



03

CORPORATE GOVERNANCE REPORT



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This report was prepared by the Supervisory Board on February 11, 2022, in application of Article L. 226-10-1 of the French Commercial Code (*Code de commerce*).

3.1 ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

Tire manufacturing is a capital-intensive industry in which the pace of technological innovation is relatively slow. It is therefore essential to be able to devise long-term plans and follow them through.

Throughout its history, Compagnie Générale des Établissements Michelin (CGEM), the Group's parent company, has been organized as a partnership limited by shares (S.C.A.).

This partnership model offers three main advantages:

- ▶ it aligns Group management decisions with shareholder interests;
- ▶ it guarantees clear segregation of management and supervisory powers;
- ▶ it fosters direct ties with each shareholder, as all shares must be registered.

There are two partner categories.

First are the limited partners or shareholders, who provide capital, elect the members of the Supervisory Board and the Managers and approve the financial statements presented by Management.

Their liability is limited to the amount of their investment. All Michelin shares are registered, which enables the Group to better understand the expectations of its shareholders, who receive a return on their investment in the form of a dividend.

Second are the General Partners, among which Société Auxiliaire de Gestion (SAGES) is a Non-Managing General Partner of CGEM and, as such, ensures the sustainability of the Company's management. General Partners have unlimited personal liability for the partnership's debts, to the full extent of their assets. They can be relieved of this liability only by decision of the shareholders in an Extraordinary Meeting. The General Partners may be shareholders but may not take part in any votes to elect Supervisory Board members or appoint Statutory Auditors. The General Partners receive a share of the Company's profits in accordance with its Bylaws, subject to shareholder approval at the Annual Shareholders Meeting.

Since May 17, 2019, Michelin has had two General Partners: Florent Menegaux, Managing Chairman and Managing General Partner, and Société Auxiliaire de Gestion (SAGES), Non-Managing General Partner.

AN AGILE AND ROBUST GOVERNANCE STRUCTURE

Organized as a partnership limited by shares

Compagnie Générale des Établissements Michelin ("Michelin") has been organized since its foundation as a partnership limited by shares (*société en commandite par actions* – S.C.A.), a flexible legal framework.

With customized characteristics

Over the years, Michelin has crafted through this framework a **unique and balanced governance structure, that is a key driver of its sustainable long-term success, robust corporate culture and shared values.**

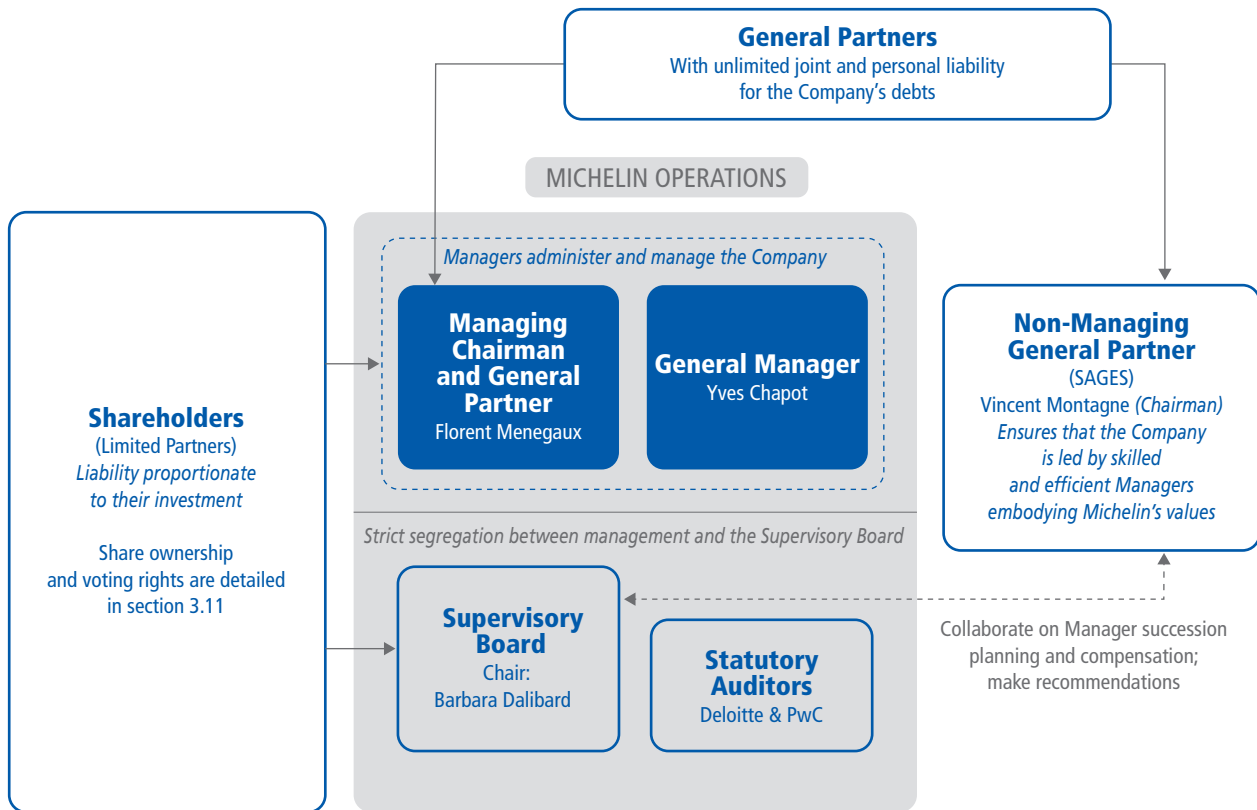
Continuously enhanced

Michelin constantly reviews and improves its governance and implements safeguards to provide all the **necessary controls and oversight to ensure shareholder protection and convergence of interests between the different stakeholders.**

Serving the Company and its shareholders

This corporate structure provides stability and **helps to protect the Company against short-term pressure that could be detrimental to shareholder value.** The success Michelin has achieved since its creation is the best testament that its governance has served the Company and its shareholders in an efficient manner.

THE PILLARS OF MICHELIN'S GOVERNANCE



3.1.1 AN EXPERIENCED, STABLE AND RESPONSIBLE MANAGEMENT TEAM

3.1.1.1 Members

Michelin is led by two Managers:

- ▶ Florent Menegaux, General Partner elected by the Extraordinary Shareholders Meeting of May 18, 2018, and Managing Chairman;
- ▶ Yves Chapot, General Manager elected May 18, 2018.

In accordance with the Company's Bylaws, Florent Menegaux's term of office as Managing General Partner and Yves Chapot's term of office as General Manager were renewed by a decision of the Company's Non-Managing General Partner, Société Auxiliaire de Gestion (SAGES), approved unanimously by the members of Michelin's Supervisory Board at its meeting of July 23, 2021, based on the favorable opinion of its Compensation and Appointments Committee.

Pursuant to this decision, the terms of office of Florent Menegaux and Yves Chapot will be renewed for a period of four years beginning at the close of the next Ordinary Shareholders Meeting on May 13, 2022, and ending at the close of the Ordinary Shareholders Meeting to be held in the first half of 2026 to approve the 2025 financial statements.

This decision was announced in a press release published on October 5, 2021.

FLORENT MENEGAUX

Managing General Partner



BIOGRAPHICAL DETAILS – PROFESSIONAL EXPERIENCE

After graduating with a degree in finance, management and economics, Florent Menegaux joined Price Waterhouse in 1986 as a consultant. He was soon appointed manager, specializing in interest rate risk control and management for banks.

In 1991, Exel Logistics France, a logistics and transport company, offered him the position of Finance Director. Six months later, he was promoted to Chief Executive Officer. From 1995 to 1996, Florent Menegaux was Chief Executive Officer of the General Cargo Transport division for the Norbert Dentressangle group.

In 1997, Florent Menegaux joined Michelin as Commercial Director for Truck tires in the United Kingdom and the Republic of Ireland.

In 2000, Michelin appointed him Sales Director for Truck tires Original Equipment and Replacement markets for North America. In 2003, he became head of Truck tires for South America.

In 2005, he was appointed head of the Africa – Middle East Region.

In January 2006, Mr. Menegaux became responsible for the Group's Passenger car and Light truck tire Replacement Business Unit for Europe, before being appointed to the Group Executive Committee as Executive Vice President, Passenger car and Light truck Product Line in 2008. He also oversees Michelin's Motorsports activities and Materials business.

In December 2014, he was appointed Chief Operating Officer and then Senior Executive Vice President of the Michelin Group in 2017.

In January 2018, he also assumed responsibility for overseeing the Group's Business Departments, and the Manufacturing, Supply Chain and Customer Experience Operational Departments.

Florent Menegaux was appointed General Partner on May 18, 2018; he became Managing Chairman of Compagnie Générale des Établissements Michelin on May 17, 2019.

Nationality:
French

Born in 1962

Business address:
23, place des
Carmes-Déchaux
63000 Clermont-Ferrand
France

First elected:
May 18, 2018

Current term expires:
2022 (Annual
Shareholders Meeting
called to approve the
2021 financial
statements)

**Number of
shares held at
December 31, 2021:**
32,525⁽¹⁾

DIRECTORSHIPS AND OTHER POSITIONS HELD AT DECEMBER 31, 2021

- ▶ Manager of Manufacture Française des Pneumatiques Michelin
- ▶ Managing General Partner of Compagnie Générale des Établissements Michelin
- ▶ Managing Chairman of Compagnie Générale des Établissements Michelin

OTHER DIRECTORSHIPS AND POSITIONS HELD IN THE LAST FIVE YEARS

2017

None

2018-2021

- ▶ Director of Michelin Lifestyle Limited (until May 2018)
- ▶ Managing Partner of Compagnie Financière Michelin SCmA (CFM) (until October 2020)
- ▶ Manager of Manufacture Française des Pneumatiques Michelin
- ▶ Managing General Partner of Compagnie Générale des Établissements Michelin
- ▶ Managing Chairman of Compagnie Générale des Établissements Michelin

(1) The Company's Bylaws stipulate that the Managing General Partner must hold at least 5,000 shares.

**YVES
CHAPOT**

General Manager

**BIOGRAPHICAL DETAILS –
PROFESSIONAL EXPERIENCE**

Yves Chapot holds a degree as a certified public accountant.

After an initial work experience at the Arthur Andersen consulting and audit firm, Yves Chapot joined the Michelin Group in 1992, assuming various management responsibilities within the internal audit team.

In 1997, he was appointed Chief Executive Officer for Taurus in Hungary. In 1999, he became Chief Financial Officer for Europe.

From 2005 to 2012, he was responsible for Michelin China. From 2007 to 2009, he was also in charge of the Passenger car and Light truck tire business for Asia.

In 2012, he was named head of Euromaster, before being appointed to the Group Executive Committee as Executive Vice President, Distribution in December 2014.

In March 2017, he was appointed Executive Vice President for the Passenger car and Light truck Product Line.

In January 2018, Mr. Chapot became Executive Vice President, Automotive Business Lines, with oversight responsibility for the Automotive B2C Global Brands, Automotive B2C Regional Brands, Automotive Original Equipment Business Lines, and the following three regions: Africa, India & Middle East, East Asia & Australia, and China.

Mr. Chapot was appointed General Manager of Compagnie Générale des Établissements Michelin on May 18, 2018.

Nationality:
French

Born in 1962

Business address:
23, place des
Carmes-Déchaux
63000 Clermont-Ferrand
France

First elected:
May 18, 2018

Current term expires:
2022 (Annual
Shareholders Meeting
called to approve the
2021 financial
statements)

**Number of
shares held at
December 31, 2021:**
15,379

**DIRECTORSHIPS AND
OTHER POSITIONS HELD
AT DECEMBER 31, 2021**

- ▶ General Manager of Compagnie Générale des Établissements Michelin
- ▶ Chairman of Compagnie Financière Michelin Suisse
- ▶ Chairman of Compagnie Financière Michelin

**OTHER DIRECTORSHIPS
AND POSITIONS HELD
IN THE LAST FIVE YEARS**

- ▶ Director of Adaran (*until April 2017*)
- ▶ Chairman of Euromaster Services & Management (*until April 2017*)
- ▶ Director of Blackcircles.com Ltd (*until June 2017*)
- ▶ Director of Blackcircles Holdings Ltd (*until June 2017*)
- ▶ Director (*until December 2020*) then Chairman of Compagnie Financière Michelin Suisse
- ▶ Chairman of the Board of Directors (*until April 2021*) then Chairman of Compagnie Financière Michelin
- ▶ General Manager of Compagnie Générale des Établissements Michelin

3.1.1.2 Role and responsibilities

The Managers are responsible for administering and managing the Company.

Their core responsibilities are to:

- ▶ define and implement the Group's strategy;
- ▶ direct the Group's business;
- ▶ establish internal control and risk management procedures and oversee their implementation;
- ▶ approve the financial statements of the Company and the Group;
- ▶ define financial information policies;
- ▶ prepare the various reports to shareholders.

The Group's operations are organized into three reporting segments (Automotive, Road Transportation and Specialties) dedicated to serving their global markets with products and services offered through 19 Business Lines.

Based on the needs identified by the Regions, the Business Lines define their strategy for designing market-leading products and services aligned with their competitive environment.

3.1.1.3 Liability

The Managing General Partner has unlimited personal liability for the debts incurred by Compagnie Générale des Établissements Michelin. This offers shareholders a rarely found level of assurance that the Group is run in their medium- to long-term interests, particularly during times of volatile markets or economic crisis. It also means that the Managers are especially vigilant in their management of corporate risks.

The 10 Regions are the direct points of contact with customers. They represent the Group in the corresponding areas and are responsible for customer satisfaction.

Operational support is provided by the following departments: Research & Development, Manufacturing, Supply Chain, Customer Experience, Purchasing, Corporate & Business Services, Strategy, Innovation & Partnerships, Engagement & Brands, Internal Audit, Risk Management, Internal Control & Quality, Legal, Personnel, Finance, Safety & Security, Environment and Digital Transformation & Information Technology.

The Managers are assisted by the Group Executive Committee presented in Chapter 1 of the 2021 Universal Registration Document. A Group Management Committee is responsible for ensuring that the Executive Committee's decisions are widely embraced across the organization (see Chapter 1).

Consistent with this long-term commitment, the Managing General Partner may not relinquish his or her status as General Partner without the prior approval of shareholders given at an Extraordinary Meeting and of the Non-Managing General Partner. He is therefore bound to assume the long-term consequences of the Group's management decisions.

3.1.2 SAGES, A NON-MANAGING GENERAL PARTNER, GUARANTEEING THE COMPANY'S LONG-TERM VIABILITY

In application of CGEM's Bylaws, Société Auxiliaire de Gestion (SAGES) is a Non-Managing General Partner of CGEM and consequently:

- ▶ has unlimited liability for the Company's debts;
- ▶ receives a portion of the Company's net income that is equal to the amount attributable to the Managing General Partner(s) in respect of his/her/their annual variable compensation or in any form whatsoever (as mentioned in section 3.10.5).

3.1.2.1 Membership and organization

SAGES is a French *société par actions simplifiée* (joint stock company) registered with the Clermont-Ferrand Trade and Companies Registry under No. 870 200 466.

The Chairman of SAGES, Vincent Montagne, is its only executive director.

SAGES has three groups of shareholders – members of the Michelin family, current and former Michelin executives and qualified persons from outside the Group – each of which has the same proportionate shareholding and the same number of seats on SAGES' Board of Directors.

3.1.2.2 Biographical details of the Chairman of SAGES at December 31, 2021

The Chairman of SAGES, Vincent Montagne, is its only executive director. His profile is given below.

**VINCENT
MONTAGNE**

Chairman of Société Auxiliaire de Gestion (SAGES), Non-Managing General Partner



**BIOGRAPHICAL DETAILS –
PROFESSIONAL EXPERIENCE**

Vincent Montagne holds a Master's degree in both Management and International Affairs from Paris Dauphine – PSL University. At the age of 31, he took the helm of the Media-Participations group founded by his father and became its Chairman and Chief Executive Officer. Under his stewardship, the group has become one of France's top publishing houses (and the no.1 in Belgium) and Europe's leading publisher of comic books. In December 2017, he acquired La Martinière Groupe, including its subsidiary Le Seuil, and in July 2018, La Martinière Groupe was merged into Média-Participations. Convinced that creative content is more important than the medium on which it is presented, he led the transformation of Média-Participations into a multimedia group that is now active in video games, digital and audiovisual media, and a major producer of cartoons. Mr. Montagne has been Chairman of the Syndicat National de l'Edition since June 2012 and a director of Cercle de la Librairie since 2006. He is a descendant of Edouard Michelin, who founded the Michelin Group with his brother André, and has been Chairman of Mage-Invest, a family holding company with 250 family shareholders, since its creation in 2009. His term of office expired at the close of SAGES' Ordinary Shareholders Meeting in March 2022. He is Chairman of Société Auxiliaire de Gestion (SAGES), Non-Managing General Partner of Compagnie Générale des Etablissements Michelin, alongside Florent Menegaux, General Partner and Managing Chairman.

Nationality:
French
Born in 1959

Business address:
57, rue Gaston-Tessier 75019 Paris
France

Number of shares held at December 31, 2021

- ▶ 9 shares owned directly
- ▶ 198,300 shares owned by SAGES

01

02

03

04

05

06

07

08

3.1.2.3 Role and responsibilities

Société Auxiliaire de Gestion (SAGES) is a Non-Managing General Partner of CGEM and, as such, is responsible for guaranteeing the Company's management continuity. It has unlimited joint and several liability alongside the Managers for third party claims arising from the financial consequences of the Managers' management. The General Partners can be relieved of this liability only by decision of the shareholders in an Extraordinary Meeting. The General Partners may be shareholders but may not take part in any votes to elect Supervisory Board members or appoint Statutory Auditors.

As SAGES is not a Manager, it is not authorized to play any part in the Company's management. However, if the position of CGEM's Manager(s) were to fall vacant, SAGES would take on the role of the Manager(s) for an interim period and would be responsible for calling an Extraordinary Shareholders Meeting to elect a new Manager.

SAGES plays a key role, alongside the Supervisory Board and its Compensation and Appointments Committee, in the Managing Partner succession planning and compensation processes described in section 3.1.4 below.

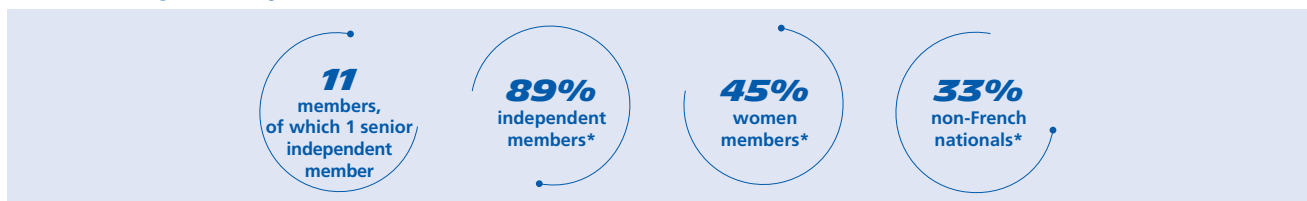
To enable SAGES to assume its liability as Non-Managing General Partner of CGEM, at least 80% of its distributable earnings (derived mainly from the share of profits paid by CGEM in accordance with CGEM's Bylaws) is allocated to a contingency reserve fund set up purely for the purpose of covering any losses that may result from its liability as CGEM's General Partner or, on an exceptional, interim basis, as Manager. Up to 30% of the reserve is invested in CGEM shares.

As part of the process to continuously modernize the Group's governance, the following changes were decided by SAGES and included in its Bylaws in December 2020:

- ▶ SAGES' main corporate documents (annual reports, management reports, Statutory Auditor's reports⁽¹⁾, and proposed resolutions submitted to the partners, which contain information on (i) the terms of office and proposed elections of directors and (ii) the categories and breakdown of assets constituting the contingency reserve referred to above) are sent to Michelin's Managing General Partner;
- ▶ any proposal to pay an annual dividend to SAGES' partners for an amount in excess of the cap specified in the Bylaws shall be submitted to the Managing General Partner for prior approval;
- ▶ the Managing General Partner (or the Chair(man) of the Supervisory Board if there is no Managing General Partner) shall be consulted prior to approving any new partner of SAGES and his or her designation as a director of the Company;
- ▶ any proposal to amend SAGES' Bylaws to change its role and/or change the indefinite several liability of the General Partners shall be submitted to the Managing General Partner for prior approval.

3.1.3 STRICT SEPARATION BETWEEN THE SUPERVISORY BOARD (AND ITS COMMITTEES) AND MANAGEMENT

3.1.3.1 Supervisory Board



* Excluding the employee representatives.

Members

In accordance with the applicable law and the Company's Bylaws, the Supervisory Board currently has 11 members, including nine selected from among the shareholders and elected by the Annual Shareholders Meeting for a term of four years⁽²⁾ and two representing employees.

General Partners may not take part in the vote. Supervisory Board members may be re-elected. No more than one-third of the Supervisory Board members may be aged over 75.

(1) The Statutory Auditor's report on the annual financial statements is available from the Group's website www.michelin.com.



















(2) Five years for members elected prior to 2009. Certain members may be elected for a two- or three-year period in order to effectively stagger the terms of office of Supervisory Board members.

As of December 31, 2021 and as of the date of this report, the Supervisory Board had 11 members, and was in compliance with Articles L. 226-4-1 and L. 22-10-74 of the French Commercial Code concerning the balanced representation of men and women on Boards of Directors and Supervisory Boards and gender equality in the workplace, and the representation on the Board of employees of the Company and the Group.

The Supervisory Board's internal rules stipulate that each member must hold at least 400 shares⁽¹⁾ or 600 shares in the case of the Chair(man).

Information about the compensation of Supervisory Board members is presented in sections 3.3.3, 3.5.1, 3.5.2 and 3.6.1.4.

Overview of the Supervisory Board (as of December 31, 2021)

Member	Independent ⁽¹⁾	Committee(s)	First elected	Re-elected ⁽²⁾	Current term expires (AGM) ⁽³⁾	Years on the Board	Number of shares held	Nationality	Age	Gender
Barbara Dalibard	 	-	2008	2013 ⁽²⁾ 2015 ⁽³⁾ 2019	2023	13	685	French	63	F
Jean-Pierre Duprieu		Compensation and Appointments 	2013	2016 2020	2024	8	510	French	69	M
Aruna Jayanthi		Audit	2015	2019	2023	6	400	Indian	59	F
Anne-Sophie de La Bigne		Compensation and Appointments Corporate Social Responsibility	2013	2016 2020	2024	8	903	French	61	F
Patrick de La Chevadière		Audit 	2020	-	2024	2	400	French	64	M
Jean-Christophe Laourde	 	Corporate Social Responsibility	2020	-	2024	1	81	French	46	M
Thierry Le Hénaff	 	Compensation and Appointments	2018	-	2022	3	400	French	58	M
Monique Leroux		Audit Corporate Social Responsibility 	2015 ⁽⁴⁾	2018	2022	6	1,000	Canadian	67	F
Delphine Roussy	 	Compensation and Appointments	2020	-	2024	1	82	French	39	F
Jean-Michel Severino		Corporate Social Responsibility	2020 ⁽⁵⁾	-	2022	1	400	French	64	M
Wolf-Henning Scheider		Audit	2021	-	2025	-	400	German	59	M

: Chair(man) : Senior Independent Member : Member representing employees

- (1) Based on the criteria set in the Supervisory Board's internal rules which correspond to those recommended in the AFEP/MEDEF Corporate Governance Code for listed companies.
- (2) At the Annual Meeting of May 15, 2009, shareholders voted to reduce the term of Supervisory Board members from five years to four.
- (3) At the Annual Meeting of May 17, 2013, shareholders voted to elect Supervisory Board members for terms of two, three or four years, so that their terms do not all expire at the same time.
- (4) Monique Leroux was appointed as a member of the Supervisory Board on October 1, 2015 to replace Laurence Parisot, who had resigned, for the remainder of Ms. Parisot's term of office.
- (5) Jean-Michel Severino was appointed as a member of the Supervisory Board on November 12, 2020 to replace Cyrille Poughon, who had resigned, for the remainder of Mr. Poughon's term of office.

(1) With the exception of members representing employees.

Changes in 2021

The term of office of Michel Rollier, Chairman of the Supervisory Board, expired at the close of the Annual Shareholders Meeting held on May 21, 2021.

In December 2020, Michel Rollier announced that he did not intend to stand for re-election and that the Supervisory Board had unanimously chosen Barbara Dalibard to succeed him as Chair of the Board when he stepped down.

The 2021 Annual Shareholders Meeting was also asked to ratify Jean-Michel Severino's appointment to the Supervisory Board decided in November 2020 following the resignation of Cyrille Poughon.

To strengthen its membership and fill the seat left vacant by Michel Rollier's decision to step down from the Board, the Supervisory Board asked the Compensation and Appointments Committee to define a candidate search strategy.

After examining these candidates' profiles in detail, the Committee decided to recommend Wolf-Henning Scheider for election.

Following this review, on the recommendation of the Compensation and Appointments Committee, the Supervisory Board decided (without the persons concerned taking part in the decision) to recommend that the Annual Shareholders Meeting:

- ▶ ratify Jean-Michel Severino's appointment to the Board for a period ending on expiration of the term of his predecessor, Cyrille Poughon (resolution of the Annual Shareholders Meeting of May 21, 2021 adopted by a majority of 99.92% of the votes cast);
- ▶ elect Wolf-Henning Scheider for a four-year term (resolution of the Annual Shareholders Meeting of May 21, 2021 adopted by a majority of 99.68% of the votes cast).

3.1.3.2 Role and responsibilities

The Company applies the recommendations set out in the Corporate Governance Code for Listed Companies ("AFEP/MEDEF Code", revised version dated January 2020). In accordance with the preamble to the Code, these recommendations are adapted as necessary to reflect the Company's organization as a partnership limited by shares ("SCA").

The Supervisory Board exercises permanent oversight of the Company's management and assesses its quality on behalf of the shareholders, presenting a report thereon at each Annual Shareholders Meeting.

THE SUPERVISORY BOARD'S SPECIFIC ROLES AND RESPONSIBILITIES

SPECIFIC DUTIES OF THE SUPERVISORY BOARD REGARDING THE GROUP'S STRATEGY

- ▶ **Regular review of the Group's strategy**
- ▶ **Periodic review of the Group's:**
 - markets of operation,
 - financial results and financial statements,
 - organization and operations,
 - risk management and internal control policies,
 - compensation and appointment policies,
 - corporate social responsibility policy;
- ▶ **Formal recommendation to the Managers for:**
 - significant investments,
 - external growth transactions,
 - divestitures,
 - off-balance sheet commitments.

SPECIFIC DUTIES OF THE SUPERVISORY BOARD REGARDING CORPORATE GOVERNANCE

- ▶ **Prior Board approval:**
 - Managers' renewal,
 - Managers' dismissal and severance payments;
- ▶ **Prior Board recommendation to the shareholders:**
 - appointments of new Managers and of the Managing Chairman,
 - General Managers' compensation (policy, information) and Supervisory board members compensation;
- ▶ **Determination of Managers' compensation performance criteria and assessment of Managers' achievement of compensation performance targets**
- ▶ **Prior Board recommendation regarding:**
 - appointments and succession planning for members of the Executive Committee,
 - diversity objectives within management bodies and corresponding action plans,
 - compensation policy for members of the Executive Committee.

To enable the Supervisory Board to effectively fulfill its oversight role, its members receive quarterly reports presenting key performance indicators, as well as regular information such as copies of the Group's main press releases, research reports published by analysts who follow Michelin, and updates on the Group's markets.

The recommendation provided under Article 1.9 of the AFEP/MEDEF Code, according to which material transactions outside the scope of the firm's stated strategy should be subject to prior approval by the Board of Directors, has to be adapted because of the Company's legal form as a partnership limited by shares⁽¹⁾. With this type of partnership, the Managing General Partners have unlimited personal liability. There is also a total separation of powers between Managers, whether or not they are General Partners, and the Supervisory Board, with the result that the Supervisory Board has no legal authority to become involved in managing the Company.

However, to (i) ensure that the Supervisory Board exercises effective oversight of the Company's management and (ii) adhere to the spirit of the AFEP/MEDEF recommendation, since 2011 the Company has amended its Bylaws, as well as the Supervisory Board's internal rules⁽²⁾.

The internal rules state that the Supervisory Board is responsible for examining investment and external growth transactions, off-balance sheet commitments and asset disposals, and is required to issue a formal opinion in cases where the transactions are material for the Group due to their nature or associated risks. For this purpose, "material" means transactions representing at least €100 million, or at least €50 million in the case of external growth transactions. This means that the Supervisory Board is automatically consulted about all projects that are material for the Group. Moreover, as it expresses an opinion on such projects, it is clearly able to report to shareholders thereon if appropriate.



(1) This exception to the full application of the AFEP/MEDEF Code's recommendations is mentioned in the table in section 3.2.8 prepared in accordance with the "comply or explain" rule.

(2) Available from the Group's website www.michelin.com.

3.1.3.3 Diverse profiles and experiences represented on the Board – Gender balance on management bodies

Diverse profiles and experiences represented on the Supervisory Board

In line with the Group's values, the Supervisory Board consistently endeavors to propose candidates from diverse backgrounds and cultures and with diverse experiences, so that its membership is balanced and aligned with its role and responsibilities.

The main terms of the diversity policy are proposed by the Compensation and Appointments Committee. The policy is applied by the Committee and the Supervisory Board to manage

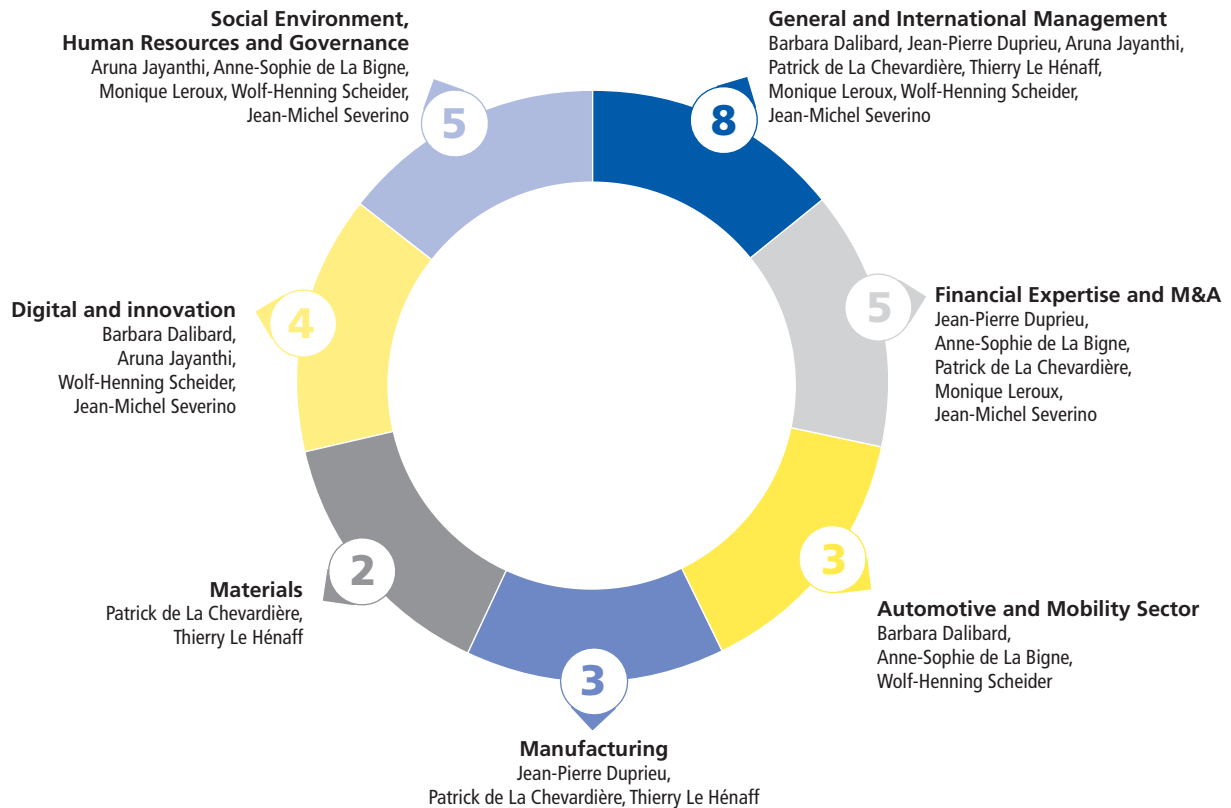
Supervisory Board succession plans and for the assessment of the Supervisory Board's practices. The Committee and/or the Supervisory Board can be assisted by recognized outside consultants.

The Supervisory Board diversity policy for 2021 is described below, as required by Article L. 22-10-10-2° of the French Commercial Code.

Criteria	Objectives confirmed in 2021	Implementation method	2021 results
Age limit	No more than one-third of Supervisory Board members to be aged 75 or over.	No candidates aged 75 or over should be proposed for election or re-election at the Shareholders Meeting if their election or re-election would result in the one-third limit being exceeded.	All members are under 75 years of age.
Supervisory Board gender equality	At least 40% of Board members should be women, as required by Article L. 22-10-74 of the French Commercial Code.	Board to recommend that the Shareholders Meeting re-elect incumbent women members and elect women candidates to replace women who are stepping down.	The candidates recommended by the Supervisory Board and elected by the Annual Shareholders Meeting had no impact on the proportion of women on the Board, which is unchanged at 45%, including Barbara Dalibard who has been Chair of the Supervisory Board since May 2021.
Availability/attendance	Members should demonstrate, through their availability and attendance rate at meetings of the Board and Board Committees, that they devote the necessary time and attention to their duties (going beyond the statutory requirements and the requirements of the AFEP/MEDEF Code concerning multiple directorships). From 2023, reduced number of board directorships and chairmanships or executive positions in other listed companies.	The majority of each member's compensation is tied to his or her attendance rate at meetings of the Supervisory Board and its Committees. Incumbent Board members will not be proposed for re-election if their average attendance rate at scheduled meetings was less than 85% over the last three years of their term of office.	The attendance rate was 100% in 2021 for scheduled meetings of the Supervisory Board and its committees.

Criteria	Objectives confirmed in 2021	Implementation method	2021 results
Qualifications/ professional experience/ international outlook/adherence to the Group's values	<p>Board members should offer an appropriate overall combination of academic qualifications, professional experience in the areas of manufacturing, finance, internal control, digital technology and leadership of major international listed groups, and adherence to the Group's values.</p> <p>A specific objective for the period to 2023 is to consolidate/strengthen the expertise in corporate social responsibility and digital technologies represented on the Board.</p>	<p>Decisions concerning candidates to be proposed for re-election or election to the Supervisory Board by the Shareholders Meeting focus on strengthening the qualifications and experience represented by Supervisory Board members in the areas of executive management and new technologies.</p> <p>The Chair and the majority of members of the Audit Committee are selected for their academic qualifications and international experience in finance, internal control and digital technologies</p> <p>More detailed examination of CSR issues by the Supervisory Board.</p>	<p>Recommendation and decision:</p> <ul style="list-style-type: none"> ▶ to ratify the appointment of Jean-Michel Severino to the Board as a new member contributing in particular his social environment, human resources and governance expertise; ▶ to fill the seat left vacant by Michel Rollier by electing Wolf-Henning Scheider to the Board as a new member contributing his knowledge of the manufacturing industry as well as of the automotive and sustainable mobility sector. <p>Start of the work of the Corporate Social Responsibility Committee created in December 2020.</p> <p>Increase in the proportion of foreign nationals on the Board to 33% (from 22% in 2020).</p>
Size of the Supervisory Board	<p>Number of Supervisory Board members should not exceed the ten-member cap specified in the Bylaws (not including members representing employees elected in accordance with the law), to guarantee Board efficiency by fostering effective interactions between members and between the Board and the Managers.</p>	<p>No additional members to be proposed for election at the Shareholders Meeting, except to comply with legal requirements.</p>	<p>No additional appointments proposed.</p>
Independence	<p>At least 50% of Supervisory Board members should be independent, based on the definition in the AFEP/MEDEF Code.</p>	<p>Incumbent independent members to be proposed for election for as long as they fulfill the independence criteria (in particular, not to have served on the Board for more than 12 years) or new independent members to be proposed for election to replace members who no longer fulfill the independence criteria.</p>	<p>Recommendation and decision to appoint Jean-Michel Severino and Wolf-Henning Scheider as new independent members of the Supervisory Board, replacing two non-independent members.</p> <p>Increase in the independence rate to 89% (from 78% in 2020, excluding members representing employees).</p>
Employee representation on the Supervisory Board	<p>The Supervisory Board includes two members representing the employees of the Company's French subsidiaries versus eight members elected by shareholders, exceeding the requirement set out in the rules resulting from France's PACTE Act (Act No. 2019-486).</p>	<p>Participation of members representing employees in the work of the Supervisory Board and its Committees.</p>	<p>Delphine Roussy is a member of the Supervisory Board and its Compensation and Appointments Committee, and Jean-Christophe Laourde is a member of the Supervisory Board and its Corporate Social Responsibility Committee.</p>

The experience and expertise contributed by each member of the Supervisory Board⁽¹⁾ as of the date of this Universal Registration Document may be summarized as follows:



Gender balance on management bodies⁽²⁾

As for all corporate social responsibility issues, the CSR Committee reviews the Group's policies and ambitions in terms of diversity and inclusion.

Michelin has launched a certain number of initiatives to make all positions accessible to women and ensure gender wage parity. Specific action plans have been launched in each of the Group's

host regions to increase the number of women in management positions, with a view to raising the proportion of women managers to 35% by 2030. This plan is detailed in section 4.1.2.2 b) of this 2021 Universal Registration Document. Its implementation led to measures to rebalance the membership of the Group's Executive Committee and other management bodies.

(1) Excluding members representing employees.

(2) The reporting scope for this information extends beyond the Company, which has fewer than five employees (none of whom are corporate officers).

Information about Supervisory Board members

Detailed information about each of the Supervisory Board members is presented below.

BARBARA DALIBARD

Non-independent member of the Supervisory Board
Chair of the Supervisory Board⁽¹⁾



BIOGRAPHICAL DETAILS – PROFESSIONAL EXPERIENCE

Barbara Dalibard was Chief Executive Officer of SITA, the world's leading specialist in air transport communications and information technology, from 2016 to 2021.

She is a graduate of École Normale Supérieure, where she qualified to lecture in mathematics, a graduate of École Nationale Supérieure des Télécommunications (ENST) and an honorary Corps des Mines engineer.

She has held varying roles in numerous companies in the field of new technologies.

After beginning her career at France Télécom group, Ms. Dalibard became the chair of Alcanet International, a subsidiary of the Alcatel group, in 1998. She was then responsible for the France division of the Alcatel CIT group, where she contributed to the development of ADSL and 3G.

At Orange, she played a key role in implementing RENATER, the first network based on Internet technology. In 2003, she joined the Group's Executive Committee and was the Chief Executive Officer of Orange Business Services, a subsidiary located in 220 countries and regions.

Ms. Dalibard joined SNCF in 2010 and was appointed Chief Executive Officer of SNCF Voyageurs (the TGV, Eurostar, Thalys businesses, etc.), then SNCF Voyageurs, which includes all of the group's passenger activities, long-distance travel, TER, Transilien and train stations. She contributed to the development of electronic ticketing, new passenger information applications and the "door-to-door" business. She launched OUIGO, the first low-cost TGV, and the Ouibus long-distance coach subsidiary.

She also served as a member of the Board of Directors of Société Générale and as a member of the Supervisory Board of Wolters Kluwer. She recently became a member of the Board of Directors of Rexel.

Ms. Dalibard is an Officer of the Légion d'honneur, Officer of the Ordre du mérite, member of the Académie des Technologies and Doctor Honoris Causa of École Polytechnique de Montreal.

Nationality:
French

Born in 1958

Business address:
Michelin
27, cours de l'Île-Seguin
92100 Boulogne-
Billancourt
France

First elected:
May 16, 2008

**Current term
expires:** 2023 (Annual
Shareholders Meeting
called to approve
the 2022 financial
statements)

**Number of
shares held at
December 31, 2021:**
685

DIRECTORSHIPS AND OTHER POSITIONS HELD AT DECEMBER 31, 2021

- ▶ Non-voting member of the Supervisory Committee of Castillon
- ▶ Member of the Board of Directors of Rexel

OTHER DIRECTORSHIPS AND POSITIONS HELD IN THE LAST FIVE YEARS 2017-2021

- ▶ Chief Executive Officer of SITA (until December 2021)
- ▶ Non-voting member of the Supervisory Committee of Castillon (since July 2021)
- ▶ Member of the Board of Directors of Rexel (appointed in December 2021)

(1) From May 2021.

JEAN-PIERRE DUPRIEU

Independent member of the Supervisory Board
Chairman of the Compensation and Appointments Committee



BIOGRAPHICAL DETAILS – PROFESSIONAL EXPERIENCE

Jean-Pierre Duprieu was previously Executive Vice President of the Air Liquide group⁽¹⁾.

Between 2010 and 2016, he was a member of Air Liquide's Executive Management team, in charge of supervising the group's European and Healthcare activities as well as corporate functions, including information systems and Efficiency/Purchasing programs.

He is currently Chairman of the Board of Directors of Korian⁽¹⁾, Director of Groupe SEB⁽¹⁾ and member of the Supervisory Board of Dehon S.A.

Nationality:

French

Born in 1952

Business address:

Michelin
27, cours de l'Île-Seguin
92100 Boulogne-
Billancourt
France

First elected:

May 17, 2013

Current term

expires: 2024 (Annual Shareholders Meeting called to approve the 2023 financial statements)

Number of shares held at

December 31, 2021:
510

DIRECTORSHIPS AND OTHER POSITIONS HELD AT DECEMBER 31, 2021

- ▶ Chairman of the Board of Directors of Korian⁽¹⁾
- ▶ Independent Director of Groupe SEB⁽¹⁾
- ▶ Independent member of the Supervisory Board of Dehon S.A.

OTHER DIRECTORSHIPS AND POSITIONS HELD IN THE LAST FIVE YEARS 2017-2021

- ▶ Director of Air Liquide Welding (until July 2017)
- ▶ Independent Director of Korian⁽¹⁾, Chairman of the Compensation and Appointments Committee and member of the Audit Committee (until September 2020)
- ▶ Independent Director of Groupe SEB⁽¹⁾
- ▶ Independent member of the Supervisory Board of Dehon S.A.

(1) Listed company.

**ARUNA
JAYANTHI**

Independent member of the Supervisory Board
Member of the Compensation and Appointments Committee⁽¹⁾
Member of the Audit Committee⁽²⁾

**BIOGRAPHICAL DETAILS –
PROFESSIONAL EXPERIENCE**

From 2011 until the end of 2015, Aruna Jayanthi was Chief Executive Officer of Capgemini India, responsible for overseeing all of the Capgemini group's operations in India, covering Consulting, Technology and Outsourcing Services provided by some 50,000 employees.

In 2016, she became head of a new global Business Services Unit comprising ITOPS and BPO (Capgemini and IGATE). In 2018, she was appointed to lead the Group's operations in the Asia-Pacific and Latin America regions, before becoming Managing Director of these Business Units. She is currently Head of Capgemini Latin America and Canada. She is a member of the Group Executive Committee.

After obtaining a Master's degree in finance management from the Narsee Monjee Institute of Management Studies in Mumbai, Ms. Jayanthi held various IT services positions between 1984 and 2000 (including at clients' offices in Europe and the United States), with Tata Consulting Services, Aptech and other companies.

She joined the Capgemini group in 2000.

Nationality:
Indian

Born in 1962

Business address:
Capgemini Technology Services India Limited.
Plot no. IT3IT4 Airoli Knowledge Park TTC Industrial Area, MIDC, Navi Mumbai 400708 India

First elected:
May 22, 2015

Current term expires: 2023 (Annual Shareholders Meeting called to approve the 2022 financial statements)

Number of shares held at December 31, 2021:
400

**DIRECTORSHIPS AND
OTHER POSITIONS HELD
AT DECEMBER 31, 2021**

- ▶ Director of Equation Capital Partners LLP
- ▶ Director of Capgemini Technology Services India Limited
- ▶ Director of Capgemini Saudi Limited
- ▶ Director of Capgemini Brasil S.A.
- ▶ Director of Capgemini Business Services Guatemala S.A.
- ▶ Director of Capgemini Business Services (China) Limited
- ▶ Director of Capgemini Hong Kong Ltd
- ▶ Director of Capgemini Asia Pacific Pte Limited
- ▶ Director of Capgemini Mexico, S. DE R.L. DE C.V.
- ▶ Director of Capgemini (Hangzhou) Co. Ltd
- ▶ Director of Solcen Technologies Private Limited

**OTHER DIRECTORSHIPS
AND POSITIONS HELD
IN THE LAST FIVE YEARS
2017-2021**

- ▶ Director of Espire AS
(until April 2018)
- ▶ Director of SBI Capital Markets Limited
(until September 2018)
- ▶ Director of Capgemini Norge AS
(until May 2019)
- ▶ Director and Chair of the Board of Directors of Capgemini Sverige AB *(until June 2019)*
- ▶ Director and Chair of the Supervisory Board of Capgemini Polska Sp.z o.o.
(until August 2019)
- ▶ Director of Capgemini Australia Pty Limited
(until June 2021)
- ▶ Director of Capgemini Technology Services India Limited
- ▶ Director of Equation Capital Partners LLP
- ▶ Director of Capgemini Saudi Limited
- ▶ Director of Capgemini Brasil S.A.
- ▶ Director of Capgemini Business Services Guatemala S.A.
- ▶ Director of Capgemini Business Services (China) Limited
- ▶ Director of Capgemini Hong Kong Ltd
- ▶ Director of Capgemini Asia Pacific Pte Limited
- ▶ Director of Capgemini Mexico, S. DE R.L. DE C.V.
- ▶ Director of Capgemini (Hangzhou) Co. Ltd
- ▶ Director of Solcen Technologies Private Limited

(1) Until May 2021.

(2) Since May 2021.

**ANNE-SOPHIE
DE LA BIGNE**

Independent member of the Supervisory Board
Member of the Compensation and Appointments Committee
Member of the Corporate Social Responsibility Committee⁽¹⁾

**BIOGRAPHICAL DETAILS –
PROFESSIONAL EXPERIENCE**

Since 2008, Anne-Sophie de La Bigne has been Vice President in charge of Civil Affairs in the Public Affairs Division, France, at the Airbus group⁽¹⁾.

Anne-Sophie de La Bigne began her career in 1983 as a financial controller with the Matra group before joining the Strategy & Business Development Department of the Lagardère group, where she worked from 1985 to 1999.

She subsequently became Head of the Strategic Analysis Department at Aerospatiale Matra/EADS, a position she held until 2001.

Between 2001 and 2006, she served as Vice President, Strategy and European Affairs, at Groupement des Industries Françaises Aéronautiques et Spatiales (GIFAS) and, from 2006 to 2007, she was responsible for international corporate relations in the EADS' Public Affairs Division.

Nationality:
French

Born in 1960

Business address:
Airbus
36, avenue
Raymond-Poincaré
75116 Paris
France

First elected:
May 17, 2013

Current term expires:
2024 (Annual
Shareholders Meeting
called to approve
the 2023 financial
statements)

**Number of
shares held at
December 31, 2021:**
903

**DIRECTORSHIPS AND
OTHER POSITIONS HELD
AT DECEMBER 31, 2021**

- ▶ Member of the Board of Directors of SIAE S.A.
- ▶ Member of the Board of Directors of APAVE and member of the Audit Committee

**OTHER DIRECTORSHIPS
AND POSITIONS HELD
IN THE LAST FIVE YEARS****2017**

None

2018-2021

- ▶ Member of the Board of Directors of SIAE S.A.
- ▶ Member of the Board of Directors of APAVE and member of the Audit Committee

(1) Listed company.

**PATRICK
DE LA
CHEVARDIÈRE**

Independent member of the Supervisory Board
Chairman of the Audit Committee⁽¹⁾



**BIOGRAPHICAL DETAILS –
PROFESSIONAL EXPERIENCE**

Patrick de La Chevardière is currently a director of Schlumberger⁽¹⁾ and until July 2019 was the Group's Chief Financial Officer and a member of the Executive Committee of the Total group⁽¹⁾, where he spent his entire career.

Patrick de La Chevardière is a graduate of École Centrale. He began his career as a drilling engineer in the Exploration and Production Division (1982-1989), before joining the Finance Department (1989-1995). He subsequently served as head of the Operations and Subsidiaries Division (1995-2000), Asia Director in the Refining and Marketing Division (2000-2003), Deputy Chief Financial Officer (2003-2008) and member of the Management Committee (2005), and Chief Financial Officer and member of the Executive Committee (from 2008).

Nationality:
French

Born in 1957

Business address:
Michelin
27, cours de l'Île-Seguin
92100 Boulogne-
Billancourt
France

First elected:
June 23, 2020

Current term expires:
2024 (Annual
Shareholders Meeting
called to approve
the 2023 financial
statements)

**Number of
shares held at
December 31, 2021:**
400

**DIRECTORSHIPS AND
OTHER POSITIONS HELD
AT DECEMBER 31, 2021**

- ▶ Director of Schlumberger⁽¹⁾

**OTHER DIRECTORSHIPS
AND POSITIONS HELD
IN THE LAST FIVE YEARS
2017-2018**

None

2019-2021

- ▶ Director of Schlumberger⁽¹⁾

(1) Listed company.

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**JEAN-CHRISTOPHE
LAOURDE**

Non-independent member of the Supervisory Board representing employees (non-executive)
Member of the Corporate Social Responsibility Committee⁽¹⁾

**BIOGRAPHICAL DETAILS –
PROFESSIONAL EXPERIENCE**

Jean-Christophe Laourde is an employee of Manufacture Française des Pneumatiques Michelin, where he is Distribution Program Manager, B2C for the Southern Europe Region.

He began his career with the Michelin Group in 1998 and held a variety of positions in sales in France, before becoming Forecast Manager for Supply Chain Europe. He has also held positions in Distribution Development Management for France-Benelux.

In addition, he served as the central union representative for the CFE-CGC at Michelin in France between 2016 and 2020.

Nationality:
French

Born in 1975

Business address:
Compagnie Générale
des Établissements
Michelin
23, place des
Carmes-Déchaux
63000 Clermont-Ferrand
France

First elected:
December 14, 2020

Current term expires:
2024 (Annual
Shareholders Meeting
called to approve
the 2023 financial
statements)

**Number of
shares held at
December 31, 2021:**
81

**DIRECTORSHIPS AND
OTHER POSITIONS HELD
AT DECEMBER 31, 2021**

▶ None

**OTHER DIRECTORSHIPS
AND POSITIONS HELD
IN THE LAST FIVE YEARS****2017-2021**

▶ None

(1) Since May 2021.

**THIERRY
LE HÉNAFF**

Independent member of the Supervisory Board
Senior Independent Member of the Supervisory Board
Member of the Audit Committee⁽¹⁾
Member of the Compensation and Appointments Committee⁽²⁾

**BIOGRAPHICAL DETAILS –
PROFESSIONAL EXPERIENCE**

Thierry Le Hénaff is currently Chairman and Chief Executive Officer of Arkema⁽³⁾.

After starting his career with Peat Marwick Consultants, in 1992 he joined Bostik, Total's Adhesives Division, where he held a number of operational positions in France and worldwide. In July 2001, he was appointed Chairman and Chief Executive Officer of Bostik Findley, the new entity resulting from the merger of Total's and Elf Atochem's Adhesives divisions. On January 1, 2003, he joined Atofina's Executive Committee, with responsibility for three divisions (Agrochemicals, Fertilizers and Thiochemicals) as well as three corporate departments. Then, in 2004, he joined the Total group's Executive Committee⁽³⁾. He was named Chairman and Chief Executive Officer of Arkema on March 6, 2006. He has sat on the Board of Directors of the École Polytechnique Foundation since 2016.

Thierry Le Hénaff holds engineering degrees from École Polytechnique and École Nationale des Ponts et Chaussées, and a Master's degree in Industrial Management from Stanford University in the United States. He holds the titles of Chevalier de l'Ordre national du mérite and Chevalier de l'Ordre national de la Légion d'honneur.

Nationality:

French

Born in 1963**Business address:**

Arkema
420, rue
d'Estienne-d'Orves
92700 Colombes
France

First elected:

May 18, 2018

Current term expires:

2022 (Annual
Shareholders Meeting
called to approve
the 2021 financial
statements)

**Number of
shares held at**

December 31, 2021:
400

**DIRECTORSHIPS AND
OTHER POSITIONS HELD
AT DECEMBER 31, 2021**

- ▶ Chairman and Chief Executive Officer of Arkema⁽³⁾
- ▶ Chairman of the Board of Directors of Arkema France

**OTHER DIRECTORSHIPS
AND POSITIONS HELD
IN THE LAST FIVE YEARS****2017-2021**

- ▶ Chairman and Chief Executive Officer of Arkema⁽³⁾
- ▶ Chairman of the Board of Directors of Arkema France

(1) Until May 2021.

(2) Since May 2021.

(3) Listed company.

MONIQUE LEROUX

Independent member of the Supervisory Board
Member of the Audit Committee
Chair of the Corporate Social Responsibility Committee



BIOGRAPHICAL DETAILS – PROFESSIONAL EXPERIENCE

Companion of the Canadian Business Hall of Fame and Investment Industry Hall of Fame, Monique Leroux is a company director. She sits on the Boards of Directors of Bell (BCE)⁽¹⁾, S&P Global (SPGI)⁽¹⁾ and Couche-Tard (ATD)⁽¹⁾. She contributes to these boards and committees her wide-ranging experience, acquired for example as a partner of EY (Canada) and as Chair of the Board and Chief Executive Officer of Mouvement Desjardins from 2008 to 2016.

Ms. Leroux is a member of the Order of Canada, an Officer of the Ordre national du Québec, a Chevalier de la Légion d'honneur (France) and a recipient of a Woodrow Wilson Award (United States). She has been inducted as a Fellow of the Canadian Order of Certified Public Accountants and Fellow of the Canadian Institute of Corporate Directors, and has been awarded honorary doctorates from ten Canadian universities in recognition of her contribution to the business sector and also to the community.

Ms. Leroux chaired Canada's National Industrial Strategy Board in 2020 as part of a special mandate on economic recovery and she also chaired the Board of Directors of Investissement Québec from 2016 to 2020.

Nationality:
Canadian

Born in 1954

Business address:
Fiera Capital 1981
McGill College
Montréal (Québec)
H3A 0H5 Canada

First elected:
October 1, 2015

Current term expires:
2022 (Annual
Shareholders Meeting
called to approve
the 2021 financial
statements)

**Number of
shares held at
December 31, 2021:**
1,000

DIRECTORSHIPS AND OTHER POSITIONS HELD AT DECEMBER 31, 2021

- ▶ Member of the Board of Directors of Couche-Tard⁽¹⁾
- ▶ Member of the Board of Directors of Bell/BCE⁽¹⁾
- ▶ Member of the Board of Directors of S&P Global⁽¹⁾⁽²⁾
- ▶ Other private and community activities:
 - Part-time (non-executive) advisor to Fiera Capital
 - Member of Lallemand (privately owned company)
 - Member of non-profit organizations dedicated to the arts and education

OTHER DIRECTORSHIPS AND POSITIONS HELD IN THE LAST FIVE YEARS

2017-2021

- ▶ Member of the Board of Directors of Crédit Industriel et Commercial (CIC) (until May 2017)
- ▶ Chair of the Board of Directors of Investissement Québec (until July 2020)
- ▶ President of the International Cooperative Alliance (ICA) (until November 2017)
- ▶ Member of the Board of Directors of Couche-Tard⁽¹⁾
- ▶ Member of the Board of Directors of Bell/BCE⁽¹⁾
- ▶ Member of the Board of Directors of S&P Global⁽¹⁾
- ▶ Other private and community activities:
 - Part-time (non-executive) advisor to Fiera Capital
 - Member of Lallemand (privately owned company)
 - Member of non-profit organizations dedicated to the arts and education

(1) Listed company.

(2) Term expires in 2022.

**MICHEL
ROLLIER**Non-independent member of the Supervisory Board
Chairman of the Supervisory Board⁽¹⁾**BIOGRAPHICAL DETAILS –
PROFESSIONAL EXPERIENCE**

Michel Rollier is Vice Chairman of the Board of Directors of Somfy S.A.⁽²⁾ and Chairman of the Board of Directors of Siparex Associés.

He began his career at Aussedat-Rey (part of the International Paper group) in 1971, initially occupying the post of Financial Controller before going on to head up a business unit. He then held the position of Chief Financial Officer between 1987 and 1994 and subsequently Deputy Managing Chairman from 1994 to 1996.

He joined Michelin in 1996 as Vice President, Financial & Legal Affairs and then served as Chief Financial Officer and a member of the Executive Council from 1999 to 2005.

He was elected Managing General Partner by Michelin's shareholders on May 20, 2005, serving alongside Édouard Michelin until Mr. Michelin's tragic death in 2006. Mr. Rollier stepped down as Managing General Partner in May 2012.

He was subsequently a member and Chairman of the Supervisory Board from May 2013 until May 2021.

Nationality:
French

Born in 1944

Business address:
Michelin
27, cours de l'Île-Seguin
92100 Boulogne-
Billancourt
France

First elected:
May 17, 2013

Current term expires:
2021 (Annual
Shareholders Meeting
called to approve
the 2020 financial
statements)

**Number of
shares held at
December 31, 2021:**
24,392

**DIRECTORSHIPS AND
OTHER POSITIONS HELD
AT DECEMBER 31, 2021**

- ▶ Vice Chairman of the Board of Directors of Somfy S.A.⁽²⁾
- ▶ Chairman of the Remunerations Committee of Somfy S.A.⁽²⁾
- ▶ Chairman of the Board of Directors of Siparex Associés
- ▶ Chairman of Association Nationale des Sociétés par Actions (ANSA)

**OTHER DIRECTORSHIPS
AND POSITIONS HELD
IN THE LAST FIVE YEARS
2017-2021**

- ▶ Chairman of Plateforme de la Filière Automobile (PFA) (until December 2017)
- ▶ Chairman of the AFEP/MEDEF High Committee on Corporate Governance (until October 2018)
- ▶ Vice Chairman of the Board of Directors of Somfy S.A.⁽²⁾
- ▶ Chairman of the Remunerations Committee of Somfy S.A.⁽²⁾
- ▶ Chairman of the Board of Directors of Siparex Associés
- ▶ Chairman of Association Nationale des Sociétés par Actions (ANSA)

(1) Until his term expired in May 2021.

(2) Listed company.

**DELPHINE
ROUSSY**

Non-independent member of the Supervisory Board representing employees
(non-executive)
Member of the Compensation and Appointments Committee⁽¹⁾

**BIOGRAPHICAL DETAILS –
PROFESSIONAL EXPERIENCE**

Delphine Roussy is an employee of Manufacture Française des Pneumatiques Michelin, where she is Head of the Systems & Processes Division patents team within the Legal Affairs/Intellectual Property Department.

She is a graduate of Supélec and the Georgia Institute of Technology in Atlanta. In 2011, she joined the Michelin Group after having had several positions in the field of intellectual property.

She was a member of the CFDT trade union's advisory delegation to the Regional Economic, Social and Environmental Council (CESER) for the Auvergne-Rhône-Alpes region from 2018 to 2020 and represented the CFDT within the Michelin organization in various capacities (employee representative, member of the Committee on Health, Safety & Working Conditions, trade union representative) between 2014 and 2020.

Nationality:
French

Born in 1982

Business address:
Compagnie Générale
des Établissements
Michelin
23, place des
Carmes-Déchaux
3000 Clermont-Ferrand
France

First elected:
December 14, 2020

Current term expires:
2024 (Annual
Shareholders Meeting
called to approve
the 2023 financial
statements)

**Number of
shares held at
December 31, 2021:**
82

**DIRECTORSHIPS AND
OTHER POSITIONS HELD
AT DECEMBER 31, 2021**

▶ None

**OTHER DIRECTORSHIPS
AND POSITIONS HELD
IN THE LAST FIVE YEARS****2017-2021**

▶ None

(1) Since May 2021.

WOLF-HENNING SCHEIDER

Independent member of the Supervisory Board
Member of the Audit Committee⁽¹⁾



BIOGRAPHICAL DETAILS – PROFESSIONAL EXPERIENCE

Wolf-Henning Scheider has been Chairman of the Board of Management and Chief Executive Officer of ZF Friedrichshafen AG, a German group that is a global leader in automotive, transportation and mobility technologies, since 2018.

He studied at Saarbrück University and RWTH Aachen University, graduating in Business Administration and Economics. He began his career with the Bosch group, holding various management positions in Germany and several other countries, including France where he spent over four years. Between 2010 and 2015, he served as a member of the Executive Committee of Robert Bosch GmbH, with overall responsibility for the Automotive group, OEM sales, and Group Sales and Marketing. From 2015 to 2018, he was Chief Executive Officer of the Mahle group.

Nationality:
French

Born in 1962

Business address:
Michelin
27, cours de l'Île-Seguin
92100 Boulogne-
Billancourt
France

First elected:
May 21, 2021

Current term expires:
2025 (Annual
Shareholders Meeting
called to approve
the 2024 financial
statements)

**Number of
shares held at
December 31, 2021:**
400

DIRECTORSHIPS AND OTHER POSITIONS HELD AT DECEMBER 31, 2021

- ▶ Chairman of the Board of Management and Chief Executive Officer of ZF
- ▶ Member of the Board of Directors of VDA German Association of the Automotive Industry

OTHER DIRECTORSHIPS AND POSITIONS HELD IN THE LAST FIVE YEARS

2017-2021

- ▶ Chief Executive Officer of the Mahle group (*until January 2018*)
- ▶ Chairman of the Board of Management and Chief Executive Officer of ZF
- ▶ Member of the Board of Directors of VDA German Association of the Automotive Industry

(1) Since May 2021.

(2) Listed company.

JEAN-MICHEL SEVERINO

Independent member of the Supervisory Board
Member of the Corporate Social Responsibility Committee



BIOGRAPHICAL DETAILS – PROFESSIONAL EXPERIENCE

Jean-Michel Severino is a former student of École Nationale d'Administration. He graduated from ESCP Business School and Institut d'Études Politiques in Paris, and has a Master's degree in economics and a bachelor's in law. He is a member of the General Inspectorate of Finance and is a development director at the French Ministry of Cooperation and Development, Vice-President East Asia at the World Bank and Chief Executive Officer at the French Development Agency.

Since 2011, he has been Managing Partner then Chairman of the Supervisory Board of Investisseurs et Partenaires (I&P), a fund management team specializing in financing for African SMEs.

He is Senior Independent Director and Chairman of the Governance Committee of Danone⁽¹⁾, a director and member of the Audit Committee of Orange⁽¹⁾ and Chairman of the Board of Directors of Ecobank International (EBI SA).

He is also a Senior Fellow at the Foundation for Studies and Research on International Development (FERDI) and a member of the French Academy of Technologies.

Nationality:
French

Born in 1957

Business address:
Investisseurs
et Partenaires
9, rue Notre-Dame-
des-Victoires
75002 Paris
France

First elected:
November 12, 2020

Current term expires:
2022 (Annual
Shareholders Meeting
called to approve
the 2021 financial
statements)

**Number of
shares held at
December 31, 2021:**
400

DIRECTORSHIPS AND OTHER POSITIONS HELD AT DECEMBER 31, 2021

- ▶ Director and member of the Audit Committee of Orange SA⁽¹⁾
- ▶ Senior Independent Director and member of the Governance Committee of Danone SA⁽¹⁾
- ▶ Chairman of the Supervisory Board of Investisseurs et Partenaires (I&P)

OTHER DIRECTORSHIPS AND POSITIONS HELD IN THE LAST FIVE YEARS

2017-2021

- ▶ Chairman of the Board of Directors of EBI SA (until April 2021)
- ▶ Managing Partner of Investisseurs et Partenaires (I&P) (until October 2021)
- ▶ Director and member of the Audit Committee of Orange SA⁽¹⁾
- ▶ Senior Independent Director and member of the Governance Committee of Danone SA⁽¹⁾

(1) Listed company.

3.1.4 INTERACTIONS BETWEEN THE VARIOUS GOVERNANCE STRUCTURES

The shared objective of all members of the Company's governance, i.e., the Non-Managing General Partner (SAGES), the Managers and the Supervisory Board, is to ensure harmonious and efficient interactions in the interest of the Group and its shareholders. This implies that tasks and responsibilities are distributed among members in a manner

that complies with the Company's Bylaws and the recommendations in the AFEP/MEDEF Code as applicable to partnerships limited by shares. It is in this vein that the participants in the governance system agreed upon the following:

Succession process

In accordance with the Company's Bylaws, each Manager is appointed for an initial term of four years by the Shareholders Meeting on the proposal of the Non-Managing General Partner (SAGES), made after consulting the Supervisory Board. Their appointment is subsequently renewable by decision of SAGES, with the Supervisory Board's agreement.

▶ the Managing Partner succession process is led by SAGES, which formally consults the Supervisory Board concerning its proposals. A candidate selection process is submitted by SAGES to the Managing Chairman and Managing General Partner and to the Supervisory Board, presenting the different selection phases, the selection criteria and an overview of the various internal and external candidates;

- ▶ the Supervisory Board, which oversees the work of the Compensation and Appointments Committee in reviewing the Executive Committee succession plans drawn up by the Managers, presents the results of the review to SAGES between 12 and 18 months before the start of the process and ensures that the plans cover diverse profiles;
- ▶ SAGES, the Managing Chairman and Managing General Partner and the Supervisory Board agree on the selection criteria for a future Manager and a recruitment firm is selected by SAGES from a list drawn up by mutual agreement, to support each step of the process.

Compensation process

▶ Compensation policy:

- at the start of each financial year, the Managers present proposals to the Compensation and Appointments Committee concerning the performance criteria and targets to be used to determine their annual and long-term variable compensation (performance shares). After discussing the presentation with the Managers, the Committee analyzes these proposals and examines all the components of the Managers' compensation, taking into account the compensation and employment conditions of Michelin employees, the practices of other CAC 40 companies and relevant benchmarks,
- the Compensation and Appointments Committee shares its conclusions with the Non-Managing General Partner (SAGES) and presents its recommendations to the Supervisory Board,
- the Supervisory Board discusses the recommendations of the Compensation and Appointments Committee, and decides on the criteria and objectives to be used to determine the annual and long-term variable compensation of the Managers for the current year,
- the General Partners then meet to set the compensation policy for the Managers for the current year and to formalize, subject to adoption by the Ordinary Shareholders Meeting of the corresponding resolutions: i) for the Managing General Partner, by way of an agreement between the General Partners, the portion of the earnings for the current year that may be allocated to the Managing General Partner as annual variable compensation within the limits set by the Bylaws; and ii) for the General Manager, by way of a decision of the General Partners, the annual compensation components concerning him; said agreement and decision taking into account and integrating the performance criteria and annual variable compensation objectives set by the Supervisory Board, after consultation and deliberation by the latter,

- the Managing Chairman, after confirming the Non-Managing General Partner's approval, submits the corresponding draft resolutions to the Ordinary Shareholders Meeting in compliance with the applicable regulations,
- once the compensation policy has been approved by the Ordinary Shareholders Meeting, (i) for the Managing General Partner, the General Partners sign an agreement determining the share of consolidated net income attributable to the Managing General Partner after application of the criteria for determining his annual variable compensation, and (ii) for the General Manager, the General Partners sign the decision concerning his annual compensation, including the definition of the criteria and objectives applied to determine his annual variable compensation,
- in the second half of the year, during the process to determine the performance shares to be granted to employees of Group companies, the Supervisory Board decides on the conditions and criteria to be applied for the granting of performance shares to the Managers by decision of the General Partners. The Supervisory Board's decision takes into account the Company's compensation policy and the authorization given by the Shareholders Meeting, in compliance with the applicable regulations.

▶ Performance assessment:

- at each year-end, the Managers report to the Compensation and Appointments Committee on the achievement of prior-year objectives used to determine their annual and long-term variable compensation,
- the Compensation and Appointments Committee analyzes the performance data, shares its conclusions with the Non-Managing General Partner (SAGES) and presents its recommendations to the Supervisory Board,

- the Supervisory Board then discusses the results of the Compensation and Appointments Committee's analysis of actual performance in relation to objectives and the Committee's recommendations,
- the Managing Chairman submits the compensation packages and the corresponding proposed resolutions to the Ordinary Shareholders Meeting and also seeks the approval of the Non-Managing General Partner (SAGES), in compliance with the applicable regulations.
- once the compensation components have been approved by the Ordinary Shareholders Meeting, the variable compensation components are paid or delivered to the Managers, with the Managing General Partner's annual variable compensation deducted from his share of consolidated net income attributable to the General Partners in accordance with the Company's Bylaws.

3.1.5 STATEMENTS

The Managers and the members of the Supervisory Board do not have any close family ties.

To the best of the Company's knowledge, neither Michelin's Managers nor any Supervisory Board member has, in the past five years, been (i) convicted of fraud, (ii) associated with a bankruptcy, receivership or liquidation, (iii) the subject of any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) or disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer.

No Supervisory Board member and neither of Michelin's Managers has a service contract with the Company or any of its subsidiaries.

There are no:

- ▶ arrangements or understandings with major shareholders, customers, suppliers or others, pursuant to which they were selected as a Manager or as a member of the Supervisory Board;
- ▶ conflicts of interest between the duties to the Company of the Managers and their private interests and/or other duties;
- ▶ conflicts of interest between the duties to the Company of the Supervisory Board members and their private interests and/or other duties⁽¹⁾;
- ▶ restrictions accepted by these persons on the disposal of their Michelin shares within a certain period of time, except for those resulting from market abuse regulations and the specific rules applicable to the Managers.

3.2 SUPERVISORY BOARD PRACTICES – ACTIVITIES IN 2021

3.2.1 GENERAL ACTIVITIES

In addition to the six initially scheduled meetings, the Board held two further meetings in 2021, to (i) appoint its new Chair and change the membership of its committees, and (ii) to review the draft financial press release on sales for the third quarter and the first nine months of the year.

The issues examined by the Supervisory Board – based on presentations by the Managers or by members of the entities concerned – were as follows:

- ▶ update on the Group's business and financial position:
 - quarterly financial information, interim and annual results, scorecards, corresponding press releases, recommended dividend,
 - internal control and risk management,
 - integration of businesses acquired in recent years and related synergies,
 - acquisitions in progress (several meetings);
- ▶ strategic overview:
 - strategy seminar (several meetings): business review, map of current transformations, acquisition projections, 2030 strategic plan,
 - industrial and Digital Manufacturing strategy,
 - tire market access strategy, hydrogen business strategy;
- ▶ corporate officers' compensation:
 - results of the performance criteria used to determine the Managers' variable compensation for 2020,
 - performance criteria to be used to determine variable compensation for 2021 and performance share plan criteria,
 - Group compensation policies;
- ▶ succession plan for the Managers:
 - timeline,
 - candidate assessment process and criteria.

(1) See detailed disclosures in the Corporate Governance Report presented in section 3.2.6 of the 2021 Universal Registration Document.

- ▶ membership and practices of the Supervisory Board and its Committees:
 - appointment of the new Chair of the Board,
 - changes in the membership of Board committees,
 - ratification by the Shareholders Meeting of the appointment of a member of the Supervisory Board and examination of a candidate for election to the Supervisory Board,
 - integration of Board members representing employees in the specialized committees,
 - Supervisory Board members' independence,
 - self-assessment of the Board's practices,
 - preparation of the Corporate Governance Report and the Annual Shareholders Meeting;
 - ▶ reports of the Audit Committee, Compensation and Appointments Committee and CSR Committee.
- Part of each Supervisory Board meeting took place behind closed doors, without the Managers being present.
- In addition, the independent members of the Board held an executive session.

3.2.2 SUPERVISORY BOARD MEMBERS' ATTENDANCE RATES

The Supervisory Board met eight times in 2021 – on February 12, April 13 and 14, April 22, May 21, July 23, October 4 and 5, October 22 and December 14.

Several meetings lasted a full day or more.

The overall attendance rate at Board and Committee meetings was 100% (excluding the meetings of May 21 and October 22, which were not scheduled at the beginning of the year).

The attendance rates at Board and Committee meetings of the individual Board members are presented in the table below:

Supervisory Board members	Participation at meetings held in 2021			
	Supervisory Board (6 meetings) ⁽¹⁾	Audit Committee (4 meetings)	Compensation and Appointments Committee (3 meetings) ⁽²⁾	Corporate Social Responsibility Committee (3 meetings)
Barbara Dalibard ⁽³⁾	6/6	2/2	N/A	N/A
Jean-Pierre Duprieu	6/6	N/A	3/3	N/A
Aruna Jayanthi ⁽⁴⁾	6/6	2/2	2/2	N/A
Anne-Sophie de La Bigne	6/6	N/A	3/3	3/3
Patrick de La Chevardière	6/6	4/4	N/A	N/A
Jean-Christophe Laourde ⁽⁵⁾	6/6	N/A	N/A	1/1
Thierry Le Hénaff ⁽⁶⁾	6/6	2/2	1/1	N/A
Monique Leroux	6/6	4/4	N/A	3/3
Michel Rollier ⁽⁷⁾	3/3	N/A	N/A	N/A
Delphine Roussy ⁽⁸⁾	6/6	N/A	1/1	N/A
Wolf-Henning Scheider ⁽⁹⁾	3/3	2/2	N/A	N/A
Jean-Michel Severino	6/6	N/A	N/A	3/3

(1) Excluding unscheduled meetings (two meetings).

(2) Excluding unscheduled meetings (one meeting).

(3) Barbara Dalibard attended all the meetings of the Supervisory Board before and after her appointment as Chair of the Supervisory Board in May 2021, and all the meetings of the Audit Committee up to May 2021, when she stopped being a member of this Committee.

(4) Aruna Jayanthi attended all the meetings of the Compensation and Appointments Committee up to May 2021, when she stopped being a member of this Committee, and all the meetings of the Audit Committee from May 2021, when she was appointed to this Committee.

(5) Jean-Christophe Laourde attended all the meetings of the Corporate Social Responsibility Committee from May 2021, when he was appointed to this Committee.

(6) Thierry Le Hénaff attended all the meetings of the Audit Committee up to May 2021, when he stopped being a member of this Committee, and all the meetings of the Compensation and Appointments Committee from May 2021, when he was appointed to this Committee.

(7) In his capacity as Supervisory Board Chairman, Michel Rollier attended all meetings of the Supervisory Board until his term expired in May 2021.

(8) Delphine Roussy attended all the meetings of the Compensation and Appointments Committee from May 2021, when she was appointed to this Committee.

(9) Wolf-Henning Scheider attended all the meetings of the Supervisory Board from May 2021, when he was elected to the Board, and all the meetings of the Audit Committee from May 2021, when he was appointed to this Committee.

3.2.3 TRAINING FOR SUPERVISORY BOARD MEMBERS

All Supervisory Board members

As part of its training policy for Supervisory Board members, during the year the Company once again organized a special training program on the Group's operations. The program gave all of the Supervisory Board members an opportunity to acquire or refresh their hands-on insight into how Michelin's various businesses are run.

The Board members paid a two-day visit to a tire production plant in Italy during which they were able to see the new generation robotic machines in action and appreciate the advances made in terms of maintenance and the site's net-zero carbon emissions strategy.

Members representing employees

Internally, the members of the Supervisory Board representing employees attended preparatory meetings prior to each meeting of the Supervisory Board, which facilitated their active participation in the Board's work.

Their internal training includes specific presentations by the directors of the Group entities, including the Managers and members of the Group Executive Committee, and by the Chair and Secretary of the Supervisory Board. These presentations are

In addition, the Board members were given a detailed presentation of the organization, multi-sector activities and key projects in the Southern Europe region, which includes Spain, Portugal, France, Benelux, Italy and Malta, representing 30,000 employees at 42 sites.

These topic-specific presentations, along with those made during the year at Supervisory Board meetings by members of executive management and their teams, are welcomed by Supervisory Board members as a means of deepening their understanding of all the challenges facing the Michelin Group.

specially designed to provide the new members with a good understanding of the Group's businesses and its environment.

Externally, the members of the Supervisory Board representing employees also continued participating in several external training programs selected based on their specific needs as new Supervisory Board members. These programs cover various specific and general topics and are provided by leading training organizations.

3.2.4 PREPARING RECOMMENDATIONS FOR THE ELECTION OF NEW SUPERVISORY BOARD MEMBERS AND OTHER RESOLUTIONS TO BE PRESENTED AT THE 2022 ANNUAL SHAREHOLDERS MEETING

The Supervisory Board asked the Compensation and Appointments Committee to review the situation of members whose term was due to expire.

The Committee's procedures and recommendations are presented in the Supervisory Board's report on the resolutions to be submitted to the 2022 Annual Shareholders Meeting (see section 7.2 of this 2021 Universal Registration Document).

3.2.5 ACTIVITIES OF THE SENIOR INDEPENDENT SUPERVISORY BOARD MEMBER

Although, in a partnership limited by shares (*société en commandite par actions*), none of the Managers (who are equivalent to executive officers in a joint stock corporation) may also serve as Chair(man) of the Supervisory Board, the Board nevertheless decided to create the position of Senior Independent Member.

This role, given to an independent Board member, mainly covers the following responsibilities specified in the Board's internal rules:

- ▶ organize executive sessions among the independent members;
- ▶ chair and lead the sessions;
- ▶ report on his or her activities to the Board at least once a year;
- ▶ meet with the Chair(man) of the Board to inform him or her of all or some of the views or wishes expressed by the independent members during executive sessions;
- ▶ propose the inclusion of additional items on the agenda of Supervisory Board meetings;
- ▶ call and chair Supervisory Board meetings and set the agenda if the Chair(man) of the Board is unable to perform this task;

- ▶ meet with the Managing Chairman to inform him or her of all or some of the views or wishes expressed by the independent members during executive sessions, after informing the Chair(man) of the Supervisory Board;
- ▶ receive information about any material comments on governance issues made by significant shareholders and participate in communications with shareholders alongside the Chair(man) of the Supervisory Board or the Managing Chairman.

Thierry Le Hénaff has served as Senior Independent Member since July 2020⁽¹⁾.

In 2021, Mr. Le Hénaff organized and chaired one executive session, held without any Managers (equivalent to executive officers) being present. The main issues discussed during this session were as follows:

- ▶ topics suggested during Board meetings;
- ▶ participation in the Committees of the Board;
- ▶ allocation of responsibilities for examining risks between the different Committees;
- ▶ training requests.

(1) He took over from Barbara Dalibard, who was Senior Independent Member from 2017, when the position was created, to June 2020.

In application of the Supervisory Board's internal rules, during the first half of 2022, Thierry Le Hénaff will report to the Board on his activities during 2021.

In 2021, Thierry Le Hénaff helped to prepare the process for the assessment by the Chair(man) of the Board on its practices and those of its Committees (see report on the results of this assessment in section 3.2.7).

3.2.6 REVIEW OF SUPERVISORY BOARD MEMBERS' INDEPENDENCE AND ANY CONFLICTS OF INTEREST

The Supervisory Board has chosen to refer exclusively to the criteria listed in the AFEP/MEDEF Code for its assessment of its members' independence. The AFEP/MEDEF Code recommends that a majority of the members of the Supervisory Board should be independent and without any vested interests (i.e., with no relationship of any kind whatsoever with the Company or its management which might risk coloring the member's judgment)⁽¹⁾.

The Supervisory Board's internal rules also explicitly stipulate that its members are required to inform the Supervisory Board of any potential or existing conflict of interest and are banned from taking part in the discussion and voting on the matters concerned.

In the first phase, the Compensation and Appointments Committee ensures that each Supervisory Board member has formally declared, in relation to the provisions and abstention obligations of the Board's internal rules, that:

- ▶ they have no close family ties with their fellow Supervisory Board members;
- ▶ they have not, in the past five years, been (i) convicted of fraud, (ii) associated with a bankruptcy, receivership or liquidation, (iii) the subject of any official public incrimination and/or sanctions by statutory or regulatory authorities or disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer;
- ▶ they do not have a service contract with the Company or any of its subsidiaries;
- ▶ they have not been selected to serve as a corporate officer pursuant to any arrangement or agreement with a principal shareholder, customer, supplier or other stakeholder;
- ▶ to the best of their knowledge, there are no restrictions on the disposal within a certain period of time of their Michelin shares, except for those resulting from insider dealing rules;
- ▶ to the best of their knowledge, there are no conflicts of interest between their obligations towards the Company in their capacity as corporate officer and their personal interests and/or other obligations.

Where applicable, the Committee also checks any notifications given to the Board by its members.

In the second phase, to complete the earlier statements and observations, the Committee:

- ▶ checks that none of the Board members had been an auditor of the Company during the past five years;
- ▶ reviews the period served on the Supervisory Board by members since they were first elected, in particular for members who have served on the Board for 12 or more years;
- ▶ checks that no Board member has received any variable compensation in cash or shares or any other performance-based compensation from the Company or the Group.

In addition, the Committee examines whether any Board member:

- ▶ is or has been in the past five years an employee or executive officer of the Company, or an employee or executive officer of its parent or a company that the latter consolidates;
- ▶ is an executive officer of a company in which the Company holds a directorship, directly or indirectly, or in which an employee appointed as such or an executive officer of the Company (currently in office or having held such office for less than five years) is a director;
- ▶ is a customer, supplier, investment banker or commercial banker:
 - that is material to the Company or the Group, or
 - that depends on the Company or the Group for a significant part of its business.

In the third phase, the Committee reviews the situation of Supervisory Board members who may personally conduct significant amounts of business with the Company or be involved with undertakings that may maintain significant business relations with the Company.

In each case, the Committee starts by examining the nature of the Supervisory Board member's duties in the undertaking concerned, particularly whether they hold a non-executive position such as member of the Board of Directors or Supervisory Board, whether they are qualified as independent by that undertaking and whether they share any cross-directorships with an executive officer of the Company.

Where a Board member holds an executive or management position, the Committee examines the nature and scope of the member's duties and, if the undertaking is a material competitor, customer or supplier of the Company, assesses whether the position may give rise to a conflict of interest between that undertaking and the Company.

(1) When the Compensation and Appointments Committee assesses the independence of one of its members, that member does not take part in the Committee's discussion and analysis of his or her situation nor in the Supervisory Board's decision regarding his or her independence.

When considered necessary, the Committee then analyzes individual situations based on (i) the type of relationship that exists between the Company and the undertaking concerned and (ii) the amounts represented by financial transactions between the Company and the undertaking, applying different materiality thresholds depending on the type of relationship (revenues in relation to consolidated revenues, purchase volumes, etc.).

The Compensation and Appointments Committee conducted an independence review in early 2022. Its conclusions were presented to the Supervisory Board, which discussed and then adopted them. The review process can be summarized as follows.

The Committee examined the situation of **Anne-Sophie de La Bigne** in light of her position with Airbus as Vice President in charge of Civil Affairs in the Public Affairs Division France. The Committee noted that (i) Ms. de La Bigne does not hold an executive position at Airbus with responsibility for purchasing or selling products or services and (ii) her area of responsibility is limited to France.

The Committee nevertheless decided to examine the volume of business conducted between Michelin and Airbus, as some of the latter's subsidiaries purchase products and/or services from Michelin.

Due to the structure of the aerospace markets served by Michelin and the companies operating in these markets, the Committee examined the revenues earned by Michelin in 2021 from the sale of products and services not only to Airbus companies but also to these companies' customers that own or lease aircraft. The sales figure was then compared to Michelin's consolidated sales for 2021.

The comparison showed that the sales in question represented a very limited part of the Group's consolidated sales for the year.

Consequently, the Committee proposed considering that Anne-Sophie de La Bigne's indirect business relationship with Michelin by virtue of her position with the Airbus group was not material.

The Committee also examined the business relationship between Michelin and the Capgemini group, whose Asia-Pacific and Latin America regions have been headed by **Aruna Jayanthi** since 2018.

Transactions between the Capgemini group and Michelin for IT consulting services represent only a very small proportion of Michelin's purchases, and their contribution to the Capgemini group's revenue is not material.

Consequently, the Committee proposed considering that Aruna Jayanthi's indirect business relationship with Michelin by virtue of her position with the Capgemini group was not material.

In addition, the Committee examined the business relationship between Michelin and Arkema, whose Chairman and Chief Executive Officer is **Thierry Le Hénaff**.

Transactions between Arkema and Michelin represent only a very small proportion of Michelin's purchases and their contribution to Arkema's revenue is not material.

The Committee also examined a possible conflict of interest that could result from the proximity of certain activities of Michelin's High-Tech Materials activities with Arkema's Specialty Materials business. Its assessment focused on Michelin's flexible elastomer composites and Arkema's adhesives, advanced materials and coating solutions.

After examining factors such as the businesses' respective characteristics, their maturity, their main scopes and target applications/markets, the Committee decided that these factors did not lead to the conclusion that Thierry Le Hénaff was permanently exposed to a material conflict of interests.

In any event, if information about these businesses that was considered sensitive for both groups was presented to the Supervisory Board, Thierry Le Hénaff would step aside during the communications, discussions and decisions concerned, in line with the Board's internal rules.

Consequently, the Committee proposed considering that Thierry Le Hénaff's indirect business relationship with Michelin by virtue of his position with Arkema does not have a material adverse effect on his independence and does not give rise to any material conflict of interests.

The Committee examined a possible conflict of interest that could result from the proximity of activities of Michelin's Services & Solutions' mobility businesses and certain mobility products or services developed by ZF Friedrichshafen, whose Chief Executive Officer is **Wolf-Henning Scheider**.

After analyzing the respective activities concerned, the Committee decided that the factors covered by its analysis did not lead to the conclusion that Wolf-Henning Scheider was permanently exposed to a material conflict of interests.

In any event, if information about these businesses that was considered sensitive for both groups was presented to the Supervisory Board, Mr. Scheider would step aside during the communications, discussions and decisions concerned, in line with the Board's internal rules.

Consequently, the Committee proposed considering that Wolf-Henning Scheider's position as Chief Executive Officer of ZF Friedrichshafen did not affect his independence or give rise to any conflict of interest.

Delphine Roussy and **Jean-Christophe Laourde**, Supervisory Board members representing employees, are employees of MFPM. The Supervisory Board considered that they could not be qualified as independent because of the implicit requirement for them, as Michelin employees, to demonstrate loyalty to the Group.

The Committee analyzed the situation of **Barbara Dalibard**, Chief Executive Officer of SITA until December 2021 and Chair of Michelin's Supervisory Board since May 2021, based on the independence criterion related to the period served on the Board.

The Committee noted Barbara Dalibard's independent mindset, her experience and her conspicuous participation in the work of the Board and its Committees⁽¹⁾. These qualities were the decisive factors in the unanimous decision by Board members to appoint her as Chair of the Supervisory Board when Michel Rollier stepped down in May 2021.

The Committee considered that since Barbara Dalibard had served on the Board for an uninterrupted period of twelve years as of end-May 2020, she could no longer be considered as independent for this reason alone.

3.2.7 ASSESSMENT OF THE SUPERVISORY BOARD'S PRACTICES

In 2021, a self-assessment exercise was conducted by the Chair of the Supervisory Board and the Senior Independent Member. The assessment was based on a series of one-on-one interviews with Supervisory Board members and the Managers.

The following matters were covered:

- ▶ Supervisory Board practices;
- ▶ Supervisory Board membership;
- ▶ experience and expertise represented on the Board;
- ▶ the Board's relations with the Managers, shareholders and other stakeholders;
- ▶ practices of the Committees of the Supervisory Board.

As is the case every year, a review of this assessment was included on the agenda of the July 23, 2021 Supervisory Board meeting. During this meeting, the results of the assessment were presented to the Supervisory Board and the Managers by the Chair of the Supervisory Board. This presentation was followed by an exchange of views and a discussion among the Supervisory Board members.

Having reviewed the Compensation and Appointments Committee's analyses, the Supervisory Board ruled that all of its members – with the exception of the members representing employees (Delphine Roussy and Jean-Christophe Laourde), and Barbara Dalibard – are independent based on the criteria in the AFEP/MEDEF Code. These independent members represent just under 89% of total Supervisory Board members (excluding employee representatives), a significantly higher proportion than the 50% recommended in the AFEP/MEDEF Code, which states that half of the Board members of widely-held corporations without controlling shareholders should be independent.

The following points were noted:

- ▶ the Board's culture is perceived as being very positive;
- ▶ the relationship with the Managers is very positive, constructive and interactive, allowing for a real process of continuous improvement;
- ▶ the creation of the CSR Committee has been a success;
- ▶ the reports presented to the Board by the Chairs of the Committees are very satisfactory;
- ▶ the new digital platform for use by Board members is very satisfactory and the files are of a very high quality.

The assessment underscored the importance of:

- ▶ maintaining the right balance between strategy/business topics and time spent on presentations versus the ensuing discussions;
- ▶ making some changes to the structure of the documentation;
- ▶ continuing to focus on putting the competitive environment, risks and human resources management issues into perspective.

The Supervisory Board members concurred with the proposal by the Board's Chair that a new external assessment should be performed in 2022.

(1) Chair of the Compensation and Appointments Committee between 2015 and June 2020, Senior Independent Member between 2017 and June 2020, member of the Audit Committee between July 2020 and May 2021.

3.2.8 IMPLEMENTATION OF THE “APPLY OR EXPLAIN” RULE

In accordance with Article L. 22-10-10-4° of the French Commercial Code and paragraph 27.1 of the AFEP/MEDEF Code and the corresponding implementation guidance, the Supervisory Board considers that it complies with the recommendations of the AFEP/MEDEF Code, as adapted to the Company’s structure as a French partnership limited by shares (S.C.A.), which was adopted at the time of its formation in 1863, except as explained below:

AFEP/MEDEF Code recommendation	Explanation
Material transactions outside the scope of the firm’s stated strategy should be subject to prior approval by the Board of Directors (Recommendation 1.9, first bullet point)	<p>This recommendation in Article 1.9 of the AFEP/MEDEF Code (first bullet point) is not directly applicable because of the Company’s legal form as a partnership limited by shares. With this type of partnership, the Managing General Partners have unlimited personal liability and their powers are completely separate from those of the Supervisory Board, with the result that the Supervisory Board has no legal authority to become involved in managing the Company.</p> <p>However, to (i) ensure that the Supervisory Board exercises effective oversight of the Company’s management and (ii) adhere to the spirit of the AFEP/MEDEF recommendation, since 2011 the Company has amended its Bylaws⁽¹⁾⁽²⁾, as well as the Supervisory Board’s internal rules⁽¹⁾.</p> <p>These internal rules state that the Supervisory Board is responsible for examining investment and external growth transactions, off-balance sheet commitments and asset disposals, and is required to issue a formal opinion in cases where the transactions are material for the Group due to their nature or associated risks. For this purpose, “material” means transactions representing at least €100 million, or at least €50 million in the case of external growth transactions. This means that the Supervisory Board is automatically consulted about all projects that are material for the Group. Moreover, as it expresses an opinion on such projects, it is clearly able to report to shareholders thereon if appropriate.</p> <p>This approach complies with the spirit and aims of the recommendation.</p>
Termination of employment contract in the event of becoming a corporate officer (Recommendation 22)	<p>Due to their status and specific responsibilities, under the long-standing compensation policy applied to Managing General Partners, these partners cease to be covered by any employment contract that may have existed between them and a Group company prior to becoming Managing General Partner. This rule applies even if they have acquired considerable seniority with the Group.</p> <p>In addition, Yves Chapot’s mandate as General Manager justifies suspending his pre-existing employment contract with a Michelin Group company, for the following reasons:</p> <ul style="list-style-type: none"> ▶ Yves Chapot is not the most senior executive officer (Manager); he reports to the Managing Chairman who, according to the Company’s Bylaws, defines the Managers’ areas of responsibility and any restrictions on their powers, as well as setting their annual objectives; ▶ the position of General Manager is therefore similar to that of a Chief Operating Officer or a member of the Management Board of a joint stock corporation, who are not concerned by the AFEP/MEDEF Code’s recommendation; ▶ Yves Chapot has acquired considerable seniority, having worked for the Michelin Group without interruption for over 29 years (since 1992); ▶ if Yves Chapot were to cease to be a Manager, any compensation for loss of office or non-compete indemnity due to him would be reduced if necessary so that the total amount payable – including the termination benefit in respect of his suspended employment contract – would not exceed his final two years’ total compensation.

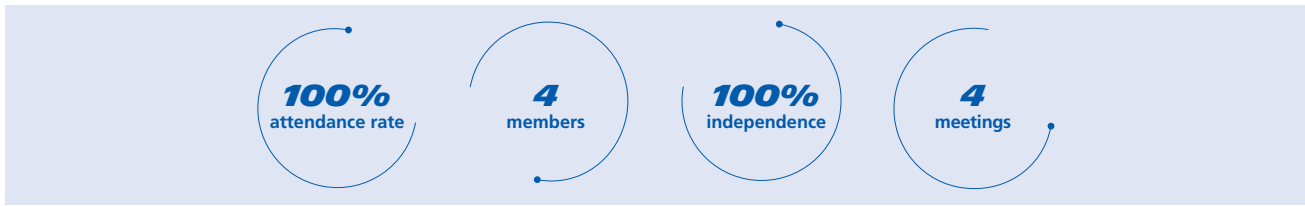
(1) Available from the Group’s website www.michelin.com.

Article 17 of the Bylaws states that “(...) The Supervisory Board is jointly and regularly informed about the Company’s situation and the key issues listed in the Supervisory Board’s internal rules. The Supervisory Board reports to the Shareholders Meeting on the fulfillment of its duties (...)”.

The new Board members representing employees having completed their induction training in 2021, one of them (Delphine Roussy) was appointed to sit on the Compensation and Appointments Committee in accordance with the wishes of the Supervisory Board members⁽¹⁾. Recommendation 18.1 of the AFEP/MEDEF Code is now applied and the exception has therefore been removed.

(1) See disclosures in section 3.2.8 of the 2020 Universal Registration Document.

3.2.9 AUDIT COMMITTEE⁽¹⁾



3.2.9.1 Members⁽²⁾

The Audit Committee has at least three members appointed for their full term as Supervisory Board members. At least two-thirds of the members must be independent. Since May 2021⁽³⁾, the Audit Committee has comprised the following members:

- ▶ Patrick de La Chevadière, independent member and Committee Chairman;
- ▶ Aruna Jayanthi, independent member;
- ▶ Monique Leroux, independent member;
- ▶ Wolf-Henning Scheider, independent member.

The qualifications and experience of the Audit Committee members at December 31, 2021 have given them a deep understanding of financial and accounting matters:

- ▶ Patrick de La Chevadière is a director of Schlumberger and was the Chief Financial Officer and a member of the Executive Committee of the Total group from 2008 to 2019; he is a graduate of École Centrale;
- ▶ Aruna Jayanthi is the Managing Director of Capgemini's Asia-Pacific and Latin America business unit and a member of the Group's Executive Committee. She holds a Master's

degree in Finance Management from the Narsee Monjee Institute of Management Studies in Mumbai and has acquired and extensive experience in the area of cybersecurity and other IT risks;

- ▶ Monique Leroux sits on the Boards of several companies. She was previously a partner of EY (Canada) and served as the Chair of the Board and Chief Executive Officer of Mouvement Desjardins from 2008 to 2016. She is a Fellow of the Order of Certified Professional Accountants of Quebec and of the Canadian Institute of Corporate Directors;
- ▶ Wolf-Henning Scheider is Chief Executive Officer of ZF Friedrichshafen AG. He was a director and member of the Executive Committee of the Bosch group from 2010 until 2015, then Chief Executive Officer of the Mahle group between 2015 and 2018. He studied at Saarbrück University and RWTH Aachen University, graduating in Business Administration and Economics.

3.2.9.2 Role and responsibilities

The role of the Audit Committee is described in its internal rules, available on the Group's website www.michelin.com.

The Audit Committee assists the Supervisory Board in fulfilling its oversight role. It operates as a specialized committee tasked with addressing issues related to the preparation and control of accounting and financial information in accordance with Articles L. 823-19 and L. 823-20-4 of the French Commercial Code.

In 2021, the Chairman of the Audit Committee obtained assurance that the Committee's work in 2020 and 2021 enabled it to fulfill its remit as specified in French law and the AFEP/MEDEF Code.

The Audit Committee's rules of procedure are described in its internal rules.

In view of the distance they may have to travel to attend meetings and the other business commitments not only of the Supervisory Board and Audit Committee members but also of the members of Executive Management, the Audit Committee conducts its formal review of the financial statements half a day before they are presented to the Supervisory Board.

3.2.9.3 Activities in 2021

The Committee met four times in 2021 – on February 11, April 13, July 22 and December 13 – with an attendance rate of 100%.

The main purpose of the meetings held in 2021 was to review:

- ▶ the audited parent company financial statements for 2020, the parent company projections prepared in accordance with French law, and the audited consolidated financial statements for 2020, as presented by the Manager and Chief Financial Officer, the Deputy Chief Financial Officer and the Senior Vice President, Accounting. The Committee focused on reviewing asset impairment tests, key figures and non-recurring events in 2020.

It noted that the audit of the accounts had gone smoothly. The Statutory Auditors reported to the Committee on their audit, noting that they would be issuing an unqualified opinion, without any emphasis of matter, on both the separate and consolidated financial statements. They also submitted their written report to the Audit Committee;

- ▶ the interim consolidated financial statements for the six months ended June 30, 2021 and the information on the parent company projections prepared in accordance with French law, as presented by the Manager and Chief Financial

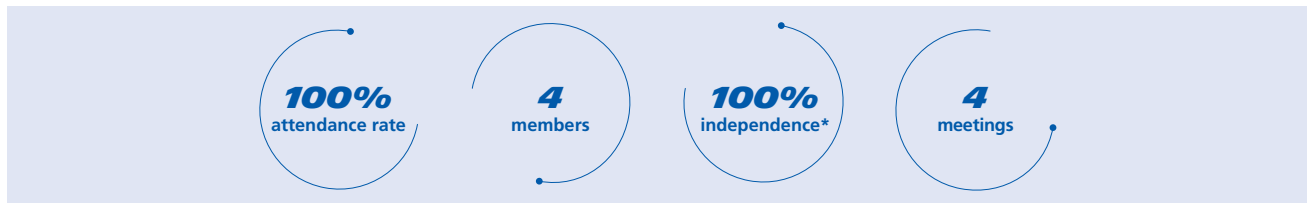
(1) At December 31, 2021.

(2) Biographical details and other information concerning the members of this Committee of the Supervisory Board are provided in section 3.1.3.3 of this 2021 Universal Registration Document.

(3) Between January and May 2021, its members were: Patrick de La Chevadière, independent member and Committee Chairman; Barbara Dalibard, non-independent member (non-executive); Thierry Le Hénaff, independent member; Monique Leroux, independent member.

- Officer, the Deputy Chief Financial Officer and the Senior Vice President, Accounting. The Committee performed a detailed review of the Group's results for the first half of 2021 and discussed with the Statutory Auditors the nature and conclusions of their work. The Statutory Auditors reported to the Committee on their review of the interim financial statements for the six months ended June 30, 2021. Their review report did not contain any qualifications or emphasis of matter;
- ▶ the financial information for the third quarter of 2021 and related financial press release, as presented by the Manager and Chief Financial Officer, the Deputy Chief Financial Officer and the Senior Vice President, Accounting;
 - ▶ preparation of the 2021 accounts closing, as presented by the Manager and Chief Financial Officer, the Deputy Chief Financial Officer and the Senior Vice President, Accounting;
 - ▶ risk management and internal control systems (including self-assessments, controls and the follow-up of action plans), presented by the Deputy Chief Financial Officer, the Senior Vice Presidents, Audit, Quality, Internal Control and Risk Management, and the Head of Internal Control;
 - ▶ the internal audit plan and the audits carried out in 2021 (including audits of the physical impacts of global warming, cybersecurity, the adjustments made to the audit plan in light of the Covid-19 crisis and changes in the structure of the internal auditors' activities), presented at the quarterly meetings by the Internal Audit Director;
 - ▶ in early 2022, the Committee met to review the audited parent company financial statements for 2021, the parent company projections prepared in accordance with French law, and the audited consolidated financial statements for 2021, as presented by the Manager and Chief Financial Officer;
 - ▶ the Committee's work also covered the following areas:
 - review of Information Systems (IS) risk management in terms of architecture, cybersecurity, internal control and data privacy, presented by the Information Systems Director,
 - the Simply Michelin simplification project, based on a presentation by the Deputy Chief Financial Officer of the project's objectives, milestones and current deployment status,
 - the management of the portfolio of minority interests and joint ventures, presented by the Managing Director and Chief Financial Officer,
 - the Purchasing function, its roles, organization and challenges, presented by the Senior Vice President, Purchasing,
 - international tax reform (Pillar 1 and Pillar 2) and the Group's transfer pricing policy, presented by the Senior Vice President, Tax and Customs Affairs.
- The Chairman of the Audit Committee reported to the Supervisory Board on the Committee's work on February 12, April 13 and 14, July 23, and December 14, 2021.

3.2.10 COMPENSATION AND APPOINTMENTS COMMITTEE⁽¹⁾



* Excluding the employee representatives.

3.2.10.1 Members⁽²⁾

The Compensation and Appointments Committee must comprise at least three members (including the Chair(man) of the Committee) who fulfill the criteria for classification as independent throughout their term as members of the Supervisory Board.

Since May 2021⁽³⁾, the Compensation and Appointments Committee has comprised the following members:

- ▶ Jean-Pierre Duprieu, independent member and Committee Chairman;
- ▶ Anne-Sophie de La Bigne, independent member;

- ▶ Thierry Le Hénaff, independent member and Senior Independent Member of the Supervisory Board;
- ▶ Delphine Roussy, non-independent (non-executive) member representing employees.

The new Board members representing employees having completed their induction training, one of them (Delphine Roussy) was appointed to sit on the Compensation and Appointments Committee in accordance with the wishes of the Supervisory Board members⁽⁴⁾.

(1) At December 31, 2021.

(2) Biographical details and other information concerning the members of this Committee of the Supervisory Board are provided in section 3.1.3.3 of this 2021 Universal Registration Document.

(3) Between January and May 2021, its members were: Jean-Pierre Duprieu, independent member and Chairman of the Committee; Aruna Jayanthi, independent member; Anne-Sophie de La Bigne, independent member.

(4) See explanation in section 3.2.8 of the 2020 Universal Registration Document.

3.2.10.2 Role and responsibilities

The role of the Compensation and Appointments Committee, which is described in its internal rules available on the Group's website www.michelin.com, includes the following:

- ▶ executive management appointments and compensation policy;
- ▶ talent management, diversities and inclusion policy;
- ▶ the policy concerning the appointment of Managers, including career and succession plans, developed jointly with the Non-Managing General Partner (SAGES)⁽¹⁾;

3.2.10.3 Activities in 2021

The Committee met four times in 2021 – on February 4, April 13, July 23 and October 25. The overall attendance rate at Committee meetings was 100% (excluding the July 23 meeting, which was not scheduled at the beginning of the year).

The Committee's work mainly covered the following issues:

- ▶ succession plan for the Managers. The Committee examined the proposal of the Non-Managing General Partner (SAGES) to renew the appointment of the Managers and recommended that the Board renew the appointment of each of the Managers for a period of four years⁽²⁾;
- ▶ review of corporate officers' compensation. At the beginning of 2021, the Committee analyzed and submitted to the Supervisory Board its conclusions concerning the achievement rates for the performance criteria applicable to the performance-based components of compensation awarded by the Company to the Managers and the Chair(man) of the Supervisory Board for 2020, prior to these conclusions being submitted to the General Partners (SAGES, Non-Managing General Partner, and Florent Menegaux, General Partner and Managing Chairman);

These compensation components were put to the vote at the Ordinary Shareholders Meeting of May 21, 2021 in the 8th to 11th resolutions, which were each adopted by a majority of over 96% of the votes cast.

Based on the Committee's recommendation, the Supervisory Board examined the amount of compensation awarded to its Chairman and prepared and recommended the components of his compensation to be put to the vote at the Annual Shareholders Meeting of May 21, 2021. The corresponding resolution (11th resolution) was approved by a majority of 99.90% of the votes cast.

The Compensation and Appointments Committee also reviewed and proposed to the Supervisory Board the components of the Managers' 2021 variable compensation.

In early 2022, the Committee analyzed the various components of the Managers' compensation and noted the achievement rates for the applicable performance criteria. It then presented its conclusions and recommendations to the Supervisory Board;

- ▶ review of Supervisory Board members' independence and any conflicts of interest. The Committee performed its annual review of the Supervisory Board members' independence, by examining in particular whether there were any business relationships between the members and Michelin that could be qualified as material⁽³⁾;
- ▶ executive management succession plan. The Compensation and Appointments Committee of the Supervisory Board periodically

- ▶ the compensation awarded to the corporate officers (Managers, the Chair(man) of the Supervisory Board and the other Supervisory Board members), with the Managers' compensation discussed with the Non-Managing General Partner (SAGES)⁽⁴⁾;
- ▶ the membership of the Supervisory Board and its Committees, and the succession plan for the Chair(man) of the Supervisory Board.

The Compensation and Appointments Committee's rules of procedure are described in its internal rules.

reviews the succession plans and career plans of the Group's executive management team, the Managers and current or potential future members of the Executive Committee, in order to ensure a smooth succession to these positions when the time comes or to deal with any crisis situation.

To the above ends, for several years now the Compensation and Appointments Committee, led by its Chair(man), and with the Senior Independent Supervisory Board Member, has analyzed the performance appraisals of key executives prepared by management with the assistance of an independent firm of consultants. The Committee has held very instructive discussions with these consultants that have enabled it to appreciate the quality of their work;

- ▶ succession plan for the Managers. In addition to reviewing executive management succession plans, in 2021 the Compensation and Appointments Committee, led by its Chair(man) and in consultation with the Chairman of SAGES, Non-Managing General Partner, reviewed the Manager succession timeline, the candidate selection criteria and assessment process and the succession implementation process;
- ▶ talent management, diversities and inclusion. In 2021, the Compensation and Appointments Committee reviewed the changes in the membership of the Group Executive Committee, the talent management policy and the action plans to promote diversity and inclusion, not only at senior management level but also throughout the Group;
- ▶ recommendations concerning the re-election of Supervisory Board members at the Annual Shareholders Meetings of May 21, 2021 and May 13, 2022. At the Supervisory Board's request, the Committee reviewed the proposed elections/re-elections/ratification of Supervisory Board members.

The Committee's work and its recommendations to the Supervisory Board are described in detail in section 7.2 of the 2020 Universal Registration Document for the re-elections/elections proposed at the Annual Shareholders Meeting of May 21, 2021 and in the Supervisory Board's report on the proposed resolutions (see section 7.2 of this 2021 Universal Registration Document) for the re-elections to be proposed at the Annual Shareholders Meeting of May 13, 2022;

- ▶ variable compensation policy. As in prior years, the Committee reviewed the Group's variable compensation and performance share policies, as well as changes to these policies.

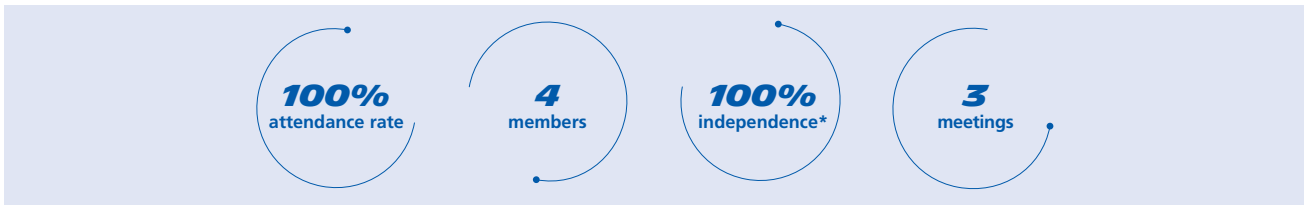
The Committee's Chair(man) reported to the Supervisory Board on the Committee's work at the Board meetings on February 12, April 13 and 14, July 23 and December 14, 2021.

(1) As explained in section 3.1.4 above.

(2) See section 3.1.1.1 above.

(3) See the detailed description in section 3.2.6 of this report.

3.2.11 CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE⁽¹⁾



* Excluding the employee representatives.

3.2.11.1 Members⁽²⁾

The Corporate Social Responsibility Committee must comprise at least three members (including the Chair(man) of the Committee) who fulfill the criteria for classification as independent throughout their term as members of the Supervisory Board.

The members of the CSR Committee are:

- ▶ Anne-Sophie de La Bigne, independent member;
- ▶ Jean-Christophe Laourde⁽³⁾, non-independent (non-executive) member representing employees;
- ▶ Jean-Michel Severino, independent member.

3.2.11.2 Role and responsibilities

The role of the CSR Committee is described in its internal rules, available on the Group's website www.michelin.com.

The Committee's remit covers the various aspects of corporate social responsibility and it cooperates closely with the

Compensation and Appointments Committee and the Audit Committee on cross-functional matters that are of interest to them.

The CSR Committee's rules of procedure are described in its internal rules.

3.2.11.3 Activities in 2021

The CSR Committee met three times in 2021 – on February 11, April 12 and December 13 – with an attendance rate of 100%.

The Committee's work mainly covered the following issues:

- ▶ Cross-functional issues:
 - the CSR Committee reviewed the non-financial information (including Key Performance Indicators) presented in the Universal Registration Document and recommended certain improvements, taking into account the Group's various sustainability rankings,
 - the Group's Duty of Care plan was reviewed by the Committee,
 - a regulatory watch system (European Taxonomy, draft Corporate Sustainability Reporting Directive, Task Force on Climate-related Financial Disclosures) was set up,
 - the alignment of the Group's CSR disclosures with TCFD principles; taking into account the work of the Audit Committee, the CSR Committee examined materiality assessments of CSR risks and their consistency with the issues described in the materiality matrix;
- ▶ In the area of environmental liability:
 - when examining the alignment of the Group's CSR disclosures with TCFD principles, the Committee reviewed the plan to decarbonize its value chains, which is one of the components of its climate strategy; the other components of this strategy were examined by the Committee in early 2022,
 - the Committee was informed of the process for preparing the Group's first report using the European Taxonomy in early 2022,
 - the Committee reviewed the negative environmental externalities and the evaluation of their impact on the Group's financial results,
 - the Committee also made a positive recommendation concerning the Group's involvement in the United Nations Race to Zero initiative;
- ▶ In the area of social responsibility:
 - the Committee examined the analysis of the decent wage policy's deployment throughout the Group,
 - the Committee was presented with the Group's Diversity & Inclusion ambitions and policy, together with the related indicators,
 - the Committee reviewed the analysis of the Health & Safety audit findings (excluding manufacturing), which were presented to the Audit Committee in December 2021, and the corresponding action plan.

The Chair of the Committee reported to the Supervisory Board on the Committee's work on February 14, April 13 and 14, and December 14, 2021.

(1) At December 31, 2021.

(2) Biographical details and other information concerning the members of this Committee of the Supervisory Board are provided in section 3.1.3.3 of this 2021 Universal Registration Document.

(3) Jean-Christophe Laourde joined the Committee in May 2021.

3.3 MANAGEMENT AND SUPERVISORY BOARD COMPENSATION POLICIES FOR 2022

3.3.1 GENERAL PRINCIPLES

Since 2014, the compensation awarded to the Managers and the Chair(man) of the Supervisory Board has been submitted to the shareholders at the Annual Ordinary Shareholders Meeting and, since 2020, following the method and on the basis specified in the PACTE Act that came into force that year.

The General Partners and the Supervisory Board, based on the recommendation of its Compensation and Appointments Committee, will ask the Ordinary Shareholders Meeting of May 13, 2022 to approve the 2022 Compensation Policy applicable to (i) the Managers and (ii) the Supervisory Board.

The Compensation Policy applicable to the corporate officers is prepared and revised in accordance with the relevant laws and regulations.

Article L. 22-10-76-I of the French Commercial Code stipulates that the Compensation Policy applicable to the corporate officers must be compatible with the Company's corporate interests. It must contribute to its marketing strategy as well as the long-term sustainability of the business. This Compensation Policy establishes a competitive framework aligned with the Group's strategy and business environment. The policy is designed to increase medium and long-term performance and competitiveness and is therefore in the Group's best corporate interests in accordance with the AFEP/MEDEF code.

The policy contributes to the Company's marketing strategy by requiring the Group's performance to be factored into the calculation of variable compensation, in particular:

- ▶ the Managers' variable compensation (annual, long-term) represents the predominant part of their total compensation; and
- ▶ the amount they receive in variable compensation depends on the achievement of objectives related to the Group's main performance indicators, which also apply to the employees of Group companies.

The policy contributes to the Company's sustainability by requiring the Group's performance to be factored into the calculation of variable compensation, in particular:

- ▶ for each Manager:
 - the performance indicators applicable to their variable compensation (annual and long term) focus on sustainability in line with the Group's strategy,
 - part of their long-term variable compensation consists of performance shares that are subject to vesting conditions linked to the achievement of performance objectives over several years,

- the performance shares received when the vesting conditions have been met may not be sold for as long as they serve as a Manager;
- ▶ for the Managing Chairman, the Compensation Policy takes into account his position as General Partner with unlimited joint and personal liability for the Company's debts by deducting his annual variable compensation from the amounts due to the General Partners out of the Company's profits (if any);
- ▶ for the members of the Supervisory Board, most of their compensation as Supervisory Board member and, if applicable, member of a Committee of the Board, is based on their attendance rate at Board and Committee meetings, which are scheduled at the start of the year.

In the decision-making process for the determination and revision of the Compensation Policy, the Company has chosen to take into account the compensation and employment conditions of employees of its main French subsidiary, Manufacture Française des Pneumatiques Michelin ("MFPM" or the "Scope")⁽¹⁾.

For 2022, the Managers have decided to share the quantitative performance criteria and indicators defined by the Supervisory Board for their own annual and long-term variable compensation with eligible employees of Group companies.

Conflicts of interest are avoided in the drafting, revision and implementation of the Compensation Policy due to the involvement of the Supervisory Board and the Compensation and Appointments Committee, whose members are all independent (excluding the member representing employees). The procedures for managing conflicts of interest within the Supervisory Board are described in section 3.2.6.

The General Partners, in the case of the Managers, or the Supervisory Board, in the case of the members of the Supervisory Board, may not depart (within the meaning of the second paragraph of Article L. 22-10-76-III of the French Commercial Code) from the Compensation Policy.

The 2022 Compensation Policy is the subject of two proposed resolutions to be presented at the Ordinary Shareholders Meeting to be called to approve the 2021 financial statements:

- ▶ the 6th resolution concerning the policy applicable to the Managers, presented in section 3.3.2 below;
- ▶ the 7th resolution concerning the policy relating to the members of the Supervisory Board, presented in section 3.3.3 below.

(1) The Company has very few employees (fewer than five, none of whom are corporate officers) and their compensation and employment conditions do not therefore represent a relevant benchmark.

3.3.2 COMPENSATION POLICY: THE MANAGERS

This section describes the components of the Compensation Policy for the Managers. These components are presented in a proposed ordinary resolution approved by the General Partners and submitted for shareholder approval at the Ordinary Shareholders Meeting to be called to approve the 2021 financial statements (6th resolution).

3.3.2.1 Principles for determining compensation

The compensation of the Managing Chairman and General Partner is decided by the General Partners and is the subject of a deliberation by the Supervisory Board. Then:

- ▶ the annual variable compensation is deducted from the General Partners' Profit Share, as explained in section 3.3.2.3 below;
- ▶ the long-term variable compensation is awarded in the form of performance shares;
- ▶ the fixed compensation is paid by a subsidiary of the Company in exchange for his services as Chairman of that company.

The fixed and variable annual compensation of the General Manager and his long-term variable compensation (performance shares) are decided by the General Partners and are the subject of decisions by the Supervisory Board.

The Committee also reviews all amounts and benefits due, awarded or to be awarded to the Managers for the previous year by Group companies. As part of the review, the Committee particularly verifies that the amounts paid or awarded to the Managers are proportionate and consistent in terms of (i) the Group's performance and (ii) industry and market practice.

3.3.2.2 Fixed compensation

The Compensation and Appointments Committee had previously noted that the fixed compensation of Florent Menegaux (€900,000.00) and Yves Chapot (€600,000.00) was, already at the date of determination in 2018 and unchanged since then, lower than the median fixed compensation of their counterparts in the main French listed groups⁽¹⁾. In addition, when it was set in 2018, the fixed compensation of Florent Menegaux, Managing Chairman was more than 22% lower than the fixed compensation of his predecessor, determined in 2014.

In 2020, in light of the efforts required of Michelin Group employees and other stakeholders during the Covid-19 health crisis, the Managers' fixed compensation was reduced by 25% for the period during which employees were furloughed in 2020.

In 2021, in light of the economic crisis and the policy of salary moderation decided for Group employees for 2020 and 2021, the Managers informed the Committee that they did not want the level of their fixed compensation to be raised in 2021.

The Committee made the following proposals⁽²⁾:

- ▶ to keep the Managers' fixed compensation for 2021 at the level applicable since 2018, i.e., €900,000.00 for Florent Menegaux and €600,000.00 for Yves Chapot; and
- ▶ to recommend that these amounts be revised in 2022.

The Committee examined in depth the conditions for revising their fixed compensation in 2022 and considered the following elements in particular:

- ▶ concerning the principle of the decision:
 - this measure, already mentioned by the Chair of the Compensation and Appointments Committee at the Annual Shareholders Meeting of June 23, 2020⁽³⁾ and proposed by the Committee in 2021, was recommended by the Supervisory Board and then postponed to 2022, due to the economic situation linked to the Covid-19 crisis,

- the fixed compensation of the Managers, as determined in 2018, was not increased at any point during their first term (May 2018-May 2022); on the contrary, it was reduced by 25% in 2020 during the period when employees in France were furloughed,

- the Supervisory Board and the Non-Managing General Partner (SAGES) consider this increase to be justified in light of the Managers' achievements during their first term of office, including:

- the seamless implementation of the Managers' succession plan,
- more dynamic governance processes with the Supervisory Board, as noted in the external consultants' assessment of the Board's practices, and with the Non-Managing General Partner (SAGES),
- the efficient management of the consequences of the Covid-19 crisis,
- the preparation and launch of the Group's new expansion strategy around and beyond tires and the launch of the Group's transformation initiatives,
- the Managers' fixed compensation would be increased only from the beginning of their second four-year term, i.e., after the next Annual Shareholders Meeting in May 2022, and would then remain unchanged for the duration of their second term;

- ▶ concerning the quantum of the increase in fixed compensation:

- Florent Menegaux, Managing Chairman and General Partner: his fixed compensation would be raised to the amount paid to his predecessor between 2014 and 2019, i.e., €1,100,000.00 per year, resulting in an amount of €1,016,670.00 for 2022 (rounded, with the new compensation applied from June 1, 2022),

(1) Considering the convergent results of several studies carried out by leading compensation consultants on the compensation of equivalent categories of Company executives of CAC 40 companies.

(2) See the Committee's conclusions in section 3.3.2.2 of the 2020 Universal Registration Document.

(3) See the presentation by the Chair of the Compensation and Appointments Committee to the Annual Shareholders Meeting of June 23, 2020.

- Yves Chapot, General Manager: his new fixed compensation would amount to €770,000.00 per year, resulting in an amount of €700,000.00 for 2022 (rounded, with the new compensation applied from June 1, 2022),
- these changes should be considered in relation not only to the fact that the Managers' original fixed compensation remained unchanged throughout their first term, but also that their new compensation would remain unchanged throughout their second term, i.e., until 2026,

- the proposed increases are of the same order of magnitude as the average increase in the basic compensation of Group employees over the same interval,
- the Managers' new fixed compensation would correspond to⁽¹⁾:
 - for Florent Menegaux, the median compensation of the Chief Executives of CAC 40 companies,
 - for Yves Chapot, the median compensation of the Chief Operating Officers of CAC 40 companies.

3.3.2.3 Annual and long-term variable compensation

Shared principles

To engage Managers more deeply in the Company's performance and encourage them to act with its long-term interests in mind, their variable compensation includes an annual portion and a long-term portion, both of which are subject to performance conditions.

This structure means that the Managers' variable compensation fluctuates partly in line with net income for the year and partly on the basis of several additional performance conditions

related to factors that are essential for the deployment of Michelin's strategy to deliver sustainable growth.

The level and terms of the Managers' compensation take into account the positions of Managing Chairman and Managing General Partner, as well as the difference in status between a Managing General Partner and a General Manager.

Annual variable compensation

Florent Menegaux, Managing Chairman and General Partner

In light of the General Partners' unlimited joint and personal liability for the Company's debts, the General Partners are entitled to a share of annual profit (the "Profit Share") determined on the basis defined in the Company's Bylaws. This means that their interests are fully aligned with those of the shareholders, as they are paid Profit Shares only if the Company makes a profit⁽²⁾.

Allocation method

The Profit Share is defined in Articles 12 and 30 of the Company's Bylaws, which state⁽³⁾ that:

- ▶ the portion of the Profit Share attributable to the Managing General Partner(s) is determined by reference to the objectives set in advance by the Supervisory Board;
- ▶ the portion attributable to the Non-Managing General Partner is equal to the portion attributable to the Managing General Partner(s) in respect of his/her/their annual variable compensation or in any other form whatsoever (including in performance shares).

In all cases, the total Profit Share due to the General Partners is capped at 0.6% of consolidated net income for the year.

Calculation method

- ▶ at the beginning of each year, the Managers propose to the Compensation and Appointments Committee performance criteria and objectives that are consistent with the guidance and information communicated to the market;
- ▶ the Compensation and Appointments Committee analyses the Managers' proposals, taking into account:
 - AFEP/MEDEF Code recommendation 25 concerning the calculation principles and content of compensation packages;
 - the practices of the CAC 40 companies and appropriate benchmarks;
 - the compensation and employment conditions of Michelin employees;
 - the intrinsic variability of the Company's profits;
 - projected future profits; and
 - the unusual nature of General Partner status.
- ▶ the Compensation and Appointments Committee shares its conclusions with the Non-Managing General Partner (SAGES) and presents its recommendations to the Supervisory Board;
- ▶ the Supervisory Board discusses the recommendations of the Compensation and Appointments Committee and decides on the performance criteria and objectives for the current year;

(1) Based on the convergent results of studies carried out by leading compensation consultants and analyzed by the Compensation and Appointments Committee.

(2) Substantially all of the Profit Share received by SAGES, Non-Managing General Partner, is credited to the contingency reserve set up in application of its Bylaws.

(3) The Bylaws were amended by the Extraordinary Shareholders Meeting of May 21, 2021 (15th and 16th resolutions, respectively approved by 98.39% and 98.37% of the votes cast) in order to simplify the method of calculating the Profit Share, limit the portion of the Profit Share attributable to the Non-Managing General Partner (SAGES) and stipulate that free shares may be awarded to the Managers. Previously, the Profit Share defined in the Company's Bylaws was calculated on the basis of the Company's net income for the year, less dividends received from its two main subsidiaries. The total amount due to the General Partners was capped at 0.6% of consolidated net income for the year and the amount paid to the Non-Managing General Partner corresponded to the total Profit Share less the amount paid to the Managing General Partner (see section 3.3.2.3 of the 2020 Universal Registration Document).

- ▶ the General Partners then meet to set the compensation policy for the Managers for the current year and to formalize, subject to adoption by the Ordinary Shareholders Meeting of the corresponding resolutions i) for the Managing General Partner, by way of an agreement between the General Partners, the portion of the earnings for the current year that may be allocated to the Managing General Partner as annual variable compensation within the limits set by the Bylaws, and ii) for the General Manager, by way of a decision of the General Partners, the annual compensation components concerning him; said agreement and decision taking into account and integrating the performance criteria and annual variable compensation objectives set by the Supervisory Board, after consultation and deliberation by the latter;
- ▶ the Managing Chairman, after confirming the Non-Managing General Partner's approval, submits the corresponding draft resolutions to the Ordinary Shareholders Meeting under the conditions set out in the applicable regulations;
- ▶ once the compensation policy has been approved by the Ordinary Shareholders Meeting, the General Partners sign an agreement covering the determination of the Profit Share and formally recognizing that the criteria for determining the Managing General Partner's annual variable compensation will be applied to calculate the portion of the Profit Share attributable to him.

At each year-end, the Compensation and Appointments Committee reviews the results for the applicable objectives and presents its recommendations to the Supervisory Board.

The Supervisory Board confirms the Compensation and Appointments Committee's performance assessment and shares this assessment with the Non-Managing General Partner.

The General Partners approve the components of the annual and long-term variable compensation to be paid or delivered to the Managing Chairman and General Partner based on the Supervisory Board's assessment of the achievement rate for the performance objectives and criteria.

Annual variable compensation structure

The annual variable compensation of Florent Menegaux would consist of two components:

- ▶ a first component, calculated in a specific way because of his financial and legal responsibility as General Partner, would be equal to 4% of the maximum Profit Share. The same principle is also used – after adjustment – to determine the General Manager's variable compensation;
- ▶ a second component, with an overall weighting of 80%, would be calculated on the basis of a percentage of his annual fixed compensation and would be determined by the results of the following performance criteria decided by the Supervisory Board:
 - two quantitative criteria (each weighted at 25%):
 - growth in segment operating income (SOI), and
 - growth in structural free cash flow before acquisitions,
 these criteria also apply to the General Manager and to all Group employees who are eligible to participate in the bonus scheme,
 - five quantifiable qualitative criteria:
 - deployment of the Group's transformations (10% weighting),
 - synergies achieved on the latest company acquisitions (5% weighting),
 - the level of the Total Case Incident Rate (TCIR) (with a 5% weighting),

- the percentage of women in the management group (5% weighting),
- the level of CO₂ emissions (Scopes 1 and 2 and upstream/downstream transport activities in Scope 3) (5% weighting).

These seven criteria would also be applied to the General Manager and 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) and an intermediate tranche (between the trigger point and 100% of the objective, with the compensation prorated to the achievement rate for the objective);

- ▶ the total annual variable compensation (i.e., the sum of the first and second components) would be capped, as decided by the Supervisory Board for the 2021 annual variable compensation, at 150% of the reference fixed compensation. For example, for fixed compensation of €1,016,670.00 for 2022, the total annual variable compensation would be capped at €1,525,000.00, and would be deducted from the Profit Share.

For reasons of confidentiality and business secrecy, and in particular to avoid disclosing information about the Company's strategy that could be used by business competitors for their advantage, the Supervisory Board has elected not to disclose details of the performance targets set for these quantitative and quantifiable criteria. However, to permit historical comparisons, the 2021 objectives set by the Supervisory Board for the quantitative performance criteria are presented in section 3.4.4.2 of this report.

Yves Chapot, General Manager

Calculation method

The performance criteria and objectives applicable to the General Manager would be determined and assessed in the same way as for the Managing Chairman, except for the specific features linked to the status of General Partner.

Annual variable compensation structure

Yves Chapot's annual variable compensation would be calculated on a basis equal to 100% of his 2022 fixed compensation, with the same performance criteria as those used to determine the Managing Chairman's variable compensation, as presented above:

- ▶ three quantitative criteria:
 - growth in net income (20% weighting), growth in segment operating income (25% weighting),
 - growth in structural free cash flow before acquisitions (25% weighting),
 - for a total amount equal to up to 70% of the base;
- ▶ five quantifiable qualitative criteria:
 - deployment of the Group's transformations (10% weighting),
 - synergies achieved on the latest company acquisitions (5% weighting),
 - the level of the Total Case Incident Rate (TCIR) (with a 5% weighting),
 - the percentage of women in the management group (5% weighting),
 - the level of CO₂ emissions (Scopes 1 and 2 and upstream/downstream transport activities in Scope 3) (5% weighting).

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) and an intermediate tranche (between the trigger point and 100% of the objective, with the compensation prorated to the achievement rate for the objective);

- ▶ the total annual variable compensation would be capped, as decided by the Supervisory Board for the 2021 annual variable compensation, at 150% of the reference fixed compensation.

For example, for fixed compensation of €700,000.00 for 2022, the total annual variable compensation would be capped at €1,050,000.00.

For reasons of confidentiality and business secrecy, and in particular to avoid disclosing information about the Company's strategy that could be used by business competitors for their advantage, the Supervisory Board has elected not to disclose details of the performance targets set for these quantitative and quantifiable criteria. However, to permit historical comparisons, the 2021 objectives set by the Supervisory Board for the quantitative performance criteria are presented in section 3.4.5.2 of this report.

Long-term variable compensation: performance share rights

In order to align the Managers' medium/long-term objectives with the objectives assigned to the employees of Group companies, this compensation takes the form of Michelin performance share rights⁽¹⁾.

Among the changes adopted in 2020 to strike a better balance between the People, Planet and Profit criteria, the weightings of the performance criteria applicable to all employees participating in the performance share plan were adjusted to raise the CSR performance criterion from 30% in 2020 to 40% in 2021 (both indicators combined), and lower the operational performance criterion from 40% to 30% (both indicators combined).

The performance criteria are as follows:

Criteria		Weighting
Share price performance	Michelin share price to outperform the Stoxx Europe 600 index by between 0 points (threshold) and 5 points (ceiling) between 2021 and 2024 (based on average closing prices for the period)	30%
Corporate social responsibility performance	Industrial-Michelin Environmental Performance (i-MEP ⁽¹⁾) indicator to range between 87 points (threshold) and 83 points (ceiling) in 2024	20%
	Change in average employee engagement rate: average annual change to range between 0 points (threshold) and 1 point (ceiling) on a like-for-like consolidated basis over the years 2022, 2023 and 2024	20%
Operating performance	Average annual growth in revenue excluding tires and distribution ⁽²⁾ to range between 5% (threshold) and 10% (ceiling) between 2022/2021, 2023/2022 and 2024/2023	15%
	Total consolidated return on capital employed (ROCE) (including acquisitions, related goodwill and equity-accounted companies) to range between 10% (threshold) and 11% (ceiling) in 2024	15%

(1) Annual scope based on reported figures, including acquisitions from the fourth year of consolidation in the Group's financial statements.

(2) At constant exchange rates and based on a comparable scope of consolidation.

For all criteria, fulfillment is calculated as follows:

- ▶ if the minimum performance condition is not met, no shares will vest;
- ▶ if the minimum performance condition is met or exceeded, shares will vest on a gradual and proportional basis up to a certain ceiling.

The main specific characteristics of the performance share rights that may be awarded to the Managers in 2022 are as follows:

- ▶ the awards are decided annually by the Managing Chairman on the proposal of the General Partners, after the performance conditions and criteria have been determined by the Supervisory Board;
- ▶ the total performance share rights awarded to the Managers during the period of validity of the above resolution approved

on June 23, 2020, will be capped at 0.05% of the Company's share capital on the date of the Shareholders Meeting at which the resolution is adopted;

- ▶ in addition, for the Managing Chairman, the performance share rights granted in 2022 would be limited to 140% of his 2022 fixed compensation and for the General Manager, the rights granted in 2022 would be limited to 120% of his 2022 fixed compensation; these levels correspond to the median rates for their counterparts in CAC 40 companies⁽²⁾;
- ▶ the Managers will be required to hold 40% of the vested shares for as long as they remain in office;
- ▶ concerning the Managing Chairman and General Partner, the vested performance shares would be delivered to him only if Profit Share was distributed in respect of the year preceding the one in which the shares were issued;

(1) Authorized by the Extraordinary Shareholders Meeting of June 23, 2020 (25th resolution approved by a majority of 97.02% of the votes cast), in application of the criteria presented in section 7.1.1 of the 2019 Universal Registration Document and adapted by the 2021 Compensation Policy (see section 3.3.2.3 of the 2020 Universal Registration Document).

(2) Based on the Compensation and Appointments Committee's analysis of the convergent results of several studies carried out by leading compensation consultants.

- ▶ if a Manager ceases to hold this position:
 - following his resignation or removal from office due to mismanagement, all the performance share rights would be forfeited,
 - for any other reason, such as the expiration of his term or due to disability or death before the end of the reference period for determining the achievement rate for the

performance criteria, he would retain a number of performance share rights initially awarded to him prorated to the time served in office during the vesting period (or the total number in the case of disability or death), and the reference three-year period would continue to run, during and beyond the end of his term.

3.3.2.4 Fringe benefits and directors' compensation

Each Manager has a fringe benefit in the form of a Company car. They do not receive any compensation (previously referred to as attendance fees) for serving on the Board of the Company or any Group subsidiaries.

As corporate officers of the Company or MFPM, Florent Menegaux and Yves Chapot are covered by health and death/disability insurance plans in the same way as the employees of the Company or MFPM.

3.3.2.5 Stock options

No stock options are granted to the Managers by the Company or any Group subsidiaries.

3.3.2.6 Pension benefits

There is no specific supplementary pension plan set up for the Managers or the Chair(man) of the Supervisory Board.

Florent Menegaux, in his capacity as Chairman of MFPM, and Yves Chapot, in his capacity as General Manager of CGEM, participate in the supplementary pension plan described in sections 3.4.4.5 and 3.4.5.5 of this 2021 Universal Registration Document.

In accordance with Government Order No. 2019-697 dated July 3, 2019, this plan has been closed to new members since July 4, 2019 and the vesting period was frozen at December 31, 2019.

Under the plan rules, the vested rights of the current two Managers entitle them to capped pension benefits corresponding to a 15% replacement rate.

If a Manager was no longer able to participate in the Michelin Executive Supplementary Pension Plan, he could be given the opportunity to either (i) participate in a new defined contribution plan, or (ii) build up a pension fund by receiving an initial seed capital award, in cash or shares, and annual payments.

The Managers participate in the PERO mandatory pension plan in the same way as all employees of CGEM and MFPM.

3.3.2.7 Compensation for loss of office

In accordance with Article 13-2 of the Bylaws, if a Manager were to be removed from office before the end of his term as a result of a change of strategy or a change of control of the Company, provided such removal was not due to gross misconduct, he would be entitled to compensation for loss of office to be decided by the Non-Managing General Partner, SAGES, subject to the prior approval of the Supervisory Board. The amount of any such compensation would not exceed the equivalent of the Manager's total compensation for the two years preceding the year of his removal from office.

By decision of the Supervisory Board, it would be based on the performance criteria used to determine his annual variable compensation and would be calculated using the following formula:

[Total compensation paid over the two years preceding the loss of office] x [the average (in %) of the achievement rates for the annual variable compensation for the three years preceding the loss of office.]

The compensation for loss of office would be reduced, if applicable, so that any other severance payments due to a Manager would not result in his receiving an aggregate severance package in excess of two years' compensation, as recommended in the AFEP/MEDEF Code.

3.3.2.8 Non-compete clause

In the same way as Michelin employees who have specific expertise that needs to be protected to prevent its use by a competitor in a manner that is detrimental to the Company's interests, each Manager is subject to a non-compete clause.

If the Company decided to apply this non-compete clause for a period of up to two years, in line with the conditions described in section 3.6.1.12 of this 2021 Universal Registration Document:

- ▶ Florent Menegaux, Managing General Partner and Managing Chairman, would be entitled to a non-compete indemnity of up to 24 months' compensation based on his most recent annual fixed compensation as Manager;

- ▶ Yves Chapot, General Manager, would be entitled to a non-compete indemnity of up to 24 months' compensation based on the compensation defined in his suspended contract of employment for the position held immediately before his election as Manager. The terms of the commitment would be amended in 2022 so that the above baseline would be indexed to the average growth in compensation of Michelin Executive Committee members since his employment contract was suspended.

In accordance with Article R. 22-10-40-III of the French Commercial Code, the above compensation would not be payable if Florent Menegaux or Yves Chapot retired on leaving the Group.

In accordance with the AFEP/MEDEF Code:

- ▶ the Company may waive application of this clause;
- ▶ if compensation for loss of office were to be awarded as provided for above (see “Compensation for loss of office” above), the non-compete indemnity would be reduced or

withheld entirely, if necessary, so that the Manager’s aggregate severance package, including the non-compete indemnity referred to above, would not exceed the equivalent of the aggregate of his last two years’ compensation.

3.3.2.9 Exceptional compensation

There are no plans to award any exceptional compensation to either of the Managers.

3.3.2.10 Employment contract

Due to his status and specific responsibilities, under the applicable Compensation Policy the Managing General Partner ceases to be covered by any employment contract that may have existed between him and a Group company. This rule applies even if he has acquired considerable seniority with the Group.

Consequently, Florent Menegaux no longer has an employment contract with the Company or any of its subsidiaries since he became Managing General Partner of the Company⁽¹⁾.

In addition, Yves Chapot’s mandate as General Manager justifies suspending his pre-existing employment contract with a Michelin Group company for the following reasons:

- ▶ Yves Chapot is not the most senior executive officer (Manager); he reports to the Managing Chairman who, according to the Company’s Bylaws, defines the Managers’ areas of responsibility and any restrictions on their powers, as well as setting their annual objectives;

- ▶ the position of General Manager is therefore similar to that of a Chief Operating Officer or a member of the Management Board of a joint stock corporation. The AFEP/MEDEF Code does not recommend terminating these executives’ employment contracts;
- ▶ Yves Chapot has acquired considerable seniority, having worked for the Michelin Group without interruption for over 29 years (since 1992);
- ▶ if Yves Chapot were to cease to be a Manager, any compensation for loss of office or non-compete indemnity due to him would be reduced or canceled if necessary so that the total amount payable – including the termination benefit in respect of his suspended employment contract – would not exceed his final two years’ total compensation.

3.3.2.11 Proposed resolution on the Compensation Policy for the Managers

At the Ordinary Shareholders Meeting called to approve the 2021 financial statements, shareholders will be asked to approve the following resolution:

6th resolution

Approval of the Compensation Policy applicable to the Managers

Having noted the agreement of the General Partners and considered the report of the Supervisory Board, the Annual Shareholders Meeting, in application of Article L. 22-10-76-II of the

French Commercial Code, approves the Compensation Policy applicable to the Managers drawn up by the General Partners, as presented in the Corporate Governance Report set out in sections 3.3.1 and 3.3.2 of the Company’s 2021 Universal Registration Document.

⁽¹⁾ This adaptation to the full application of the AFEP/MEDEF Code’s recommendations is mentioned in the table in section 3.2.8 prepared in accordance with the “comply or explain” rule.

3.3.3 COMPENSATION POLICY: MEMBERS OF THE SUPERVISORY BOARD

This section describes the components of the Compensation Policy applicable to the members of the Supervisory Board. These components are presented in a proposed resolution approved by the General Partners that will be submitted for shareholder approval at the Ordinary Shareholders Meeting called to approve the 2021 financial statements (7th resolution).

Concerning the members of the Supervisory Board, the Bylaws state that the Ordinary Shareholders Meeting may award a fixed annual amount to the Supervisory Board, to be allocated by the Board among its members in accordance with the Compensation Policy that it has drawn up.

The compensation components were determined by the Supervisory Board on the recommendation of its Compensation and Appointments Committee.

3.3.3.1 Compensation for service as members of the Supervisory Board

At the Ordinary Shareholders Meeting of May 17, 2019, the total compensation payable to Supervisory Board members was set at €770,000.00 (12th resolution, adopted by a majority of 99.15% of the votes cast).

Due in particular to the increase in the number of Supervisory Board members (with the addition of two new members) and the creation of a new Corporate Social Responsibility Committee (CSR Committee), it was not possible to pay in full the compensation per Supervisory Board member defined in the 2021 Compensation policy.

To take these changes into account, the Compensation and Appointments Committee recommended that the Supervisory Board present to the Annual Shareholders Meeting of May 13, 2022 a resolution to increase the total amount of compensation awarded to the Supervisory Board to €950,000.00 as of 2022. The rules concerning the allocation of this amount would be unchanged from those specified in the 2021 Compensation Policy:

- ▶ allocation of a basic amount to each member (€45,000.00);
- ▶ allocation of additional amount no. 1 to each member who sits on a Committee of the Supervisory Board and participates in its work (€15,000.00);
- ▶ allocation of additional amount no. 2 to each member who serves as Chair of a Committee of the Supervisory Board and participates in its work, (€30,000.00 or €35,000.00 for the Chair of the Audit Committee) (recipients of this additional amount no. 2 are not entitled to additional amount no. 1 for their participation in the Committee's work);

- ▶ allocation of additional amount no. 3 to the Senior Independent Member of the Supervisory Board (€15,000.00);
- ▶ allocation of additional amount no. 4 to the Chair(man) of the Supervisory Board (€75,000.00), who is not entitled to additional amounts nos. 1, 2 or 3;
- ▶ allocation of additional amount no. 5 to Supervisory Board members who live outside Europe on a permanent basis (€10,000.00, prorated to their physical attendance at meetings of the Board and its Committees).

Payment of 60% of the total amount receivable (basic amount and any of the additional amounts defined above) will depend on the member's attendance rate at meetings of the Supervisory Board and of any Committees of which he or she is a member, based on the meeting schedule established at the start of the year.

The attendance rate and the corresponding allocation of annual compensation for a given year will be prepared by the Compensation and Appointments Committee then approved by the Supervisory Board during the first quarter of the following year.

The compensation will be paid (including to the Chair(man) of the Supervisory Board) during the first half of the year following the one to which it relates, provided that the resolution on the disclosures required by Article L. 22-10-9 of the French Commercial Code has been approved by the Annual Shareholders Meeting called to approve the financial statements for the year preceding the one to which the compensation relates.

3.3.3.2 Other compensation

As the Supervisory Board members do not hold any other positions within the Company or the Michelin Group, they do not receive any other compensation from the Company or its subsidiaries.

3.3.3.3 Proposed resolution on the Compensation Policy for members of the Supervisory Board

At the Ordinary Shareholders Meeting called to approve the 2021 financial statements, shareholders will be asked to approve the following resolution:

7th resolution

Approval of the Compensation Policy applicable to members of the Supervisory Board

Having noted the agreement of the General Partners and considered the report of the Supervisory Board, the Annual Shareholders Meeting, in application of Article L. 22-10-76-II of

the French Commercial Code, approves the Compensation Policy applicable to the members of the Supervisory Board, as presented in the Corporate Governance Report set out in sections 3.3.1 and 3.3.3 of the Company's 2021 Universal Registration Document.

3.4 INFORMATION ABOUT THE COMPONENTS OF COMPENSATION PAID OR AWARDED TO THE CORPORATE OFFICERS

3.4.1 COMPENSATION OF THE MEMBERS OF THE SUPERVISORY BOARD

No variable compensation was paid to Supervisory Board members in 2021.

The 2021 compensation policy for Supervisory Board members was presented to the Ordinary Shareholders Meeting of May 21, 2021 and was approved by a 99.75% majority of the votes cast.

Information about the members' attendance rates at meetings of the Supervisory Board and its Committees in 2021 is provided in section 3.2.2 of this 2021 Universal Registration Document.

The following table shows:

- ▶ amounts paid in 2020 in respect of services to the Board in 2019;
- ▶ amounts awarded for services to the Board in 2020, paid in 2021;
- ▶ amounts paid in 2021 in respect of services to the Board in 2020;
- ▶ amounts awarded for services to the Board in 2021, not yet paid.

Supervisory Board members	2021 ⁽¹⁾		2020 ⁽¹⁾	
	Amount awarded (in €)	Amount paid (in €)	Amount awarded (in €)	Amount paid (in €)
Barbara Dalibard ⁽²⁾	91,153	80,000	80,000	90,000
Olivier Bazil ⁽³⁾	N/A	35,500	35,500	80,000
Jean-Pierre Duprieu	71,963	62,500	62,500	60,000
Aruna Jayanthi	57,570	70,000	70,000	70,000
Anne-Sophie de La Bigne	71,963	65,000	65,000	71,250
Patrick de La Chevardière ⁽⁴⁾	76,760	44,500	44,500	N/A
Jean-Christophe Laourde ⁽⁵⁾	51,573	9,000	9,000	N/A
Thierry Le Hénaff	71,963	68,330	68,330	56,727
Monique Leroux	86,355	80,000	80,000	70,000
Cyrille Poughon ⁽⁶⁾	N/A	47,250	47,250	60,000
Michel Rollier ⁽⁷⁾	47,975	120,000	120,000	112,800
Delphine Roussy ⁽⁵⁾	51,573	9,000	9,000	N/A
Wolf-Henning Scheider ⁽⁸⁾	33,582	N/A	N/A	N/A
Jean-Michel Severino ⁽⁹⁾	57,570	17,750	17,750	N/A
TOTAL	770,000⁽¹⁰⁾	708,830⁽¹¹⁾	708,830⁽¹¹⁾	670,777

(1) The compensation indicated consists solely of fixed compensation for services as Supervisory Board member. No variable compensation was paid for these services and no other compensation was awarded or paid.

(2) Chair of the Supervisory Board since May 2021.

(3) Supervisory Board member until June 2020.

(4) Supervisory Board member since June 2020.

(5) Supervisory Board member since December 2020.

(6) Supervisory Board member until October 2020.

(7) Chairman and member of the Supervisory Board until May 2021.

(8) Supervisory Board member since May 2021.

(9) Supervisory Board member since November 2020.

(10) The amounts awarded in respect of 2021 have been determined in application of the 2021 Supervisory Board Compensation Policy approved by the Ordinary Shareholders Meeting of May 21, 2021 (7th resolution adopted by a majority of 99.84% of the votes cast).

(11) The amounts paid in 2021 were awarded in respect of 2020 out of the total annual compensation of €770,000 decided by the Ordinary Shareholders Meeting of May 17, 2019 (12th resolution adopted by a majority of 99.15% of the votes cast).

3.4.2 COMPENSATION OF MICHEL ROLLIER, CHAIRMAN OF THE SUPERVISORY BOARD UNTIL MAY 21, 2021

The Compensation and Appointments Committee of the Supervisory Board has reviewed all the components of the compensation paid or awarded to Michel Rollier, Chairman of the Supervisory Board until his term as Supervisory Board member expired on May 21, 2021. The review was based on the 2021 Compensation Policy.

3.4.2.1 Compensation for serving on the Supervisory Board

In 2021, Michel Rollier received a total of €120,000.00.00 in respect of 2020.

Under the 2021 Compensation Policy, Michel Rollier is in line to receive €47,975 in 2022 in respect of the period served on the Supervisory Board in 2021.

No variable compensation was paid or awarded to Michel Rollier during or in respect of 2021.

Information about Michel Rollier's attendance rate at meetings of the Supervisory Board and its Committees in 2021 is provided in section 3.2.2 of this 2021 Universal Registration Document.

3.4.2.2 Other compensation

No other compensation was paid or awarded to Michel Rollier during or in respect of 2021.

3.4.3 COMPENSATION OF BARBARA DALIBARD, CHAIR OF THE SUPERVISORY BOARD SINCE MAY 21, 2021

The Compensation and Appointments Committee of the Supervisory Board has reviewed all the components of the compensation paid or awarded to Barbara Dalibard in her capacity as Chair of the Supervisory Board since May 21, 2021 when she was elected to this position by her fellow Supervisory Board members. The review was based on the 2021 Compensation Policy.

3.4.3.1 Compensation for serving on the Supervisory Board

Under the 2021 Compensation Policy, Barbara Dalibard is in line to receive €91,153.00 in 2022 in respect of 2021, including compensation for her service as Chair of the Supervisory Board for the period from May 2021.

No variable compensation was paid or awarded to Michel Rollier during or in respect of 2021.

Information about Barbara Dalibard's attendance rates at meetings of the Supervisory Board and its Committees in 2021 is provided in section 3.2.2 of this 2021 Universal Registration Document.

3.4.3.2 Other compensation

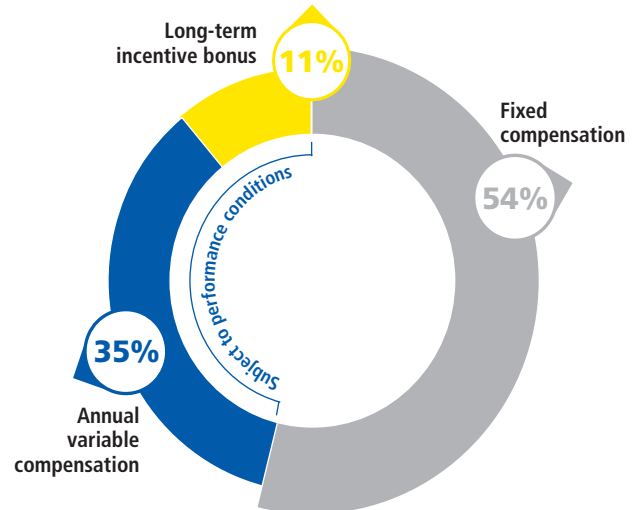
No other compensation was paid or awarded to Barbara Dalibard during or in respect of 2021.

3.4.4 COMPENSATION PACKAGE OF FLORENT MENEGAUX, MANAGING CHAIRMAN AND GENERAL PARTNER

In his capacity as General Partner of CGEM⁽¹⁾, Florent Menegaux has unlimited joint and personal liability for CGEM's debts. As consideration for this liability, the General Partners each receive a portion of the Company's profits as provided for in the Bylaws. As consideration for this liability, the General Partners each receive a portion of the Company's profits as provided for in the Bylaws. This means that their interests are fully aligned with those of the shareholders, as they are paid this consideration only if the Company makes a profit.

The Compensation and Appointments Committee of the Supervisory Board has reviewed all the components of the compensation paid to Florent Menegaux in 2021 or awarded to him in respect of 2021, pursuant to the 2021 Compensation Policy. This policy is described in the Corporate Governance Report reproduced in the 2020 Universal Registration Document⁽²⁾ and was presented to the Annual Shareholders Meeting of May 21, 2021 by the Chair of the Compensation and Appointments Committee (the "2021 Compensation Policy")⁽³⁾.

COMPENSATION PAID TO FLORENT MENEGAUX IN 2021



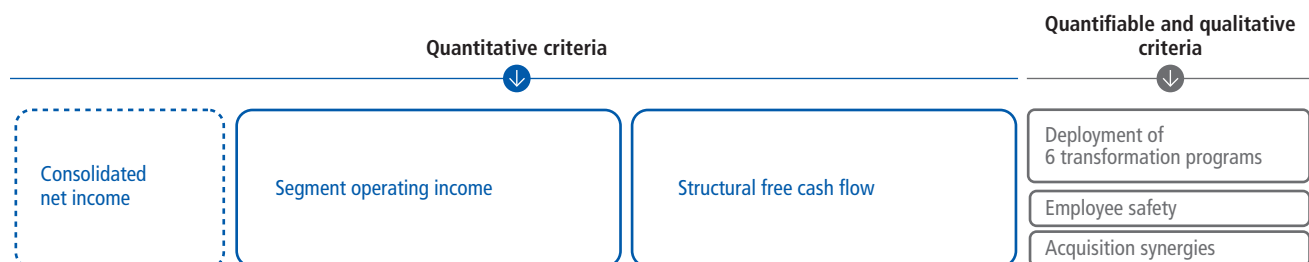
3.4.4.1 Fixed compensation

In application of the 2021 Compensation Policy, the fixed compensation received by Florent Menegaux, unchanged since his election by the Annual Shareholders Meeting of May 18, 2018, was €900,000.00⁽⁴⁾.

3.4.4.2 Annual variable compensation

Florent Menegaux's annual variable compensation has been determined in application of the 2021 Compensation Policy and is deducted in full from the General Partners' 2021 Profit Share⁽⁵⁾.

ANNUAL VARIABLE COMPENSATION



(Illustrative example of the breakdown of the relative weighting of each of the criteria (excluding consolidated net income) corresponding to the maximum achievement of all the objectives and not to the 2021 results)

(1) At December 31, 2021, the Company had two General Partners: Florent Menegaux, Managing Chairman, and SAGES, Non-Managing General Partner (see section 3.1.2 of this 2021 Universal Registration Document).

(2) See sections 3.3.1 and 3.3.2 of the 2020 Universal Registration Document.

(3) See the information/presentations on the May 21, 2021 Annual Shareholders Meeting on the Company's website www.michelin.com.

(4) Compensation paid by Manufacture Française des Pneumatiques Michelin (MFPM) in consideration of his role as General Manager of the Company.

(5) See the 2nd resolution presented to the Annual Shareholders Meeting of May 13, 2022. The Profit Share is fixed in the Company's Bylaws and is capped at 0.6% of consolidated net income for the year (see sections 3.3.2.3 and 3.10.5 of this 2021 Universal Registration Document).

The achievement rates for the criteria that determine the amounts due in respect of annual variable compensation are as follows:

Quantitative criteria	Segment operating income (SOI, based on 2020 exchange rates and consolidation scope)	Annual structural free cash flow	Level of consolidated net income
Indicator	Amount	Amount	Amount
Target	Threshold: €2,400m Target: €2,800m Ceiling: €3,000m	Threshold: €800m Target: €1,000m Ceiling: €1,100m	4.00%
Indicator: 2021 Actual	€3,108m	€1,793m	€1,845m
Maximum value (% of the Profit Share) ⁽¹⁾	8.00%	8.00%	4.00%
Achievement rate	8.00%	8.00%	4.00%

(1) The maximum value, if the SOI and free cash flow targets are met, is capped at 16% of the Profit Share.

Quantifiable qualitative criteria	Deployment of the six transformations	CSR/TCIR ⁽¹⁾	Acquisition synergies ⁽²⁾
Maximum value (% of the Profit Share)	2.00%	1.00%	1.00%
Achievement rate	1.32%	0%	1.00%

(1) Total Case Incident Rate.

(2) Scope: Camso, Fenner, Multistrada and Masternaut (based on 2020 exchange rates).

Overall achievement rate	18.32%/20%⁽¹⁾
Amount awarded (in €)	1,350,000.00 ⁽²⁾
As a % of the reference fixed compensation	150.00%

(1) Florent Menegaux would be awarded the maximum 20% of the Consolidated Calculation Base for this component only if all the objectives were achieved in full.

(2) Based on the achievement rates for the performance criteria, Florent Menegaux's theoretical annual variable compensation amounts to €2,028,097, reduced to an actual amount of €1,350,000 after applying the cap of 150% of his reference fixed compensation (€900,000).

All quantitative and qualitative objectives were set at the start of 2021 and were not adjusted during the year.

The Compensation and Appointments Committee carefully reviewed achievement rates for each of the quantitative and qualitative criteria. Concerning the quantifiable qualitative criteria, the Committee's conclusions were as follows:

- ▶ for the "Deployment of the six transformations" criterion, the Committee noted that the objectives had been met, based on the new strategic dashboard evidencing:
 - changes in the Balanced Score Card in line with expectations,
 - deployment of the People, Profit, Planet strategy,
 - advances in the Group's strategic diversification;
- ▶ for the Corporate Social Responsibility criterion (Total Case Incident Rate, measuring improvements to the safety of Michelin Group employees), the Committee noted that the objective had not been met, with the TCIR at 1.29;

- ▶ for the criterion concerning implementation of the synergies created by the integration of Camso, Fenner, Multistrada and Masternaut, the Committee noted that total synergistic benefits of €122 million had been obtained in 2021, representing a significant increase compared to 2020 synergies.

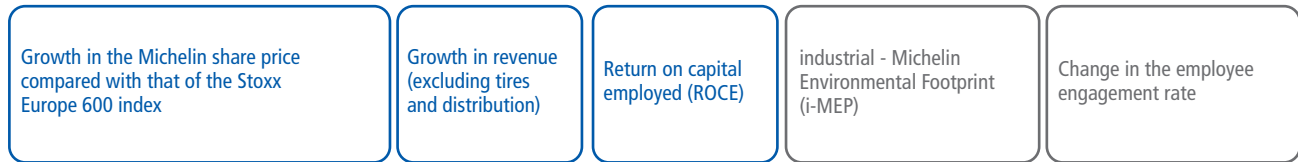
In conclusion of its analysis, the Committee recommended to the Supervisory Board that cumulative actual performance in relation to these quantifiable qualitative criteria should be rated as 18.32% versus a maximum of 20.00%. Given the Calculation Base of €11,070,402.00 (0.60% of consolidated net income for the year), Florent Menegaux's theoretical annual variable compensation therefore amounts to €2,028,097.00, reduced to an actual amount of €1,350,000.00 after applying the cap of 150.00% of his reference fixed compensation.

After discussing the matter during its meeting on February 11, 2022, the Supervisory Board approved the Compensation and Appointments Committee's recommendations, which were then also approved by the General Partners.

3.4.4.3 Long-term variable compensation granted in 2021: performance share rights

DEFERRED VARIABLE COMPENSATION

Quantitative criteria



(Illustrative example of the breakdown of the relative weighting of each of the criteria, corresponding to the maximum achievement of all the objectives and not to the 2021 results)

On November 17, 2021, 8,397 performance share rights were awarded to Florent Menegaux. The book value of these rights at December 31, 2021 was €727,106.88 (based on IFRS 2) and the rights represented less than 0.0048% of the total Michelin shares outstanding at the year-end.

This award was:

- ▶ authorized in an extraordinary resolution of the Annual Shareholders Meeting of June 23, 2020⁽¹⁾;
- ▶ made on the proposal of the General Partners in application of the conditions and criteria determined by the Supervisory Board, as presented in the 2019 and 2020 Universal Registration Documents⁽²⁾, and in application of the 2021 Compensation Policy.

In application of the 2021 Compensation Policy, the award is subject to the following specific rules:

- ▶ the Managers are required to hold 40% of the vested shares for as long as they remain in office;

- ▶ the award is limited to 100% of the Manager's fixed annual compensation for that year;
- ▶ in addition, performance share rights awarded to the Managers during the period of validity of the above-mentioned resolution (38 months) may not exceed the equivalent of 0.05% of the Company's capital; this is a specific sub-cap applicable to the Managers within the overall cap of 0.9% applicable to all beneficiaries as mentioned under the abovementioned resolution;
- ▶ concerning Florent Menegaux, Managing Chairman and General Partner, the vested performance shares would be delivered to him only if Profit Share was distributed in respect of the year preceding the one in which the shares are issued.

In accordance with AFEP-MEDEF Code recommendation No. 25.3.3, the equity risk on the performance shares has not been hedged by Florent Menegaux and will not be hedged at any time during the holding period.

(1) 25th resolution approved by a majority of 97.02% of the votes cast.

(2) See section 7.1.1 of the 2019 Universal Registration Document and section 3.3.2.3 of the 2020 Universal Registration Document (2021 Compensation Policy).

The performance criteria are presented below.

Criteria	Weighting	Interim results	
		2021 vs. 2020	
Share price performance	Michelin share price to outperform the Stoxx Europe 600 index by between 0 points (threshold) and 5 points (ceiling) between 2020 and 2023 (based on average closing prices for the period)	30.00%	+11.3 points
Corporate social responsibility performance	Industrial-Michelin Environmental Performance (i-MEP ⁽¹⁾) indicator of between 92 points (threshold) and 88 points (ceiling) in 2023	20.00%	92.6 points
	Change in average employee engagement rate: average annual change of between 0 points (threshold) and 1 point (ceiling) on a like-for-like consolidated basis over the years 2021, 2022 and 2023	20.00%	-2.0 points
Operating performance	Average annual growth in revenue excluding tires and distribution ⁽²⁾ of between 3% (threshold) and 8% (ceiling) between 2021/2020, 2022/2021 and 2023/2022	15.00%	7.70%
	Total consolidated return on capital employed (ROCE) (including acquisitions, related goodwill and equity-accounted companies) of between 10% (threshold) and 11% (ceiling) in 2023.	15.00%	10.30%

(1) Annual scope based on reported figures, including acquisitions from the fourth year of consolidation in the Group's financial statements.

(2) At constant exchange rates and based on a comparable scope of consolidation.

For all criteria, fulfillment is calculated as follows:

- ▶ performance below threshold: no shares will vest;
- ▶ performance between the threshold and the ceiling: vesting rate pro rated to the achievement rate;
- ▶ performance equal to or greater than the ceiling: all the shares will vest.

3.4.4.4 Fringe benefits, stock options and directors' or Supervisory Board members' compensation

In line with the 2021 Compensation Policy, in 2021 Florent Menegaux did not receive (i) any compensation in his capacity as a member of the Board of Directors or Supervisory Board of the Company or any controlled entities, (ii) any benefits other

than those listed above, or (iii) any stock options of the Company or any controlled entities.

Mr. Menegaux has a fringe benefit in the form of a Company car (see the table in section 3.6.1.2).

3.4.4.5 Pension benefits

There is no specific supplementary pension plan set up for the Managers or the Chair(man) of the Supervisory Board.

In his capacity as Chairman of the subsidiary MFPM, Mr. Menegaux participates in the supplementary pension plan set up for MFPM and CGEM senior executives (the Michelin Executive Supplementary Pension Plan).

As required by Article D. 22-10-16 of the French Commercial Code, this plan, governed by Article L. 137-11 of the French Social Security Code (*Code de la sécurité sociale*) and Article 39 of the French General Tax Code (*Code général des impôts*), is described below:

- ▶ as of their retirement date, participants must have served for at least five years as a senior executive to be eligible for benefits;

- ▶ 1.50% of benefits vest each year, entitling participants to an annuity representing a replacement rate of up to 15.00% of the reference compensation (annual average of the best three years of compensation out of the last five years preceding the beneficiary's retirement). In accordance with the government order dated July 3, 2019, no rights have vested since December 31, 2019;
- ▶ the replacement rate including benefit entitlements under compulsory plans is capped at 35.00%;
- ▶ an evaluation is carried out in accordance with Group accounting policies;
- ▶ benefit entitlement is conditional on participants ending their career at MFPM as an executive employee or corporate officer, in accordance with Article L. 137-11 of the French Social Security Code;
- ▶ 70.00% of the prior year's benefit obligation is funded through a contribution to an insured plan.

Mr. Menegaux's reference compensation for 2021 was made up solely of the annual fixed compensation paid by MFPM.

Based on the assumptions in Article D. 22-10-16 of the French Commercial Code introduced by Decree No. 2019-1235, the estimated gross annual pension payable to Mr. Menegaux under this plan amounts to €135,000.

The benefit represented by the Company's contributions to the plan is taxed at the rate of 24%. The actual gross replacement rate represented by pension benefits paid under the plan will be well below the 45% ceiling recommended in the AFEF/MEDEF Code.

In consideration of his position, Florent Menegaux participates in the PERO mandatory supplementary pension plan in the same way as all employees of CGEM and MFPM.

3.4.4.6 Compensation for loss of office

No compensation for loss of office was paid to Yves Chapot in 2021⁽¹⁾.

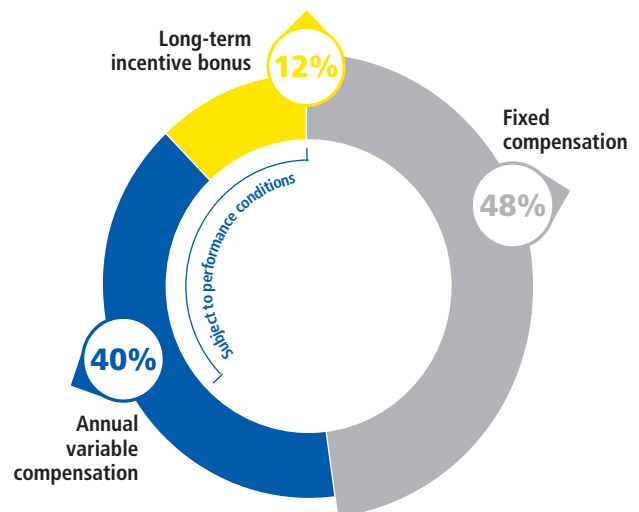
3.4.4.7 Non-compete clause

No non-compete indemnity was paid to Florent Menegaux in 2021⁽¹⁾.

3.4.5 COMPENSATION PACKAGE OF YVES CHAPOT, GENERAL MANAGER

The Compensation and Appointments Committee of the Supervisory Board has reviewed all the components of the compensation paid to Yves Chapot in 2021 or awarded to him in respect of 2021 in his capacity as General Manager, pursuant to the 2021 Compensation Policy. This policy is described in the Corporate Governance Report reproduced in the 2020 Universal Registration Document⁽²⁾ and was presented to the Annual Shareholders Meeting of May 21, 2021 by the Chair of the Compensation and Appointments Committee (the "2021 Compensation Policy")⁽³⁾.

COMPENSATION PAID TO YVES CHAPOT IN 2021



3.4.5.1 Fixed compensation

In application of the 2021 Compensation Policy, Yves Chapot's fixed compensation, unchanged since his election by the Annual Shareholders Meeting of May 18, 2018, was €600,000 in 2021.

3.4.5.2 Annual variable compensation

In application of the 2021 Compensation Policy and as recommended by the Supervisory Board, the General Partners have set Yves Chapot's annual variable compensation based on 150% of his fixed compensation for 2021 as General Manager (the "Calculation Base") and six performance criteria. Three of

these are qualitative criteria accounting for 80/100 and three are quantifiable qualitative criteria accounting for 20/100.

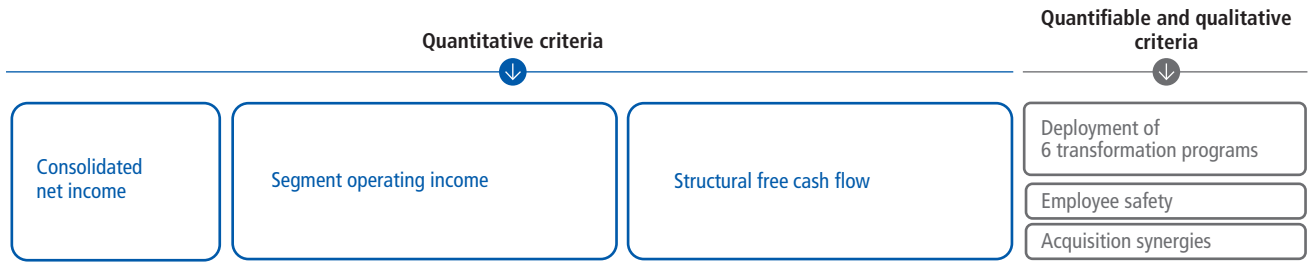
Mr. Chapot will be awarded the maximum amount if the cumulative achievement rate for the six criteria is 100 out of 100.

(1) See detailed disclosures in section 3.6.1.12 of the 2021 Universal Registration Document.

(2) See sections 3.4.1 and 3.4.2 of the 2020 Universal Registration Document.

(3) See the information/presentations on the May 21, 2021 Annual Shareholders Meeting on the Company's website www.michelin.com.

ANNUAL VARIABLE COMPENSATION



(Illustrative example of the breakdown of the relative weighting of each of the criteria, corresponding to the maximum achievement of all the objectives and not to the 2021 results)

The achievement rates for the criteria that determine the amounts due in respect of annual variable compensation are as follows:

Quantitative criteria	Segment operating income (SOI, based on 2020 exchange rates and consolidation scope)	Annual structural free cash flow	Level of consolidated net income
	Amount	Amount	Amount
Indicator	Amount	Amount	Amount
Target	Threshold: €2,400m Target: €2,800m Ceiling: €3,000m	Threshold: €800m Target: €1,000m Ceiling: €1,100m	Threshold: €1,050m Target: €1,250m Ceiling: €1,350m
Indicator: 2021 Actual	€3,108m	€1,793m	€1,845m
Maximum value ⁽¹⁾	40	40	20
Achievement rate	40	40	20

(1) If all the objectives were achieved in full, the result would however be limited to 80.

Quantifiable qualitative criteria	Deployment of the six transformations	CSR/TCIR ⁽¹⁾	Acquisition synergies ⁽²⁾
Maximum value (out of 20)	10	5	5
Achievement rate	6.6	0	5

(1) Total Case Incident Rate.

(2) Scope: Camso, Fenner, Multistrada and Masternaut (based on 2020 exchange rates).

Overall achievement rate	91.60/100⁽¹⁾
Amount awarded based on quantifiable qualitative criteria (in €)	824,400
As a % of the reference fixed compensation	137.4%

(1) Mr. Chapot will be awarded the maximum amount if the cumulative achievement rate for the six criteria is 100 out of 100.

All quantitative and qualitative objectives were set at the start of 2021 and were not adjusted during the year.

The Compensation and Appointments Committee carefully reviewed achievement rates for each of the quantitative and qualitative criteria. Concerning the quantifiable qualitative criteria, the Committee's conclusions were as follows:

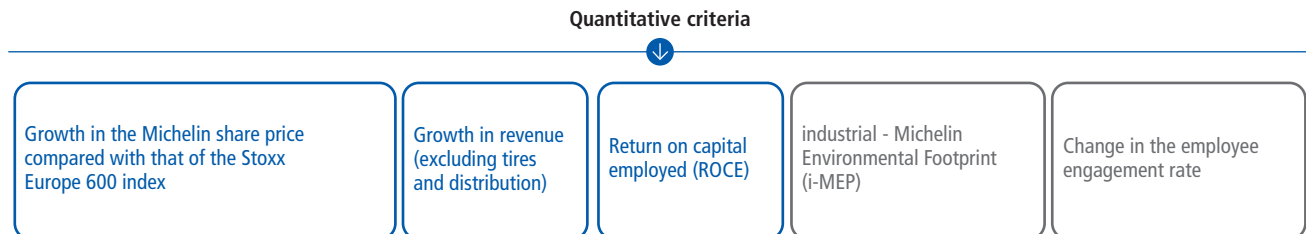
- ▶ for the "Deployment of the six transformations" criterion, the Committee noted that the objectives had been met, based on the new strategic dashboard evidencing:
 - changes in the Balanced Score Card in line with expectations,
 - deployment of the People, Profit, Planet strategy,
 - advances in the Group's strategic diversification;
- ▶ for the Corporate Social Responsibility criterion (Total Case Incident Rate, measuring improvements to the safety of Michelin Group employees), the Committee noted that the objective had been met, with the TCIR at 1.29;
- ▶ for the criterion concerning implementation of the synergies created by the integration of Camso, Fenner, Multistrada and Masternaut, the Committee noted that total synergistic benefits of €122 million had been obtained in 2021, representing a significant increase compared to 2020 synergies.

In conclusion of its analysis, the Committee recommended to the Supervisory Board that cumulative actual performance in relation to these quantifiable qualitative criteria should be rated as 91.60/100. Given the Calculation Base, Yves Chapot's annual variable compensation for 2021 amounts to €824,400.00.

After discussing the matter during its meeting on February 11, 2022, the Supervisory Board approved the Compensation and Appointments Committee's recommendations, which were then also approved by the General Partners.

3.4.5.3 Long-term variable compensation granted in 2021: performance share rights

DEFERRED VARIABLE COMPENSATION



(Illustrative example of the breakdown of the relative weighting of each of the criteria, corresponding to the maximum achievement of all the objectives and not to the 2021 results)

On November 17, 2021, 5,598 performance share rights were awarded to Yves Chapot. The book value of these rights at December 31, 2021 was €484,737.92 (based on IFRS 2) and the rights represented less than 0.0032% of the total Michelin shares outstanding at the year-end.

This award was made in application of the 2021 Compensation Policy, pursuant to the proposal made by the General Partners and after the Supervisory Board had determined the vesting terms and conditions applicable to the total award. It was authorized by the Extraordinary Shareholders Meeting of June 23, 2020⁽¹⁾ and complied with the criteria set out in the 2019 and 2020 Universal Registration Documents⁽²⁾.

In application of the 2021 Compensation Policy, the award is subject to the following specific rules:

- ▶ the Managers are required to hold 40% of the vested shares for as long as they remain in office;

- ▶ the award is limited to 100% of the Manager's fixed annual compensation for that year;
- ▶ in addition, for the period of validity of the above-mentioned resolution (38 months), performance share rights awarded to the Managers may not exceed the equivalent of 0.05% of the Company's capital; this is a specific sub-cap applicable to the Managers within the overall cap of 0.9% applicable to all beneficiaries as mentioned in said resolution.

In accordance with AFEP-MEDEF Code recommendation No. 25.3.3, the equity risk on the performance shares has not been hedged by Yves Chapot and will not be hedged at any time during the holding period.

(1) 25th resolution approved by a majority of 97.02% of the votes cast.

(2) See section 7.1.1 of the 2019 Universal Registration Document and section 3.3.2.3 of the 2020 Universal Registration Document (2021 Compensation Policy).

The performance criteria are presented below.

Criteria	Weighting	Interim results		
		2021 vs. 2020		
Share price performance Michelin share price to outperform the Stoxx Europe 600 index by between 0 points (threshold) and 5 points (ceiling) between 2020 and 2023 (based on average closing prices for the period)	30%	+11.3 points		
		2021	2022	2023
Corporate social responsibility performance Industrial-Michelin Environmental Performance (i-MEP ⁽¹⁾) indicator of between 92 points (threshold) and 88 points (ceiling) in 2023	20%	92.6 points		
		Change in average employee engagement rate: average annual change of between 0 points (threshold) and 1 point (ceiling) on a like-for-like consolidated basis over the years 2021, 2022 and 2023		
Operating performance Average annual growth in revenue excluding tires and distribution ⁽²⁾ of between 3% (threshold) and 8% (ceiling) between 2021/2020, 2022/2021 and 2023/2022	15%	7.7%		
		Total consolidated return on capital employed (ROCE) (including acquisitions, related goodwill and equity-accounted companies) of between 10% (threshold) and 11% (ceiling) in 2023.		
		15%	10.3%	

(1) Annual scope based on reported figures, including acquisitions from the fourth year of consolidation in the Group's financial statements.

(2) At constant exchange rates and based on a comparable scope of consolidation.

For all criteria, fulfillment is calculated as follows:

- ▶ performance below threshold: no shares will vest;
- ▶ performance between the threshold and the ceiling: vesting rate pro rated to the achievement rate;
- ▶ performance equal to or greater than the ceiling: all the shares will vest.

3.4.5.4 Fringe benefits, stock options and directors' or Supervisory Board members' compensation

In line with the 2021 Compensation Policy, in 2021 Yves Chapot did not receive (i) any compensation in his capacity as a member of the Supervisory Board of the Company or any controlled entities, (ii) any benefits other than those listed above, or (iii) any stock options of the Company or any controlled entities.

Yves Chapot has a fringe benefit in the form of a company car (see the table in section 3.6.1.3).

3.4.5.5 Pension benefits

There is no specific supplementary pension plan set up for the Managers or the Chair(man) of the Supervisory Board.

In his capacity as General Manager of CGEM, Yves Chapot participates in the supplementary pension plan set up for MFPM and CGEM senior executives (the Michelin Executive Supplementary Pension Plan).

As required by Article D. 22-10-16 of the French Commercial Code, this plan, governed by Article L. 137-11 of the French Social Security Code and Article 39 of the French General Tax Code, is described below:

- ▶ as of their retirement date, participants must have served for at least five years as a senior executive to be eligible for benefits;
- ▶ 1.5% of benefits vest each year, entitling participants to an annuity representing a replacement rate of up to 15% of the reference compensation (annual average of the best three years of compensation out of the last five years preceding the beneficiary's retirement);

- ▶ in accordance with the government order dated July 3, 2019, no rights have vested since December 31, 2019;
- ▶ the replacement rate including benefit entitlements under compulsory plans is capped at 35%;
- ▶ an evaluation is carried out in accordance with Group accounting policies;
- ▶ benefit entitlement is conditional on participants ending their career at MFPM as an executive employee or corporate officer, in accordance with Article L. 137-11 of the French Social Security Code;
- ▶ 70% of the prior year's benefit obligation is funded through a contribution to an insured plan.

Yves Chapot's reference compensation for 2021 in his capacity as General Manager was made up of his annual fixed compensation and his annual variable compensation.

Based on the assumptions in Article D. 22-10-16 of the French Commercial Code introduced by Decree No. 2020-1742, the estimated gross annual pension payable to Mr. Chapot under this plan amounts to €146,416.

The benefit represented by the Company's contributions to the plan is taxed at the rate of 24%. The actual gross replacement rate represented by pension benefits paid under the plan will be well below the 45% ceiling recommended in the AFEP/MEDEF Code.

As General Manager of CGEM, Yves Chapot participates in the PERO mandatory supplementary pension plan in the same way as all employees of CGEM and MFPM.

3.4.5.6 Compensation for loss of office

No compensation for loss of office was paid to Yves Chapot in 2021⁽¹⁾.

3.4.5.7 Non-compete clause

No non-compete indemnity was paid to Yves Chapot in 2021⁽¹⁾.

3.4.6 COMPENSATION RATIOS OF THE MANAGERS AND THE CHAIR(MAN) OF THE SUPERVISORY BOARD

Background

The changes in management structure described below have affected the calculation of management compensation ratios:

- ▶ Florent Menegaux has been Managing General Partner since May 2018 and Managing Chairman since May 2019;
- ▶ Yves Chapot has been General Manager since May 2018;
- ▶ Barbara Dalibard has been Chair of the Supervisory Board since May 2021;
- ▶ Jean-Dominique Senard was Managing Chairman and General Partner during the reporting period, until May 2019;
- ▶ Michel Rollier was Chairman of the Supervisory Board during the reporting period, until May 2021.

Unlike the corporate officers of joint stock corporations, a Managing General Partner of the Company (which is organized as a partnership limited by shares), who may also be the Managing Chairman, has unlimited personal liability for the Company's debts in the event that the Company is unable to honor its commitments, and he can only be relieved of this liability by decision of the Extraordinary Shareholders Meeting. This exceptional liability justifies the payment of specific compensation.

The Company has very few employees (fewer than five, none of whom are corporate directors). The ratios of the Managers' pay and of the Supervisory Board Chair's pay to that of the Company's employees are therefore not meaningful.

Accordingly, the Company has nonetheless chosen to disclose these ratios for its main French subsidiary, Manufacture Française des Pneumatiques Michelin, which employed over 79% of the Michelin Group's total workforce in France at December 31, 2021.

This subsidiary is engaged in manufacturing, sales, and research and development activities and also hosts the vast majority of Michelin Group's corporate departments.

The methodology and scope of the information presented are identical to those used for the report prepared for 2020⁽²⁾.

The two performance indicators selected at the level of the Michelin Group are total sales and segment operating income ("SOI") excluding changes in exchange rates, which measures the performance of the Group's operating segments.

The ratios presented below have been calculated in such a way as to disclose information related to the function, in order to guarantee, as far as possible, the relevance and consistency of comparative information across the entire reporting period. They are based on the fixed and variable compensation **paid** during the years indicated to employees who were present throughout the year, as well as on the performance shares **awarded** in those years, measured at fair value.

For the Chair(man) of the Supervisory Board, the increase in the ratio in 2021 was solely due to the fact that the compensation paid in 2020 was reduced due to the application of attendance rules (the Chairman missed one Board meeting in 2020). There was no increase or change in the rules for the distribution of Supervisory Board compensation among its members.

In addition, for the General Manager, the increase in the ratio in 2021 is due to an increase in the variable compensation paid to him in 2021 in respect of 2020.

(1) See detailed disclosures in section 3.6.1.12 of the 2021 Universal Registration Document.

(2) By applying the "Guidelines on Compensation Multiples" published by the AFEP in February 2021.

RATIOS PRESENTED IN APPLICATION OF ARTICLE L. 22-10-9-I, PARAGRAPHS 6 AND 7, OF THE FRENCH COMMERCIAL CODE

	2021	2020	2019	2018	2017
PERCENTAGE CHANGE IN THE COMPENSATION OF THE CHAIR(MAN) OF THE SUPERVISORY BOARD⁽¹⁾	6.4%	28.7%	-2.7%	0.0%	32.4%
Percentage change in the average compensation of employees	2.6%	2.9%	2.9%	1.6%	4.6%
Ratio versus average employee compensation	2.1	2.1	1.7	1.8	1.8
Percentage change in the ratio versus the previous year	0%	26.5%	-5.1%	-1.7%	26.2%
Ratio versus median employee compensation	2.8	2.7	2.1	2.3	2.3
Percentage change in the ratio versus the previous year	3.7%	26.8%	-5.3%	-2.6%	27.6%
PERCENTAGE CHANGE IN THE MANAGING CHAIRMAN'S COMPENSATION⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾	-6.5%	-37.6%	8.1%	15.0%	38.5%
Percentage change in the average compensation of employees	2.6%	2.9%	2.9%	1.6%	4.6%
Ratio versus average employee compensation	42.9	47.1	77.6	73.8	65.3
Percentage change in the ratio versus the previous year	-8.9%	-39.3%	5.1%	13.2%	32.4%
Ratio versus median employee compensation	55.9	61.0	99.8	94.8	84.7
Percentage change in the ratio versus the previous year	-8.4%	-38.9%	5.3%	12.0%	33.6%
PERCENTAGE CHANGE IN THE GENERAL MANAGER'S COMPENSATION⁽³⁾⁽⁴⁾⁽⁵⁾	28.6%	33.0%	69.6%	-	-
Percentage change in the average compensation of employees	2.6%	2.9%	2.9%	1.6%	4.6%
Ratio versus average employee compensation	31.5	25.1	19.5	11.8	-
Percentage change in the ratio versus the previous year	25.5%	29.0%	64.8%	-	-
Ratio versus median employee compensation	41.0	32.6	25.0	15.2	-
Percentage change in the ratio versus the previous year	25.8%	30.2%	65.2%	-	-
COMPANY PERFORMANCE⁽⁶⁾					
Growth in segment operating income (SOI) (excluding currency effect)	-33.4%	6.5%	11.0%	5.6%	9.5%
Growth in sales (excluding currency effect)	-12.6%	7.8%	4.1%	6.2%	0.4%

(1) The increase in the ratio in 2021 is solely attributable to the fact that the compensation paid in 2020 had been reduced in application of the attendance rules (absence of the Chairman at one Board meeting during that year).

(2) Only information relating to the position of Managing Chairman and General Partner is presented given that the specific role of Managing General Partner was exercised over a limited period.

(3) The compensation paid to Managers for functions held during only part of the year (new Manager or Manager who was not replaced) has been annualized.

(4) Deferred long-term compensation paid to Managers who no longer held the positions concerned during the reporting period has not been taken into account.

(5) In 2020 and 2021, the reference amount for variable compensation includes the book value of performance share rights awarded to the Managers for those years (for the first time in 2020).

(6) To permit meaningful comparisons with the compensation paid in a given year, which depends to a significant extent on the prior year's results, the values the values taken into account for a given year correspond to the results achieved in the prior year.

3.4.7 PROPOSED RESOLUTION ON THE DISCLOSURES MENTIONED IN ARTICLE L. 22-10-9-I OF THE FRENCH COMMERCIAL CODE

In accordance with the applicable laws and regulations, at the Ordinary Shareholders Meeting, the General Partners and the Supervisory Board will submit to shareholders the required disclosures concerning the compensation paid or awarded in 2021 to the corporate officers.

The resolution to be presented to the Annual Shareholders Meeting of May 13, 2022 concerning all the disclosures contained in sections 3.4.1 to 3.4.6, is set out below.

8th resolution

Approval of the disclosures concerning the corporate officers' compensation packages

Having noted the agreement of the General Partners and considered the report of the Supervisory Board, the Annual Shareholders Meeting, in application of Article L. 22-10-77 I of the French Commercial Code, approves the disclosures mentioned in Article L. 22-10-9 I of the Code, as presented in the Corporate Governance Report set out in sections 3.4.1 to 3.4.6 of the Company's 2021 Universal Registration Document.

3.5 INDIVIDUAL COMPENSATION PAID OR AWARDED TO THE MANAGERS AND THE CHAIR(MAN) OF THE SUPERVISORY BOARD FOR 2021

In addition to the resolution presented in section 3.4.7 above, the Ordinary Shareholders Meeting will be asked to adopt the following individual resolutions concerning the Chair of the Supervisory Board and each of the Managers.

3.5.1 VOTE BY SHAREHOLDERS AT THE ORDINARY SHAREHOLDERS MEETING OF MAY 13, 2022 ON THE COMPENSATION PACKAGE OF BARBARA DALIBARD, CHAIR OF THE SUPERVISORY BOARD SINCE MAY 2021

This section presents the components of the compensation paid or awarded in 2021 to Barbara Dalibard in her capacity as member then Chair of the Supervisory Board.

Compensation components put to the vote	Amounts paid in 2021	Amounts awarded in respect of 2021	Presentation
Compensation as Supervisory Board member	€80,000.00	€91,153.00	<p>The amount paid in 2021:</p> <ul style="list-style-type: none"> was awarded in respect of 2020 out of the total annual compensation allocated to the Supervisory Board by the Ordinary Shareholders Meeting of May 17, 2019 (12th resolution adopted by a majority of 99.15% of the votes cast)⁽¹⁾. <p>The amount awarded in respect of 2021:</p> <ul style="list-style-type: none"> is included in the total annual amount decided by the Ordinary Shareholders Meeting of May 17, 2019; has been determined in accordance with the 2021 Compensation Policy for the members of the Supervisory Board, as described in the 2020 Universal Registration Document (section 3.3.3) and approved by the Ordinary Shareholders Meeting of May 21, 2021 (7th resolution, adopted by a 99.84% majority of the votes cast).
Annual variable compensation	N/A	N/A	N/A
Deferred variable compensation	N/A	N/A	N/A
Exceptional compensation	N/A	N/A	N/A
Stock options, performance shares and other long-term compensation (stock warrants, etc.)	N/A	N/A	N/A
Fringe benefits	N/A	N/A	N/A
Compensation for loss of office	N/A	N/A	N/A
Non-compete indemnity	N/A	N/A	N/A
Supplementary pension benefits	N/A	N/A	N/A

N/A: Not applicable.

(1) As Barbara Dalibard was elected Chair of the Supervisory Board after the Annual Shareholders Meeting of May 21, only the compensation of the Chairman in office until that meeting was presented for a vote.

At the Ordinary Shareholders Meeting of May 13, 2022, shareholders will be asked to approve the following ordinary resolution:

11th resolution

Approval of the components of the compensation paid or awarded to Barbara Dalibard for the year ended December 31, 2021

Having noted the agreement of the General Partners and considered the report of the Supervisory Board, the Annual Shareholders Meeting, in application of Article L. 22-10-77 II of

the French Commercial Code, approves the fixed, variable and exceptional compensation making up the total compensation and fringe benefits paid during the year ended December 31, 2021 or awarded in respect of that year to Barbara Dalibard, Chair of the Supervisory Board from May 21, 2021, as set out in section 3.5.1 of the Company's 2021 Universal Registration Document.

3.5.2 VOTE BY SHAREHOLDERS AT THE ORDINARY SHAREHOLDERS MEETING OF MAY 13, 2022 ON THE COMPENSATION PACKAGE OF MICHEL ROLLIER, CHAIRMAN OF THE SUPERVISORY BOARD UNTIL MAY 2021

This section presents the components of the compensation paid or awarded to Michel Rollier for 2021 in his capacity as Chairman of the Supervisory Board until May 21, 2021.

Compensation components put to the vote	Amounts paid in 2021	Amounts awarded in respect of 2021	Presentation
Compensation as Supervisory Board member	€120,000.00	€47,975.00	<p>The amount paid in 2021:</p> <ul style="list-style-type: none"> was awarded in respect of 2020 out of the total annual compensation allocated to the Supervisory Board by the Ordinary Shareholders Meeting of May 17, 2019 (12th resolution adopted by a majority of 99.15% of the votes cast). <p>The amount awarded in respect of 2021:</p> <ul style="list-style-type: none"> is included in the total annual amount decided by the Ordinary Shareholders Meeting of May 17, 2019; has been determined in accordance with the 2021 Compensation Policy for the members of the Supervisory Board, as described in the 2020 Universal Registration Document (section 3.3.3) and approved by the Ordinary Shareholders Meeting of May 21, 2021 (7th resolution, adopted by a 99.84% majority of the votes cast).
Annual variable compensation	N/A	N/A	N/A
Deferred variable compensation	N/A	N/A	N/A
Exceptional compensation	N/A	N/A	N/A
Stock options, performance shares and other long-term compensation (stock warrants, etc.)	N/A	N/A	N/A
Fringe benefits	N/A	N/A	N/A
Compensation for loss of office	N/A	N/A	N/A
Non-compete indemnity	N/A	N/A	N/A
Supplementary pension benefits	N/A	N/A	N/A

N/A: Not applicable.

At the Ordinary Shareholders Meeting of May 13, 2022, shareholders will be asked to approve the following ordinary resolution:

12th resolution

Approval of the components of the compensation paid or awarded to Michel Rollier for the year ended December 31, 2021

Having noted the agreement of the General Partners and considered the report of the Supervisory Board, the Annual Shareholders Meeting, in application of Article L. 22-10-77 II of

the French Commercial Code, approves the fixed, variable and exceptional compensation making up the total compensation and fringe benefits paid during the year ended December 31, 2021 or awarded in respect of that year to Michel Rollier, Chairman of the Supervisory Board until May 21, 2021, as set out in section 3.5.2 of the Company's 2021 Universal Registration Document.

3.5.3 VOTE BY SHAREHOLDERS AT THE ORDINARY SHAREHOLDERS MEETING OF MAY 13, 2022 ON THE COMPENSATION PACKAGE OF FLORENT MENEGAUX, MANAGING CHAIRMAN AND GENERAL PARTNER

This section presents the components of the compensation paid or awarded to Florent Menegaux for 2021 in his capacity as Managing Chairman.

Compensation components put to the vote	Amounts paid in 2021	Amounts awarded in respect of 2021 OR Provision set aside in 2021 OR Simulation	Presentation
Fixed compensation	€900,000.00	€900,000.00	<p>The amount awarded in 2021:</p> <ul style="list-style-type: none"> ▶ has remained unchanged since Florent Menegaux's election by the Annual Shareholders Meeting of May 18, 2018; ▶ was determined in accordance with the 2021 Compensation Policy, as described in the 2020 Universal Registration Document (section 3.3.2.2) and approved by the Ordinary Shareholders Meeting of May 21, 2021 (6th resolution, adopted by a 90.68% majority of the votes cast).
Annual variable compensation	€581,161.00	€1,350,000.00 (Amount that may be awarded in respect of 2021 in application of the 2021 Compensation Policy, payable in 2022)	<p>The amount paid in 2021:</p> <ul style="list-style-type: none"> ▶ was due for 2020 and was determined in accordance with the 2020 Compensation Policy, as described in the 2019 Universal Registration Document (section 3.4.2.4.1) and approved by the Ordinary Shareholders Meeting of May 21, 2021 (9th resolution, adopted by a 97.63% majority of the votes cast); ▶ is the subject of detailed disclosures in section 3.4.3.2 of the 2020 Universal Registration Document. <p>The amount awarded in respect of 2021:</p> <ul style="list-style-type: none"> ▶ was determined in accordance with the 2021 Compensation Policy, as described in the 2020 Universal Registration Document (section 3.3.2.3) and approved by the Ordinary Shareholders Meeting of May 21, 2021 (6th resolution, adopted by a 90.68% majority of the votes cast); ▶ is the subject of detailed disclosures in section 3.4.4.2 of this 2021 Universal Registration Document.

Compensation components put to the vote	Amounts paid in 2021	Amounts awarded in respect of 2021 OR Provision set aside in 2021 OR Simulation	Presentation
Deferred variable compensation	€180,000.00	N/A	<p>The amount paid in 2021:</p> <ul style="list-style-type: none"> ▶ was due for 2018 and was determined in accordance with the 2018 Compensation Policy, as described in the 2017 Registration Document (section 4.4.1 a) 2.2) and approved by the Ordinary Shareholders Meeting of May 17, 2019 (7th resolution, adopted by a 98.29% majority of the votes cast); ▶ is the subject of detailed disclosures in the 2018 Registration Document (section 4.4.5.b) and the 2020 Universal Registration Document (section 3.6.2.1).
Exceptional compensation	N/A	N/A	N/A
Stock options, performance shares and other long-term compensation (stock warrants, etc.)	N/A	€727,106.88 (book value at December 31, 2021 – determined in accordance with IFRS 2 – of the 8,397 performance share rights awarded in November 2021)	<p>This award was made in application of:</p> <ul style="list-style-type: none"> ▶ the 2021 Compensation Policy, as described in the 2020 Universal Registration Document (section 3.3.2.3) and approved by the Ordinary Shareholders Meeting of May 21, 2021 (6th resolution, adopted by a 90.68% majority of the votes cast); ▶ the 25th resolution of the Annual Shareholders Meeting of June 23, 2020 (see pages 395 et seq. of the 2019 Universal Registration Document), adopted by a 97.02% majority of the votes cast. <p>This amount is the subject of detailed disclosures in section 3.4.4.3 of this 2021 Universal Registration Document.</p>
Compensation as a Director/Supervisory Board member	N/A	N/A	N/A
Fringe benefits	€9,985.00	€9,985.00	Company car (accounting value)
Compensation for loss of office	No compensation paid	No compensation awarded	<p>This component:</p> <ul style="list-style-type: none"> ▶ is an integral part of the 2021 Compensation Policy, as described in the 2020 Universal Registration Document (section 3.3.2.7) and approved by the Ordinary Shareholders Meeting of May 21, 2021 (6th resolution, adopted by a 90.68% majority of the votes cast); ▶ is the subject of detailed disclosures in section 3.6.1.12 of this 2021 Universal Registration Document.
Non-competence indemnity	No indemnity paid	No indemnity awarded	<p>This component:</p> <ul style="list-style-type: none"> ▶ is an integral part of the 2021 Compensation Policy, as described in the 2020 Universal Registration Document (section 3.3.2.8) and approved by the Ordinary Shareholders Meeting of May 21, 2021 (6th resolution, adopted by a 90.68% majority of the votes cast); ▶ is the subject of detailed disclosures in section 3.6.1.12 of this 2021 Universal Registration Document.
Supplementary pension benefits	No benefits paid	No benefits awarded	<p>This component:</p> <ul style="list-style-type: none"> ▶ is an integral part of the 2020 Compensation Policy, as described in the 2020 Universal Registration Document (section 3.3.2.6) and approved by the Ordinary Shareholders Meeting of May 21, 2021 (6th resolution, adopted by a 90.68% majority of the votes cast); ▶ is the subject of detailed disclosures in section 3.6.1.12 of this 2021 Universal Registration Document.

N/A: Not applicable.

At the Ordinary Shareholders Meeting of May 13, 2022, shareholders will be asked to approve the following ordinary resolution:

9th resolution

Approval of the components of the compensation paid or awarded to Florent Menegaux for the year ended December 31, 2021

Having noted the agreement of the General Partners and considered the report of the Supervisory Board, the Annual Shareholders Meeting, in application of Article L. 22-10-77 II of the French Commercial Code, approves the fixed, variable and

exceptional compensation making up the total compensation and fringe benefits paid during the year ended December 31, 2021 or awarded in respect of that year to Florent Menegaux, Managing General Partner and Managing Chairman, as presented in the Corporate Governance Report set out in section 3.5.3 of the Company's 2021 Universal Registration Document.

3.5.4 VOTE BY SHAREHOLDERS AT THE ORDINARY SHAREHOLDERS MEETING OF MAY 21, 2021 ON THE COMPENSATION PACKAGE OF YVES CHAPOT, GENERAL MANAGER

This section presents the components of the compensation paid or awarded to Yves Chapot for 2021 in his capacity as General Manager.

Compensation components put to the vote	Amounts paid in 2021	Amounts awarded in respect of 2021 OR Provision set aside in 2021 OR Simulation	Presentation
Fixed compensation	€600,000.00	€600,000.00	<p>The amount awarded in 2021:</p> <ul style="list-style-type: none"> ▶ has remained unchanged since Yves Chapot's election by the Annual Shareholders Meeting of May 18, 2018; ▶ was determined in accordance with the 2021 Compensation Policy, as described in the 2020 Universal Registration Document (section 3.3.2.2) and approved by the Ordinary Shareholders Meeting of May 21, 2021 (6th resolution, adopted by a 90.68% majority of the votes cast).
Annual variable compensation	€516,900.00	€824,400.00 (Amount that may be awarded in respect of 2021 in application of the 2021 Compensation Policy, payable in 2022)	<p>The amount paid in 2021:</p> <ul style="list-style-type: none"> ▶ was due for 2020 and was determined in accordance with the 2020 Compensation Policy, as described in the 2019 Universal Registration Document (section 3.4.2.4.1) and approved by the Ordinary Shareholders Meeting of May 21, 2021 (10th resolution, adopted by a 96.13% majority of the votes cast); ▶ is the subject of detailed disclosures in section 3.4.4.2 of the 2020 Universal Registration Document. <p>The amount awarded in respect of 2021:</p> <ul style="list-style-type: none"> ▶ was determined in accordance with the 2021 Compensation Policy, as described in the 2020 Universal Registration Document (section 3.3.2.3) and approved by the Ordinary Shareholders Meeting of May 21, 2021 (6th resolution, adopted by a 90.68% majority of the votes cast); ▶ is the subject of detailed disclosures in section 3.4.5.2 of this 2021 Universal Registration Document.
Deferred variable compensation	€150,000.00	N/A	<p>The amount paid in 2021:</p> <ul style="list-style-type: none"> ▶ was due for 2018 and was determined in accordance with the 2018 Compensation Policy, as described in the 2017 Registration Document (section 4.4.1 a) 2.2) and approved in an ordinary resolution of the Annual Shareholders Meeting of May 17, 2019 (8th resolution, adopted by a 98.30% majority of the votes cast); ▶ is the subject of detailed disclosures in the 2018 Registration Document (section 4.4.7.b) and the 2020 Universal Registration Document (section 3.6.2.2).
Exceptional compensation	N/A	N/A	N/A

Compensation components put to the vote	Amounts paid in 2021	Amounts awarded in respect of 2021 OR Provision set aside in 2021 OR Simulation	Presentation
Stock options, performance shares and other long-term compensation (stock warrants, etc.)	N/A	€484,737.92 (book value at December 31, 2021 – determined in accordance with IFRS 2 – of the 5,598 performance share rights awarded in November 2021)	This award was made in application of: <ul style="list-style-type: none"> ▶ the 2021 Compensation Policy, as described in the 2020 Universal Registration Document (section 3.3.2.3) and approved by the Ordinary Shareholders Meeting of May 21, 2021 (6th resolution, adopted by a 90.68% majority of the votes cast); ▶ the 25th resolution of the Annual Shareholders Meeting of June 23, 2020 (see pages 395 et seq. of the 2019 Universal Registration Document), adopted by a 97.02% majority of the votes cast. <p>This amount is the subject of detailed disclosures in section 3.4.5.3 of this 2021 Universal Registration Document.</p>
Compensation as a Director/Supervisory Board member	N/A	N/A	N/A
Fringe benefits	€9,757.00	€9,757.00	Company car (accounting value)
Compensation for loss of office	No compensation paid	No compensation awarded	This component: <ul style="list-style-type: none"> ▶ is an integral part of the 2021 Compensation Policy, as described in the 2020 Universal Registration Document (section 3.3.2.7) and approved by the Ordinary Shareholders Meeting of May 21, 2021 (6th resolution, adopted by a 90.68% majority of the votes cast); ▶ is the subject of detailed disclosures in section 3.6.1.12 of this 2021 Universal Registration Document.
Non-competence indemnity	No indemnity paid	No indemnity awarded	This component: <ul style="list-style-type: none"> ▶ is an integral part of the 2021 Compensation Policy, as described in the 2020 Universal Registration Document (section 3.3.2.8) and approved by the Ordinary Shareholders Meeting of May 21, 2021 (6th resolution, adopted by a 90.68% majority of the votes cast); ▶ is the subject of detailed disclosures in section 3.6.1.12 of this 2021 Universal Registration Document.
Supplementary pension benefits	No benefits paid	No benefits awarded	This component: <ul style="list-style-type: none"> ▶ is an integral part of the 2020 Compensation Policy, as described in the 2020 Universal Registration Document (section 3.3.2.6) and approved by the Ordinary Shareholders Meeting of May 21, 2021 (6th resolution, adopted by a 90.68% majority of the votes cast); ▶ is the subject of detailed disclosures in section 3.6.1.12 of this 2021 Universal Registration Document.

N/A: Not applicable.

At the Ordinary Shareholders Meeting of May 13, 2022, shareholders will be asked to approve the following ordinary resolution:

10th resolution

Approval of the components of the compensation paid or awarded to Yves Chapot for the year ended December 31, 2021

Having noted the agreement of the General Partners and considered the report of the Supervisory Board, the Annual Shareholders Meeting, in application of Article L. 22-10-77 II of the French

Commercial Code, approves the fixed, variable and exceptional compensation making up the total compensation and fringe benefits paid during the year ended December 31, 2021 or awarded in respect of that year to Yves Chapot, General Manager, as presented in the Corporate Governance Report set out in section 3.5.4 of the Company's 2021 Universal Registration Document.

3.6 OTHER INFORMATION ABOUT COMPENSATION OF THE EXECUTIVE OFFICERS

3.6.1 SUMMARY INFORMATION CONCERNING THE EXECUTIVE OFFICERS

The data and tables in this section:

- ▶ present the compensation of the corporate officers of the Company;
- ▶ have been prepared in accordance with the AFEP/MEDEF Code (January 2020);
- ▶ comply with AMF recommendation No. 2012-02 (revised) on "corporate governance and executive compensation in companies that refer to the AFEP/MEDEF Code – Consolidated presentation of the recommendations contained in the AMF's annual reports".

3.6.1.1 Compensation, stock options and performance shares awarded to executive officers (in €) (based on Table 1 in the AFEP/MEDEF Code)

Florent Menegaux, General Partner and Managing Chairman with unlimited personal liability for the Company's debts	2021	2020
Compensation awarded for the year	2,259,985.00	1,489,788.00
Value of stock options granted during the year	0	0
Value of performance shares granted during the year	727,106.88 ⁽¹⁾	673,051.63
Value of other long-term compensation plans	0	0
TOTAL	2,987,091.88	2,162,839.63
Reference CGEM consolidated net income	1,845,066,544.00	625,441,868.00

(1) Book value (IFRS 2) at December 31, 2021 of the performance share award described in section 3.4.4.3 of this 2021 Universal Registration Document.

Yves Chapot, General Manager	2021	2020
Compensation awarded for the year	1,434,157.00	1,126,544.00
Value of stock options granted during the year	0	0
Value of performance shares granted during the year	484,737.92 ⁽¹⁾	448,701.09
Value of other long-term compensation plans	0	0
TOTAL	1,918,894.92	1,575,245.09

(1) Book value (IFRS 2) at December 31, 2021 of the performance share award described in section 3.4.5.3 of this 2021 Universal Registration Document.

3.6.1.2 Compensation paid and awarded to Florent Menegaux (in €) (based on Table 2 in the AFEP/MEDEF Code)

Florent Menegaux, General Partner and Managing Chairman with unlimited personal liability for the Company's debts	2021		2020	
	Awarded	Paid	Awarded	Paid
Fixed compensation ⁽¹⁾	900,000.00	900,000.00	900,000.00	843,750.00 ⁽²⁾
Annual variable compensation	1,350,000.00 ⁽³⁾	581,161.00	581,161.00 ⁽⁴⁾	1,038,759.43 ⁽²⁾
Exceptional compensation	0	0	0	0
Compensation as a Director/Supervisory Board member	0	0	0	0
Fringe benefit (car)	9,985.00	9,985.00	8,627.00	8,627.00
TOTAL	2,259,985.00	1,491,146.00	1,489,788.00	1,891,136.43
Reference CGEM consolidated net income	1,845,066,544.00	625,441,868.00	625,441,868.00	1,730,043,108.00

(1) Compensation paid by Manufacture Française des Pneumatiques Michelin (MFPM), a controlled entity, in consideration of his role as General Manager of the Company.

(2) After reduction decided due to the consequences of the Covid-19 crisis.

(3) Gross amount, calculated based on the achievement rate for the applicable performance criteria, subject to approval of the corresponding resolutions by CGEM shareholders at the Annual Meeting of May 13, 2022 (see section 3.5.3).

(4) Amount calculated based on the achievement rate for the applicable performance criteria and approved by CGEM shareholders at the Annual Shareholders Meeting of May 21, 2021.

3.6.1.3 Compensation paid and awarded to Yves Chapot (in €) (based on Table 2 in the AFEP/MEDEF Code)

Yves Chapot, General Manager	2021		2020	
	Awarded	Paid	Awarded	Paid
Fixed compensation	600,000.00	600,000.00	600,000.00	562,500.00 ⁽¹⁾
Annual variable compensation	824,400.00 ⁽²⁾	516,900.00	516,900.00	348,776.14 ⁽¹⁾
Exceptional compensation	0	0	0	0
Compensation as a Director/Supervisory Board member	0	0	0	0
Fringe benefit (car)	9,757.00	9,757.00	9,644.00	9,644.00
TOTAL	1,434,157.00	1,126,657.00	1,126,544.00	920,920.14

(1) After reductions decided due to the consequences of the Covid-19 crisis.

(2) Gross amount, calculated based on the achievement rate for the applicable performance criteria, subject to approval of the corresponding resolutions by CGEM shareholders at the Annual Meeting of May 13, 2022 (see section 3.5.4).

3.6.1.4 Compensation received by the non-executive corporate officers (based on Table 3 in the AFEP/MEDEF Code)

Supervisory Board members	2021 ⁽¹⁾		2020 ⁽¹⁾	
	Amount awarded (in €)	Amount paid (in €)	Amount awarded (in €)	Amount paid (in €)
Barbara Dalibard ⁽²⁾	91,153	80,000	80,000	90,000
Olivier Bazil ⁽³⁾	N/A	35,500	35,500	80,000
Jean-Pierre Duprieu	71,963	62,500	62,500	60,000
Aruna Jayanthi	57,570	70,000	70,000	70,000
Anne-Sophie de La Bigne	71,963	65,000	65,000	71,250
Patrick de La Chevadière ⁽⁴⁾	76,760	44,500	44,500	N/A
Jean-Christophe Laourde ⁽⁵⁾	51,573	9,000	9,000	N/A
Thierry Le Hénaff	71,963	68,330	68,330	56,727
Monique Leroux	86,355	80,000	80,000	70,000
Cyrille Poughon ⁽⁶⁾	N/A	47,250	47,250	60,000
Michel Rollier ⁽⁷⁾	47,975	120,000	120,000	112,800
Delphine Roussy ⁽⁵⁾	51,573	9,000	9,000	N/A
Wolf-Henning Scheider ⁽⁸⁾	33,582	N/A	N/A	N/A
Jean-Michel Severino ⁽⁹⁾	57,570	17,750	17,750	N/A
TOTAL	770,000⁽¹⁰⁾	708,830⁽¹¹⁾	708,830⁽¹¹⁾	670,777

(1) The compensation indicated consists solely of fixed compensation for services as Supervisory Board member. No variable compensation was paid for these services and no other compensation was awarded or paid.

(2) Chair of the Supervisory Board since May 2021.

(3) Supervisory Board member until June 2020.

(4) Supervisory Board member since June 2020.

(5) Supervisory Board member since December 2020.

(6) Supervisory Board member until October 2020.

(7) Chairman and member of the Supervisory Board until May 2021.

(8) Supervisory Board member since May 2021.

(9) Supervisory Board member since November 2020.

(10) The amounts awarded in respect of 2021 have been determined in application of the 2021 Supervisory Board Compensation Policy approved by the Ordinary Shareholders Meeting of May 21, 2021 (7th resolution adopted by a majority of 99.84% of the votes cast).

(11) The amounts paid in 2021 were awarded in respect of 2020 out of the total annual compensation of €770,000 decided by the Ordinary Shareholders Meeting of May 17, 2019 (12th resolution adopted by a majority of 99.15% of the votes cast).

3.6.1.5 Stock options granted during the year to executive officers by the issuer and any other Group company (based on Table 4 in the AFEP/MEDEF Code)

No stock options were granted by the Company to the executive officers during the year.

No stock options have been granted to the Managers since 2012.

Plan no. and date	Type of options (purchase or subscription)	Value of the options calculated by the method used for the consolidated financial statements	Number of options granted during the year	Exercise price	Exercise period
Florent Menegaux	-	0	0	-	-
Yves Chapot	-	0	0	-	-

3.6.1.6 Stock options exercised during the year by executive officers (based on Table 5 in the AFEP/MEDEF Code)

No stock options were exercised by the Company's executive officers in 2021.

	Plan no. and date	Number of options exercised during the year	Exercise price
Florent Menegaux	-	0	-
Yves Chapot	-	0	-

3.6.1.7 Performance shares granted during the year to the executive officers by the issuer and any other Group company (based on Table 6 in the AFEP/MEDEF Code)

13,995 of the 319,622 performance share rights given on November 17, 2021 pursuant to the authorization given at the June 23, 2020 Annual Shareholders Meeting were granted to the Managers and the Chair(man) of the Supervisory Board.

	Plan no. and date	Number of performance share rights granted during the year	Value of the performance shares calculated by the method used for the consolidated financial statements	Vesting date	End of lock-up period	Performance conditions
Florent Menegaux	Plan 15 of November 17, 2021	8,397	€727,106.88	November 17, 2025	November 17, 2025	Detailed information is provided in section 6.5.4.3 "Interim fulfillment of performance conditions under the November 17, 2021 performance share plan"
Yves Chapot	Plan 15 of November 17, 2021	5,598	€484,737.92	November 17, 2025	November 17, 2025	Detailed information is provided in section 6.5.4.3 "Interim fulfillment of performance conditions under the November 17, 2021 performance share plan"

3.6.1.8 Performance shares granted to executive officers for which the lock-up period ended during the year (based on Table 7 in the AFEP/MEDEF Code)

	Plan no. and date	Number of performance shares for which the lock-up period ended during the year	Vesting conditions
Florent Menegaux	Plan 8 (Excellence Management) dated November 14, 2017 (performance shares granted in his capacity as an employee of a Group company, prior to becoming a corporate officer)	5,314	Detailed information is provided in section 6.5.4.3 "Fulfillment of performance conditions under the November 14, 2017 performance share plan"
Yves Chapot	Plan 8 (Excellence Management) dated November 14, 2017 (performance shares granted in his capacity as an employee of a Group company, prior to becoming a corporate officer)	3,679	Detailed information is provided in section 6.5.4.3 "Fulfillment of performance conditions under the November 14, 2017 performance share plan"

3.6.1.9 Past awards of stock options – Information about stock options (based on Table 8 in the AFEP/MEDEF Code)

See the table in section 6.5.3.1 below.

3.6.1.10 Past awards of performance shares – Information about performance shares (based on Table 9 in the AFEP/MEDEF Code)

See the table in section 6.5.4.3 below.

3.6.1.11 Deferred variable compensation awarded to executive officers (based on Table 10 in the AFEP/MEDEF Code)

See the table in section 3.6.2 below.

3.6.1.12 Managers' employment contracts, supplementary pension benefits and other benefits (based on Table 11 in the AFEP/MEDEF Code)

Executive officer	Employment contract		Supplementary pension benefits		Benefits or advantages due or likely to be due as a result of terminations or changes of office		Non-compete indemnity	
	Yes	No	Yes	No	Yes	No	Yes	No
Florent Menegaux								
Position: Managing Chairman and General Partner								
Start date of term of office: 2018								
Expiration of term of office: 2026								
		X ⁽¹⁾	X ⁽²⁾		X ⁽³⁾		X ⁽⁴⁾	
Yves Chapot								
Position: General Manager								
Start date of term of office: 2018								
Expiration of term of office: 2026								
	X ⁽⁵⁾		X ⁽²⁾		X ⁽³⁾		X ⁽⁶⁾	

(1) Florent Menegaux resigned from the position that was the subject of his pre-existing employment contract.

(2) Defined benefit pension plan set up for senior executives of MFPM and CGEM. For detailed explanations, see sections 3.4.3.5 and 3.4.4.5. In accordance with Government Order No. 2019-697 dated July 3, 2019, the supplementary pension plan set up for MFPM and CGEM senior executives (the Michelin Executive Supplementary Pension Plan) has been closed to new members since July 4, 2019 and the vesting period was frozen at December 31, 2019.

(3) Benefit defined in the CGEM Bylaws:

– set by the Non-Managing General Partner with the endorsement of the Supervisory Board; – only payable in the event of forced departure due to a change of strategy or of control; – capped at two years' fixed and variable compensation (this cap includes any other benefits payable on termination of office such as a non-compete indemnity);

– subject to performance conditions (see section 3.3.2.7).

(4) Indemnity payable in his capacity as an executive officer of MFPM:

– with the possibility for the Supervisory Board to waive implementation of the non-compete clause;

– capped at 24 months' worth of the most recent fixed compensation paid to him by MFPM;

– deducted, where appropriate, from the cap equal to two years' fixed and variable compensation applicable to all termination benefits, including compensation for loss of office payable in the event of a forced departure due to a change in the Company's strategy or control (for detailed explanations, see section 3.3.2.8).

In accordance with Article R. 22-10-40-III of the French Commercial Code, the non-compete indemnity would not be payable if the person concerned retired on leaving the Group.

(5) Suspended employment contract with MFPM.

(6) Indemnity payable under his suspended employment contract with MFPM:

– with the possibility for the Supervisory Board to waive implementation of the non-compete clause;

– capped at 24 months' worth of the most recent aggregate compensation paid to him by MFPM;

– deducted, where appropriate, from the cap equal to two years' fixed and variable compensation applicable to all termination benefits, including compensation for loss of office payable in the event of a forced departure due to a change in the Company's strategy or control (for detailed explanations, see section 3.3.2.8).

In accordance with Article R. 22-10-40-III of the French Commercial Code, the non-compete indemnity would not be payable if the person concerned retired on leaving the Group.

3.6.2 LONG-TERM INCENTIVE BONUSES AWARDED TO EXECUTIVE OFFICERS IN RESPECT OF PERIODS PRIOR TO 2021

3.6.2.1 Long-term incentive bonuses awarded to Florent Menegaux in respect of periods prior to 2021

Cash-settled long-term incentive bonus awarded in 2019

This compensation awarded for 2019 was presented at the Annual Shareholders Meeting of June 23, 2020 and approved by a majority of 95.75% of the votes cast (9th resolution).

Criteria	Growth in the Michelin share price compared with that of the CAC 40 index over the 2019-2021 period	Michelin Environmental Footprint (as measured by the MEF indicator) ⁽¹⁾	Change in the Employee Engagement Rate (as measured by the annual Moving Forward Together survey)	Growth in segment operating income (SOI), in € millions (based on current business scope and comparable accounting methods, excluding changes in exchange rates)
Type	Financial performance	Environmental and CSR performance	Environmental and CSR performance	Business performance
Weighting (as a % of the Profit Share)	11%	4%	4%	11%
Calculation method	Average of the share prices for the second half of 2018 compared to the average of the share prices for the second half of 2021 (closing prices quoted on Euronext Paris)	Average decrease in the indicator between 2018/2019, 2019/2020 and 2020/2021	Average growth in the indicator between 2018/2019, 2019/2020 and 2020/2021	Average growth in the indicator between 2018/2019, 2019/2020 and 2020/2021
Maximum objective	If the gain in Michelin's share price is at least 15 points more than the gain in the CAC 40, the achievement rate will be 100% and the maximum 11% of the maximum potential bonus will be received.	If the change in average MEF over three years is less than -1.5 pts, the achievement rate will be 100% and the maximum 4% of the maximum potential bonus will be received	If the improvement in the average engagement rate exceeds 1.5 pts, the achievement rate will be 100% and the maximum 4% of the maximum potential bonus will be received	If average annual growth in segment operating income exceeds €200 million, the achievement rate will be 100% and the maximum 11% of the performance shares for this objective will vest
Target objective	If the gain in Michelin's share price is between 0 and 15 points more than the gain in the CAC 40, the result will be: (gain in the Michelin share price – gain in the CAC 40 index) x (11%/15)	If the change in average MEF over three years is between -1.1 pts and -1.5 pts, the target will be partly achieved and 3% of the maximum potential bonus will be received If the change in average MEF over three years is between -0.5 pts and -1.0 pts, the target will be partly achieved and 1.5% of the maximum potential bonus will be received	If the improvement in the average engagement rate is between 0.1 pts and 1.5 pts, the target will be partly achieved and the bonus will be determined on a straight line basis	If the average growth in segment operating income is between €100 million and €200 million, the target will be partly achieved and the bonus will be determined on a proportionate basis
Trigger point	If the gain in Michelin's share price is less than the gain in the CAC 40, the achievement rate will be 0%	If the change in average MEF over three years exceeds -0.5 pts, the target will not be met	If the improvement in the average engagement rate is less than 0.1 pts, the achievement rate will be 0%	If average annual growth in segment operating income is less than €100 million, the target will not be met

Criteria	Growth in the Michelin share price compared with that of the CAC 40 index over the 2019-2021 period	Michelin Environmental Footprint (as measured by the MEF indicator) ⁽¹⁾	Change in the Employee Engagement Rate (as measured by the annual Moving Forward Together survey)	Growth in segment operating income (SOI), in € millions (based on current business scope and comparable accounting methods, excluding changes in exchange rates)
Actual indicator	<ul style="list-style-type: none"> ▶ Growth in the Michelin share price⁽²⁾ = 38.98% Growth in the CAC 40⁽²⁾ = 29.95% The average engagement rate is 9.03%, giving an achievement rate of 6.6% out of 11% for this criterion 	2019 = -0.5 pts 2020 = +0.1 pts 2021 = -2.5 pts The average engagement rate is -0.97 pts, giving an achievement rate of 1.50% out of 4% for this criterion	2019 = +1.0 pts 2020 = +2 pts 2021 = -2.0 pts The average engagement rate is 0.33 pts, giving an achievement rate of 0.67% out of 4% for this criterion	2019 = +€163 million 2020 = -€1,006 million 2021 = +€1,224 million The growth differential is €127 million, giving an achievement rate of 2.95% out of 11% for this criterion
Base amount	Profit Share payable out of distributable income for 2021			
Cap and eligibility conditions	<ul style="list-style-type: none"> ▶ Capped at 2.5x annual fixed compensation for 2019, i.e., €2,250,000 (indicative amount) ▶ Subject to the availability and amount of Profit Share for distribution in 2022 out of 2021 profit, after deducting annual variable compensation due for 2021 			
Payment year	2022			
Amount due	€1,299,726 ⁽³⁾			
Commitment	Commitment to invest in Michelin shares 20% of the long-term incentive bonus received at the end of the three-year period and to retain these shares for as long as Mr. Menegaux remains in office, after which the shares may be sold on a phased basis over four years			

(1) Michelin Environmental Footprint (MEF) indicator: energy use, water withdrawals, CO₂ emissions, volatile organic compound emissions, amount of waste produced and amount of waste landfilled.

(2) Average share price for the second half of 2021 compared to the average share price for the second half of 2018.

(3) By agreement between the General Partners, the amount is determined in accordance with the conditions decided in 2019, on the basis of 0.6% of the Group's 2022 consolidated net income.

Based on the characteristics of this long-term incentive bonus and the aggregate bonus criteria achievement rate of 11.72% versus a maximum of 30% observed by the Compensation and Appointments Committee (see above table), the Supervisory Board noted that the gross long-term incentive bonus amounted to €1,299,726.00 (rounded, before withholding tax). This bonus will be payable in 2022 after the 2021 financial statements have been approved by the Ordinary Shareholders Meeting of May 13, 2022.

Mr. Menegaux is committed to investing 20% of the incentive bonus in Michelin shares, which he will continue to hold for as long as he remains in office, with any subsequent sales to be carried out on a phased basis over four years.

3.6.2.2 Long-term incentive bonuses awarded to Yves Chapot in respect of periods prior to 2021

Cash-settled long-term incentive bonus awarded in 2019

This compensation awarded for 2019 was presented at the Annual Shareholders Meeting of June 23, 2020 and was approved by a majority of 96.47% of the votes cast (10th resolution).

Criteria	Growth in the Michelin share price compared with that of the CAC 40 index over the 2019-2021 period	Michelin Environmental Footprint (as measured by the MEF indicator) ⁽¹⁾	Change in the Employee Engagement Rate (as measured by the annual Moving Forward Together survey)	Growth in segment operating income (SOI), in € millions (based on current business scope and comparable accounting methods, excluding changes in exchange rates)
Type	Financial performance	Environmental and CSR performance	Environmental and CSR performance	Business performance
Weighting	35%	15%	15%	35%
Calculation method	Average of the share prices for the second half of 2018 compared to the average of the share prices for the second half of 2021 (closing prices quoted on Euronext Paris)	Average decrease in the indicator between 2018/2019, 2019/2020 and 2020/2021	Average growth in the indicator between 2018/2019, 2019/2020 and 2020/2021	Average growth in the indicator between 2018/2019, 2019/2020 and 2020/2021
Maximum objective	If the gain in Michelin's share price is at least 15 points more than the gain in the CAC 40, the achievement rate will be 100% and the maximum 35% of the maximum potential bonus will be received.	If the change in average MEF over three years is less than -1.5 pts, the achievement rate will be 100% and the maximum 15% of the maximum potential bonus will be received	If the improvement in the average engagement rate exceeds 1.5 pts, the achievement rate will be 100% and the maximum 15% of the maximum potential bonus will be received	If average annual growth in segment operating income exceeds €200 million, the achievement rate will be 100% and the maximum 35% of the performance shares for this objective will vest.
Target objective	If the gain in Michelin's share price is between 0 and 15 points more than the gain in the CAC 40, the result will be: (gain in the Michelin share price – gain in the CAC 40 index) x (35%/15)	If the change in average MEF over three years is between -1.1 pts and -1.5 pts, the target will be partly achieved and 10% of the maximum potential bonus will be received If the change in average MEF over three years is between -0.5 pts and -1.0 pts, the target will be partly achieved and 5% of the maximum potential bonus will be received	If the improvement in the average engagement rate is between 0.1 pts and 1.5 pts, the target will be partly achieved and the bonus will be determined on a straight line basis	If the average growth in segment operating income is between €100 million and €200 million, the target will be partly achieved and the bonus will be determined on a proportionate basis
Trigger point	If the gain in Michelin's share price is less than the gain in the CAC 40, the achievement rate will be 0%	If the change in average MEF over three years exceeds -0.5 pts, the achievement rate will be 0%	If the improvement in the average engagement rate is less than 0.1 pts, the achievement rate will be 0%	If average annual growth in segment operating income is less than €100 million, the achievement rate will be 0%
Actual indicator	Growth in the Michelin share price ⁽²⁾ = 38.98% Growth in the CAC 40 ⁽²⁾ = 29.95% The average engagement rate is 9.03%, giving an achievement rate of 21.07% out of 35% for this criterion	2019 = -0.5 pts 2020 = +0.1 pts 2021 = -2.5 pts The average engagement rate is -0.97%, giving an achievement rate of 5.00% out of 15% for this criterion	2019 = +1.0 pts 2020 = +2 pts 2021 = -2.0 pts The average engagement rate is 0.33%, giving an achievement rate of 2.50% out of 15% for this criterion	2019 = +€163 million 2020 = -€1,006 million 2021 = +€1,224 million The growth differential is €127 million, giving an achievement rate of 9.39% out of 35% for this criterion

Criteria	Growth in the Michelin share price compared with that of the CAC 40 index over the 2019-2021 period	Michelin Environmental Footprint (as measured by the MEF indicator) ⁽¹⁾	Change in the Employee Engagement Rate (as measured by the annual Moving Forward Together survey)	Growth in segment operating income (SOI), in € millions (based on current business scope and comparable accounting methods, excluding changes in exchange rates)
Base amount	€600,000.00 (2019 fixed compensation)			
Ceiling	120% of the annual average of the annual variable compensation paid to Mr. Chapot for 2019, 2020 and 2021			
Payment year	2022			
Amount due	€227,774 (rounded)			

(1) Michelin Environmental Footprint (MEF) indicator: energy use, water withdrawals, CO₂ emissions, volatile organic compound emissions, amount of waste produced and amount of waste landfilled.

(2) Average share price for the second half of 2021 compared to the average share price for the second half of 2018.

Based on the characteristics of this long-term incentive bonus and the aggregate bonus achievement rate of 37.96% versus a maximum of 100% observed by the Compensation and Appointments Committee (see above table), the Supervisory Board noted that the gross long-term incentive bonus

amounted to €227,774.00 (rounded, before withholding tax). This bonus will be payable in 2022 after the 2021 financial statements have been approved by the Ordinary Shareholders Meeting of May 13, 2022.

3.7 TOTAL COMPENSATION AWARDED TO THE GROUP EXECUTIVE COMMITTEE

In 2021, the members of the Group Executive Committee (excluding the Managers) received aggregate gross compensation of €7,584,025.00 (including €1,383,598.00 corresponding to the variable component for 2020 paid during the first half of 2021). In 2020, the aggregate gross compensation received by Group Executive Committee

members totaled €5,324,236.00 (including €1,566,295.00 corresponding to the variable component for 2019 paid during the first half of 2020). The Group Executive Committee members do not receive any compensation as members of the Boards of any Group companies.

3.8 TRADING IN MICHELIN SHARES BY THE CORPORATE OFFICERS AND THEIR CLOSE RELATIVES IN 2021

Managers

Florent Menegaux

5,314 performance shares received without consideration on November 14, 2021 (performance shares granted in 2017 in his capacity as an employee of a Group company, prior to becoming a corporate officer).

Yves Chapot

3,679 performance shares received without consideration on November 14, 2021 (performance shares granted in 2017 in his capacity as an employee of a Group company, prior to becoming a corporate officer).

Supervisory Board

Delphine Roussy

72 shares acquired on November 14, 2021 without consideration under the performance share plan.

Wolf-Henning Scheider

400 shares acquired on March 24, 2021 at a unit price of €124.50.

Jean-Michel Severino

400 shares acquired on January 25, 2021 at a unit price of €110.65.

To the best of the Company's knowledge, no other transactions in the Company's shares were carried out by the Managers, Supervisory Board members or their close relatives during the year.

3.9 PROCEDURE FOR ASSESSING AGREEMENTS ENTERED INTO IN THE NORMAL COURSE OF BUSINESS

In accordance with Article L. 225-39 of the French Commercial Code, referring to Article L. 226-10-1 of said Code, the Supervisory Board has established a procedure for the regular review of agreements entered into in the normal course of business, in order to obtain assurance that they are on arm's

length terms. The persons directly or indirectly concerned by any of these agreements do not participate in the review. The procedure is performed by members of the Legal Department who refer to the regulatory framework governing these types of agreement.

3.10 ARTICLES OF INCORPORATION, BYLAWS AND SHAREHOLDER PARTICIPATION AT GENERAL MEETINGS

The Bylaws, in French and English, can be downloaded from the Company's website (www.michelin.com).

3.10.1 GENERAL PARTNERS (ARTICLE 1 OF THE BYLAWS)

- ▶ Florent Menegaux, Managing Chairman;
- ▶ Société Auxiliaire de Gestion – SAGES (registered in the Clermont-Ferrand Trade and Companies Register under number 870 200 466), a simplified joint stock company chaired by Vincent Montagne (see the presentation and role of this company, section 3.1.2).

3.10.2 CORPORATE PURPOSE (ARTICLE 2 OF THE BYLAWS)

All operations and activities directly or indirectly linked to the production, manufacture and sale of rubber, at all stages of manufacture, in all forms and for all uses.

All industrial, commercial and financial operations, related in particular to:

- ▶ tires, tire components, tire accessories and manufactured rubber in general;
- ▶ mechanical engineering in all its applications, and in particular motor vehicles and industrial vehicles, components, spare parts and accessories;
- ▶ the production, sale and use of natural or synthetic chemicals and their derivatives, in particular the various sorts of elastomers, plastics, fibers and resins, and generally all activities and products of the chemicals industry, especially as related to the products and operations described above;

- ▶ the filing, acquisition, use, transfer or sale of any intangible property rights, and in particular patents and related rights, trademarks and manufacturing processes relating to the corporate purpose.

To be carried out directly, as well as through equity interests, the creation of new companies, joint ventures (*sociétés en participation*) and economic interest groups (*groupements d'intérêt économique*), contributions, partnerships (*commandites*), the subscription, purchase or exchange of securities, or interests, in all businesses whose activities relate to the aforementioned purposes, or by way of merger or otherwise.

And generally, all commercial, industrial, real estate, securities and financial transactions related directly or indirectly in whole or in part to any of the purposes specified above or to any similar or related purposes.

3.10.3 MANAGERS (ARTICLE 10 OF THE BYLAWS)

The Company is led by a Managing Chairman and managed by one or more Managers, who are individuals and who may or may not be General Partners.

3.10.4 FISCAL YEAR (ARTICLE 29 OF THE BYLAWS)

The Company's fiscal year begins on January 1 and ends on December 31.

3.10.5 STATUTORY ALLOCATION OF PROFITS (ARTICLES 12 AND 30 OF THE BYLAWS)

Allocation to the General Partners of a share of net income (the Profit Share) calculated as follows:

- ▶ the portion of the Profit Share attributable to the Managing General Partner(s) is determined by reference to the objectives set in advance by the Supervisory Board;
- ▶ the portion attributable to the Non-Managing General Partner is equal to the portion attributable to the Managing General Partner(s) in respect of his/her/their annual variable compensation or in any other form whatsoever (including in performance shares).

In all cases, the total Profit Share due to the General Partners is capped at 0.6% of consolidated net income for the year.

Net income comprises net revenue for the year less general and administrative costs and all other expenses of the Company, including any depreciation, amortization and provisions deemed necessary. Net income remaining after the allocation to the General Partners, plus any retained earnings brought forward from the prior year, is attributable to shareholders.

The shareholders may decide to make deductions from this attributable net income to be used, as recommended by the Managing Chairman, to create or increase one or more reserve or contingency funds, over which the General Partners shall not have any rights.

3.10.6 SHAREHOLDER PARTICIPATION AT GENERAL MEETINGS

Notices of Meeting (Article 21 of the Bylaws)

Notices of Meeting are issued in such form and with such advance notice as is prescribed by law.

Conditions of attendance (Articles 22 and 24 of the Bylaws)

Shareholders may attend General Meetings regardless of how many shares they own, provided such shares are fully paid up and are registered in the Company's share register at least three days before the date of the Meeting.

Exercising voting rights – attribution of double voting rights (Article 22 of the Bylaws)

Owners or proxies of owners of fully paid-up shares registered in the name of the same holder for at least four years shall have two votes per share, without limitation.

In the event of a capital increase paid up by capitalizing reserves, income or additional paid-in capital, the resulting bonus shares distributed in respect of registered shares carrying double voting rights shall similarly carry double voting rights.

Transfer through inheritance, liquidation of marital assets, inter vivos transfers to a spouse or to a relative in the ascending or descending line shall not result in the loss of double voting rights or a break in the qualifying period described above.

Shares transferred for any other reason shall lose their double voting rights ipso jure.

Statutory disclosure thresholds

The Bylaws do not provide for any disclosure to the Company when certain shareholding thresholds are exceeded. Further information is provided on the Company's website www.michelin.com.

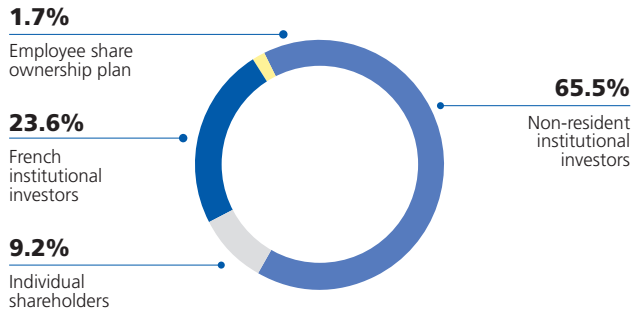
3.11 OWNERSHIP STRUCTURE AND VOTING RIGHTS

At December 31, 2021:

- ▶ share capital: €357,060,900;
- ▶ shares outstanding: 178,530,450 all fully paid up;
- ▶ voting rights outstanding: 238,147,046.

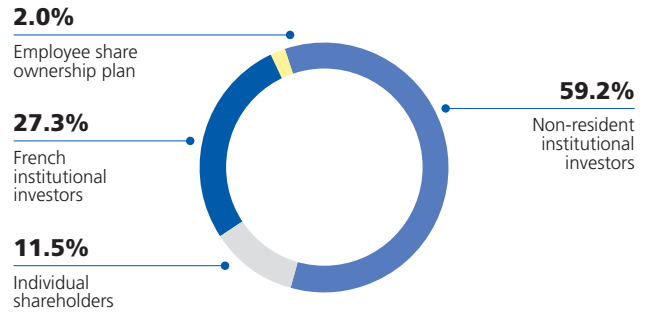
SHARE OWNERSHIP

(at December 31, 2021)



VOTING RIGHTS

(at December 31, 2021)



At December 31, 2021, 178,530,450 shares were held by the public, corresponding to 100% of the voting rights.

As of December 31, 2021, to the best of the Company's knowledge:

- ▶ BlackRock Inc. held 4.99% of the share capital and 3.76% of the voting rights;
- ▶ Mage Invest held 4.22% of the share capital and 6.24% of the voting rights;
- ▶ no other shareholder directly or indirectly holds more than 5% of the capital and voting rights;
- ▶ there are no shareholders' agreements or pacts.

There has been no material change in the Company's ownership structure over the last three years.

3.12 FINANCIAL AUTHORIZATIONS

3.12.1 GRANTED BY THE ANNUAL SHAREHOLDERS MEETING OF JUNE 23, 2020

Issuance of shares and share equivalents with pre-emptive subscription rights

Corporate action	Resolution	Duration (expiration date)	Maximum issue amount, based on a share price of €145 ⁽¹⁾ (in €)	Maximum aggregate par value of shares (in €)	Utilization during the year
Issuance of shares and/or securities carrying rights to shares	16 th	26 months (August 2022)	<ul style="list-style-type: none"> ▶ €9.13 billion (ordinary shares) ▶ €2.50 billion⁽⁴⁾ (securities carrying rights to shares) 	€126 million ⁽²⁾⁽³⁾ (less than 35% of issued capital)	None
Issuance of new shares by capitalizing reserves	20 th	26 months (August 2022)	€5.80 billion	€80 million	None

(1) CGEM share price at December 31, 2021, rounded up to the nearest whole number.

(2) With the aggregate par value of shares issued in connection with all of the authorized transactions not to exceed €126 million, excluding any shares issued under the 20th resolution (23rd resolution).

(3) This amount may be raised by up to 15% if the issue is oversubscribed, subject to the ceilings set respectively in the 16th, 17th and 18th resolutions (19th resolution).

(4) With the aggregate nominal amount of all debt securities, with or without rights to shares, authorized by the 16th, 17th, 18th and 19th resolutions not to exceed €2.5 billion (23rd resolution).

Issuance of shares and share equivalents without pre-emptive subscription rights

Corporate action	Resolution	Duration (expiration date)	Maximum issue amount, based on a share price of €145 ⁽¹⁾ (in €)	Maximum aggregate par value of shares (in €)	Utilization during the year
Issuance of shares and/or securities carrying rights to shares	17 th	26 months (August 2022)	<ul style="list-style-type: none"> ▶ €2.54 billion (ordinary shares) ▶ €2.50 billion⁽⁴⁾ (securities carrying rights to shares) 	€35 million ⁽²⁾⁽³⁾ (less than 10% of issued capital)	None
Issuance of shares and/or securities carrying rights to shares through an offer governed by Article L. 411-2 of the French Monetary and Financial Code (<i>Code monétaire et financier</i>)	18 th	26 months (August 2022)	<ul style="list-style-type: none"> ▶ €2.54 billion (ordinary shares) ▶ €2.50 billion⁽⁴⁾ (securities carrying rights to shares) 	€35 million ⁽²⁾⁽³⁾⁽⁵⁾ (less than 10% of issued capital)	None
Issuance of ordinary shares in connection with a stock-for-stock offer or in payment of contributed assets	21 st	26 months (August 2022)	€2.54 billion	€35 million ⁽⁵⁾	None

(1) CGEM share price at December 31, 2021, rounded up to the nearest whole number.

(2) With the aggregate par value of shares issued in connection with all of the authorized transactions not to exceed €126 million, excluding any shares issued under the 20th resolution (23rd resolution).

(3) This amount may be raised by up to 15% if the issue is oversubscribed, subject to the ceilings set respectively in the 16th, 17th and 18th resolutions (19th resolution).

(4) With the aggregate nominal amount of all debt securities, with or without rights to shares, authorized by the 16th, 17th, 18th and 19th resolutions not to exceed €2.5 billion (23rd resolution).

(5) Amount to be included in the maximum total capital increase authorized under the 23rd resolution.

Employee share issues and/or issue of shares to the Managers and the Chair(man) of the Supervisory Board

Corporate action	Resolution	Duration (expiration date)	Comments	Utilization during the year
Issuance of new ordinary shares	22 nd	26 months (August 2022)	Less than 2% of issued capital	None
Share grants and performance share plans	25 th	38 months (August 2023)	<ul style="list-style-type: none"> ▶ Performance conditions over three years ▶ Capped at 0.9% of issued capital 	Issuance of 588,960 rights ⁽¹⁾

(1) Please refer to sections 6.5.4 and 6.5.5.

Share buyback program

Corporate action	Resolution	Duration (expiration date)	Comments	Utilization during the year
Share buyback program	5 th	18 months (December 2021)	<ul style="list-style-type: none"> ▶ Statutory limit of 10% of issued capital ▶ Maximum purchase price: €180 	Buyback of 8,032 shares ⁽¹⁾
Share cancellations	24 th	24 months (June 2022)	10% of the current capital	None

(1) See section 6.5.6.

3.12.2 GRANTED BY THE ANNUAL SHAREHOLDERS MEETING OF MAY 21, 2021

Share buyback program

Corporate action	Resolution	Duration (expiration date)	Limitations	Utilization during the year
Share buyback program	5 th	24 months (May 2023)	<ul style="list-style-type: none"> ▶ Statutory limit of 10% of issued capital ▶ Maximum purchase price: €180 	None
Share cancellations	14 th	18 months (November 2022)	10% of issued capital	None

3.13 CHANGE OF CONTROL

Because the Company is organized as a *société en commandite par actions* (partnership limited by shares), any shareholder gaining control of the capital and corresponding voting rights could not exercise control over the Company without the approval, in accordance with the Bylaws, of the Non-Managing General Partner and/or, as the case may be, all of the General

Partners and/or the Supervisory Board, which would be required to make the following decisions:

- ▶ election of new Managers;
- ▶ amendment of the Bylaws;
- ▶ election of new General Partners.

3.14 STATUTORY AUDITORS' REPORT, PREPARED IN ACCORDANCE WITH ARTICLE L. 22-10-78 OF THE FRENCH COMMERCIAL CODE ON THE CORPORATE GOVERNANCE REPORT

In accordance with French professional auditing standard NEP 9510⁽¹⁾, the Statutory Auditors' review of the Supervisory Board's Corporate Governance Report, pursuant to Article L. 225-235 of the French Commercial Code, is described in the Statutory Auditors' report on the annual financial statements presented in section 5.3.3 herein.

(1) Norme d'exercice professionnel 9510 (approved by the government order of October 1, 2018 published in France's Journal Officiel, edition no. 0232, on October 7, 2018) on the subject of the Statutory Auditor's procedures relating to the management report, other documents on the audited entity's financial position and financial statements and information included in the Corporate Governance Report, as communicated to the members of the governance body called on to approve the financial statements.