

ANNUAL SHAREHOLDERS MEETING

May 18, 2018

Report of the Supervisory Board to the Annual Shareholders Meeting

- 1. Election of two new Managing Partners**
- 2. Membership and work of the Supervisory Board**
- 3. Membership and work of the Audit Committee**
- 4. Membership and work of the Compensation and Appointments Committee**

Election of two new Managing Partners



M. Florent Menegaux

Group Senior Executive Vice President and Chief Operating Officer overseeing the Group's Business Departments and the Manufacturing, Supply Chain and Customer Experience Operational Departments

Member of the Group Executive Committee

- 1997: Sales and Marketing Director for Truck Tires in the United Kingdom and Ireland
- 2000: Sales Director for the Truck Tire Original Equipment and Replacement markets in North America
- 2003: Head of Truck Tires for South America
- 2005: Head of the Africa - Middle East region
- 2006: Head of the Passenger Car and Light Truck Tire Replacement Business Unit in Europe
- 2008: Executive Vice President of Passenger Car and Light Truck worldwide operations and Head of Michelin's Motorsports and Materials businesses
- 2014: Chief Operating Officer
- 2017: Senior Executive Vice President

Election of two new Managing Partners



M. Yves Chapot

Executive Vice President, Automotive Business Lines and Africa, India & Middle East, East Asia & Australia and China regions

Member of the Group Executive Committee

- 1992: Internal Control Manager
- 1997: Chief Executive Officer for Taurus in Hungary
- 1999: Chief Financial Officer for Europe
- 2005: Director of Michelin China
- 2007 – 2009: Head of the Passenger Car and Light Truck Tire business in Asia
- 2012: Head of Euromaster
- 2014: Executive Vice President of Distribution
- 2017: Executive Vice President of Passenger Car and Light Truck Product Line

Membership and work of the Supervisory Board in 2017

- Members: Michel Rollier (Chairman), Olivier Bazil, Pat Cox, Barbara Dalibard, Anne-Sophie de La Bigne, Jean-Pierre Duprieu, Aruna Jayanthi, Monique Leroux and Cyrille Poughon
- 7 meetings
- Attendance rate of over 95% (including Committee meetings)
- One executive session, led by the Senior Independent Member

Main topics addressed by the Supervisory Board

- The strategic plan and its implementation across all of the businesses
- Proposed acquisitions
- Project to streamline the Group's organization and business processes
- Chief Executive Officer succession plan
- Assessment of the Supervisory Board's practices

Membership and work of the Audit Committee in 2017

- Members: Olivier Bazil (the Committee Chairman), Anne-Sophie de La Bigne, Jean-Pierre Duprieu and Monique Leroux
- 4 meetings
- 100% attendance rate

Main topics addressed by the Audit Committee

- Risk mapping and risk management plan
- Cyber risk management
- Internal control
- Guarantees of the Michelin customer promise
- Changes in reporting processes

Membership and work of the Compensation and Appointments Committee in 2017

- Members: Barbara Dalibard (Committee Chair/Senior Independent Member), Pat Cox, Anne-Sophie de La Bigne and Michel Rollier
- 3 meetings
- 100% attendance rate

Main topics addressed by the Compensation and Appointments Committee

- Chief Executive Officer's compensation
- Succession plans
- Executive Committee members' compensation
- Performance share policies