subsidiaries employing 13 people as of end-2024. One is engaged in sales & marketing activities and the other two provide services.



MALAYSIA

present since

2002

subsidiaries

employees

Michelin has been present in Malaysia since 2002. At end-2024, we had two subsidiaries employing 50 people, one engaged in sales & marketing activities and the other providing services.



THAILAND

present since

1987

subsidiaries

7.675 employees

Michelin has been present in Thailand since 1987. At end-2024, we had three subsidiaries employing 7,675 people. The largest of the subsidiaries is engaged in manufacturing (five manufacturing facilities) and sales & marketing activities. One subsidiary hosts a research center and the management team for the Asia-Pacific region (excluding China and India).



TURKEY

present since 1995

subsidiaries

93 employees Michelin has been present in Turkey since 1995. At end-2024, we had three subsidiaries employing 93 people. Two are distribution companies serving the domestic market

and the third is a sales & marketing company serving the Cypriot market.





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### 3.1 GENERAL PRESENTATION

Michelin applies OECD guidelines on transfer pricing<sup>(1)</sup> and ensures that all transfer pricing policies in force comply with both the arm's length principle and the local transfer pricing rules.

These transfer pricing policies by transaction type are defined by the Group Tax Department as part of Michelin's global policy, which is then adapted at the regional level.

### 3.1.1 TYPES OF INTRA-GROUP TRANSACTIONS AND THE AMOUNTS INVOLVED

In 2024, intra-group transactions amounted to €29.8 billion, including €21.4 billion in transactions involving finished and semi-finished products.

As a reminder, the Group's consolidated sales totaled €27.2 billion in 2024.

The main types of intra-group transactions include:

- brand and technology licenses granting rights to use intangible assets;
- sales of raw materials, semi-finished and finished products between manufacturing subsidiaries;
- the provision of research, development, and process engineering services by Michelin's research centers to other subsidiaries:
- the provision of management services by the Group's decision centers, business lines and regional organizations to other subsidiaries;
- the provision of support services by the Group's Shared Services Centers to other subsidiaries;
- sales of manufacturing equipment between subsidiaries;
- the provision of financial services.

### 3.1.2 PRINCIPLES OF PROFIT ALLOCATION BY COUNTRY

The principles governing compensation for intra-group transactions are defined in compliance with (i) the arm's length principle, in application of the OECD guidelines <sup>[1]</sup> and (ii) applicable local legislation.

Transfer pricing methods are applied consistently and uniformly across all regions where the Group operates, with no attempt to artificially shift profits.

## 3.2 CHANGES IN THE TRANSFER PRICING POLICY INTRODUCED IN 2023

In 2023, Michelin carried out a major overhaul of its transfer pricing policy in Europe, North America and Asia, involving the Group's historical entities in the tire segment.

The implementation of this policy was completed in 2024 after China and Brazil were incorporated into the new model.

There are two main reasons for the change in the transfer pricing policy for Michelin's historical entities in the tire segment:

a) Michelin's new client-centered organization, which has gradually led to a more centralized operating model, with the operating subsidiaries now functioning under the strengthened governance of the Group's Corporate, Regional or Business Line headquarters. b) Changes to the regulatory framework for transfer pricing, in particular the OECD's updates to its guidelines in 2017 and again in 2022 following on from BEPS Actions 8 to 10 aimed at aligning the allocation of taxable profits with value creation. These changes prompted Michelin to conduct a more detailed value chain analysis to confirm the location of its high value-added functions.

Consequently, and because the analysis showed that Michelin's operations were highly integrated, the Group decided to evolve its historical transfer pricing policy toward a residual profit split method to ensure that intangible assets and high added-value functions are appropriately remunerated in accordance with the arm's length principle, in line with the changes in the OECD guidelines.

(1) "OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations" (January 2022 version).

## **3.3** IMPACT OF THE CHANGE IN TRANSFER PRICING POLICY

The new transfer pricing policy introduces variable compensation for high value-added activities, such as the Corporate, Regional and Business Line headquarters, the R&D centers and entities gestion: that own and manage intellectual property. The compensation amount

varies according to overall economic performance. At the same time, this new policy maintains fixed and limited compensation for routine activities (such as those performed by the Shared Services Centers).

## **3.4** DOCUMENTATION COMPLIANCE AND OPERATIONAL ORGANIZATION

### 3.4.1 OPERATIONAL ORGANIZATION

The Tax Department and its regional network of transfer pricing experts ensure that transfer pricing methods are properly applied in each subsidiary by regularly performing value chain analyses of the activities carried out by the various organizations and tracking intra-group transactions and the underlying allocation of profits among subsidiaries.

In this process, the type of activity – manufacturing, sales & marketing, decision center, holding company, financing, R&D, etc. – is important.

The Tax Department periodically analyzes how and where the activities are carried out and whether the received compensation was suitable.

### 3.4.2 DOCUMENTATION

Intra-group transactions are documented in each country and are regularly audited by local tax authorities. In accordance with OECD recommendations, Group subsidiaries subject to documentation requirements under their domestic regulations prepare transfer pricing documentation every year at three levels:

 a master file presenting the Group's business, its organizational structure, a functional analysis of its processes and assets and a description of intra-group financial transactions;

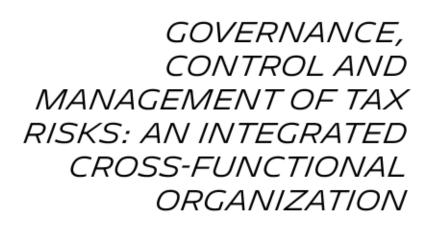
- local documentation presenting the subsidiary's activities and the results of its main intra-group transactions;
- a country-by-country report (CbCR) filed each year with the French tax authorities, presenting aggregate financial and tax information for each country in which Michelin operates.

### 3.5 ADVANCE PRICING AGREEMENTS

In addition, Michelin regularly signs advance pricing agreements (APAs) with national tax authorities, which help to secure Michelin's transfer pricing policy. Such agreements may be unilateral (between the tax authorities of the country of residence and the local Michelin entity),

bilateral (with the tax authorities of the countries of residence of two Michelin entities), or multilateral (with the tax authorities of the countries of residence of at least three Michelin entities).





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### 4.1 GENERAL PRINCIPLES OF GOVERNANCE

The tax policy and any significant changes are reviewed and approved by the General Manager and the Deputy Chief Financial Officer, and are also presented to the Supervisory Board's Audit Committee.

Procedures are in place to manage cross-functional risks.

Internal Audit, Risk Management, Internal Control and Quality activities have been brought together within a single Corporate Department. A specific team within this department is dedicated to risk management.

This organization provides a shared vision of the primary challenges for the Group in terms of identifying and managing risk.

It also promotes efficient monitoring between the second (Internal Control and Risk Management) and third (Internal Audit) lines of defense across all time horizons and across all Group units.

The prevention and management of tax risks is fully integrated into the general risk management and internal control process. As part of this process, the Tax and Customs Director, reporting to the Finance Department, oversees the implementation of the tax policy and reports regularly to the Supervisory Board's Audit Committee on Michelin's tax position.

## **4.2** ORGANIZATION OF THE TAX AND CUSTOMS DEPARTMENT

The Group has an integrated, worldwide Tax and Customs Department comprising a Corporate Department based at Group headquarters and regional departments based in the local regional headquarters.

The Tax and Customs Department comprises a network of qualified, regularly trained in-house experts, at corporate level as well as in the regions and countries.

Taxation, whether direct or indirect, is necessarily based on a location (taxation territory) and legal entities (taxpayers). Management of tax affairs also requires specific expertise on certain cross-functional topics, which is why the Tax and Customs Department is organized with:

 Heads of Tax covering all geographic areas where the Group operates. These areas are currently grouped into five major regional clusters managed by Heads of Tax, spanning all geographies: (i) North America and Central America, (ii) South America, (iii) Europe, the Middle East and Africa, (iv) Asia, and (v) China. When necessary, these Heads of Tax are supported in their responsibilities by country tax managers, depending on the size and the profile of local operations, the complexity of the country, and/or the local organization of activities;

 Corporate managers cross-functionally manage issues in their respective areas of expertise. To date, six such areas have been identified: (i) tax governance, (ii) taxation of mergers, disposals and acquisitions, (iii) transfer pricing policy and transactions, (iv) tax reporting and communication, (v) customs and exports and (vi) digitalization and processes.

Similarly, the customs teams are organized by regional cluster and area of expertise.

Tax teams are based in different companies to meet local operational requirements and deliver local expertise.

## **4.3** GOVERNANCE FOR MANAGING RISKS ASSOCIATED WITH THE TAX PROCESS

Michelin's tax policy is defined and implemented in line with its operating objectives, with the goal of supporting the Group's responsible and sustainable industrial and business development.

Michelin's Tax and Customs Department performs its duties with a proactive mindset in order to anticipate the tax issues that could impact the Group in any situation. As part of this process, it is in regular contact with the operational teams, to support the Group's growth objectives as effectively as possible. To do so, the members of the Tax and Customs Department keep abreast of developments both nationally and internationally, enabling it to anticipate the challenges of tomorrow's major tax changes.

When tax regulations are unclear or subject to interpretation, the Michelin Group's practice is to conduct an in-depth analysis in-house and, when necessary, to seek the opinions of external advisors to support the decision-making process. If necessary or when deemed appropriate, the Group may decide to secure its transfer price positions through advance pricing agreements (APAs) or other tax positions through rulings.

Moreover, the Michelin Group has defined its own fundamental guidelines (see section 2 above), in a commitment to securing its positions and ensuring that the entities fairly pay all of the taxes due in their host communities.

### **4.4** INTERNAL CONTROL OF THE TAX PROCESS

The Group's internal control process has the following core objectives:

- · compliance with laws and regulations;
- application of the instructions and guidelines issued by the Managers and the Group Executive Committee;
- the proper functioning of internal processes, particularly those relating to the protection of corporate assets;
- · the reliability of financial information.

It comprises a set of resources, procedures, practices and actions aligned with the characteristics of the Group's businesses, which:

- contribute to the control over its activities, the efficiency of its operations and the efficient utilization of its resources;
- enable it to assess all of its material operational, financial and compliance risks appropriately.

In general, the risk management process has been designed in seamless alignment with the values of responsibility, integrity and ethical behavior embraced by the Michelin Group.

The Internal Control system covers substantially all the Group's operations, including every operating region and every business unit (manufacturing, sales and dealership networks). In the event of an acquisition, a dedicated internal control system is deployed in the new unit. The scope of internal control is broad and extensive, covering every potential area of major risk.

Internal control aims to protect the Group against the following tax risks:

- · failure to comply with tax instructions and procedures;
- risk of profit-shifting (e.g., failure to comply with the transfer pricing policy);
- · VAT (incorrect classification, failure to file or late filing);
- · risk of double taxation;
- · permanent establishment risk.

Internal control draws on the following standards and guidelines:

- OCDE standards on transfer pricing regulations; tax regulations in the countries where Michelin operates;
- transfer pricing documentation; tax procedures and policy guide of the Tax and Customs Department.

### 4.5 CUSTOMS DUTIES

In 2024, the Michelin Group paid €199 million in customs duties.

Two main legal mechanisms are used to manage customs duties:

- preferential origin rules (85%) under more than 20 free trade agreements,
- customs procedures for goods that are imported, stored and then re-exported, or imported, processed and re-exported (15%), such as bonded warehouses (e.g., Multistrada in Indonesia), temporary admission for R&D, or Board of Investments (BOI) schemes.



Compared to 2023, the total amount of customs duties paid by the Group in 2024 decreased in all regions. North America (AMN) remains by far the region where the Group pays the highest amount of customs duties (€67 million).

Customs duties on finished products made up around two thirds of the total amount of customs duties paid by the Group.

### 4.6 EXPORT CONTROL

### 4.6.1 REGULATIONS

The Michelin Group undertakes to comply with all regulations relating to trade sanctions and export controls.

All Michelin employees involved in international trade must therefore ensure that such transactions comply with export (and import) control laws and regulations as well as international economic sanctions. These regulations may affect various functions, especially those responsible for the sale and shipping of products, but also other functions such as procurement.

Michelin groups all of these regulations under the umbrella term "export control".

### 4.6.2 THE MICHELIN PROCESS

As part of its commitment to regulatory compliance, Michelin's Tax and Customs Department maintains a worldwide policy of export control compliance, covering transactions with sanctioned or embargoed countries and territories, the export or import of controlled goods and transactions with restricted parties.

Michelin's Tax and Customs Department deploys the necessary procedures, tools and training to achieve these aims.

Export control risk is overseen by the Group Ethics Committee.

#### 4.7 MICHELIN CODE OF ETHICS

The Code of Ethics applies to all Group employees without exception, as well as to all persons working on our sites or acting on behalf of a Group entity, anywhere in the world.

Michelin also encourages its customers, suppliers and other partners to adhere to the contents of the Code. Compliance with the Code is a prerequisite for doing business with the Group.

In terms of ethics, the Group considers compliance with all applicable national and supranational laws to be a minimum requirement.

The Code outlines the Group's fundamental values and describes the related principles and requirements. It sets out the guidelines that should govern employee and stakeholder decisions, specifying the behaviors to adopt in typical situations for each work environment.

Beyond the scenarios presented in the Code, every employee, partner or supplier should exercise good judgment and common sense and act in good faith when faced with any other situations that may arise.

The Code is designed to help Group employees and our partners adopt appropriate conduct in relation to certain situations that may pose a risk to themselves or to Michelin, including anti-corruption, anti-fraud, legal and regulatory compliance, anti-harassment and anti-discrimination.

Whistleblowers can use the Michelin Group's ethics hotline to report issues, confidentially and securely. They may remain anonymous if they wish.

Click on the link for more information on the Code of Ethics:

https://ethique.michelin.com/







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#### 5.1 OUR APPROACH

#### 5.1.1 MAINTAINING CONTINUOUS, TRANSPARENT DIALOGUE

The Michelin Group has a social responsibility to make tax contributions in the various countries in which it operates. In this regard, we believe that relationships with the tax authorities should be transparent and supported by continuous dialogue.

Governments also implement appropriate resources to verify that the prevailing rules are correctly applied by taxpayers. Even though we may sometimes have a different technical position from that of the tax authorities, we maintain constant and transparent dialogue with them based on thorough, well-founded technical analysis.

#### 5.1.2 **BUILDING PARTNERSHIPS WITH TAX AUTHORITIES**

The Michelin Group supports the development and implementation of partnerships with tax authorities in countries offering the appropriate legal framework. The goal of such partnerships is to facilitate transparency and legal certainty based on a relationship of mutual trust.

In May 2019, for example, the Group signed a corporate tax partnership agreement with the French tax authorities, under the "trust-based relationship" protocol.

This type of tax partnership is a custom-tailored support solution designed to foster a long-term working relationship between the participating company and a dedicated tax authority contact, with the aim of facilitating the treatment of high-risk tax issues. The partners undertake to observe a number of cooperative principles, such as clear, transparent exchange of information, rapid response, pragmatism and consideration for each other's requirements.

The Michelin Group is also developing this type of relationship in other countries.

However, because the regimes differ across regions, the Tax Department has set up a dedicated working group to identify where such arrangements exist, gather information, contact the relevant authorities and, if appropriate, submit applications to benefit from the relevant regime.

Such trust-based initiatives with tax authorities have already been launched in Italy, Spain, Belgium and Indonesia (see Indonesia's "Golden Taxpayer" system).

#### 5.1.3 TAX RULINGS, ADVANCE PRICING AGREEMENTS (APAS), MUTUAL AGREEMENT PROCEDURES (MAPS)

To secure certain international or domestic transactions, the Group prioritizes dialogue with authorities and, as such, seeks to obtain tax rulings, advance pricing agreements or other decisive tax agreements to avoid double taxation or confirm the proper interpretation and application of a standard.

In terms of transfer pricing, for example, Michelin systematically seeks to secure its policy through advance pricing agreements (APAs). Wherever possible, Michelin prefers to enter into bilateral or multilateral APAs to ensure tax certainty for its transactions in all of the relevant iurisdictions.

In 2024, Michelin was involved in four bilateral APA applications.

Due to the complexity of the various tax systems around the world, multinational groups are very often faced with potential "double taxation" scenarios, where the same economic profit is taxed in two jurisdictions. In responding to this type of situation, Michelin relies on MAPs or other mechanisms stipulated in the tax treaties signed by its host countries, or else on the EU Arbitration Convention.

#### **5.2** MANAGING TAX LITIGATION

Michelin's objective is not to systematically initiate tax litigation. However, in the changing and complex environment of tax rules, their interpretation can be subject to debate. As a result, the Group does not rule out the possibility of challenging, through administrative proceedings and/or litigation, any notified rulings that it believes run counter to its good faith interpretation of tax rules.

Action of this kind is only considered and, if necessary, implemented if an in-depth in-house technical analysis concludes that there is a sufficient probability of success.

In all cases, and in line with our commitment to build a relationship of trust with the authorities, this challenge is preceded by a series of discussions with the authorities concerned.

#### **5.3** OUR COMMITMENTS

- Make any and all necessary tax filings and payments on time.
- Communicate with local tax authorities in a transparent and cooperative manner.
- Do everything in our power to meet our legal obligations in a timely manner in the various countries where we operate.
- Work with the tax authorities to secure the Group's tax positions and prevent any misunderstandings or differences of interpretation during tax audits.
- Provide tax authorities with the material resources needed to conduct their work during on-site tax audits.
- Participate actively, directly or through professional associations in public consultations initiated by governments, tax authorities and international organizations, with the aim of supporting the development of tax policies.
- Explain to the public and concerned stakeholders the Group's approach to taxation, its economic contribution and its tax burden.





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#### **6.1** OUR GLOBAL TAX CONTRIBUTION

The Michelin Group has created a total tax contribution (TTC) dashboard, which presents all the taxes accrued worldwide by its legal entities. The dashboard also enables the Michelin Group's total contribution to public finances beyond corporate income tax to be measured. It presents, corporate income taxes accrued and taxes on goods and services borne by Group companies.

We have not applied any materiality threshold, in order to allow for a global view of the taxes paid by the Group that is as accurate and comprehensive as possible.

Our total tax contribution breaks down into the following tax families: income tax accrued, payroll taxes, taxes on goods and services, environmental taxes and other taxes.

We will look at the following countries in more detail: Australia, Brazil, Canada, China, France, Germany, Hungary, Indonesia, Italy, the Netherlands, Poland, Romania, Singapore, Spain, Switzerland, Thailand and the United States.

#### THE MICHELIN GROUP'S GLOBAL TAX CONTRIBUTION

COUNTRIES
accounted for
at December 31, 2024



Tax Contribution

#### Pictogram definitions



1 - Manufacturing, including the production of polymer composite products in all grades, in all forms and for all uses, such as the manufacture of tires, tracks and related systems, and the production of elastomers.



2 - Sales, including the sale of polymer composite product solutions through wholesale, retail and online channels.



3 - Corporate or regional headquarters and/or global business line.



4 - Fundamental research, applied research and/or process engineering.



5 - Testing activities.



6 - Vehicle services and solutions.



7 - Production of latex and other natural resources and/or purchases of natural and synthetic rubber.



8 - Internal Group financing.



#### 6.1.1 GLOBAL TAX CONTRIBUTION IN FIGURES

The data presented below is extracted from Michelin's country-by-country report (CbCR), prepared using the data used to draw up the Group's consolidated financial statements in accordance with IFRS.

MICHELIN GROUP KEY FIGURES	2024	2023	
Legal entities	341	355	
Employees <sup>(1)</sup>	129,832	132,496	
Sales	<b>€27,193</b> m	<i>€28,343</i> m	
Income before tax	<b>€2,445</b> m	<i>€2,490</i> m	
Income tax (including deferred tax)	<b>€555</b> m	€507m	
Income tax accrued (excluding deferred tax)	<b>€753</b> m	€849m	

The information above, used in the preparation of the Group's consolidated financial statements in accordance with IFRS, also forms the basis for the country-by-country report (CbCR) presented in the following section of this tax transparency report.

CbCR KEY FIGURES 2024		2023
Total revenue <sup>(2)</sup>	58,504	61,361
Tangible assets	13,956	13,376
Profit (loss) before tax <sup>(3)</sup>	2,283	2,419

#### GLOBAL TAX CONTRIBUTION

€1,238



- (1) As stated in the glossary section, the number of employees refers to the registered headcount as of 12/31/24.
  In the 2023 transparency report, it referred to the average number of employees during the year. The change in the "number of employees" metric in the 2024 report may lead to some discrepancies with the headcount data in the 2023 report.
- (2) Includes intra-group transactions.
- (3) Includes miscellaneous adjustments recognized in preparing the consolidated financial statements.

#### 6.1.2 GLOBAL SOCIAL SECURITY CONTRIBUTION IN FIGURES

In 2024, the Michelin Group's tax contribution amounted to €1,238 million, along with social security contributions accrued of €1,030 million.

Social security contributions are legally mandated contributions payable by the employer and calculated based on various elements of compensation. They typically cover employee participation in statutory and mandatory pension, healthcare and welfare schemes. Social security contributions are distinct from payroll taxes.

### SOCIAL SECURITY CONTRIBUTION



COUNTRY	TAX CONTRIBUTION	SOCIAL SECURITY CONTRIBUTION
GERMANY	23	70
AUSTRALIA	25	3
BRAZIL	78	30
(+) CANADA	64	20
CHINA	117	<i>3</i> 9
© SPAIN	61	126
UNITED STATES	307	123
( ) FRANCE	221	425
HUNGARY	13	5
INDONESIA	10	2
( ) ITALY	26	61
NETHERLANDS	5	8
POLAND	29	28
() ROMANIA	16	4
SINGAPORE	4	1
SWITZERLAND	69	4
THAILAND	37	2
OTHER	133	80
TOTAL	1,238	1,030

#### **DEFINITIONS**

**Income tax:** consists of income tax accrued, adjusted for deferred tax benefit or expense.

Income tax accrued: tax due on the taxable income of an entity or group of entities within a country. Deferred tax is excluded from this metric in the country-by-country report. In 2024, income tax accrued included €55 million of withholding tax on royalties and retained earnings distributed between Group companies (compared with €33 million in 2023).

Tax on goods and services: all taxes levied on production activities (e.g., the extraction, sale, transfer, leasing or delivery of goods and the rendering of services), or on the use of goods or permission to use goods or to perform activities (e.g., VAT, customs duties, etc.)

**Payroll taxes:** all the various taxes paid by employers, employees and the self-employed, as a percentage of wages or as a fixed amount per person.

#### 6.1.3 TAX CONTRIBUTION BY COUNTRY







13 COMPANIES whose main activities are:





In 2024, the main company in Germany returned to profit. The negative result in 2023 was due to the recognition of a one-off restructuring provision following the announcement of the decision to wind down certain manufacturing operations by the end of 2025.

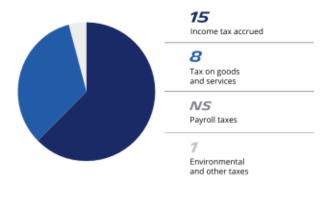
KEY FIGURES	2024	2023
Legal entities	13	15
Employees	6,045	6,465
Total revenue	<b>€3,159</b> m	€ <b>3,651</b> m
Tangible assets	<b>€356</b> m	€ <b>347</b> m
Profit (loss) before tax	<b>€44</b> m	<i>€(145)</i> m
Income tax accrued	<b>€15</b> m	<b>€11</b> m

#### **RATIOS**

Contribution to Group income before tax	<b>1.9</b> %	-6.0%
Contribution to Group income tax	<b>1.9</b> %	<i>1.3</i> %

## TAX CONTRIBUTION





NS: Non-significant









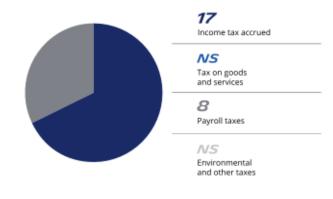
(EY FIGURES	2024	2023
Legal entities	18	18
Employees	1,515*	410
Total revenue	<b>€1,058</b> m	<b>€1,085</b> m
Tangible assets	<b>€128</b> m	<i>€119</i> m
Profit (loss) before tax	<b>€53</b> m	<i>€68</i> m
Income tax accrued	<b>€17</b> m	<b>€22</b> m

In 2024, the headcount of the Fenner entities was included in the total number of employees. It was not included in the number of employees in 2023.

#### **RATIOS**

Contribution to Group income before tax	<b>2.3</b> %	2.8%
Contribution to Group income tax	<b>2.3</b> %	2.6%













In 2024, Michelin reported a €6 million rise in income compared to 2023. This overall increase reflects contrasting developments across business lines, with an improved performance in the connected services business but a fall in income in the tire business.

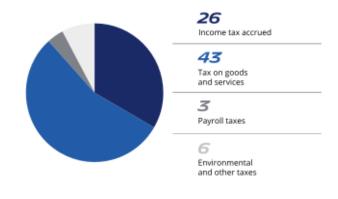
The tax accrued for 2024 followed the upward trend in income.

KEY FIGURES	2024	2023
Legal entities	7	7
Employees	8,391	8,176
Total revenue	<b>€1,431</b> m	<b>€1,564</b> m
Tangible assets	<b>€443</b> m	€ <b>536</b> m
Profit (loss) before tax	<b>€93</b> m	<i>€86</i> m
Income tax accrued	<b>€26</b> m	<i>€18</i> m

#### RATIOS

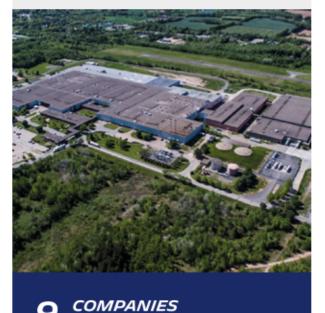
Contribution to Group income before tax	<b>4.1</b> %	3.6%
Contribution to Group income tax	<b>3.5</b> %	2.1%















whose main activities are:





In 2024, Michelin's pre-tax profit in Canada was slightly lower than in 2023. At the same time, the tax accrued for 2024 was higher than in the previous year due to the recognition of a provision for contingencies, which is not tax deductible.

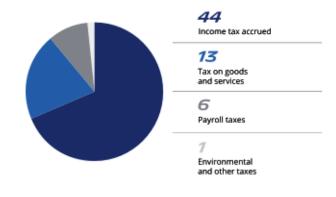
<b>KEY FIGURES</b>	2024	2023
Legal entities	9	9
Employees	4,744*	4,447
Total revenue	<b>€2,368</b> m	€ <b>2,364</b> m
Tangible assets	<b>€638</b> m	<i>€411</i> m
Profit (loss) before tax	<b>€126</b> m	<b>€150</b> m
Income tax accrued	<b>€44</b> m	<i>€39</i> m

<sup>\*</sup> En 2024, les effectifs des entités FENNER ont été intégrés dans le nombre total d'employés. Ces effectifs n'étaient pas inclus dans le nombre d'employés de 2023.

#### **RATIOS**

Contribution to Group income before tax	<b>5.5</b> %	6.2%
Contribution to Group income tax	<b>5.8</b> %	4.7%











17	COMPANIES whose main activities are:
15	whose main activities are:









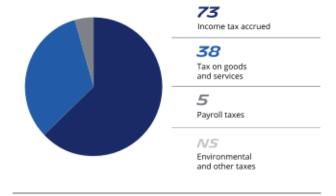
In 2024, Michelin's pre-tax profit in China was down from the previous year as a result of industrial restructuring costs.

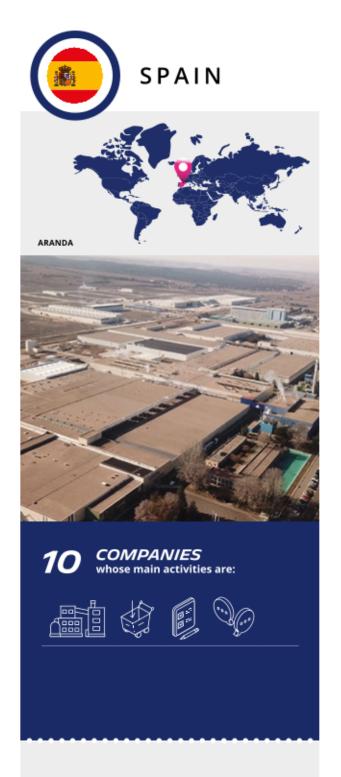
KEY FIGURES	2024	2023
Legal entities	13	12
Employees	6,037	6,313
Total revenue	<b>€2,976</b> m	<i>€3,148</i> m
Tangible assets	<b>€933</b> m	<b>€939</b> m
Profit (loss) before tax	<b>€161</b> m	<i>€235</i> m
Income tax accrued	<b>€73</b> m	<b>€60</b> m

#### **RATIOS**

Contribution to Group income before tax	<b>7.0</b> %	9.7%
Contribution to Group income tax	<b>9.7</b> %	<b>7.2</b> %





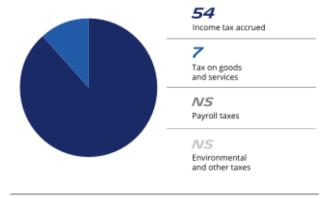


KEY FIGURES	2024	2023
Legal entities	10	10
Employees	8,526	8,493
Total revenue	<b>€3,580</b> m	€ <b>3,575</b> m
Tangible assets	<b>€1,148</b> m	<i>€1,101</i> m
Profit (loss) before tax	<b>€228</b> m	<b>€295</b> m
Income tax accrued	<b>€54</b> m	€ <b>70</b> m

#### **RATIOS**

Contribution to Group income before tax	<b>10.0</b> %	12.2%
Contribution to Group income tax	<b>7.2</b> %	<i>8.3</i> %





## UNITED STATES





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In 2023, the non-deductible nature of restructuring costs led to an increase in tax. In 2024, the amount of tax paid in the United States returned to its usual levels. The absence of restructuring costs in 2024 also had a positive impact on the bottom line.

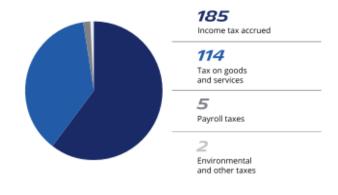
KEY FIGURES	2024	2023
Legal entities	36	37
Employees	19,684*	18,404
Total revenue	<b>€12,010</b> m	<i>€12,657</i> m
Tangible assets	<b>€2,712</b> m	<b>€2,500</b> m
Profit (loss) before tax	<b>€794</b> m	<i>€769</i> m
Income tax accrued	<b>€185</b> m	€ <b>305</b> m

<sup>\*</sup> In 2024, the headcount of the Fenner entities was included in the total number of employees. It was not included in the number of employees in 2023.

#### **RATIOS**

Contribution to Group income before tax	<b>34.8</b> %	31.8%
Contribution to Group income tax	<b>24.6</b> %	<i>36.3</i> %













Although Michelin's manufacturing operations in France ran at a loss, its total income in France increased by €56 million thanks to dividends received from subsidiaries outside the country. The tax charge for 2024 was down year-on-year, having been unusually high in 2023.

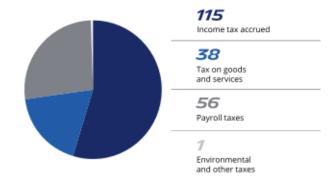
<b>KEY FIGURES</b>	2024	2023
Legal entities	40	44
Employees	21,295	21,063
Total revenue	<b>€10,214</b> m	<i>€11,243</i> m
Tangible assets	<b>€2,021</b> m	<b>€2,001</b> m
Profit (loss) before tax	<b>€129</b> m	<i>€73</i> m
Income tax accrued (1)	<b>€115</b> m	<b>€121</b> m

#### **RATIOS**

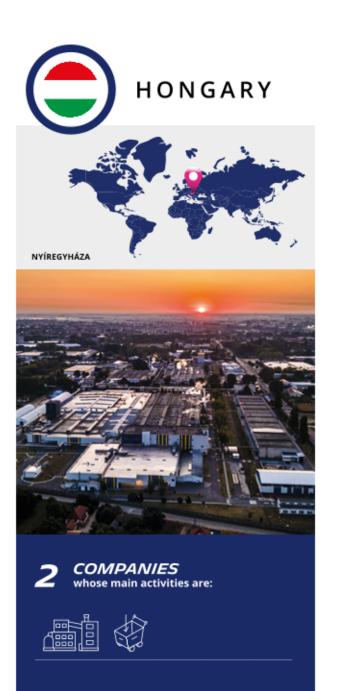
Contribution to Group income before tax	<i>5.6</i> %	3.0%
Contribution to Group income tax	<b>16.7</b> %	14.3%

## TAX CONTRIBUTION





(1) Of which withholding tax.

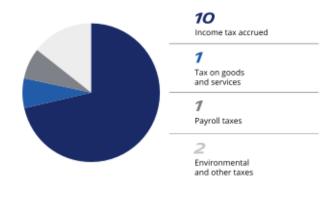


EY FIGURES	2024	2023
Legal entities	2	2
Employees	1,394	1,338
Total revenue	<b>€869</b> m	<b>€936</b> m
Tangible assets	<b>€120</b> m	<b>€120</b> m
Profit (loss) before tax	<b>€46</b> m	<i>€46</i> m
Income tax accrued	<b>€10</b> m	<b>€8</b> m

#### **RATIOS**

Contribution to Group income before tax	2.0%	1.9%
Contribution to Group income tax	<b>1.3</b> %	0.9%













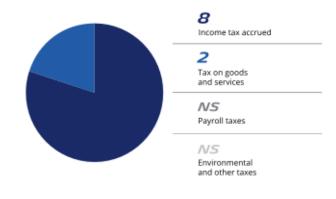
Michelin posted a loss in Indonesia in 2024 (in contrast to the previous year), due to a sharp decline in tire exports to the US market.

KEY FIGURES	2024	2023
Legal entities	8	8
Employees	6,708	7,562
Total revenue	<b>€829</b> m	€ <b>832</b> m
Tangible assets	<b>€874</b> m	<b>€880</b> m
Profit (loss) before tax	<b>€(25)</b> m	€ <b>50</b> m
Income tax accrued	<b>€8</b> m	<i>€18</i> m

#### **RATIOS**

Contribution to Group income before tax	<b>-1.7</b> %	<b>1.9</b> %
Contribution to Group income tax	<b>7.7</b> %	0.9%











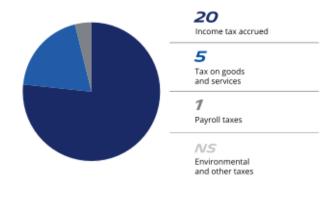




#### RATIOS

Contribution to Group income before tax	<b>4.4</b> %	<b>4.2</b> %
Contribution to Group income tax	<b>2.6</b> %	<b>2.7</b> %













In 2024, the impairment of equity investments resulted in a loss in the Netherlands.

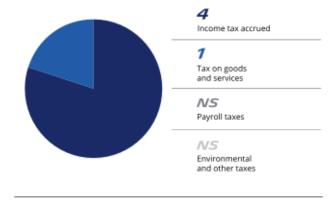
However, some companies recorded a profit for the year, resulting in a tax expense in 2024.

EY FIGURES	2024	2023
Legal entities	12	12
Employees	885	638
Total revenue	<b>€1,485</b> m	<b>€1,996</b> m
Tangible assets	<b>€53</b> m	<b>€50</b> m
Profit (loss) before tax	<b>€(69)</b> m	<i>€27</i> m
Income tax accrued	<b>€4</b> m	<b>€7</b> m

#### **RATIOS**

Contribution to Group income before tax	<b>-3.0</b> %	<b>7.7</b> %
Contribution to Group income tax	0.5%	0.8%













In 2024, Michelin Poland's income was lower than in 2023 due to one-off industrial restructuring costs arising from the conversion of the Olsztyn production plant.

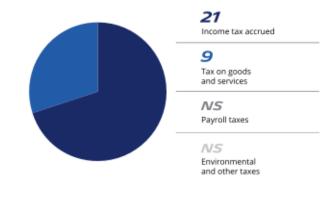
The tax accrued for 2024 was higher than in 2023 due to a tax adjustment in 2024.

EY FIGURES	2024	2023
Legal entities	6	6
Employees	5,136	5,119
Total revenue	<b>€1,310</b> m	<b>€1,410</b> m
Tangible assets	<b>€580</b> m	€ <b>565</b> m
Profit (loss) before tax	<b>€1</b> m	<i>€49</i> m
Income tax accrued	<b>€21</b> m	<b>€1</b> m

#### RATIOS

Contribution to Group income before tax	0.0%	2.0%
Contribution to Group income tax	<b>2.7</b> %	<b>0.1</b> %













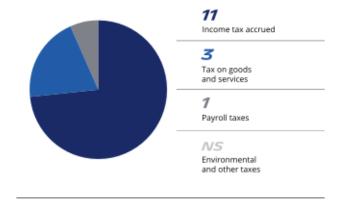
The amount of tax accrued for 2024 increased as a result of higher profits and the introduction of a new minimum turnover tax of 1% of total revenue.

CEY FIGURES	2024	2023
Legal entities	3	3
Employees	5,823	5,737
Total revenue	<b>€1,210</b> m	€ <b>1,156</b> m
Tangible assets	<b>€492</b> m	<i>€481</i> m
Profit (loss) before tax	<b>€15</b> m	€5m
Income tax accrued	<b>€11</b> m	<b>€2</b> m

#### **RATIOS**

Contribution to Group income before tax	<b>0.7</b> %	0.2%
Contribution to Group income tax	<b>1.5</b> %	0.2%















The increase in profits in 2024 is due to a rise in income in the "natural rubber" and "lifestyle" segments.

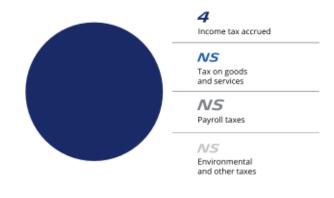
However, the tax charge for 2024 was stable year-on-year, having been unusually high in the previous year due to the recognition of a non-deductible impairment charge.

KEY FIGURES	2024	2023
Legal entities	9	9
Employees	181	98
Total revenue	<b>€4,072</b> m	€ <b>3,702</b> m
Tangible assets	<b>€6</b> m	<b>€8</b> m
Profit (loss) before tax	<b>€50</b> m	<i>€28</i> m
Income tax accrued	<b>€4</b> m	<i>€3</i> m

#### **RATIOS**

Contribution to Group income before tax	<b>2.2</b> %	<b>7.7</b> %
Contribution to Group income tax	<b>0.6</b> %	0.4%











Michelin's activities in Switzerland include both sales and R&D, as well as financing activities for all of the Group's subsidiaries. Income decreased in 2024 due to a mismatch between IFRS and local accounting standards regarding derivative instruments.

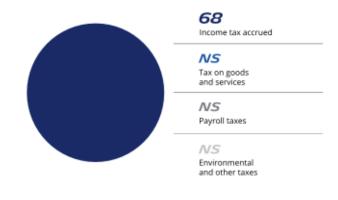
The tax accrued increased as a result of the OECD's Pillar Two rules.

EY FIGURES	2024	2023
Legal entities	11	77
Employees	342	336
Total revenue	<b>€799</b> m	<b>€799</b> m
Tangible assets	<b>€34</b> m	€ <b>37</b> m
Profit (loss) before tax	<b>€320</b> m	<i>€381</i> m
Income tax accrued	<b>€68</b> m	<i>€48</i> m

#### **RATIOS**

Contribution to Group income before tax	<b>14.0</b> %	15.7%
Contribution to Group income tax	<b>9.1</b> %	5.7%













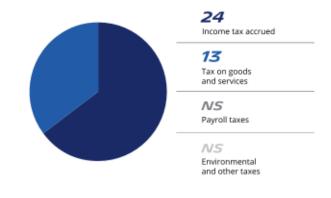
Despite the fall in income seen in 2024, the amount of tax accrued for the year was the same as in 2023 due to a one-off tax charge.

KEY FIGURES	2024	2023
Legal entities	3	4
Employees	7,675	7,817
Total revenue	<b>€1,615</b> m	<b>€1,535</b> m
Tangible assets	<b>€1,070</b> m	€ <b>1,021</b> m
Profit (loss) before tax	<b>€142</b> m	<i>€172</i> m
Income tax accrued	<b>€24</b> m	<b>€24</b> m

#### **RATIOS**

Contribution to Group income before tax	<b>6.2</b> %	<b>7.1</b> %
Contribution to Group income tax	<b>3.1</b> %	2.8%





### 6.2 SUMMARY OF COUNTRY-BY-COUNTRY DATA

#### SELECTED TAX CONTRIBUTION DATA BY COUNTRY (in € millions)

cou	NTRY	TOTAL REVENUE	PROFIT (LOSS) BEFORE TAX	TANGIBLE ASSETS	INCOME TAX ACCRUED	NUMBER OF EMPLOYEES
•	GERMANY	3,159	44	356	15	6,045
4	AUSTRALIA	1,058	53	128	17	1,515
	BRAZIL	1,431	93	443	26	8,391
(+)	CANADA	2,368	126	638	44	4,744
•	CHINA	2,976	161	933	73	6,037
8	SPAIN	3,580	228	1,148	54	8,526
#	UNITED STATES	12,010	794	2,712	185	19,684
0	FRANCE	10,214	129	2,021	115	21,295
=	HUNGARY	869	46	120	10	1,394
$\bigcirc$	INDONESIA	829	(25)	874	8	6,708
$\mathbf{O}$	ITALY	2,191	99	539	20	4,275
=	NETHERLANDS	1,485	(69)	53	4	885
<b>-</b>	POLAND	1,310	1	580	21	5,136
0	ROMANIA	1,210	15	492	11	5,823
<u></u>	SINGAPORE	4,072	50	6	4	181
0	SWITZERLAND	799	320	34	68	342
<b>=</b>	THAILAND	1,615	142	1,070	24	7,675
	OTHER	7,328	79	1,811	44	21,176
	TOTAL	58,504	2,283	13,956	743	129,832

### RECONCILIATION OF COUNTRY-BY-COUNTRY DATA WITH THE UNIVERSAL REGISTRATION DOCUMENT

(in € millions)	REVENUE (SALES) (Consolidated income statement)	PROFIT (LOSS) BEFORE TAX (Consolidated income statement)	TANGIBLE ASSETS (PP&E) (Consolidated statement of financial position)	INCOME TAX ACCRUED (Note 11 – Income tax)	NUMBER OF EMPLOYEES * (Note 8 - Employee benefit costs)
2024 consolidated financial statements (included in the Universal Registration Document)	27,193	2,445	13,982	(753)	131,528
Differences with the components constituting sales as defined in II a) of Article A232 of the French Commercial Code	1,472				
Revenue from inter-company transactions	29,839				
Miscellaneous adjustments recognized in preparing the consolidated financial statements		(162)	(26)	10	
Country-by-country data presented in this report	58,504	2,283	13,956	(743)	129,832

<sup>\*</sup> The figure of 131,528 is the average number of employees registered in 2024, while the figure of 129,832 is the number of employees registered as of 12/31/2024.

(in € millions)	COUNTRY-BY- COUNTRY DATA	CONSOLIDATION ADJUSTMENTS	DEFERRED TAX	NOTE 11 - INCOME TAX
Income tax accrued	(743)	(10)		(753)
Deferred tax benefit/(expense)			198	198
INCOME TAX	(743)	(10)	198	(555)

"Some of the figures in this report, including the global tax contribution and certain figures in the country data sheets, have been subject to limited assurance procedures carried out by the Company's Statutory Auditors".

Limited assurance report of Michelin's Statutory Auditors (see attached)





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