



JUNE 21,
2022

ESG CONFERENCE
ODDO BHF





EQUITY STORY

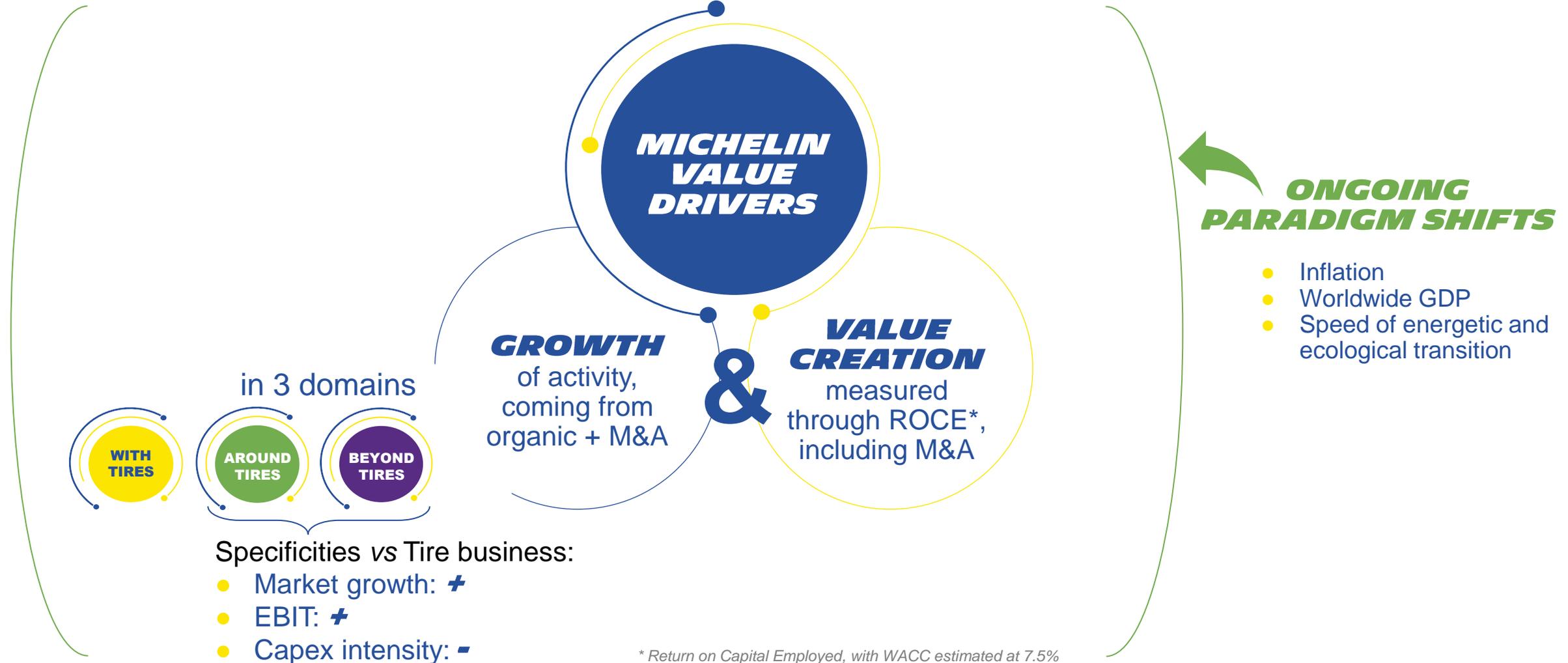
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Michelin's value will be driven by growth towards 2030
ESG is intrinsic to Michelin's business model
Michelin drives up the tire industry standards on products performance
Strategic scorecard: a tight balance between People, Profit and Planet





MICHELIN'S VALUE WILL BE DRIVEN BY GROWTH AT A TIME OF SHIFTING PARADIGMS



Specificities vs Tire business:

- Market growth: +
- EBIT: +
- Capex intensity: -

* Return on Capital Employed, with WACC estimated at 7.5%



EQUITY STORY – ESG IS INTRINSIC TO MICHELIN BUSINESS MODEL

MICHELIN HAS BEEN LEADING ALL MAJOR INNOVATIONS IN THE TIRE INDUSTRY, CURRENTLY INVESTING €300 MILLION / YEAR IN SUSTAINABLE CAPEX*

Product ranges subject to life cycle analysis

50% IN 2021 ► 100% IN 2025

Radial tire

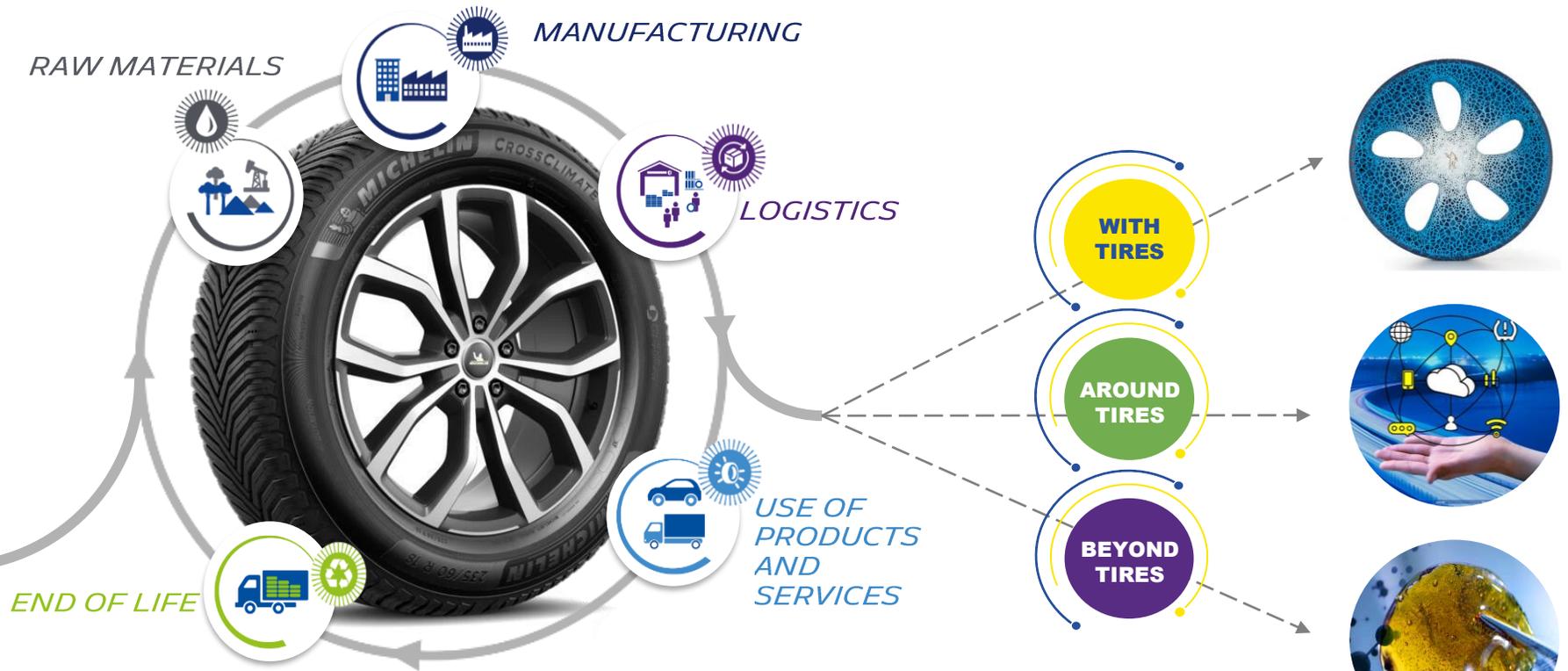
1946



1st "green tire"

(low rolling resistance)

1992



* From 2021 to 2023, source : Michelin, FY 2021

Sustainable capex impact every stage of the product lifecycle





EQUITY STORY – MICHELIN DRIVES UP THE TIRE INDUSTRY STANDARDS ON PRODUCTS PERFORMANCE

IF THE WORLD WAS DRIVING ON MICHELIN PC/LT TIRES IT WOULD SAVE...

620 ⁽¹⁾

thousand tons of materials per year

thanks to a lower abrasion, while keeping a low rolling resistance and maintaining other performances



or **2500 Statues of Liberty**

115 ⁽²⁾

million tons of CO₂ emissions per year (scope 3 - usage)

thanks to a lower rolling resistance, without sacrificing other performances such as safety and abrasion

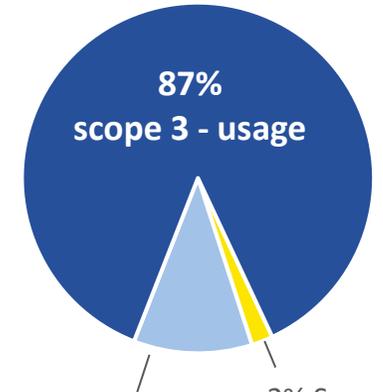


or **2 years of New York City's CO₂ emissions**



Tire industry CO₂ emissions are mostly related to scope 3

Illustration: Michelin 2021 CO₂ emissions ⁽³⁾



11% scope 3 - other value chain activities

2% Scopes 1 & 2

- (1) Underlying hypothesis: 30% advantage for Michelin vs competitors in abrasion, as calculated by ADAC - Tyre wear particles in the environment, Dec. 2021.
- (2) Estimated impact on scope 3 usage of the tire industry if Michelin's technology was used by all manufacturers in all geographies. Underlying hypothesis: 20% advantage for Michelin vs competitors in rolling resistance, based on data extrapolated by Michelin.
- (3) See page 210 of 2021 Universal Registration Document for details.





PEOPLE, PROFIT, PLANET: MICHELIN'S STRATEGIC SCORECARD ADDRESSES ALL LEVERS OF SUSTAINABLE DEVELOPMENT



People



Profit



Planet

	▶ AMBITIONS	▶ METRICS	▶ 2030 SUCCESS	▶ 2021 RESULTS
People	Be world-class in employee engagement	Engagement rate	>85%	80%
	Be world-class in employee safety	TCIR ⁽²⁾	<0.5	1.29
	Be a reference in diversities and inclusion of teams	IMDI ⁽²⁾	80 pts over 100	67
	Be best-in-class in value created for customers	NPS ⁽²⁾ partners	+10 pts vs. 2020	38.9
Profit	Deliver substantial growth	Total sales (in €bn)	+5% CAGR 2023-2030	23.8
	Deliver continuous financial value creation	ROCE ⁽²⁾	>10.5%	10.3%
	Maintain MICHELIN brand power	Brand vitality quotient	+5 pts vs. 2021	68
	Maintain best-in-class innovation pace in products and services	Brand vitality Index	>30%	31%
Planet	Reach carbon neutrality by 2050 (manuf. and energy)	CO ₂ emissions scopes 1&2	(50%) vs. 2010	(29%) 2,764 Kt
	Contribute to reaching carbon neutrality (usage)	Products energy efficiency (scope 3)	+10% vs. 2020	100.5
	Be best-in-class in environmental footprint of industrial sites	i-MEP ⁽²⁾	-1/3 vs. 2019	92.6
	Reach full circularity of products by 2050	Sustainable Material Rate	40%	29%

(1) Based on the 2021 scope of reporting, the 2020 rate was 82%, versus 83% as reported based on the 2020 scope.

(2) TCIR = Total Case Incident Rate; IMDI = Inclusion and Diversities Management Index; NPS = Net Promoter Score; ROCE = Return on Capital Employed; i-MEP = industrial - Michelin Environmental Performance, see p.150 of the 2020 Universal Registration Document



PEOPLE, PROFIT, PLANET: MICHELIN'S STRATEGIC SCORECARD ADDRESSES ALL LEVERS OF SUSTAINABLE DEVELOPMENT

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2

FOCUS ON THE ENVIRONMENTAL FOOTPRINT OF OUR PLANTS

i-MEP: a KPI to manage our industrial environmental footprint
Our guideline to act: avoid, reduce, reuse, recycle, renew

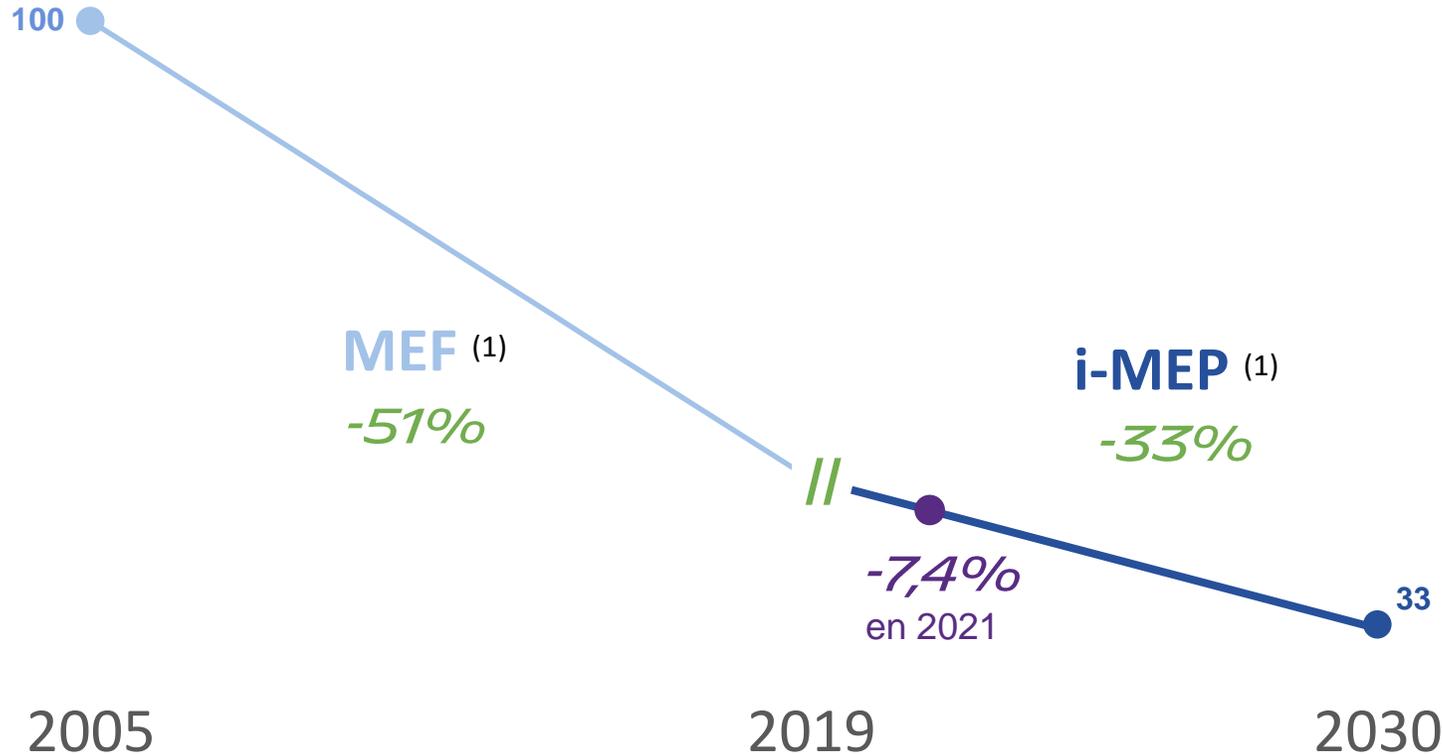


STRONG ACHIEVEMENTS, REINFORCED BY STRONG OBJECTIVES TOWARDS 2030, BASED ON A COMPREHENSIVE MANAGEMENT SYSTEM



Reduction of the environmental footprint of our sites

Environmental management system, ISO14001-certified



Water withdrawal x water stress



Generated wastes



Organic solvent use



Energy use



CO₂ emissions

(1) MEF: Michelin Environmental Footprint ; i-MEP: industrial-Michelin Environmental Performance ; see detailed definition p.151 of the 2021 Universal Registration Document



2030 OBJECTIVE: REDUCE BY 33% WATER WITHDRAWALS COMPARED TO 2019, CONSIDERING SPECIFIC WATER STRESS FOR EACH FACILITY



Main levers

- Raise people's awareness
- Digital measurement and control of water use
- Use water-saving systems and eliminate leaks
- Reduce steam consumption and evaporation
- Optimize recycling and/or reuse

Illustration – Chennai factory (India)



- Rainwater collection covers 45% of site needs
- 100% recycled effluent → no discharge outside the factory

Impacted factors





GENERATED WASTES

2030 OBJECTIVE: REDUCE BY 25% THE AMOUNT OF WASTE PRODUCED PER TON OF OUTPUT COMPARED TO 2019



Main levers

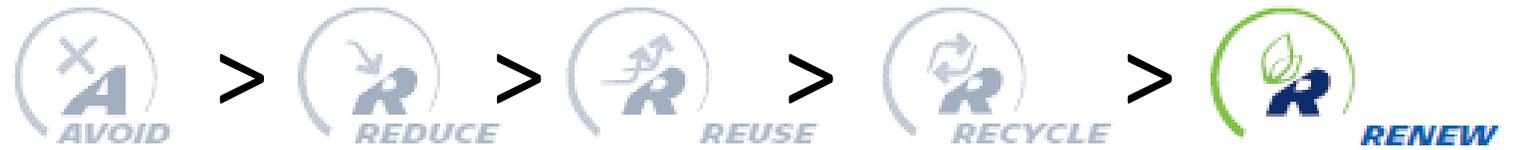
- Reduce waste at the source
- Encourage reuse and recycling
- Build synergies with acquisition
- Focus waste treatment processes on recovering and recycling materials rather than recovering energy through burning

Illustration – Tire wastes are renewed into Camso & Fenner products



About 3,000 tons per year of tire waste are renewed into solid tires and belts.

Impacted factors





2030 OBJECTIVE: REDUCE BY 50% THE USE OF SOLVENTS GENERATING VOLATILE ORGANIC COMPOUNDS COMPARED WITH 2019



Main levers

- Upgrade specifications of R&D and introduce new materials to avoid the use of COV
- Use “just the right” amount of solvent when required thanks to new process, digitization and monitoring

Illustration – Nyiregyhaza factory (Hungary)



- Action: replacing solvents with a thin rubber film.
- Results: in 2021, consumption per ton of finished products has been reduced by 42% vs 2019; it is expected to be further reduced by 75% by 2025, following full-scale deployment.

Impacted factors





2030 OBJECTIVE: IMPROVE ENERGY EFFICIENCY BY 37% VERSUS 2010 AND REDUCE BY 50% ABSOLUTE EMISSIONS FROM PRODUCTION SITES



Main levers

- Instill an “energy-efficient” culture
- Eliminate the use of coal
- Electrify the tire curing equipment
- Reuse heat through transfer fluid loops and install heat pump
- Expand the use of renewable energies

Illustration – Gravanches factory (France)



- Action: heat the factory by a heat pump system that recovers waste process heat & all other energy needs covered for the past three years by purchasing electricity from guaranteed renewable sources.
- Result: Gravanches has become the Group’s first net zero carbon emissions site.

Impacted factors





APPENDICES





NON-FINANCIAL PERFORMANCE: MICHELIN, A LEADING AND RECOGNIZED PLAYER IN SUSTAINABLE MOBILITY

Major sustainability rating (as of June 21, 2022)

	SUSTAINALYTICS (risk rating) 2021	MSCI 2022	CDP 2021	ECOVADIS 2021	ISS ESG 2021	VIGEO EIRIS Moody's 2021
Rating	LOW RISK	AAA	A & B	78/100	B-	73/100
Ranking / distribution of ratings						<p>1ST OF 39 In the automotive sector in Europe</p>



A RESILIENT, MULTIDIMENSIONAL GROUP

BASED ON 2021 SALES

AUTO RT ⁽¹⁾ & 2-WHEEL



- Cyclicity : very low
- Main drivers : Miles driven

(1) Replacement
(2) Original equipment

TRANSPORTATION



AUTO OE ⁽²⁾

- Cyclicity : very high
- Main drivers : regulation & GDP

SPECIALTIES & NEW BUSINESS



- Cyclicity : high
- Main drivers : GDP, commodity prices, public spending



ENVIRONMENT
REDUCING OUR ENVIRONMENTAL FOOTPRINT





ELECTRIC VEHICLES: MICHELIN HAS ALL THE STRENGTHS NEEDED TO SUSTAINABLY REMAIN THE SEGMENT LEADER



Production facilities already meet the technological challenge

Michelin offers the most effective solutions...

...to support its sustainable leadership

Range & Durability

needs that require contradictory performance features

Vehicle range

Rolling resistance

MICHELIN

best trade-off

Tread life

& affordability for consumers

Wear

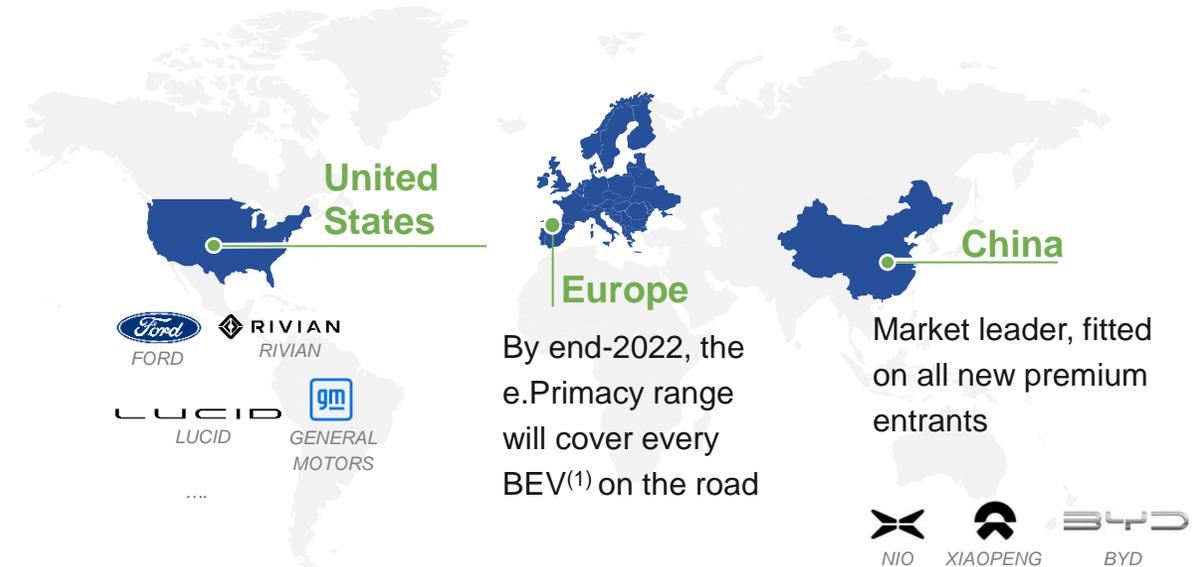
Noise

Michelin No. 1 with its solutions



High Load

To support vehicles that are 20% to 30% heavier



- ▶ Michelin: partner of all OEMs involved in electrification
- ▶ OE BEV market share⁽²⁾: sustainably twice as high as total OE market share

(1) Battery Electric Vehicle

(2) Share of the original equipment market for battery electric vehicles

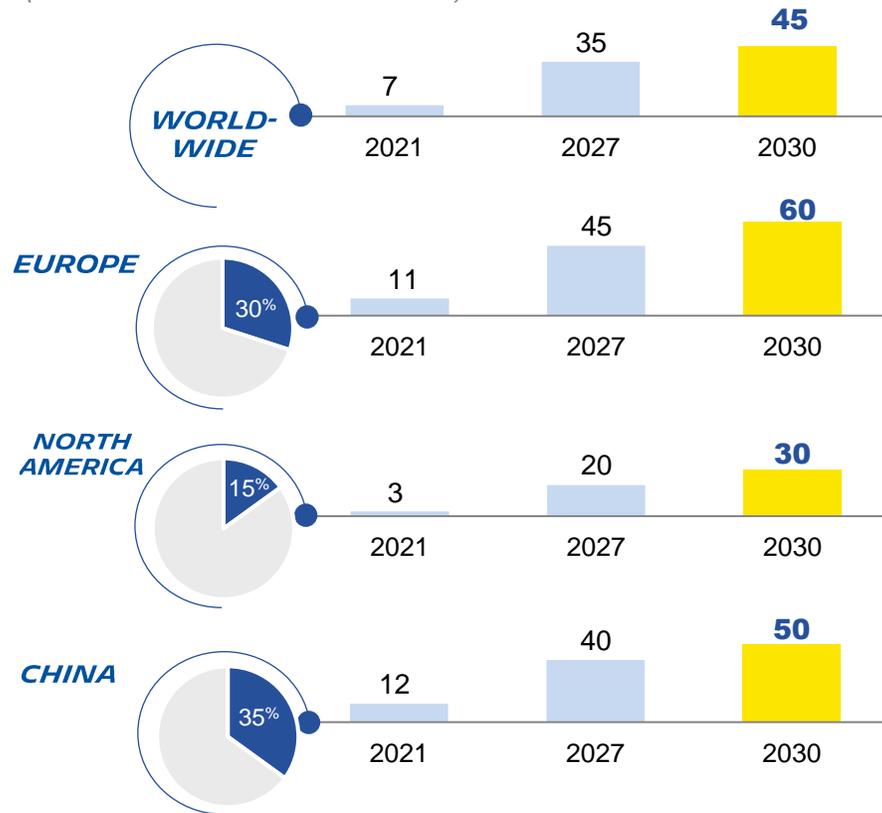




GROWING EV SALES OFFER AN OPPORTUNITY TO MOVE THE TIRE MIX UPMARKET

Strong growth in battery electric vehicle uptake by 2030...

(as a % of total new vehicle sales)



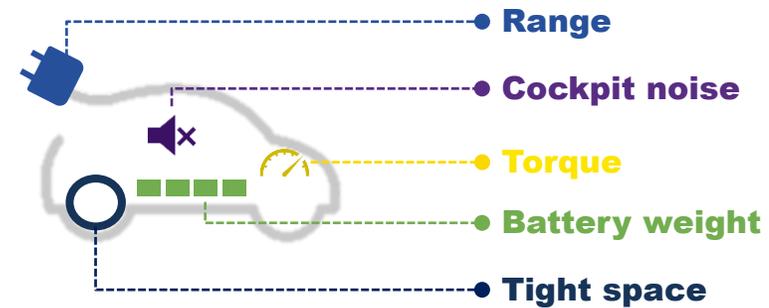
Source: Michelin

* BEV: battery electric vehicle

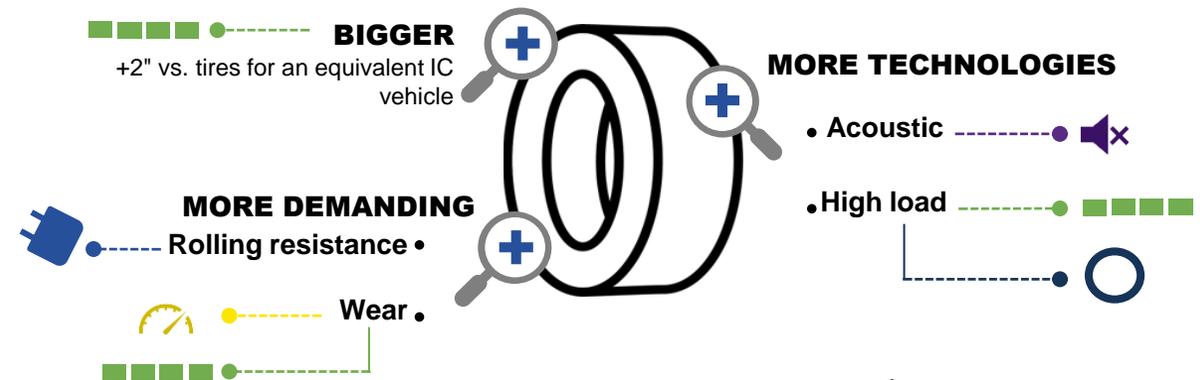
...will move the tire mix sharply upmarket by raising performance standards



BEV*: HIGHLY DEMANDING VEHICLES



TIRES: HIGHER PERFORMANCE STANDARDS



To know more





DEVELOPING HYDROGEN MOBILITY WITH OUR JOINT VENTURE SYMBIO



CURRENT EXPERTISE

20 YEARS OF ADVANCED R&D ON STACKS AND FC SYSTEMS



- Full range of stack powers
- System integrations capabilities

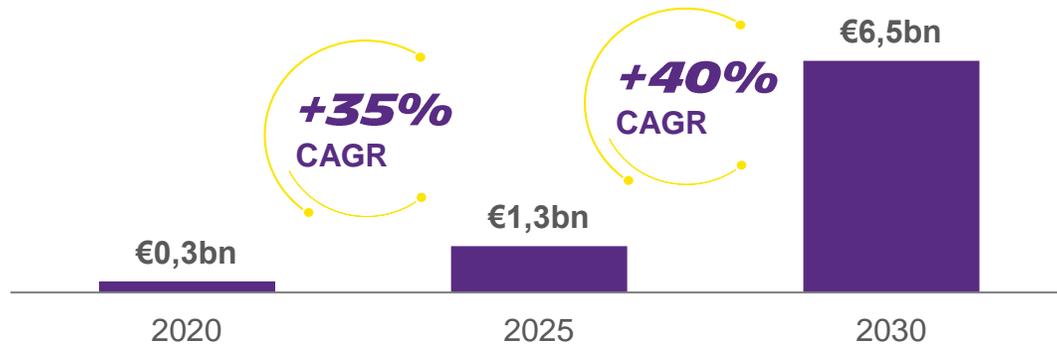


AMBITIONS¹

BECOME A LEADER IN FUEL CELL STACK SYSTEMS



MARKET POTENTIAL



KEY LEVERS



- Strong complementarities with Faurecia
- Strong leverage of Michelin R&D
- Customer intimacy and innovative business model

Note: Symbio is present in Fuel Cell Stack system (bipolar plates, MEA, endplate, etc.) and Auxiliaries (Interfaces, Electric & Electronics, supply unit, etc.)
 1: 100% of Symbio
 Michelin holds a 50% stake in Symbio (consolidation based on equity method)





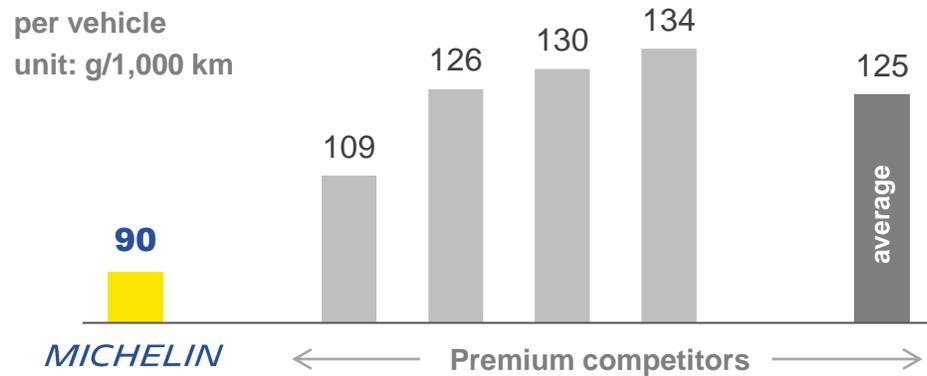
WEAR PARTICLES: MICHELIN HAS A CONSIDERABLE COMPETITIVE ADVANTAGE, WITHOUT COMPROMISING SAFETY

“Low tyre abrasion and safe driving characteristics: Michelin shows how it [should be] done”

(ADAC, Dec. 2021⁽¹⁾)

Particulate emissions: Michelin vs. other premium tiremakers

Source: ADAC, Dec. 2021⁽¹⁾



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

+ [Download the ADAC study](#)

Michelin is continuously improving the performance of its products thanks to its unrivaled expertise

Particulate emissions are being reduced with each new range⁽²⁾

MICHELIN leader



MICHELIN e.Primacy



-20%

vs MICHELIN Primacy 4

MICHELIN CrossClimate 2



-13%

vs MICHELIN CrossClimate +

MICHELIN Pilot Sport 5



-20%

vs MICHELIN Pilot Sport 4

(1) Tyre wear particles in the environment, ADAC, Dec. 2021 – 100 sizes tested

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





TIRE AND ROAD WEAR PARTICLES (TRWP): DEFINITION AND STATE OF KNOWLEDGE

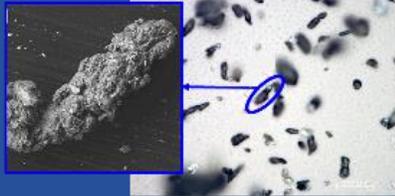
TRWP are tiny debris generated by abrasion from a tire's contact with the road surface.
This abrasion is caused by the tire's grip and keeps the tire safely on the road.

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

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

WATER
Studies suggest that TRWP sediment and degrade quickly, so that 50% disappear in 16 months

TRWP



5 x 10⁻² mm

- Composition: mixture of rubber and road surface minerals
- High density: 1.8
- Diameter: ~100 μm (100 times smaller than microplastics)



Michelin strongly favors a regulation that would limit the level of wear particles emissions of all tires worldwide. Michelin contributes with the ETRMA⁽²⁾ members to the definition of a standardized test method of TRWP emission rate, to eliminate the least performing tires from the market with a threshold regulation.

(1) For more information about TRWP, [see the following document](#), which cites the studies in question

(2) European Tyre & Rubber Manufacturers Association

[Download the ADAC study](#) +

Tyre wear particles in the environment (Dec. 2021)





NATURAL RUBBER: MICHELIN IS STRENGTHENING ITS COMMITMENT TO EFFICIENT, RESPONSIBLE NATURAL RUBBER FARMING

In response to a **fragmented and complex** industry...

Michelin procurement



KEY FIGURES

- ~**90%** of purchased volumes come from smallholders
- >**140** direct suppliers
- UP TO 7** middlemen between direct suppliers and smallholders
- ~**2M** smallholders serve Michelin
- ~**2 HA.** average farm size

...Michelin is strengthening its commitment to a sustainable supply chain



2025 objective: step up sustainability across the industry

- Land rights: more than 95% of identified at-risk supplies apply the principle of free, prior and informed consent.
- Deforestation: more than 95% of identified at-risk supplies apply the zero-deforestation principle.
- Social and environmental risks: more than 70% of procurement volumes are assessed.



Extend assessments of supplier practices across the value chain...

- Direct suppliers via EcoVadis: 94% of volumes assessed at end-2021, of which 79% confirmed as compliant.
- Indirect suppliers via RubberWay: 64% of volumes mapped at end-2021, with a target of 80% in 2022.
- Since 2020, a stronger partnership with WWF for more in-depth analysis of deforestation risks.

...to undertake impactful, real-world projects



- **Brazil** – partnership with WWF: increasing the rubber harvest to have a positive economic impact on 3,800 families in the State of Amazonas, while preserving the forest (6.8 million hectares under management).
- **Indonesia** – partnership with Porsche: improving the skills of 1,000 smallholders identified with the RubberWay™ app.
- **Thailand** – as part of the GPSNR: helping small farmers diversify their sources of income with agroforestry opportunities.
- **Africa** – through SIPH: offering nearly 100,000 farmers a year training in best agricultural practices, workplace health and safety, and environmental issues.
- ...



ENVIRONMENTAL AWARENESS, THROUGHOUT THE LIFECYCLE OF MICHELIN'S PRODUCT, STARTING FROM R&D DESIGN

RAW MATERIALS
Sustainable natural rubber supply



MANUFACTURING
Reducing impact



LOGISTICS
Reducing the carbon footprint



MATERIALS RECYCLING
Recycling systems / Circular economy



USE OF PRODUCTS AND SERVICES

63% to 96% of the life cycle impact

Low rolling resistance – reduce CO₂ emissions
Safe when new, safe when worn



ENERGY RECOVERY

END OF LIFE

RETREADING

Substantial savings in raw materials





ON THE PATH TO REACH FULL CIRCULARITY OF PRODUCTS WITH 40% OF SUSTAINABLE RAW MATERIALS IN 2030, 100% IN 2050



NATURAL RUBBER

PLASTIFIERS/RESINS

TEXTILES

SYNTHETIC RUBBER

FILLERS

METALS

OTHER



(2)



(1)



In 2022, Michelin has equipped the Green GT endurance car for Road To Le Mans race, with a 53% sustainable material tire

(1) European project funded by Horizon 2020, project number: 82068

(2) With the support of ADEME (ADEME: French Environment & Energy Management Agency)





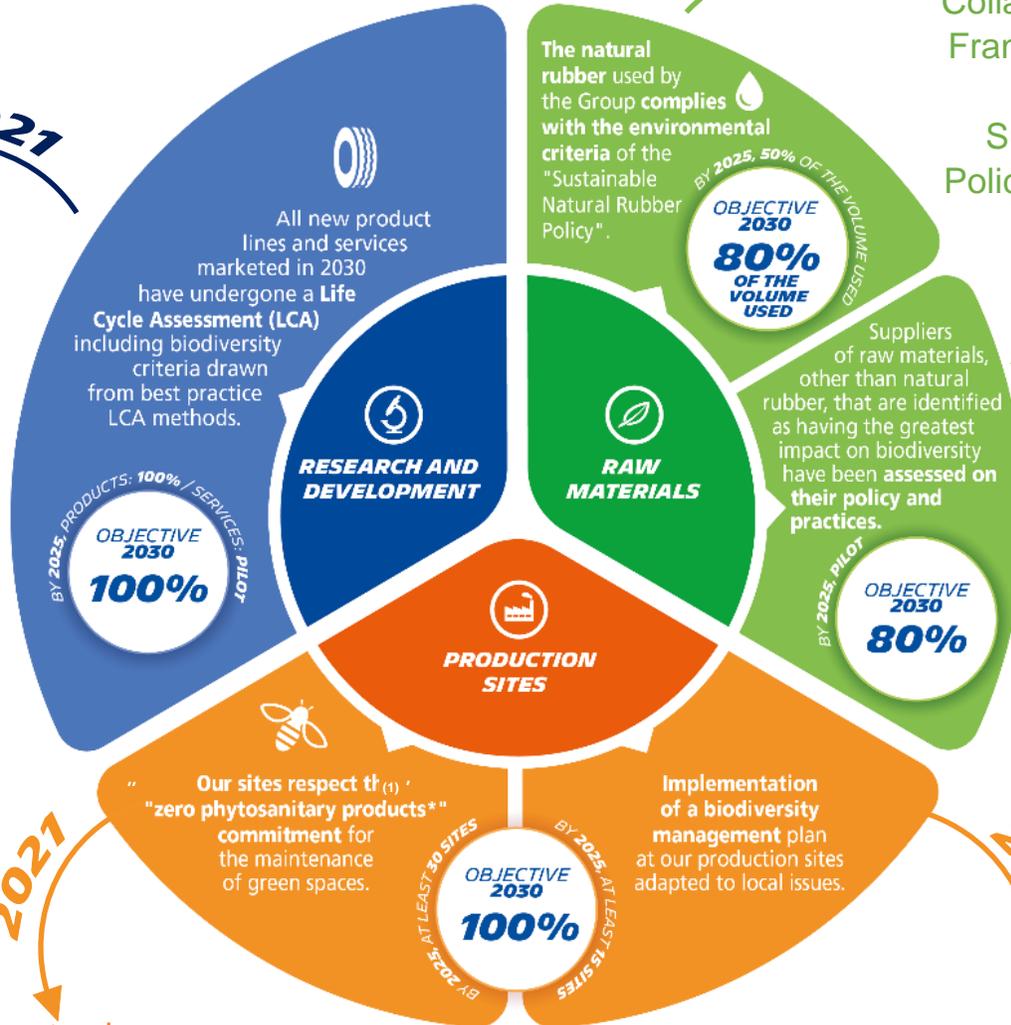
ENVIRONMENT PROTECTION: MICHELIN IS A LEADER IN ACTING FOR BIODIVERSITY PROTECTION

act4nature international

Life Cycle Analyses carried out on:

- 50 % of new passenger car and light truck product projects
- 30 % of new truck product projects
- 65% of new specialty products projects

2021



2021

Collaboration initiated with WWF France to review the compliance framework of Michelin's Sustainable Natural Rubber Policy for supplies from industrial plantations

2021

Preparing the pilot project for 2025

2021

12 sites in France without using phytosanitary treatments

2021

8 sites at pollution risk with an action plan



(1) Replacement of pesticides and fertilizers by mechanical methods combined with other alternative solutions



AMBITIONS FOR 2030

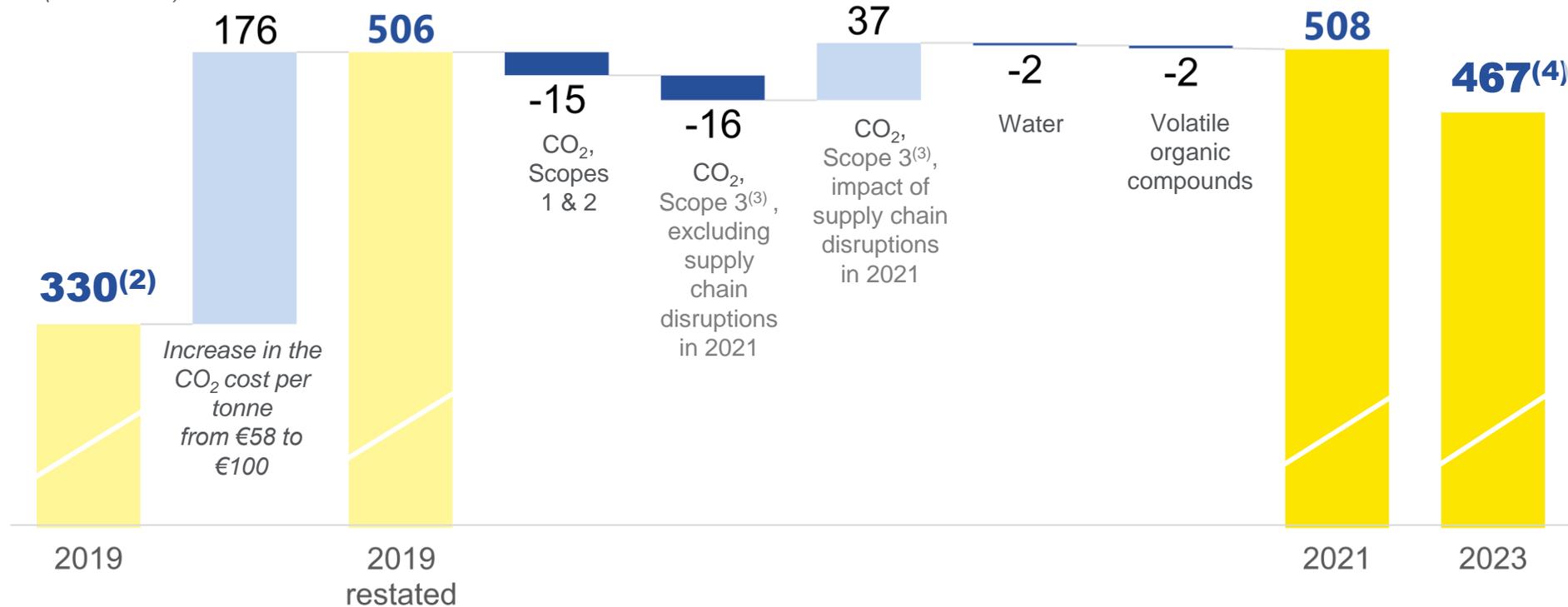
BIODIVERSITY



MICHELIN IS PURSUING PROGRAMS TO REDUCE ITS CO₂ EMISSIONS, VOC⁽¹⁾ EMISSIONS AND WATER WITHDRAWALS

In response to supply chain disruptions, the Group occasionally had to resort to more costly workarounds on an as-needed basis, which penalized CO₂ emissions in 2021.

Analysis of externality costs (in € millions)



Definition Scope

- 1 Direct emissions**
sources owned or controlled by the company
- 2 Indirect emissions**
energy purchased by the company
- 3 Indirect emissions**
all other emissions related to the company's business activities and the use of finished products

(1) Volatil Organic Compounds

(2) Including €3m from adjustments in the method of calculating transportation-related CO₂ emissions

(3) Covers only the inbound and outbound transportation and distribution of natural rubber, semi-finished products and finished product

(4) Corresponds to the 2023 target of approximately €300m announced at the CMD on April 8, 2021, adjusted for the ton of CO₂ valued at €100/t and the change in method mentioned in (2)





MICHELIN APPLIES THE RECOMMENDATIONS OF THE TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

TCFD | TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES



Detailed information concerning the application of TCFD recommendations may be found in the public answers to the CDP Climate Change 2021 questionnaire (see <https://www.cdp.net/en/responses>).



Michelin's answer

See p. 222 of 2021 Universal Registration Document for more details

GOVERNANCE

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

STRATEGY

Four climate scenarios comprising narrative descriptions and quantitative socio-economic and physical assumptions were updated, deepened and deployed

for use at two levels:

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

RISK MANAGEMENT

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

METRICS AND TARGETS

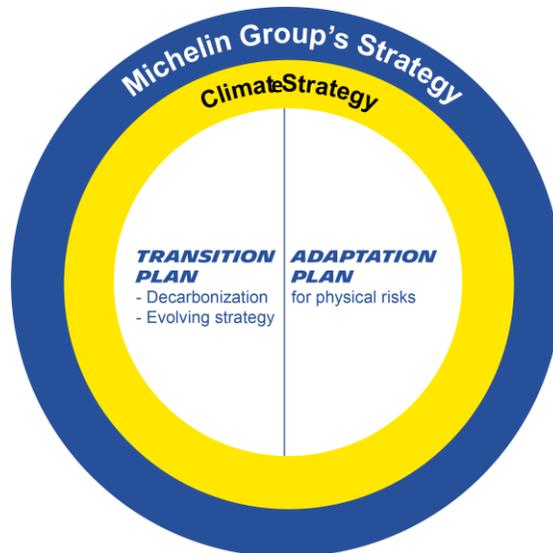
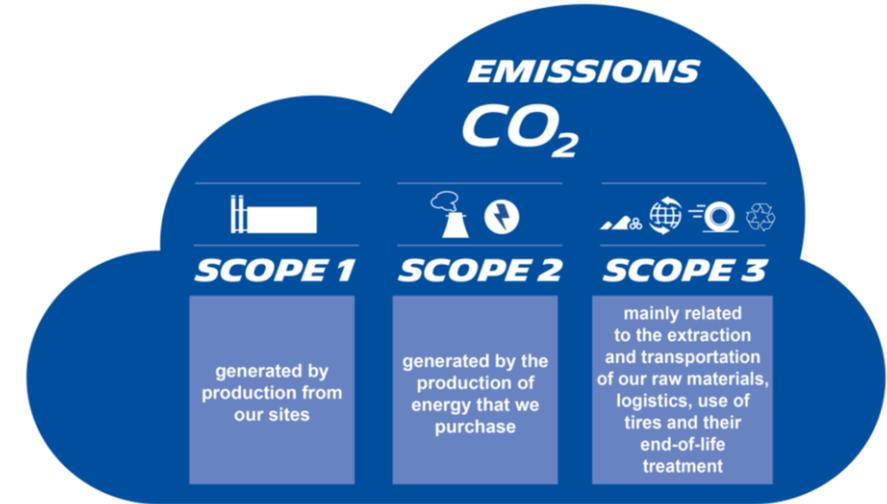
Joining the "Race to Zero" campaign, answering the call to action led by the Science Based Targets initiative (SBTi), the United Nations Global Compact and We Mean Business and committing to reach net zero emissions by 2050.



CLIMATE STRATEGY IS STRUCTURED AROUND TRANSITION AND ADAPTATION PLANS TO ACHIEVE NET-ZERO EMISSIONS BY 2050

It is structured around 2 axes:

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



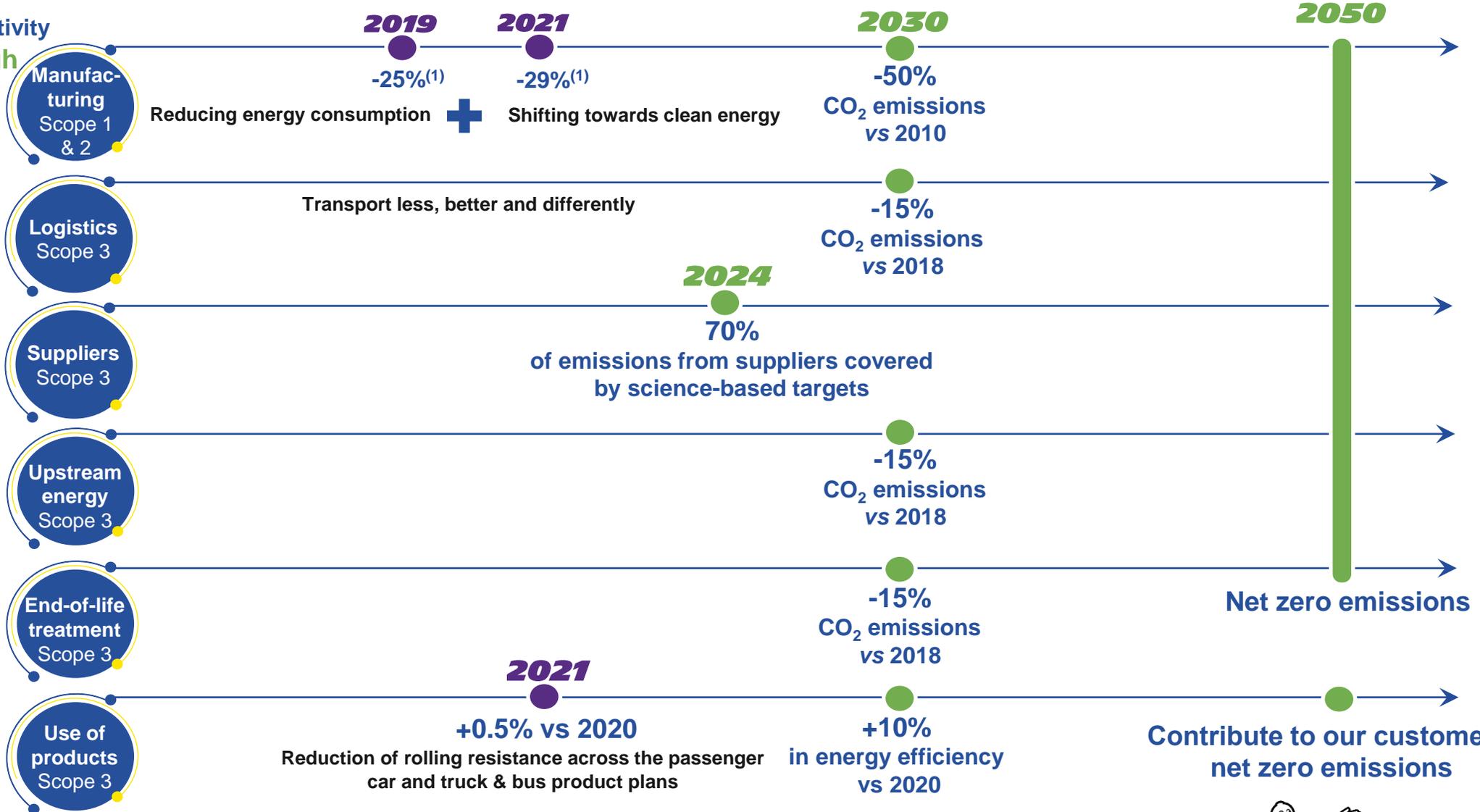
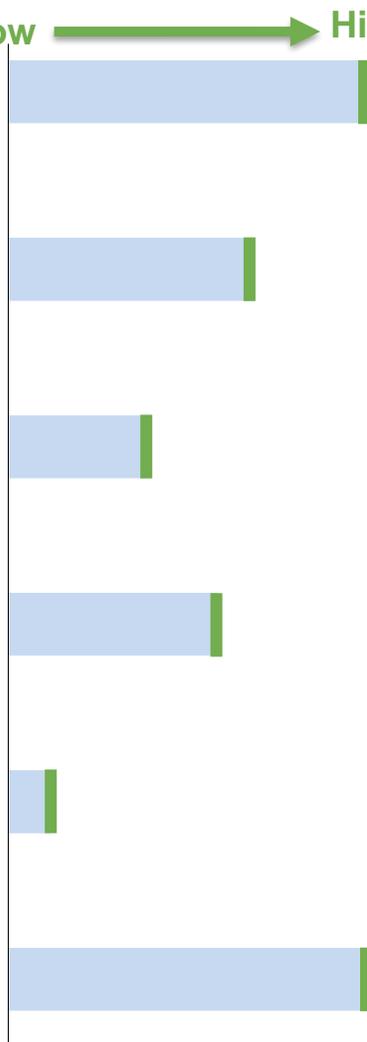
It is based on 3 principles:

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



2030 ENVIRONMENTAL AMBITION: ON THE PATH TO REACH NET ZERO EMISSIONS IN 2050

Level of influence on the activity
Low → High



(1) CO₂ emissions vs. 2010





SOCIAL

A RESPONSIBLE APPROACH TOWARDS PEOPLE





RESPONSIBLE EMPLOYER: TAKING CARE OF THE WELL BEING AND DEVELOPMENT OF ALL EMPLOYEES

80% ///

Employee's engagement rate target

87% ///

Response rate to the employee engagement study

(2.58%) ///

Pay gap ratio between men and women

4.3 MILLIONS ///

training hours, representing:

2.6% of total working hours

44 training hours per employee per year

97% of employees trained*

As people have always been key to Michelin's success and technological leadership, our top priority is to offer a safe and empowering working environment for all. In **2021**, this resulted in...



73% ///

of managers promoted from within Michelin

29% ///

of women in management

32.1% ///

of women employees and technicians

1.29 ///

Employee safety – Total Case of Incident Rate**

55.9 ///

CEO / median employee compensation ratio***

* "Ambitions 2020" scope of reporting excluding the dealership networks and recently acquired companies and representing 93,807 employees.

** TCIR: Total Case of Incident Rate: number of accidents and occupational illness recorded per 2000,000 hours

*** for the Group's main French subsidiary that employs over 79% of the total workforce in France as of December 31, 2021. See chapter 3.4.6 of the 2021 Universal Registration Document.



DIVERSITY AND INCLUSION: PROGRESS ON ALL INDICATORS IN 2021, DEMONSTRATING THE GROUP'S COMMITMENT

EQUAL OPPORTUNITY

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

DISABILITY

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

IMDI⁽¹⁾



GENDER BALANCE

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

IDENTITY

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

* Diversity & Inclusion

MULTI-NATIONAL MANAGEMENT

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





A STRONG CONTRIBUTION TO THE DEVELOPMENT OF MICHELIN'S HOST COMMUNITIES

€3.3 MILLION ///
DONATED

to or invested in outreach initiatives in the communities around the Group's plants and offices in 2021

MORE THAN 40,000 JOBS ///
created with the support of Michelin Development of which **29,000** in France since 1990



/// **3,000 EMPLOYEES**
engaged with local communities in 2021, or 2.5% with a target at 20% in 2030

/// **104 PROJECTS**
have been backed by the Foundation in 2021 with a total budget of €14 M€





MICHELIN COMMITTED IN RESPECTING ETHICS AND HUMAN RIGHTS



ACTIONS RELATING TO ETHICS & HUMAN RIGHTS

- ▶ **Contribute to the elimination of all the forms of forced or obligatory labor**
Global Platform for Sustainable Natural Rubber, Global Compact Action Platform for Decent Work...
- ▶ **Act against corruption in all its forms, including the bribe and extortion of money**
Code of Ethics, Alert lines, Anti-Corruption Code of Practice...
- ▶ **Respect freedom of association and acknowledge the right of collective bargaining**
Global Platform for Sustainable Natural Rubber, Global Compact Action Platform for Decent Work...
- ▶ **Contribute to the effective abolition of the child labor**
Deployment of the Rubberway application to address human rights risks in the natural rubber supply chain

Act against any kind of harassment

worldwide internal communication led by Top Management in early 2021

Contribute to the elimination of any discrimination in respect of employment and occupation

Inclusion and Diversities Management Index in Group Scorecard

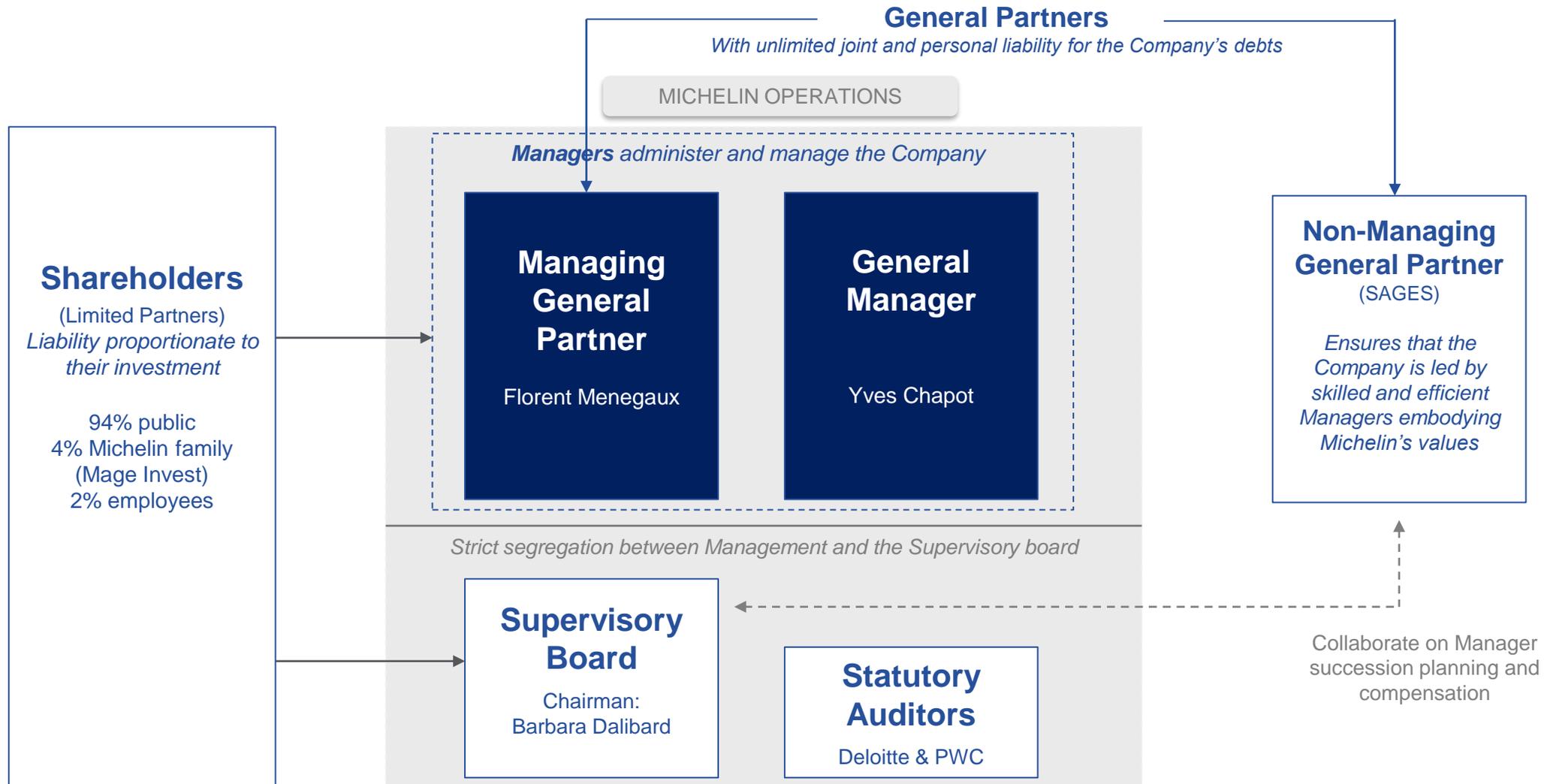
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GOVERNANCE

**A FRAMEWORK SUPPORTING OVERSIGHT AND
ACCOUNTABILITY**



MICHELIN GOUVERNANCE PILLARS: CLEAR SEGREGATION OF DUTIES, DOUBLE CHECK AND BALANCE OVERSIGHT





A GOVERNANCE THAT IS ALIGNED WITH LONG-TERM STAKEHOLDERS' INTERESTS

- Michelin is led by two Managers elected by the Annual Shareholders Meeting:
- **Florent Menegaux, Managing Chairman and Yves Chapot, General Manager**
- They are assisted by the Group Executive Committee, which is comprised of 10 members (including the Managers)

→ Managers core responsibilities are to:

- ▼ Elaborate and implement the Group's strategy
- ▼ Lead the Group's business
- ▼ Establish internal control and risk management procedures and oversee their implementation
- ▼ Prepare the financial statements of the Company and the Group
- ▼ Define financial information policies
- ▼ Prepare the various reports to Shareholders



Florent Menegaux
Managing Chairman with unlimited personal liability for debts incurred by Michelin



Yves Chapot
General Manager



ESG CRITERION ARE INCLUDED IN EXECUTIVES' COMPENSATION AND SHARED WITH ALL EMPLOYEES REGARDING PERFORMANCE SHARES PLANS

Fixed compensation

€1,100,000*

Benefit in kind (car)
€10,000

* €1,016,670 (pro rated) for 2022

Annual variable compensation

Max 150% of fixed compensation

deducted in full from the General Partners' 2022 Profit Share

Consolidated net income

4% of Profit Share

Quantitative criteria:

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

Quantifiable and qualitative criteria:

1. Deployment of the Group's **transformations** (10%)
2. **Synergies of acquisitions** (5%)
3. Employee safety – **TCIR** (5%)
4. Part of **women in the Management** (5%)
5. Level of **CO₂ emissions** (5%)

The following would be applied to each criterion:

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

Performance Shares rights

Subject to performance conditions over 3 years

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

1. Market performance: Michelin's share price vs. evolution of Stoxx Europe 600 index (annual average)

Weight: 30%

2. CSR performance

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

Weight: 40%

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

Weight: 30%

- Retention obligation of **40% of the actually received shares** during the entire term of mandate
- The allocated shares may only be delivered under the following condition: the profit shares have been paid during the fiscal year preceding the one of the issued shares

ESG incentives





ESG AWARENESS AND OVERSIGHT ARE FULLY EMBODIED IN MICHELIN'S GOVERNANCE STRUCTURE



Governance bodies ↓ Decisions ↑ Recommendations

SUPERVISORY BOARD - CSR COMMITTEE



STAKEHOLDERS COMMITTEE

At the corporate executive level, a Stakeholders Committee set up in 2016 brings together 12 people representative of the Group's leading stakeholders, including suppliers, investors, unions, customers and NGOs. Four continents are represented on the Committee, which meets with the Executive Committee for a full day at least once per year.





A SOLID GOVERNANCE PROFILE FOR A PROPER INDEPENDENT OVERSIGHT



Independent member
Chairman of the Audit Committee

Patrick de la Chevardière



Independent member
Audit Committee

Aruna Jayanthi



Independent member
Audit Committee
Chair of the Corporate Social Responsibility Committee

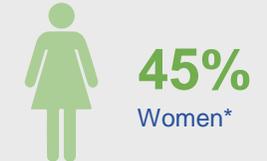
Monique Leroux



Independent member
Audit Committee

Wolf-Henning Scheider

SUPERVISORY BOARD



* Excluding members representing employees



Barbara Dalibard
Non-independent member
Chair of the Supervisory Board



Independent member
Chairman of the Compensation and Appointments Committee

Jean-Pierre Duprieu



Independent member
Compensation and Appointments Committee
Corporate Social Responsibility Committee

Anne-Sophie de la Bigne



Independent member
Compensation and Appointments Committee

Thierry Le Hénaff
Lead Independent member



Non-Independent member
Compensation and Appointments Committee

Delphine Roussy
Employee representative



Non-Independent member
Corporate Social Responsibility Committee

Jean-Christophe Laurde
Employee representative



Independent member
Corporate Social Responsibility Committee

Jean-Michel Severino



A SOLID GOVERNANCE PROFILE FOR A PROPER INDEPENDENT OVERSIGHT



Social environment, Human resources and Governance

Anne-Sophie de La Bigne
 Aruna Jayanthi
 Monique Leroux
 Jean-Michel Severino

Digital and innovation

Barbara Dalibard
 Aruna Jayanthi
 Jean-Michel Severino

Materials

Patrick de la Chevardière
 Thierry Le Hénaff

Industry

Patrick de la Chevardière
 Jean-Pierre Duprieu
 Thierry Le Hénaff
 Wolf-Henning Scheider
 Jean-Michel Severino

General and international management

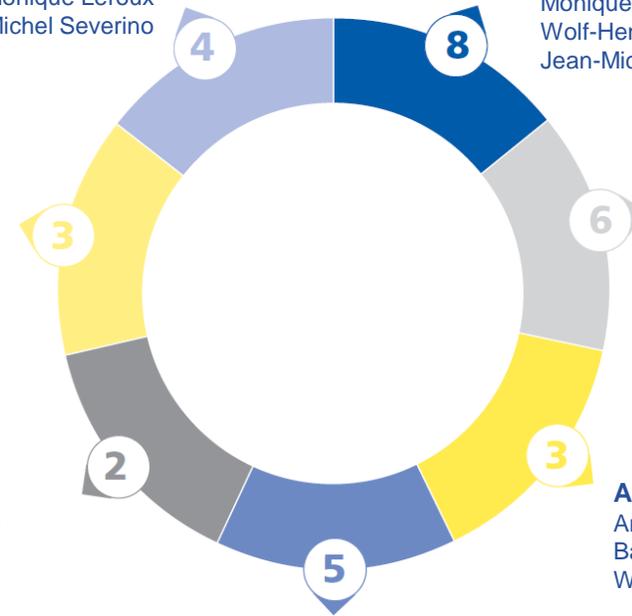
Patrick de la Chevardière
 Barbara Dalibard
 Jean-Pierre Duprieu
 Aruna Jayanthi
 Thierry Le Hénaff
 Monique Leroux
 Wolf-Henning Scheider
 Jean-Michel Severino

Financial expertise and M&A

Patrick de la Chevardière
 Anne-Sophie de La Bigne
 Jean-Pierre Duprieu
 Monique Leroux
 Wolf-Henning Scheider
 Jean-Michel Severino

Automotive and mobility businesses

Anne-Sophie de La Bigne
 Barbara Dalibard
 Wolf-Henning Scheider





DISCLAIMER

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

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

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