

ANNUAL SHAREHOLDERS MEETING

May 17, 2019

Report of the Supervisory Board to the Annual Shareholders Meeting

- 1. Leadership transition**
- 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**
- 5. Resolutions submitted to the Annual Shareholders Meeting**

Leadership transition

- Changes approved by the Annual Shareholders Meeting of May 18, 2018
- New organization: continuity and openness
- Smooth transition tailored to the needs of the Company
- Confidence in the new team

Membership and work of the Supervisory Board

Members and meetings:

- 9 members (7 independent)
- 9 meetings
- Average attendance rate of over 98% (including Committee meetings)
- Two Executive sessions, chaired by the Senior Independent Member

Membership and work of the Supervisory Board

The work of the Supervisory Board primarily included:

- Paying close attention to new areas of business:
 - Acquisitions
 - Services & Solutions businesses
- Examining matters prepared by:
 - the Audit Committee
 - the Compensation and Appointments Committee

Membership and work of the Audit Committee

Members and meetings:

- 5 members* (4 independent)
- Chairman: Olivier Bazil
- 4 meetings
- Attendance rate: 95%
- Made inquiries of 14 Group managers
- Met with the Statutory Auditors

** 6 members since January 2019, with integration of M. Thierry LE HÉNAFF, independent member*

Membership and work of the Audit Committee

The Audit Committee covered a broad range of topics during the year, including:

- Monitoring issues relating to the preparation and control of accounting and financial information
- Assessing the effectiveness of internal control and risk management systems

Membership and work of the Compensation and Appointments Committee

Members and meetings:

- 4 members (3 independent)
- Chair: Barbara Dalibard, Senior Independent Member
- 4 meetings
- Attendance rate: 100%

Membership and work of the Compensation and Appointments Committee

The main topics addressed by the Compensation and Appointments Committee included:

- Managers' compensation
- The Group's new organization
- The new management team

Resolutions submitted to the Annual Shareholders' Meeting

- Approval of the proposed ordinary and extraordinary resolutions submitted by the Managers
- Increase in total attendance fees paid to Supervisory Board members
- Re-election of two Supervisory Board members

Election of Supervisory Board members

Barbara Dalibard



- Independent member of the Supervisory Board since 2008, Senior Independent Member and Chair of the Compensation and Appointments Committee
- Owns 485 Michelin shares as of December 31, 2018
- Chief Executive Officer of SITA
- Her previous positions include Chief Executive Officer of SNCF Voyageurs, member of the France Telecom group Management Committee, and various management positions within Alcatel

Aruna Jayanthi

(Presentation by Barbara Dalibard)