

CONFERENCE LUXEMBOURG

HSBC

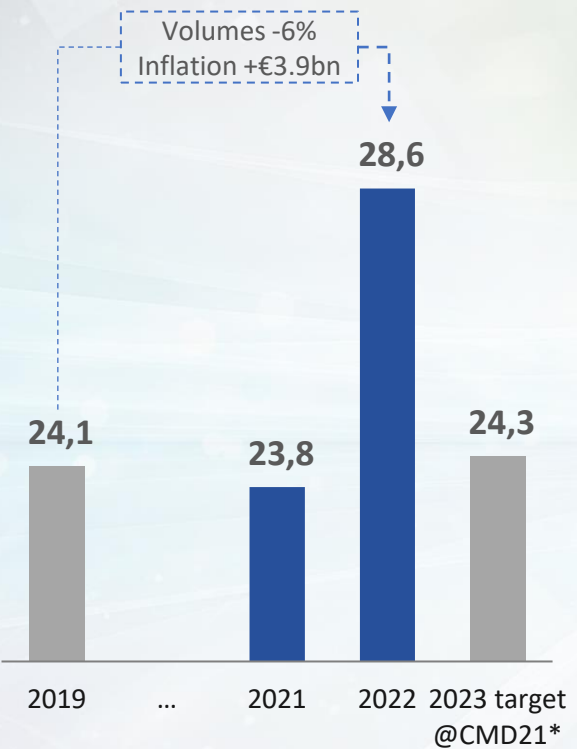
March 30, 2023



Michelin progressing rapidly despite tougher market environment, on track to reach 2023 targets shared at 2021 CMD

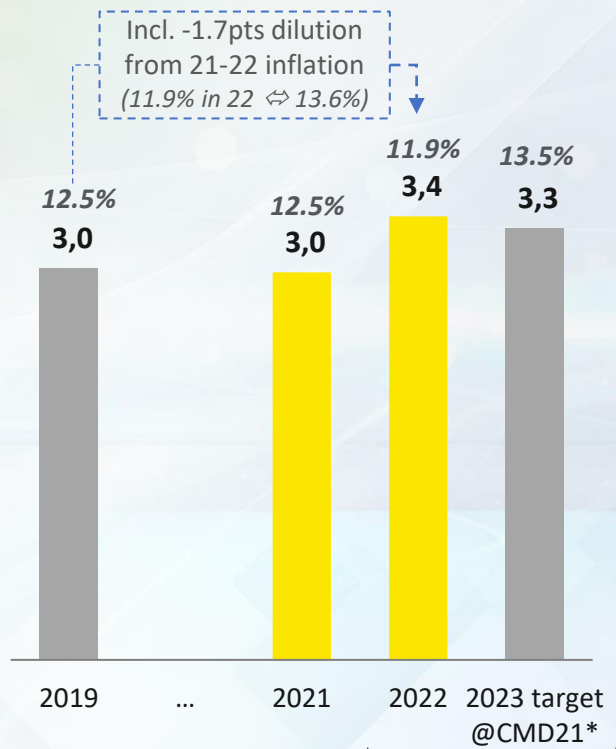
GROWTH

Sales (bn €)



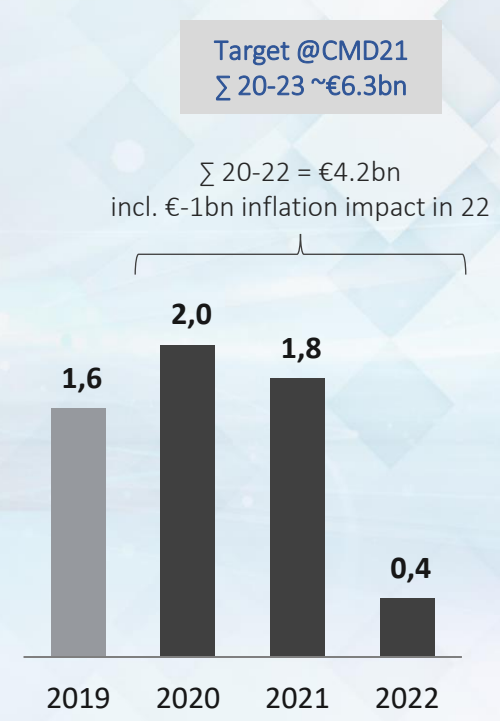
PROFITABILITY

Segment Operating Income (bn €, % of sales)



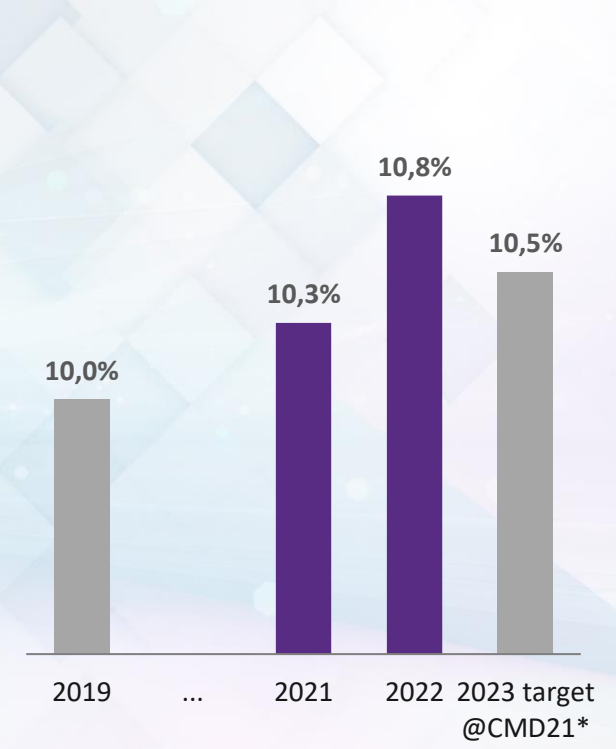
CASH GENERATION

Structural FCF (bn €)



RETURN ON CAPITAL EMPLOYED

After-tax ROCE (%)



	2022		2023 target
	Actual	Adjusted **	@CMD21
RS1	12.1%	13.8%	> 12%
RS2	8.6%	10.3%	> 10%
RS3	14.9%	16.6%	> 17%

* at constant forex based on Jan 21 average forex
** accounting for 1.7 pts dilution effect from inflation (Group average)



Confirmation of our shareholder return policy

Pay-out gradually increasing towards 50% target

PER SHARE DATA ⁽¹⁾ (in €)

	2018	2019	2020	2021	2022	Target @CMD21 ⁽⁴⁾
DIVIDEND	0.93	0.50	0.58	1.13	1.25	
NET INCOME <i>BASIC</i>	2.33	2.42	0.88	2.58	2.81	
PAY-OUT RATIO ⁽²⁾	40%	21%	65%	44%	44%	50%
RETURN ⁽³⁾	4.3%	1.8%	2.2%	3.1%	4.8%	

DIVIDEND POLICY

- Payout ratio gradually raised towards 50% in 2030
- Pay-out calculated on reported net income

SHARE BUY-BACK POLICY

- Annual anti-dilutive programs to offset the impact of employee share plans
- Additional programs might be considered

(1) Data prior to 2022 restated for the 4-for-1 stock split on June 16, 2022

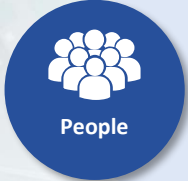














(2) Dividend / Net income

(3) Dividend / Share price; based on Dec 31 closing stock price

(4) Target set on net income before non-recurring items



Strategic Scorecard – 2022 results in line with 2030 ambitions

AMBITION		METRICS		2030 SUCCESS	PROGRESS STATUS		
					2020	2021	2022
 <p>People</p>	Be world-class in employee engagement	 Engagement rate	>85%	82%	80%	83%	
	Be world-class in employee safety	 TCIR ⁽¹⁾	<0.5	1.19	1.29	1.07	
	Be a reference in diversities and inclusion of teams	 IMDI ⁽¹⁾	80 pts over 100	60	65	70	
	Be best-in-class in value created for customers	 NPS partners ⁽¹⁾	+10 vs. 2020	40.5	38.9	41.6	
 <p>Profit</p>	Deliver substantial growth	 Total sales	5% CAGR 23-30	€20.5bn	€23.8bn	€28.6bn	
	Deliver continuous financial value creation	 ROCE ⁽¹⁾	>10.5%	6.0 %	10.3%	10.8%	
	Maintain Michelin brand power	 Brand vitality quotient	+5 pts vs. 2021	58	68	65	
	Maintain best-in-class innovation pace in products and services	 Offers vitality index	>30%	33%	31%	31%	
 <p>Planet</p>	Reach net zero emission by 2050 (manuf. and energy)	 CO ₂ emissions (scopes 1&2)	-50% vs. 2010	-36% 2463 Kt	-29% 2764 Kt	-41% 2304 Kt	
	Contribute to reaching net zero emission (Scope 3)	 Products energy efficiency (scope 3)	+10% vs. 2020	-	+0.5%	+1.8%	
	Be best-in-class in environmental footprint of industrial sites	 i-MEP ⁽¹⁾	-1/3 vs. 2019	-	-7.4%	-11.2%	
	Reach full circularity of products by 2050	 Sustainable Material Rate	40%	28%	29%	30%	



(1) TCIR = Total Case Incident Rate; IMDI = Inclusion and Diversities Management Index; NPS = Net Promoter Score; ROCE = Return on Capital Employed; i-MEP = industrial - Michelin Environmental Performance, see p.151 of the 2021 Universal Registration Document

Demonstrated ability to adapt M&A pattern to strategic business ambitions

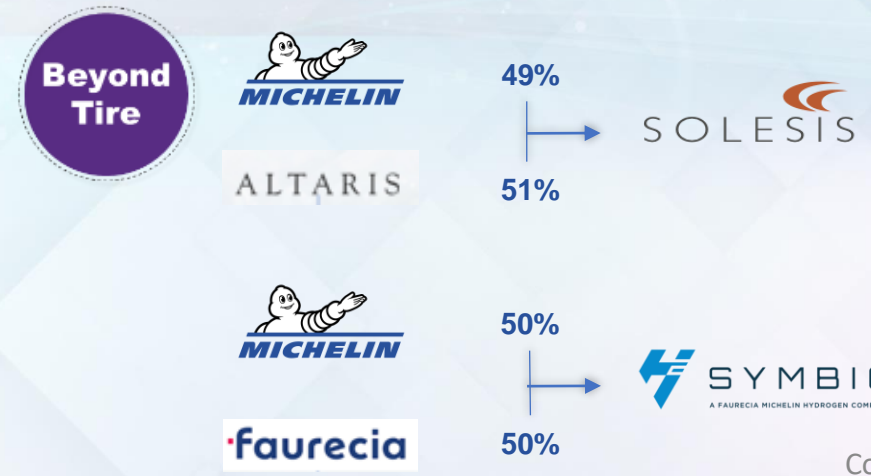
100% BUY-OUT

With Tire : industrial & commercial synergies with short & medium-term impact
Around & Beyond Tire : deep-innovation synergies, delivered in the mid & long-term



~50/50 JOINT-VENTURES

Catalyzing growth by leveraging partner's complementarity with Michelin



MINORITY STAKE

Partnering on innovation, whilst remaining asset-light



A solid M&A track record – Facts & figures



(in € millions)	2018	2022 ⁽¹⁾
SALES	253	396
EBIT	(13)	57
	-5%	14%

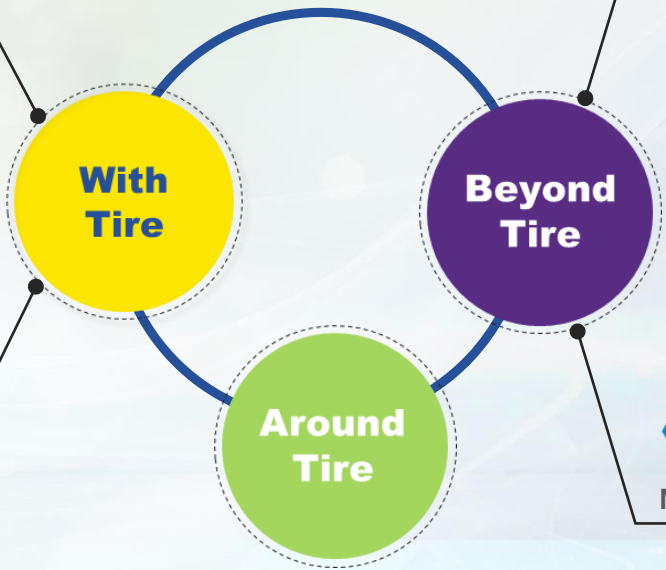
⁽¹⁾ 2022 : unaudited figures



Michelin 50%, Sumitomo Corp. 50%

(in € millions)	2019	2022
SALES	4,401	5,291
EBIT	170	279
	4%	5%

- Early repayment of \$200m in shareholder loans in 2021
- no financial liabilities to outside lenders



- 2018**
 - **Solesis**, medical division of Fenner with 8% of sales (**Fenner Group** acquired for \$1.7bn)
- 2021**
 - 51% of Solesis equity opened to **Altaris** (US PE specialized in healthcare) based on EV of \$475m
→ €114m profit booked in Michelin 2021 P&L
- 2022**
 - Acquisition of **Polyzen** (US-based)



- 2019**
 - Feb: Michelin acquires 100% of SymbioFCell (held 47% of this start-up since 2014)
 - Nov: creation of SYMBIO as a 50/50 JV with **Faurecia**
- 2022**
 - Innoplate JV set-up between Symbio & **Schaeffler** (50/50) dedicated to bi-polar plates
 - Major IPCEI subsidy from Europe & France
- 2023**
 - Exclusive negotiations to open equity to **Stellantis**



- Michelin 100%
- **Sascar** EBIT > 20%
 - **Synergizing digital platforms** between Sascar, Masternaut & Nextraq

Net income synergies (full-year, in € millions)

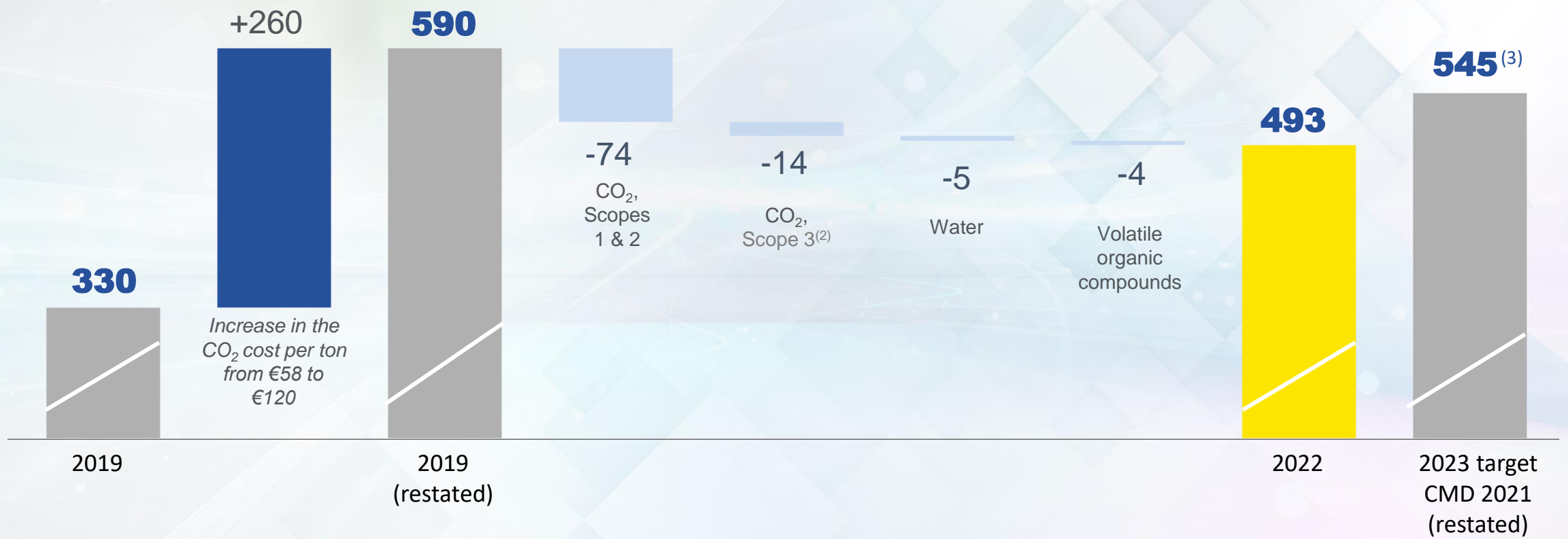


Scope : Fenner, Camso, Multistrada



Michelin in line with ambitions to reduce its environmental externalities

ANALYSIS OF EXTERNALITY COSTS (in € millions)



(1) Volatil Organic Compounds
 (2) Inbound and outbound transportation and distribution of natural rubber, semi-finished products and finished product
 (3) Corresponds to 2023 target of approximately €300m announced at the CMD on April 8, 2021, adjusted for the ton of CO₂ valued at €120/t



2022 ANNUAL RESULTS

February 13, 2023



With sales up 20.2% in 2022, Michelin delivered its segment operating income guidance by reaching €3.4bn

Amid market turbulence and a highly inflationary context, Michelin sales increased to €28.6Bn and segment operating income totaled €3.4Bn.

Free cash flow was punctually impacted by inflation and year-end trade timing.

Over the 2019-2022 period, the Group has demonstrated the resilience of its business model.

- Sales up 20.2% to €28.6bn, lifted by firm pricing discipline and fast-growing non-tire sales
 - Tire markets up slightly in 2022, supported by OE (from a low comparison basis) and sustained demand from Truck and Mining tire customers.
 - Tire sales volumes down, mainly impacted by the conflict in Ukraine and the Covid consequences in China, and reflecting Group's priority set on margin protection.
 - The price-mix effect came to 13.7%, demonstrating the Group's determination to offset all cost inflation factors.
 - Non-tire sales grew by 22% at constant exchange rates, confirming their strong momentum.
 - A 6.2% positive currency effect, led by the US dollar.
- Segment operating income totaled €3.4bn or 11.9% of sales, driven by dynamic pricing management
 - Pricing maintained unit margin integrity, offsetting a record €2.7bn in higher costs.
 - Operating margin reflected a 1.2-point dilutive effect from price increases.
 - Each reporting segment contributed to improved segment operating income, with Specialties (RS3) margin reaching 16.2% in H2 2022
- Reported free cash flow before acquisitions of - €104m. Structural free cash flow ⁽¹⁾ of +€378m
 - One-off impact of inflation on working capital, reducing structural free cash flow ⁽¹⁾ by ~ €500m
 - Q4 penalized by purchasing cuts and stronger December sales for c. €300m, which will be offset in Q1/2023
- Overall Group performance improved in line with the "Michelin in Motion 2030" strategic plan objectives set for each of its three People, Profit, Planet pillars
- Net income reached €2.0bn. Dividend of €1.25 per share proposed to the AGM
- 2023 guidance : > €3.2bn in segment operating income at constant exchange rates; > €1.6bn reported FCF before acquisitions ⁽¹⁾

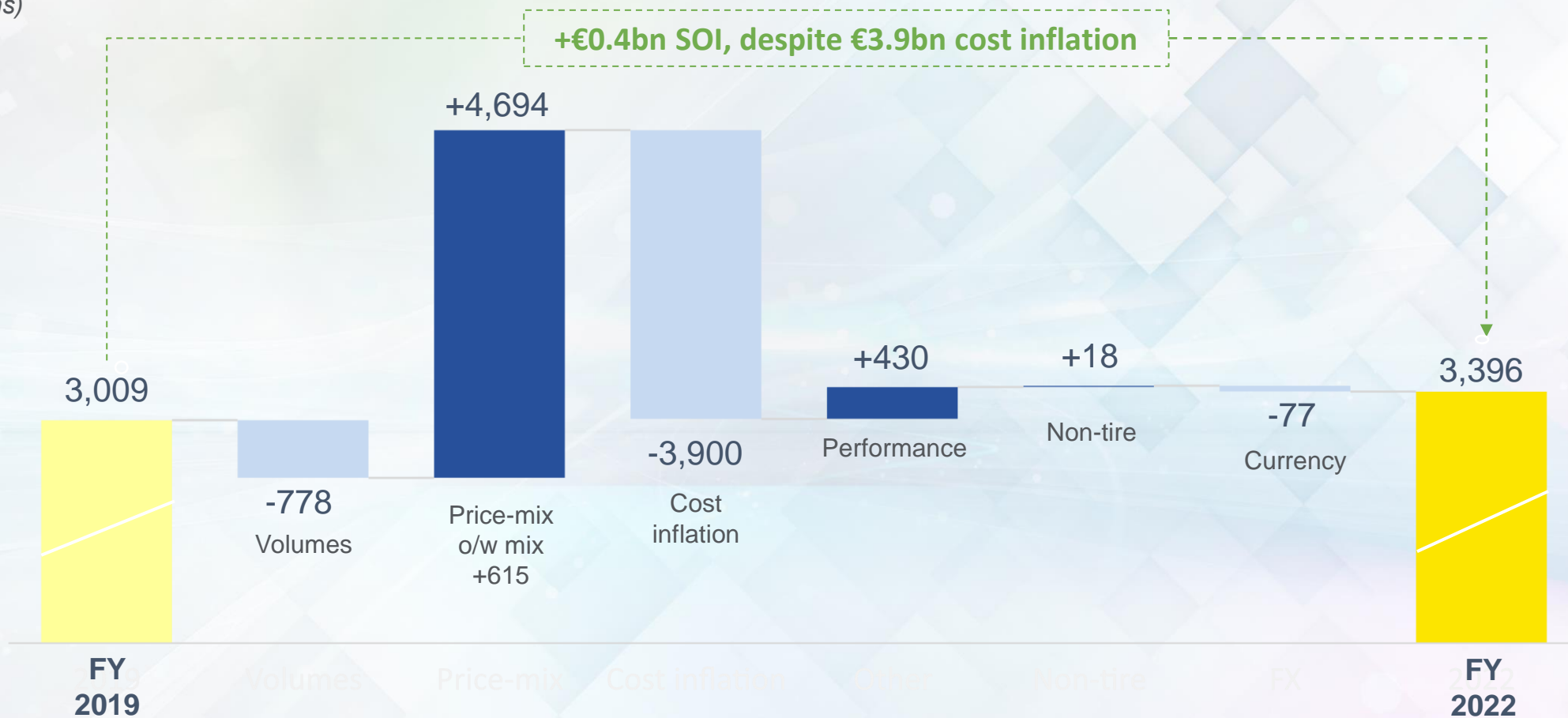


⁽¹⁾ Definition : see slide 61

Over the 2019-2022 period, the Group increased its margin amid unprecedented market turbulences and cost inflation

SEGMENT OPERATING INCOME ANALYSIS, 2019 – 2022

(in € millions)



Sound overall performance in 2022



PEOPLE

29.4%

of managers are women

+0.5 PTS vs 2021

83%

Employee engagement rate

+3 PTS vs 2021

1.07

Total Case Incident Rate

-0.22 PTS vs 2021



PROFIT

€3,396M

Segment operating income

11.9% of sales

10.8%

ROCE⁽¹⁾

+0.5 PTS vs 2021

€-104M

Free cash flow before M&A⁽¹⁾

€-1.6BN vs 2021



PLANET

2.3MT

CO₂ emissions scopes 1&2

-17% vs 2021

88.8 I-MEP

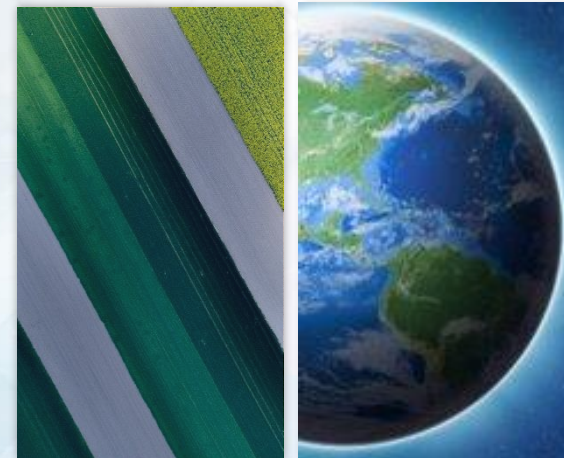
Industrial environmental performance⁽²⁾

improved by **3.8 PTS** vs 2021

30%

Average sustainable materials rate in tires

+1 PT vs 2021

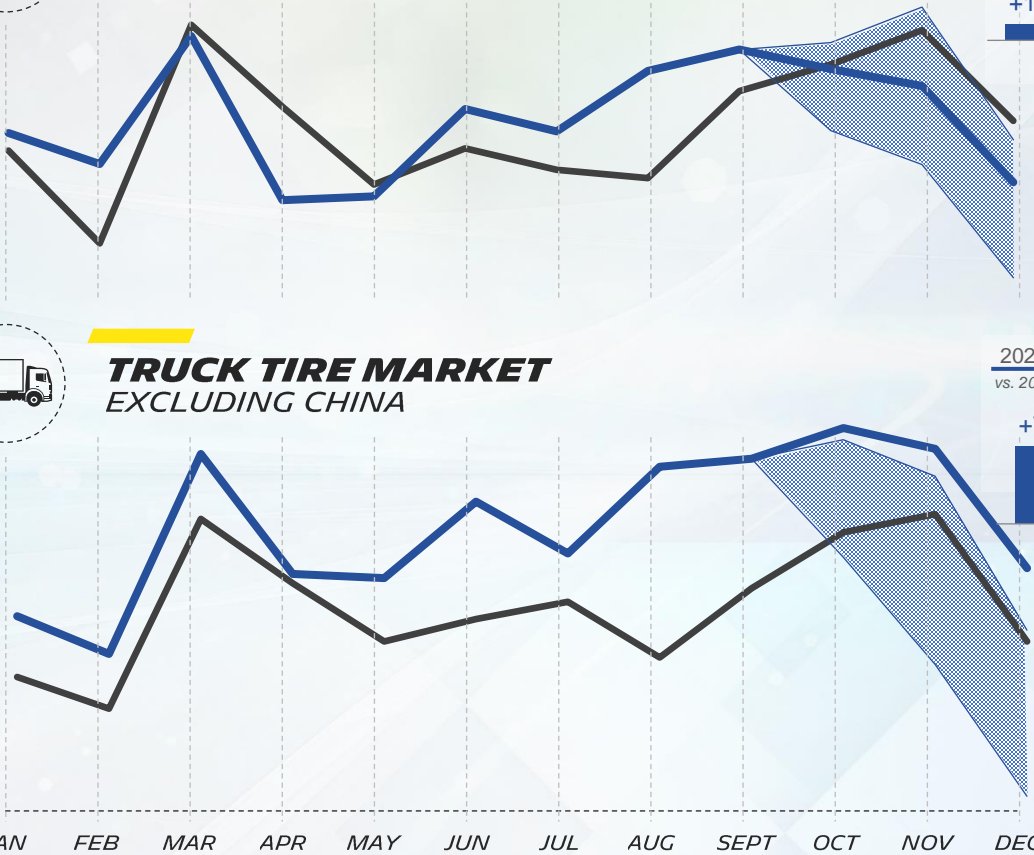


⁽¹⁾ Definition: see slide 61 ⁽²⁾ The industrial-Michelin Environmental Performance (i-MEP) indicator is used to track the environmental impacts of the Group's manufacturing operations (see slide 55 and p.151 of the 2021 Universal Registration Document).

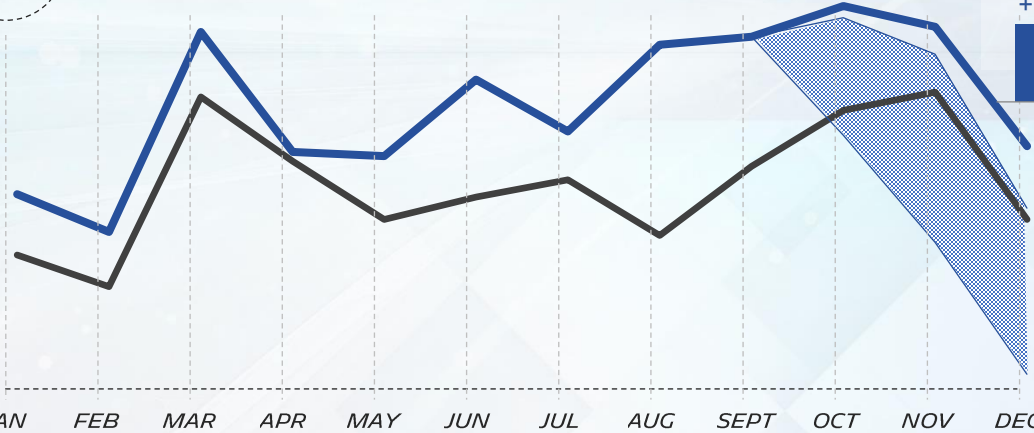
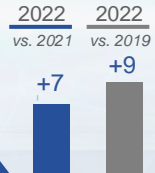
Sell-in markets in expected ranges in PC/LT and Specialties in Q4, stronger in Truck (excl. China)



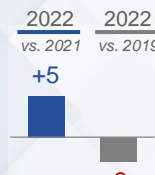
PASSENGER CAR AND LIGHT TRUCK TIRE MARKET



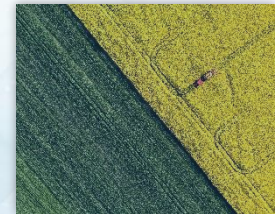
TRUCK TIRE MARKET EXCLUDING CHINA



SPECIALTIES



- Mining
- Agriculture
- Construction
- Material handling
- Aircraft
- Two-wheel

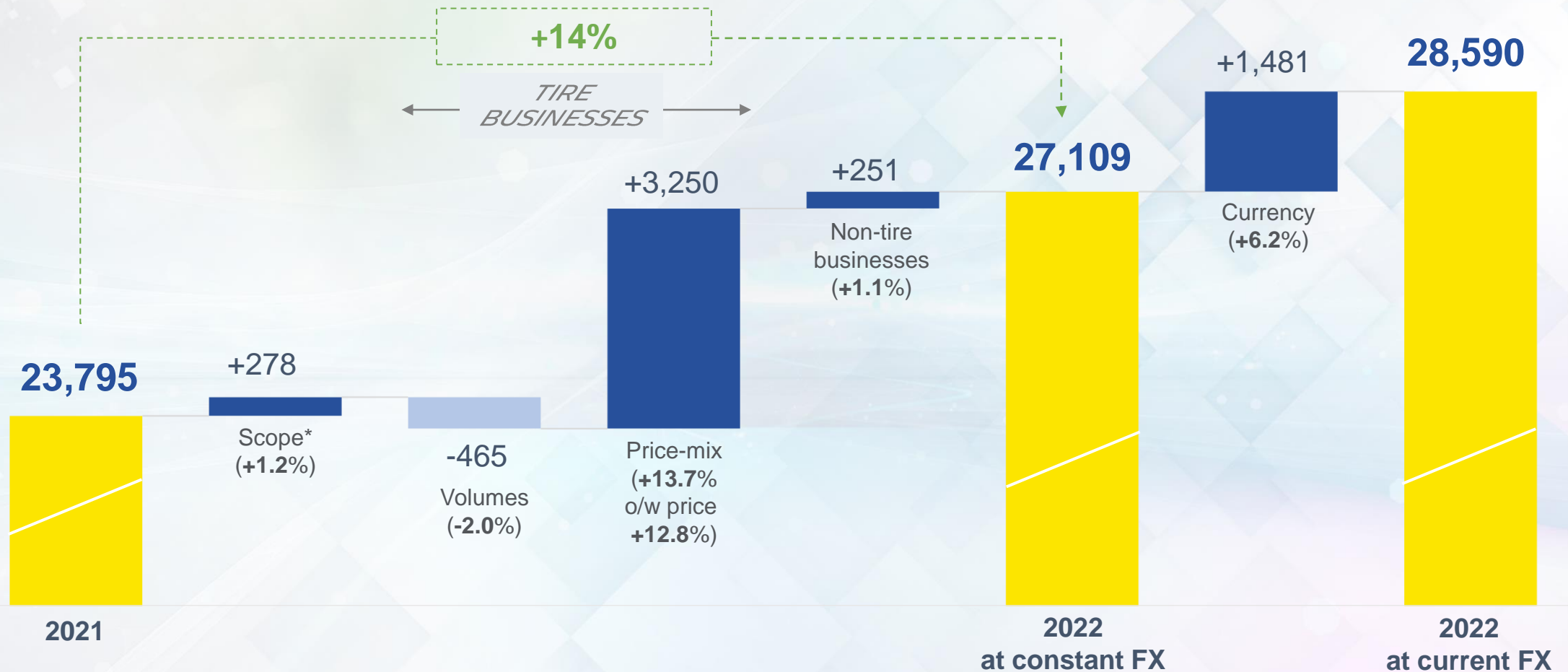


2022 2021 Q4 2022 projection presented during Q3 sales release

2022 Group sales up 20.2%, lifted by strong pricing discipline. Non-tire sales grew by 22% or €251m

ANALYSIS OF FY SALES

(in € millions and as a % of 2021)

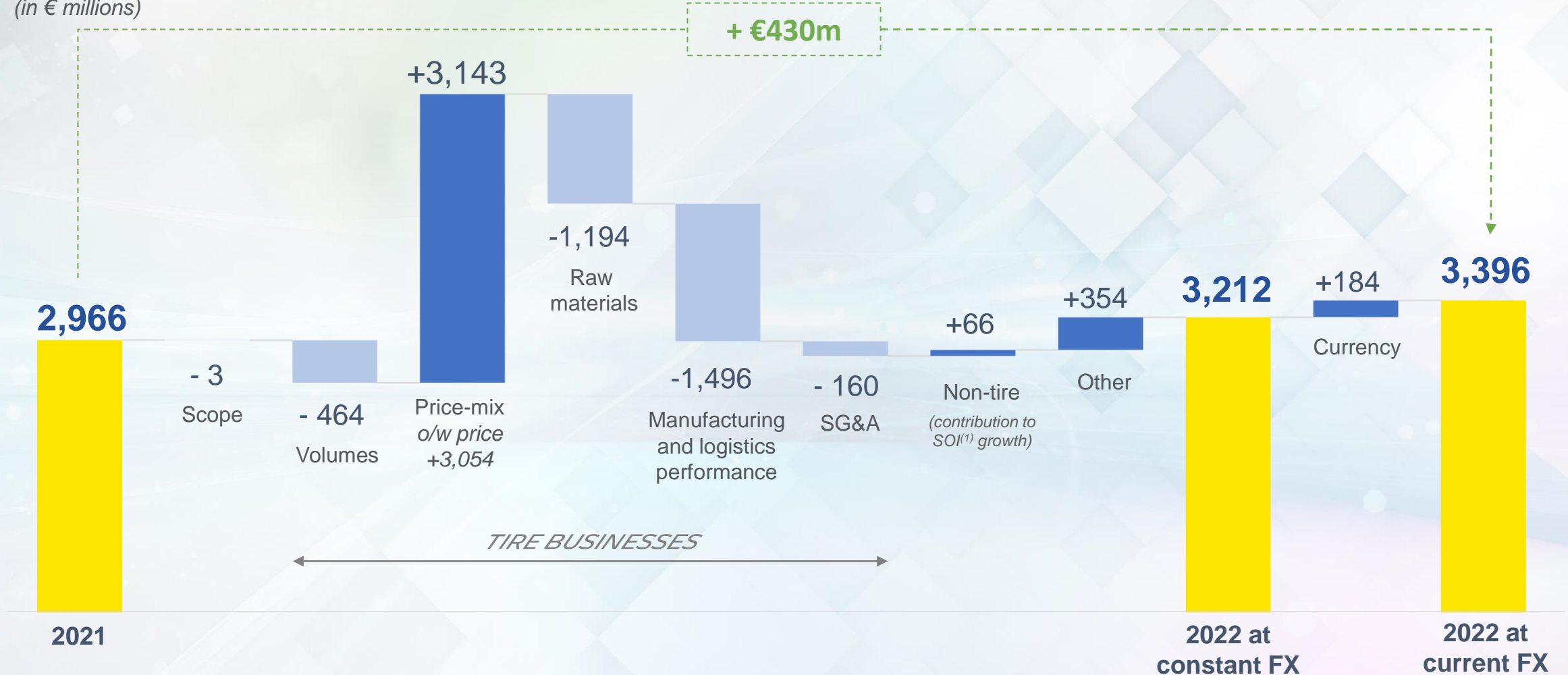


* Deconsolidation of the printing, publishing and marketing businesses associated with Maps & Guides for France (Michelin Editions) on February 1, 2021, and of Solesis on May 28, 2021; consolidation of TechnoBalt on May 1, 2021, and Allopeus.com on December 30, 2021.

Segment operating income increase driven by dynamic pricing management, offsetting a record €2.7bn in cost inflation

ANALYSIS OF SEGMENT OPERATING INCOME (SOI)

(in € millions)










⁽¹⁾ Segment operating income

Sales & SOI⁽¹⁾ growth in every segment, strong catch-up in the Specialty businesses

SALES AND SOI BY REPORTING SEGMENT

(in € millions)

		2022	2021	CHANGE	
RS1		SALES	14,138	11,998	+17.8%
		OPERATING INCOME* Operating margin*	1,711 12.1%	1,643 13.7%	+4.1% -1.6 pts
RS2	 	SALES	7,462	6,233	+19.7%
		OPERATING INCOME* Operating margin*	641 8.6%	599 9.6%	+7.0% -1.0 pt
RS3	   	SALES	6,990	5,564	+25.6%
		OPERATING INCOME* Operating margin*	1,044 14.9%	724 13.0%	+44.2% +1.9 pts

* For the segment

Cost inflation factors (raw materials, transportation and energy) were offset by dynamic pricing management but diluted operating margin by 1.2 point.

- **RS1:** growth in sales and operating income driven by responsive pricing management and sustained product mix enrichment, both in OE and RT. The share of 18"+ tires accounted for 56% of MICHELIN-branded tire sales, up 5 points vs. 2021.
- **RS2:** sales and operating income increase fueled by robust demand in Europe and North America and responsive pricing management to offset cost inflation. Focus on the highest value-creative segments and expansion in fleet management solutions.
- **RS3:** strong growth in sales and operating income boosted by prices adjustments in H2 after indexation clauses kicked in, with H2 SOI⁽¹⁾ reaching 16.2%. Mining business line recovered as expected during 2nd half. Beyond Road activities (agriculture, construction, etc.) reinforced focus on highest value-creative segments



⁽¹⁾ Segment operating income

Conference Luxembourg - March 30, 2023

EBITDA up to €5.3bn, or 18.4% of sales. Free cash flow penalized by inflation in working capital

FREE CASH FLOW⁽¹⁾

(in € millions)

Segment EBITDA	5,262
Change in net working capital	(2,077)
<i>o/w inventories</i>	<i>(1,055)</i>
<i>o/w receivables</i>	<i>(746)</i>
Tax and interest paid	(1,020)
Capital expenditure outlay	(2,008)
Non-recurring	(234)
Other	(27)
Free cash flow excl. M&A	(104)
M&A	(76)
Free cash flow	(180)

HIGHLIGHTS

EBITDA

- € 562m increase vs. 2021, with a €430m increase in segment operating income despite €132m growth in depreciation and amortization

WORKING CAPITAL

- c.€1bn negative impact of cost inflation, o/w ~ €0.5bn due to raw materials
- Inventory volumes below year-end target

CAPEX

- On target, including partial catch-up of 2020 & 2021 postponements

FCF

- **Structural free cash flow of €378m⁽²⁾** vs. revised guidance of ~ €700m
- c. €300m of cash-in postponed from Q4 2022 to Q1 2023 due to timing of sales (AR) and procurement (AP) in Q4

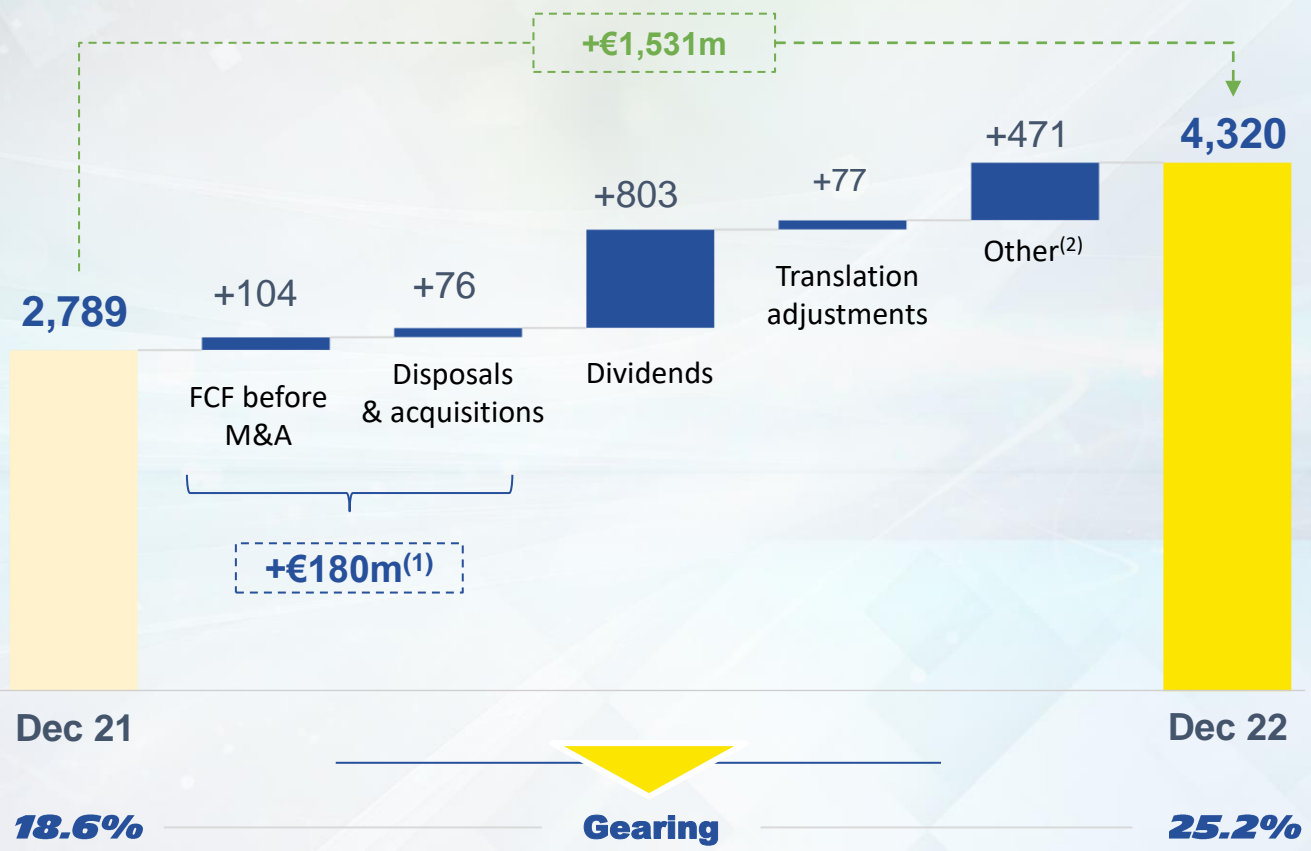


⁽¹⁾ See slide 61 for the definition,

⁽²⁾ +€482m adjustment vs free cash flow excluding M&A, due to the impact inflation on raw materials in working capital, see definition slide 61

Robust financial position, with gearing at 25.2% end of Dec 22

NET DEBT (in € millions)



AGENCY RATINGS AT DEC. 31, 2022 Compagnie Générale des Établissements Michelin



⁽³⁾ Moody's rating is no longer solicited as of July 2020

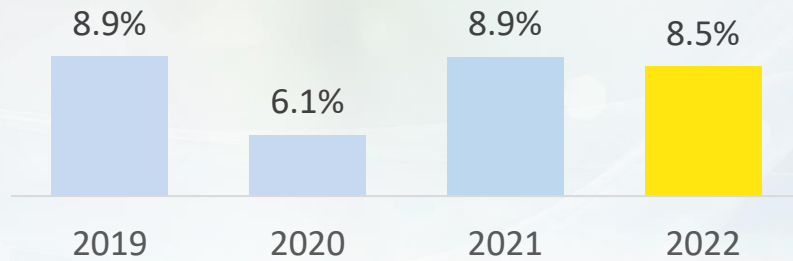


⁽¹⁾ Free cash flow
⁽²⁾ Including new leases and share buy-back

ROCE increased to 10.8%, improved asset turnover offset inflation's dilutive impact on NOPAT

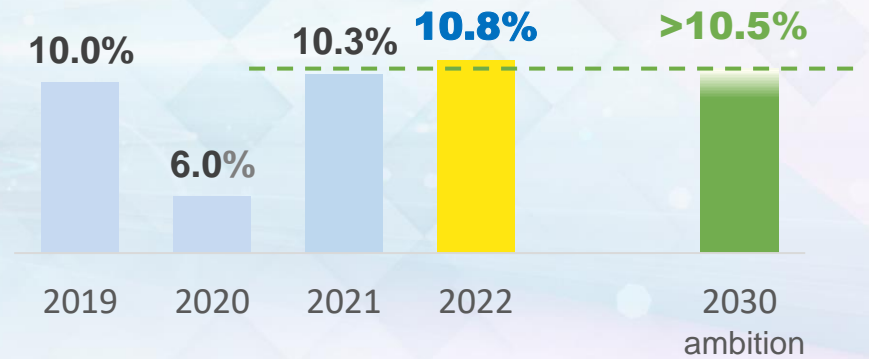
NET OPERATING PROFIT AFTER TAX – NOPAT

(in % of sales)



RETURN ON CAPITAL EMPLOYED – ROCE

(ROCE = NOPAT % x ATR)



ASSET TURNOVER RATIO – ATR

(ATR = sales / capital employed)



€1.25 proposed dividend per share, or 4.8% return⁽¹⁾

PER SHARE DATA⁽²⁾

(in €)

	2022	2021	2020	2019	2018
DIVIDEND	1.25	1.13	0.58	0.50	0.93
NET INCOME BASIC	2.81	2.58	0.88	2.42	2.33
PAY-OUT RATIO⁽³⁾	44%	44%	65%	21%	40%
SHARE PRICE DEC 31	25.99	36.04	26.24	27.01	21.68
RETURN⁽¹⁾	4.8%	3.1%	2.2%	1.8%	4.3%

HIGHLIGHTS

PROPOSED DIVIDEND

- Dividend per share increased by 11% vs. 2021
- Pay-out ratio increased from 43.5% to 44.4%

DIVIDEND POLICY

- Payout ratio gradually raised towards 50% in 2030

SHARE BUY-BACK POLICY

- Annual anti-dilutive programs to offset the impact of employee performance share plans
- Additional opportunistic program might be considered

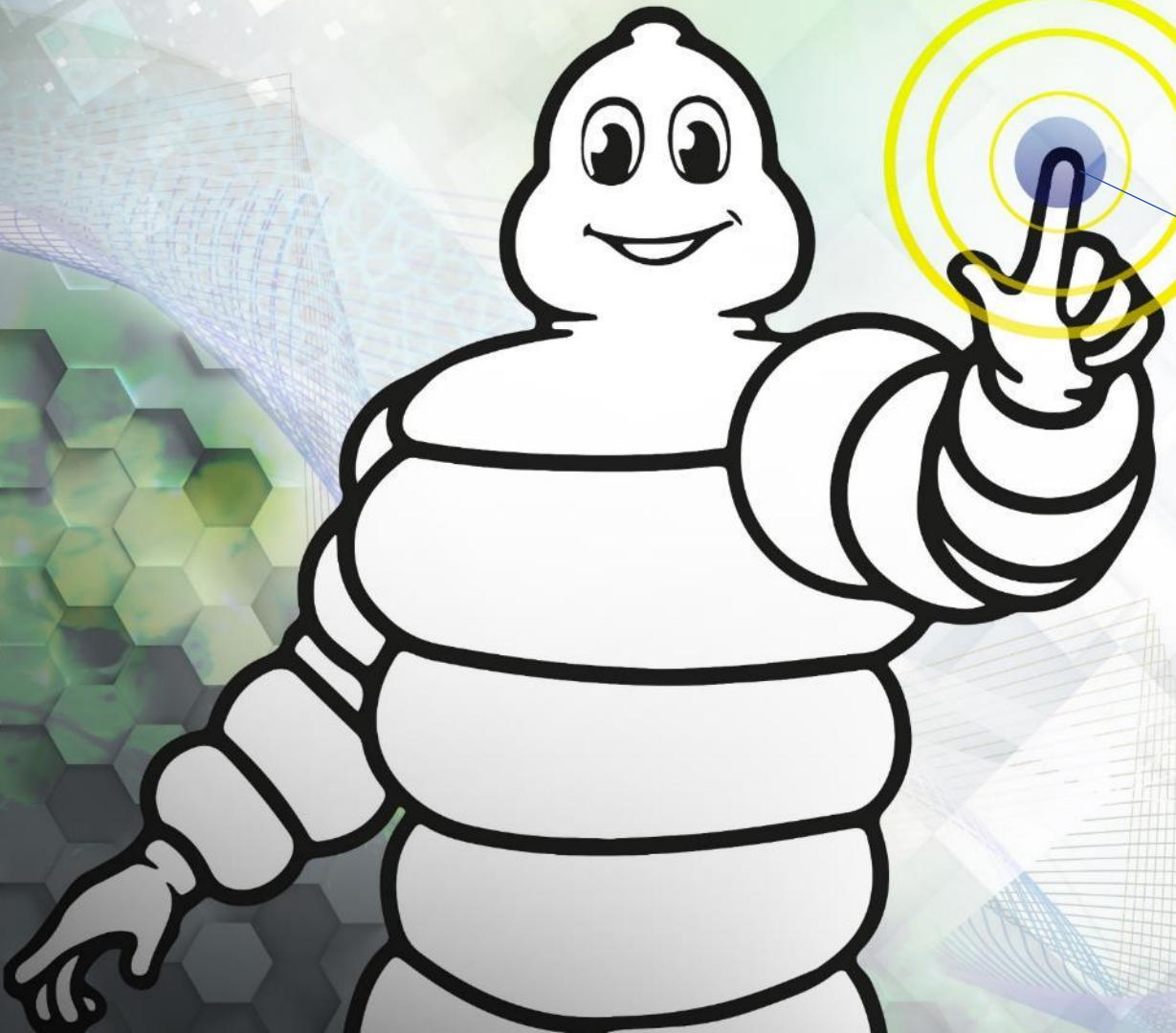


(1) Dividend / Share price; based on Dec 31 closing stock price.

(2) Data prior to 2022 restated for the 4-for-1 stock split on June 16, 2022..

(3) Dividend / Net income.

*2023
GUIDANCE*



2023 markets scenario: stable demand vs 2022

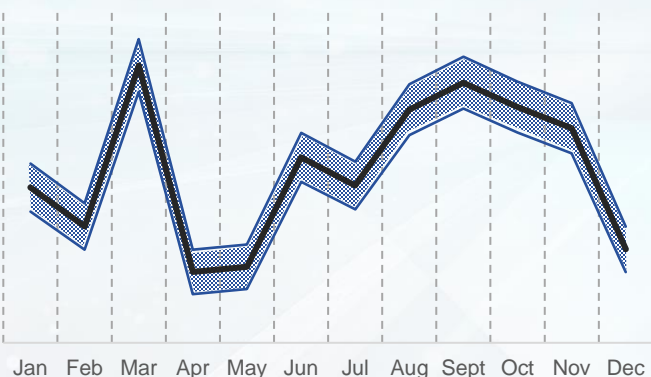


PASSENGER CAR / LIGHT TRUCK

-2%/+2%

OE: slight growth driven by North America; China and Europe expected to be stable

RT: slight reduction in global demand, without need for dealer inventory rebuilding

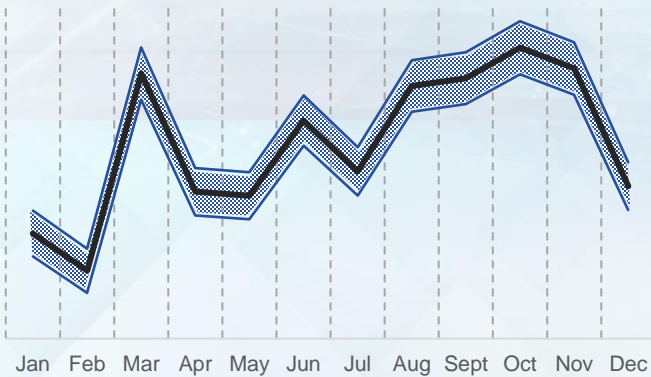


TRUCK excl. China

-2%/+2%

OE: demand remains robust, from already high comparatives

RT: global demand still high, supported by freight needs



SPECIALTIES

-1%/+3%



Mining tires: continued growth



Beyond-road tires: slight growth in Agriculture, offset by slower demand in Construction and Materials handling



Two-wheel tires: slight growth



Aircraft tires: growth, with demand close to pre-covid levels

2022



2023 projection



2023 Scenario & Guidance

2023

Volumes

[-4% ; 0%]

Cost inflation

raw materials, transportation,
energy, labor

[€0.6bn ; €1.2bn]

Net price-mix vs. cost inflation
factors

Slightly positive

Cash-out capex

[€2.2bn ; €2.4bn]

Segment operating income

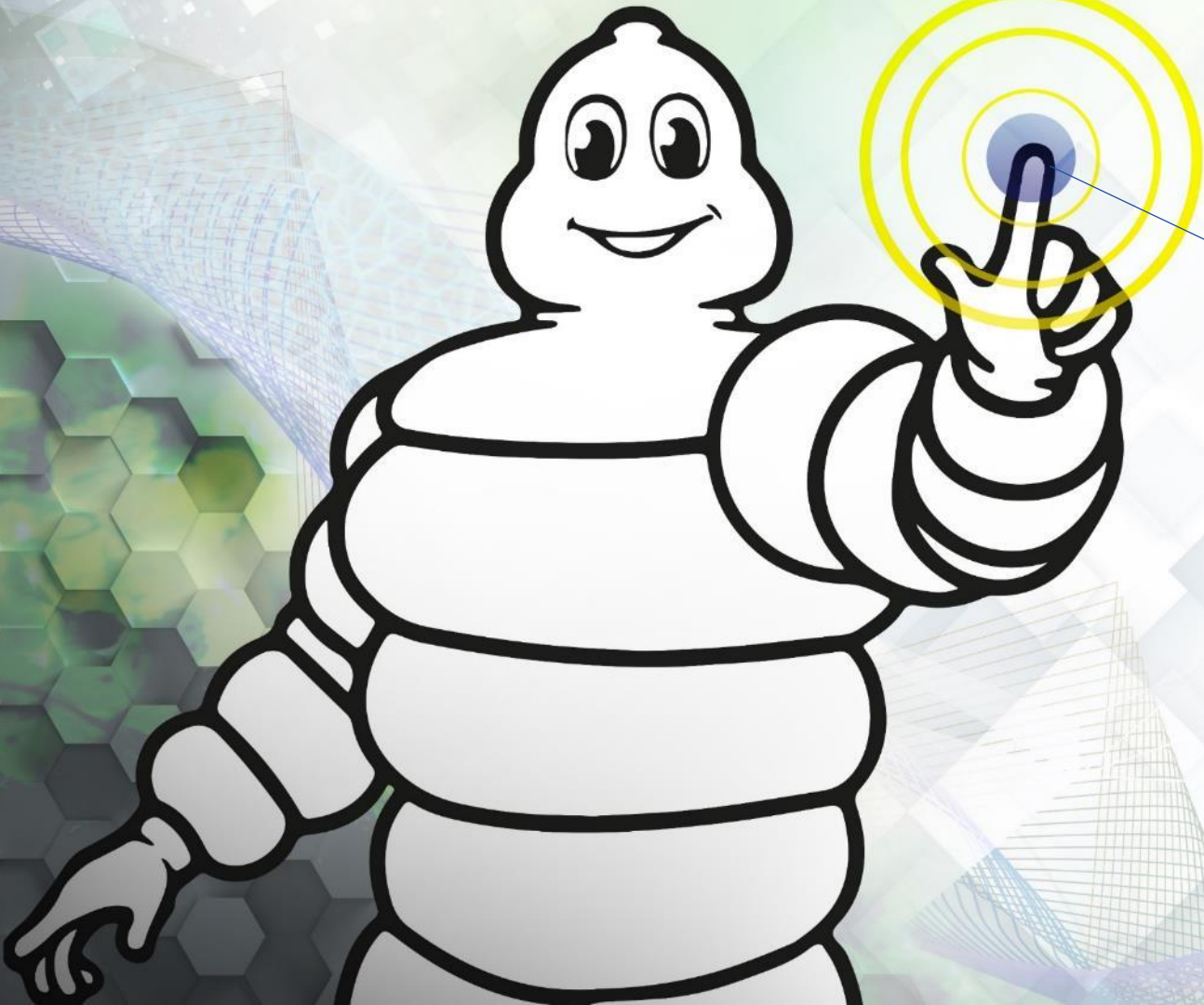
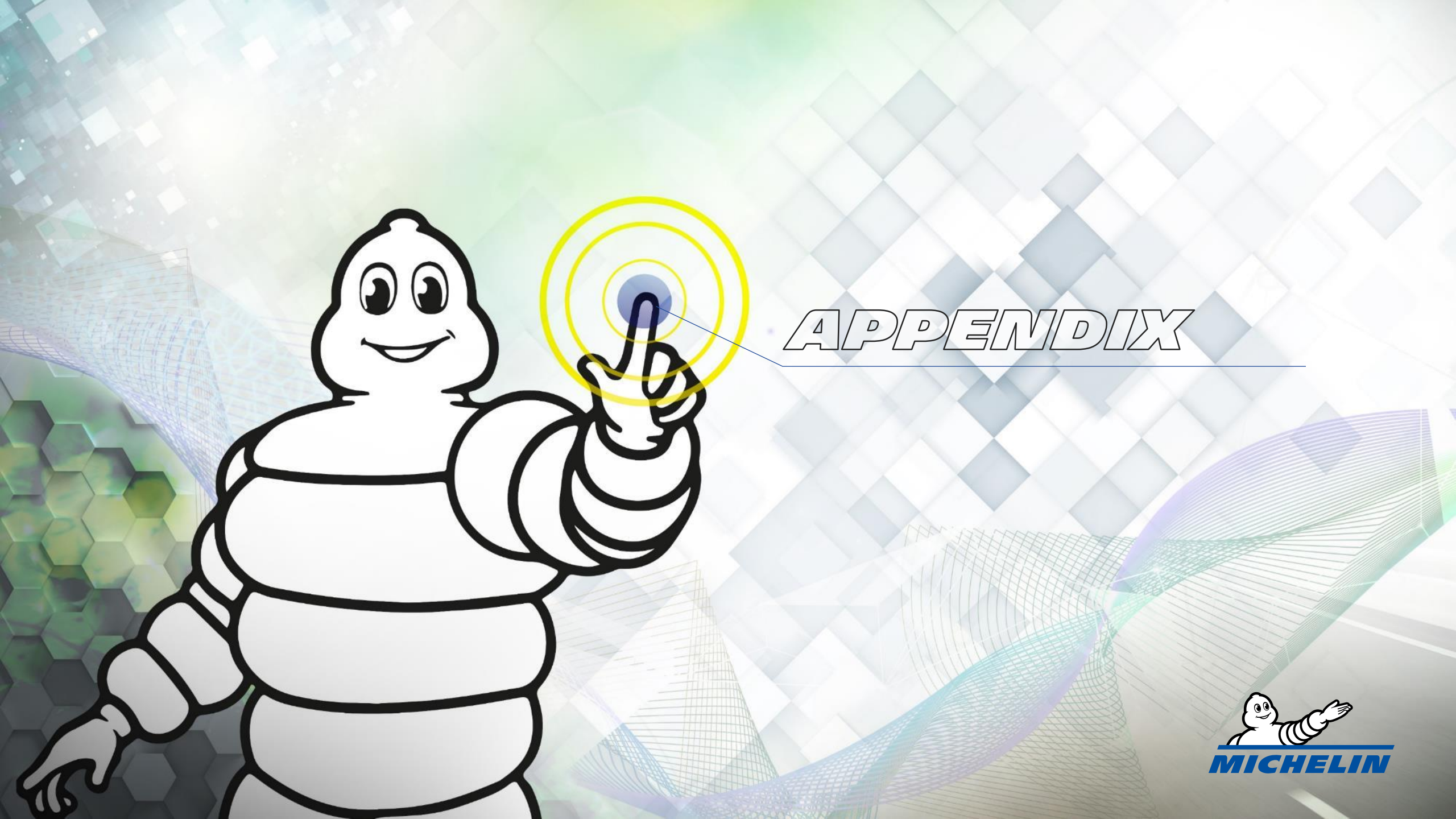
at constant FX vs. 2022

> €3.2bn

Free cash flow

excl. M&A

> €1.6bn



APPENDIX



Demonstrated ability to sustain margin even in times of crisis.
2022 free cash flow⁽¹⁾ impacted around €1bn inflation in working capital.

FCF⁽¹⁾ AND SOI⁽²⁾ EVOLUTION vs. CHANGE IN VOLUMES SOLD



(1) Free cash flow as reported from 2007 to 2010, structural free cash flow from 2011 (see slide 61 for the definition of structural free cash flow)

(2) Segment operating income

A well-balanced set of businesses across regions, ensuring Group's resilience

(% of 2022 sales)

- **Cyclicality:** high
- **Main drivers:** GDP, public spending, commodity prices, housing and building construction

Specialties

18%

PRODUCTS AND SOLUTIONS SERVING ALL TYPES MOBILITIES...

... WHILE LEVERAGING OUR EXPERTISE IN HIGH-TECH MATERIALS ...

Flexible composites & Engineered Polymers

- **Cyclicality:** low
- **Main drivers:** GDP, PMI, R&D & public spending

4%

Transportation

- **Cyclicality:** low
- **Main drivers:** GDP & PMI

26%

... WITH A GLOBAL AND BALANCED FOOTPRINT

35%

38%

27%

42%

Auto RT⁽²⁾ & 2-wheel

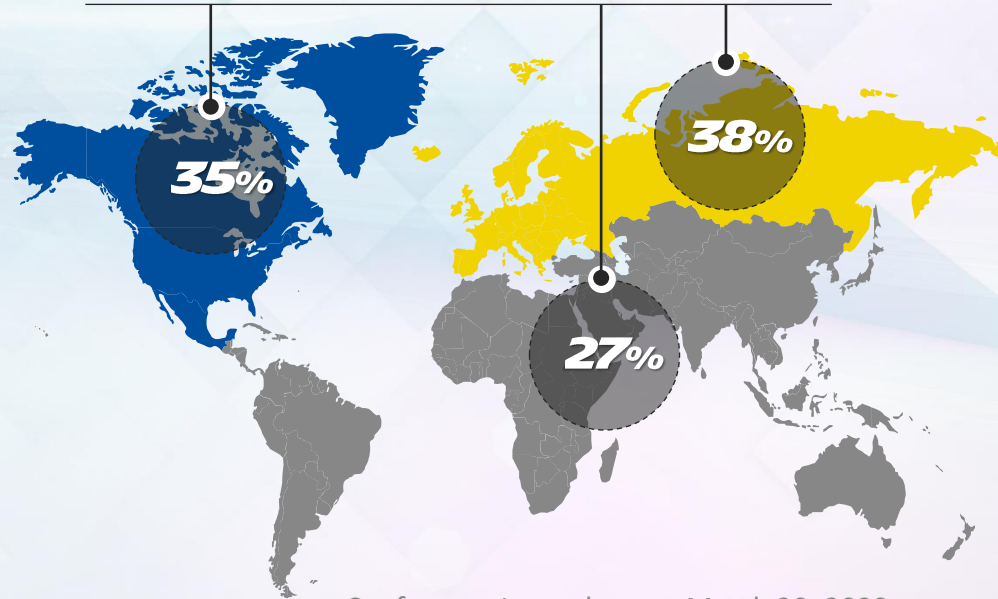
- **Cyclicality:** very low
- **Main drivers:** miles driven, GDP, used cars market

Auto OE⁽¹⁾

- **Cyclicality:** very high
- **Main drivers:** regulation & GDP

10%

(1) Original equipment (2) Replacement



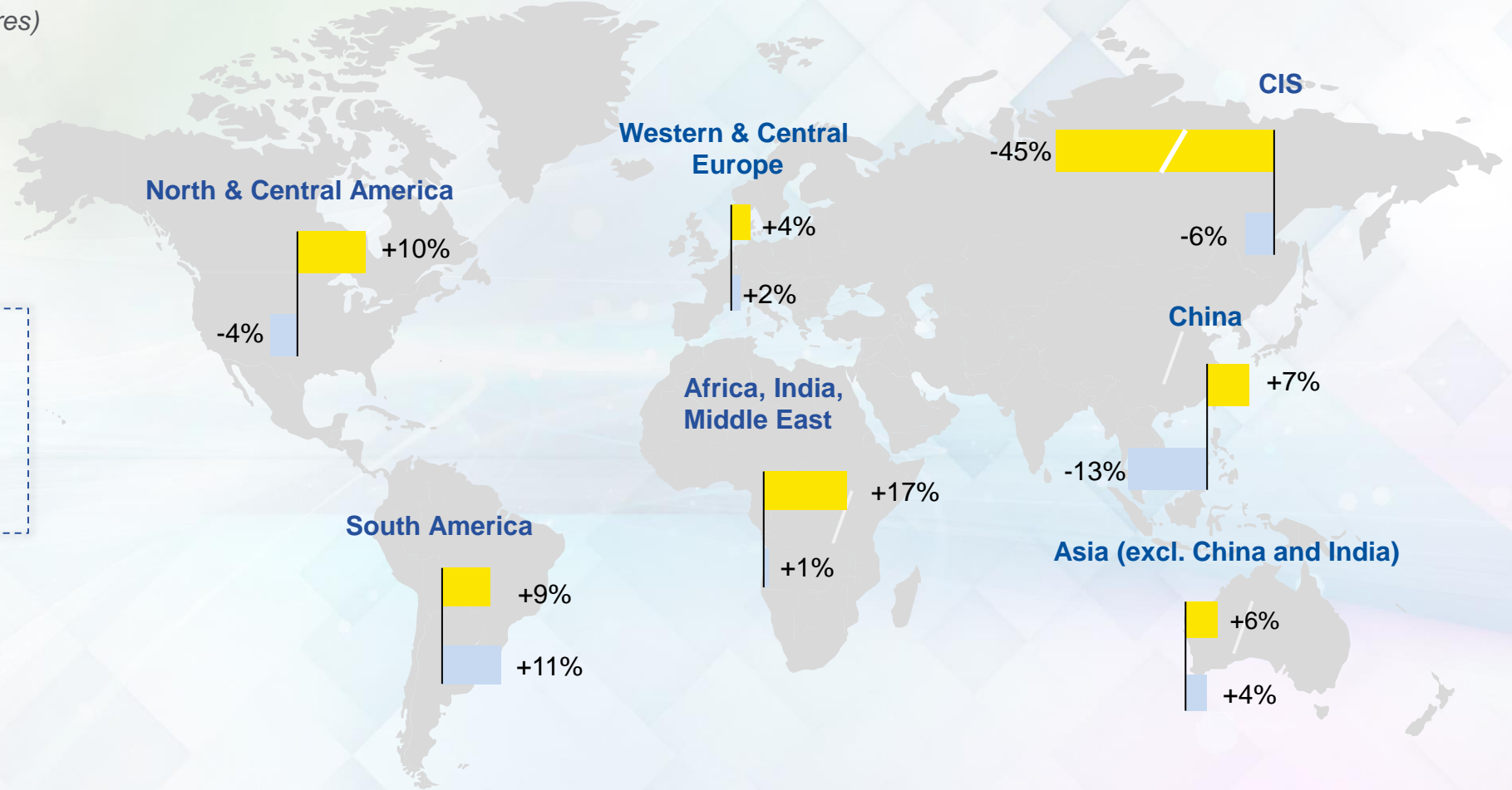
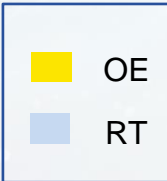
Reported 2022, 2021, 2020 and 2019 financial highlights

	2022	2021	2020	2019
<i>(in € millions)</i>				
Sales	28,590	23,795	20,469	24,135
Segment EBITDA	5,262	4,700	3,631	4,763
Segment EBITDA margin	18.4%	19.8%	17.7%	19.7%
Segment operating income	3,396	2,966	1,878	3,009
Segment operating margin	11.9%	12.5%	9.2%	12.5%
Other operating income and expenses	(375)	(189)	(475)	(318)
Net income	2,009	1,845	625	1,730
Basic earnings per share (in €)	2.81	2.58	0.88	2.42
Capital expenditure outlays	2,008	1,441	1,323	1,715
Free cash flow*	(180)	1,357	2,004	1,142
Gearing	25.2%	18.6%	28.0%	39.2%

PC/LT markets: global demand flat in RT and recovering in OE, with highly varied regional situations

PC/LT TIRE MARKET, FY 2022

(% change YoY in number of tires)

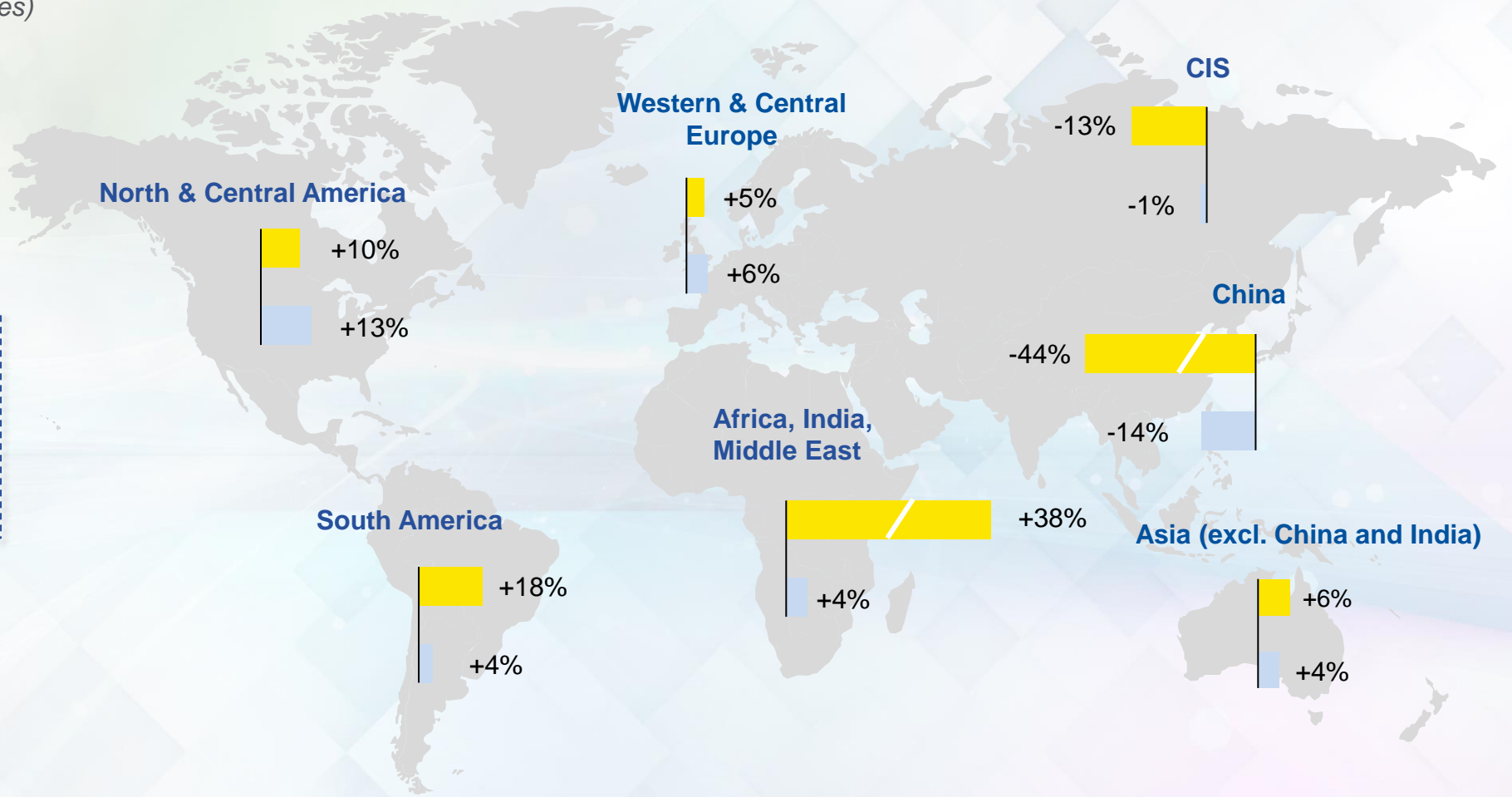
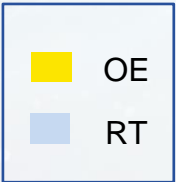
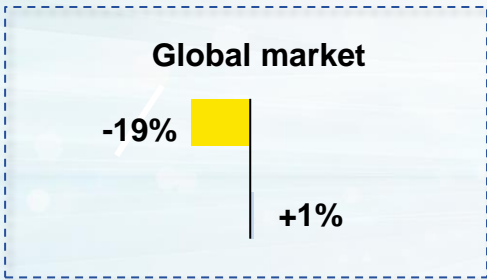


Source: Michelin
Market data are regularly adjusted and may be updated following initial publication.

Truck tire markets: strong demand led by fleet upgrades and dynamic freight activity, excluding China and CIS

TRUCK TIRE MARKET, FY 2022

(% change YoY in number of tires)



Source: Michelin
Market data are regularly adjusted and may be updated following initial publication.

Conference Luxembourg - March 30, 2023

Michelin uniquely positioned to leverage vehicle electrification

BEV: HIGHLY DEMANDING VEHICLES PERFECTLY FIT WITH MICHELIN'S UNIQUE KNOW-HOW

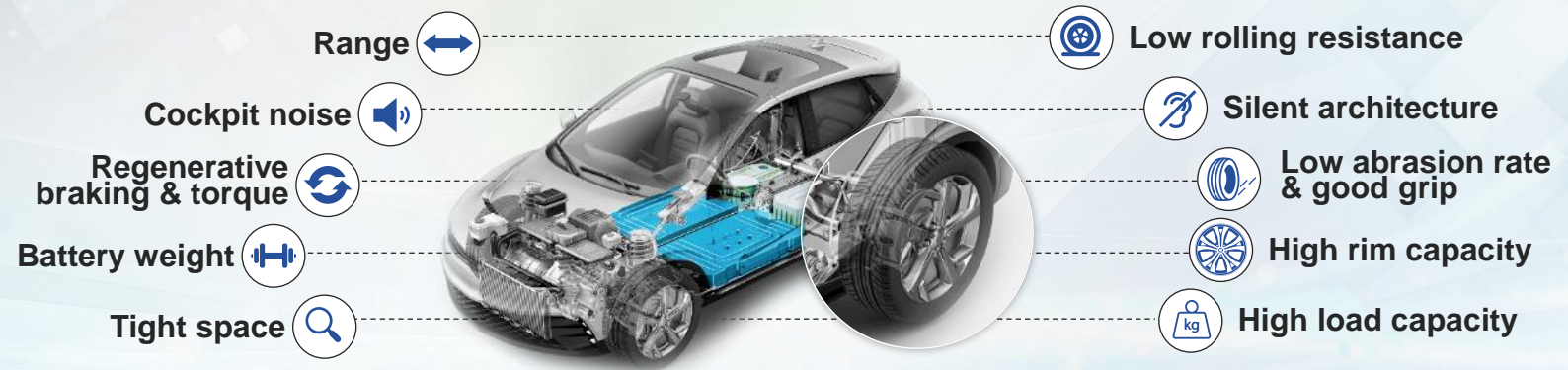
KEY CHALLENGES RELATED TO BEV

KEY REQUIREMENTS FOR TIRES

MICHELIN: BEST COMBINATION OF PERFORMANCES

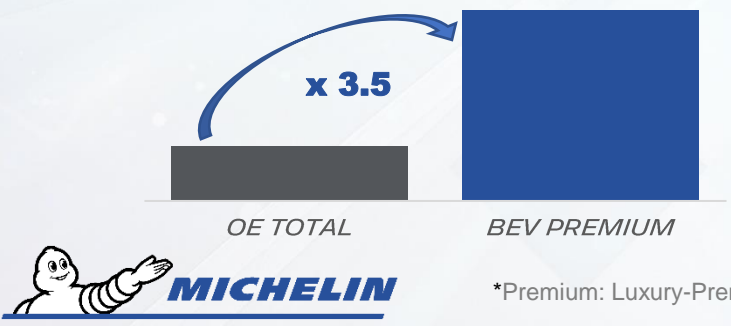
"Low tire abrasion rate and safe driving characteristics: Michelin shows how [tires should be] done"^{**}

* source: ADAC, Dec 2021 - Download the ADAC study



STRONG MARKET SHARE WITHIN PREMIUM* BEV SEGMENT

Michelin market share on BEV premium* segment vs Total OE share



*Premium: Luxury-Premium and Sport-Passion segments

MICHELIN PREFERRED TIRE MAKER FOR LEADING EV OEMS



Capex increase in 2022-2023 to catch up on 2020-2021 postponements

COMMITTED AND PLANNED CAPITAL EXPENDITURE⁽¹⁾ (in € billions)



KEY POINTS

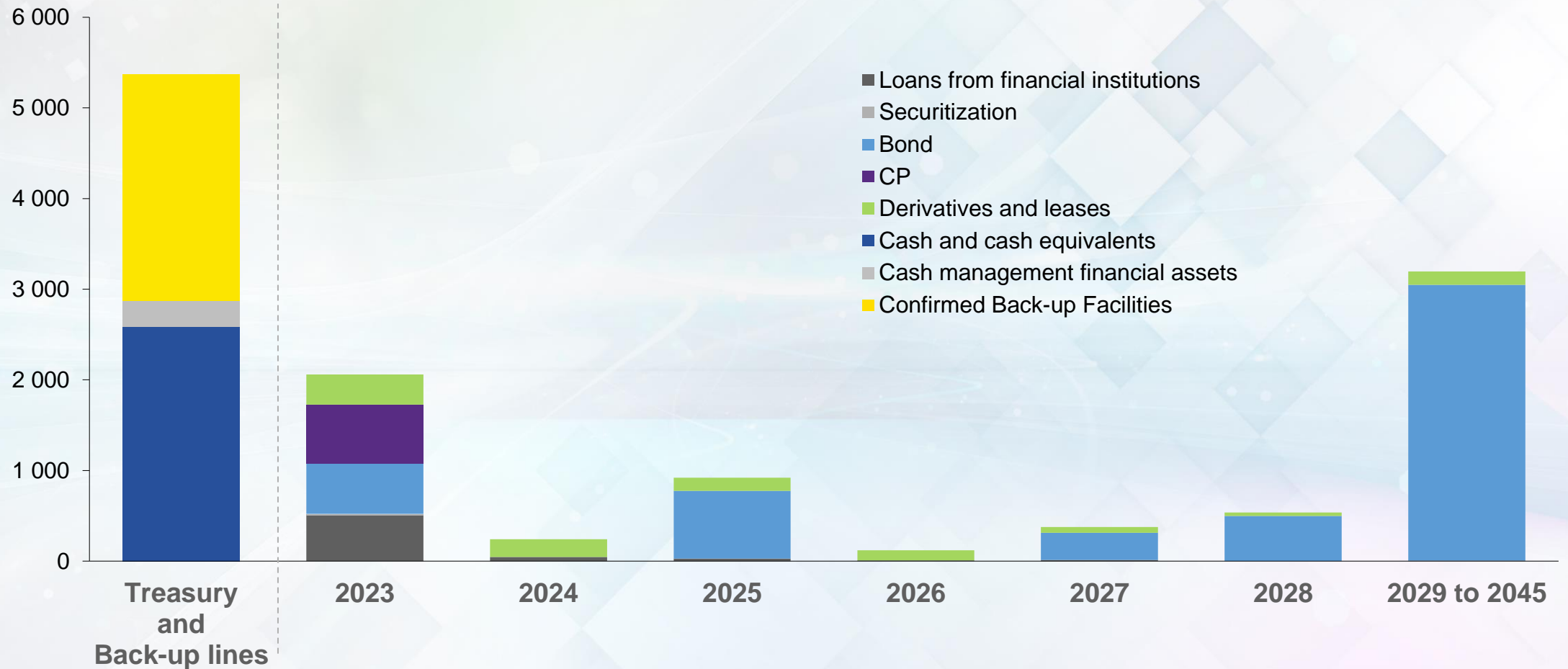
- 2020 & 2021 capex catch-up to continue as expected in 2023, with inflated prices
- **WITH TIRES**
 - Investing in growth segments
MICHELIN brand | Automotive mix | Specialties
 - Optimizing routine capex
 - Digital manufacturing and competitiveness
- **AROUND TIRES**
 - Services and Solutions
- **BEYOND TIRES**
 - Flexible composites
 - Engineered polymers

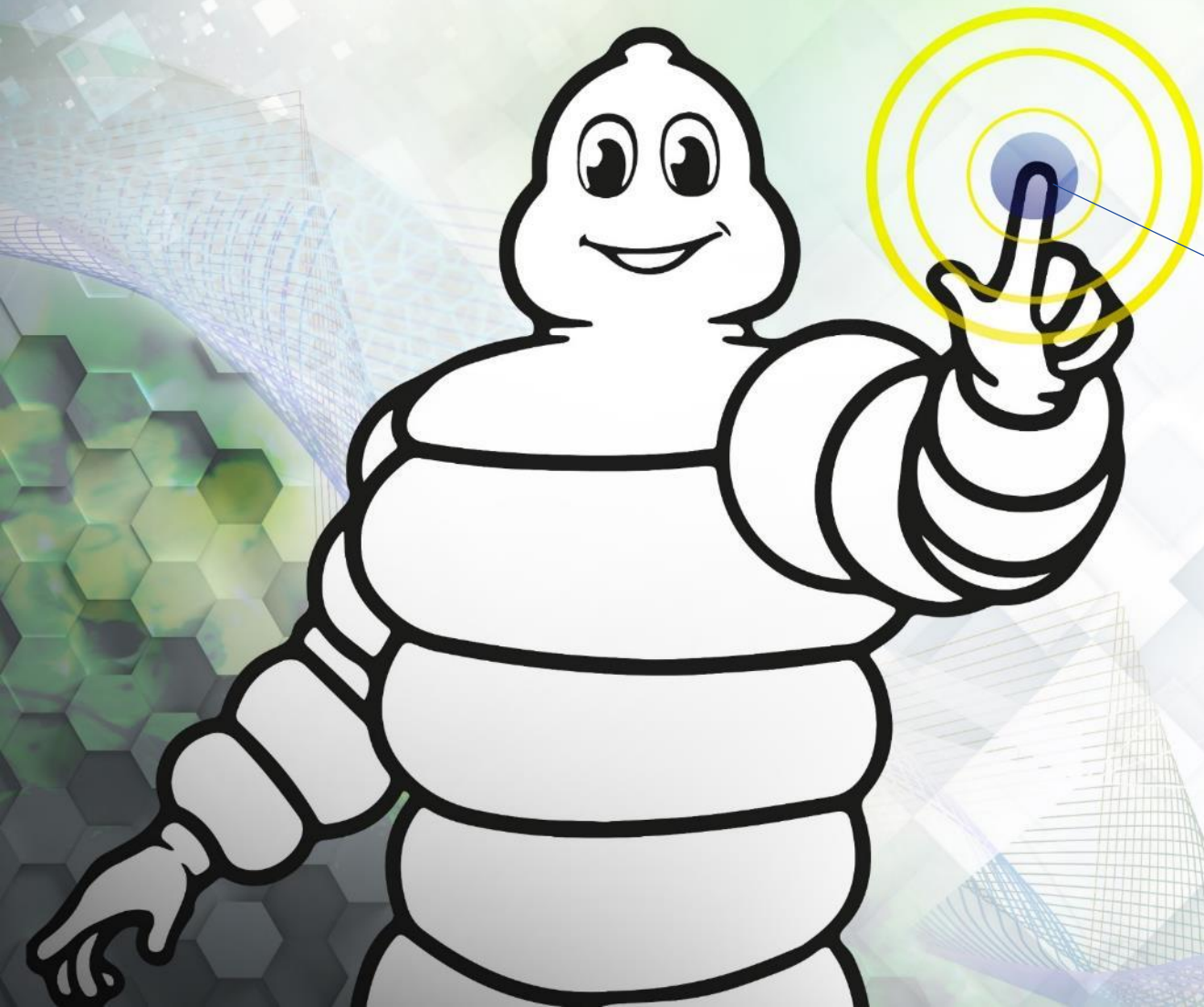


⁽¹⁾ Purchases of intangible assets and PP&E

A comfortable cash position with maturities well spread over time

DEBT MATURITIES AT DEC. 31, 2022
 (carrying amount in € millions)





APPENDIX

Tire businesses



Tire abrasion: Michelin has a considerable competitive advantage, without compromising safety

“LOW TIRE ABRASION AND SAFE DRIVING CHARACTERISTICS: MICHELIN SHOWS HOW IT IS DONE”

(ADAC, March 2022⁽¹⁾)

MICHELIN IS CONTINUOUSLY IMPROVING THE PERFORMANCE OF ITS PRODUCTS THANKS TO ITS UNRIVALED EXPERTISE

Particulate emissions: Michelin vs. other premium tiremakers

Source: ADAC, March 2022⁽¹⁾



« Michelin is way ahead of the competition. [...] Michelin tyres tested consistently achieve good to satisfactory results in the safety category despite their low-abrasion. »

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

MICHELIN
leader



MICHELIN
e.Primacy



-20%

vs
MICHELIN
Primacy 4

MICHELIN
CrossClimate 2



-13%

vs
MICHELIN
CrossClimate +

MICHELIN
Pilot Sport 5



-20%

vs
MICHELIN
Pilot Sport 4

[+ Download the ADAC study](#)



(1) Tyre wear particles in the environment, ADAC, March 2022 – 100 sizes tested
 (2) DEKRA studies in 2020 (MARK20B, MARK20E) and 2021 (MARK21E)

Tire and road wear particles (TRWP): definition and state of knowledge

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

SCIENTIFIC STUDIES⁽¹⁾ HAVE STARTED TO MEASURE THE ENVIRONMENTAL IMPACT OF TRWP:



AIR

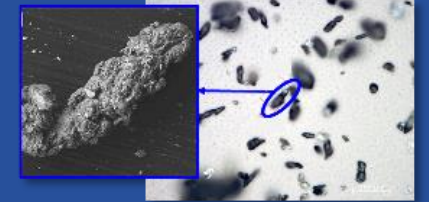
Studies confirm that TRWP account for only a very small proportion (<1%) of particulate matter pollution



WATER

Studies suggest that most TRWP never reach estuaries.

TRWP



5×10^{-2} mm

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

Michelin is strongly in favor of a regulation that would limit the level of wear particle emissions of all tires worldwide. Michelin is working with the ETRMA⁽²⁾ members to define a standardized TRWP emission rate test method, to eliminate the least performing tires from the market with a threshold regulation

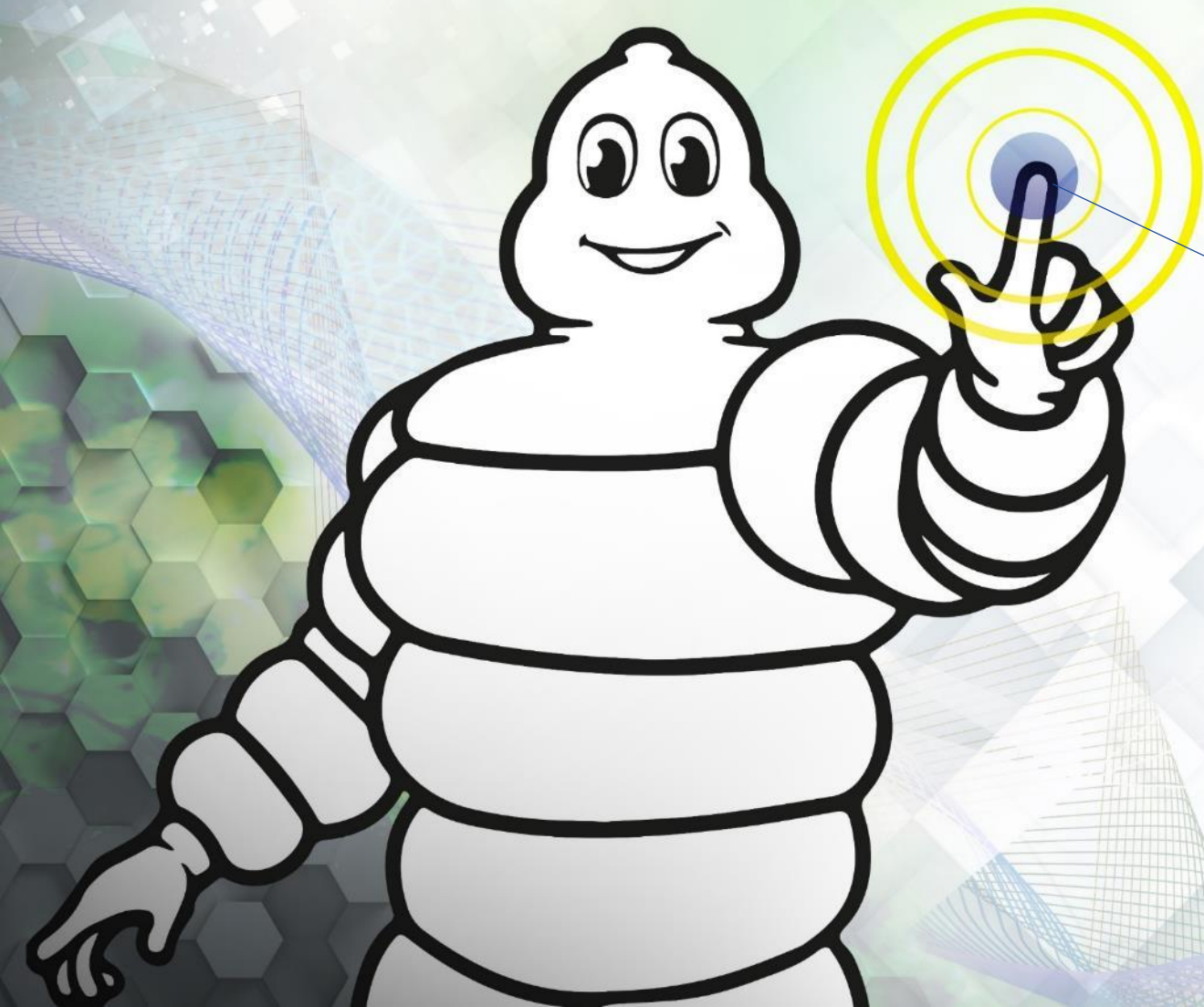
[Download the ADAC study](#)

Tyre wear particles in the environment (March 2022)



(1) For more information about TRWP, [see the following document](#)

(2) European Tyre & Rubber Manufacturers Association



APPENDIX

Around & Beyond Tires



Services & Solutions: combining deep customer intimacy with digitalization-enabled opportunities



FLEET MANAGEMENT

Make operations safer, more predictable, productive and sustainable

INTELLIGENCE

Help customers accelerate their business with smart data and better insights.



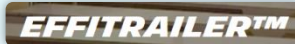
Strong customer intimacy



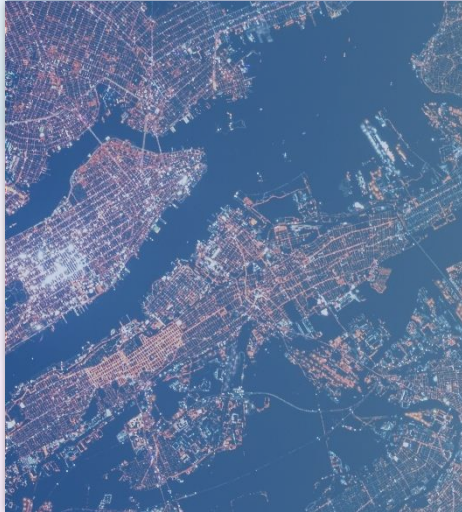
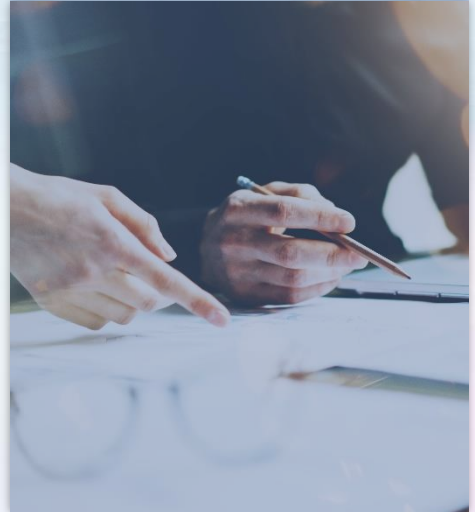
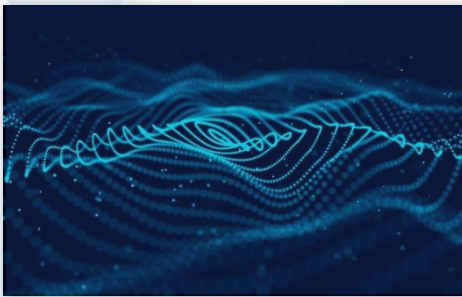
TIRE AS A SERVICE



MICHELIN CONNECTED FLEETS



MOBILITY INTELLIGENCE



Watèa by Michelin: accelerating growth in LCV fleet electrification

A FLEXIBLE, AND TURNKEY SOLUTION



AGGREGATING AND LEVERAGING MICHELIN'S ASSETS

- With Tire:** MICHELIN Cross-Climate range
- Around Tire:** masternaut Telematics technology; EUROMASTER Maintenance network
- Beyond Tire:** SYMBIO Expertise in Hydrogen & fuel cell systems

A HIGH VALUE-CREATIVE ECONOMIC MODEL

Watèa opens 30% of its capital to Credit Agricole Leasing & Factoring (Dec. 22)

WATÈA
by Michelin

- Vehicle deconsolidation from Michelin's balance sheet
- Leverage Credit Agricole Mobility's commercial platform
- Benefit from CAL&F expertise in small fleets in 18 European countries

&

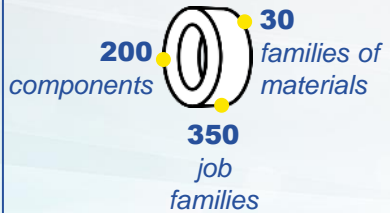
CA

- Accelerate growth in automotive leasing in Europe
- Strengthen commitment to decarbonized mobility

High-tech materials: expanding beyond tires by leveraging our expertise and our innovations, from materials to solutions, for highly demanding applications

R&D

- Unique expertise acquired in **tire manufacturing**:



Proficiency in **materials chemistry** and **processing**, from components to composites

- Fundamental and applied **research capabilities**
- A wide range of **partnerships to accelerate innovation**

MANUFACTURING

- Ability to **scale up** and reproduce the materials-based solutions developed in the laboratory:



- Proficiency in **industrial processes**



With the same level of quality



Around the world

GROWTH STRATEGY

- Organic growth



- M&A-driven growth

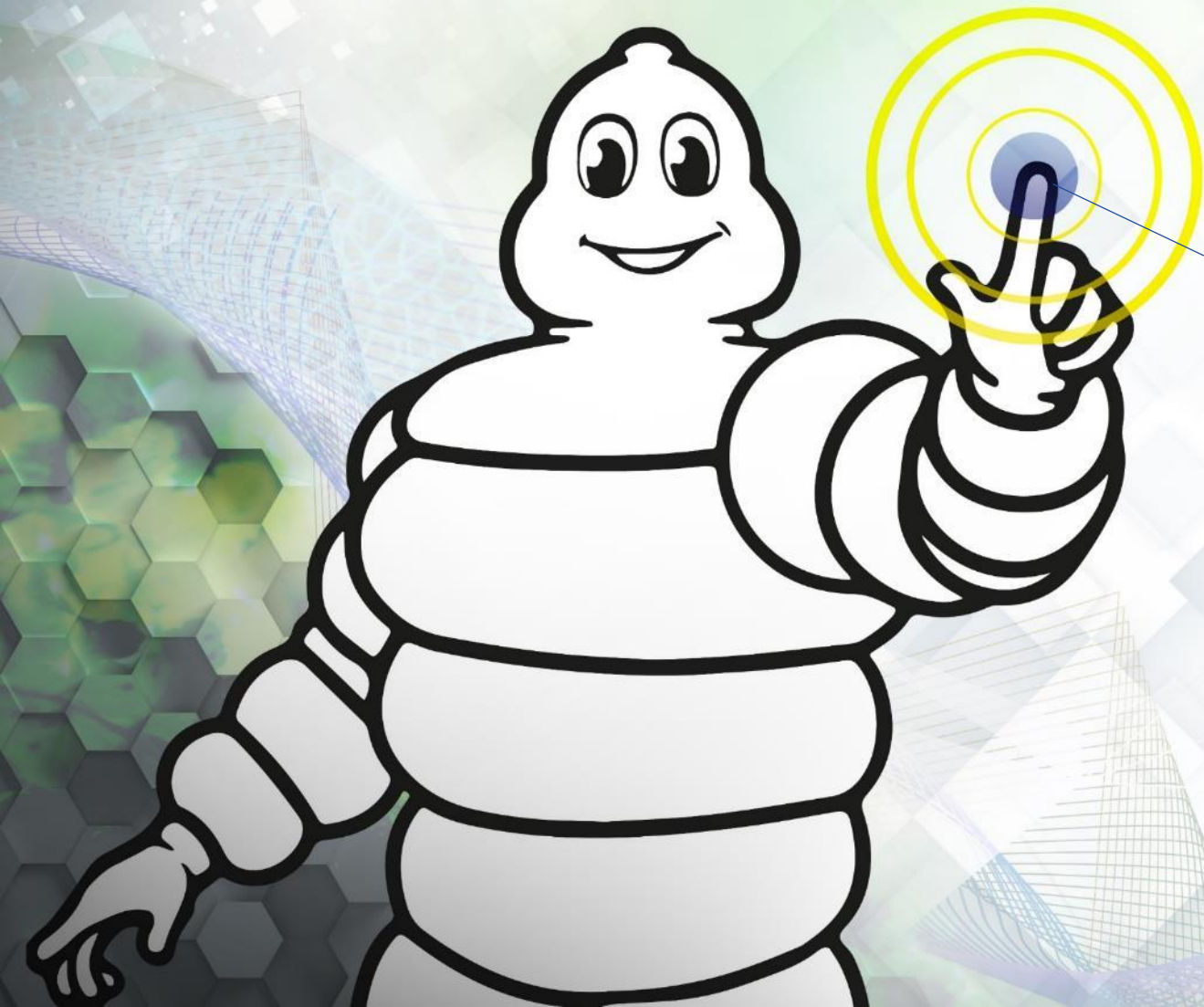
- Features vs. tires:
- Market growth: +
 - EBIT: +
 - Capital intensity: -

- Joint ventures



BEYOND TIRES





APPENDIX

Non-financial performance

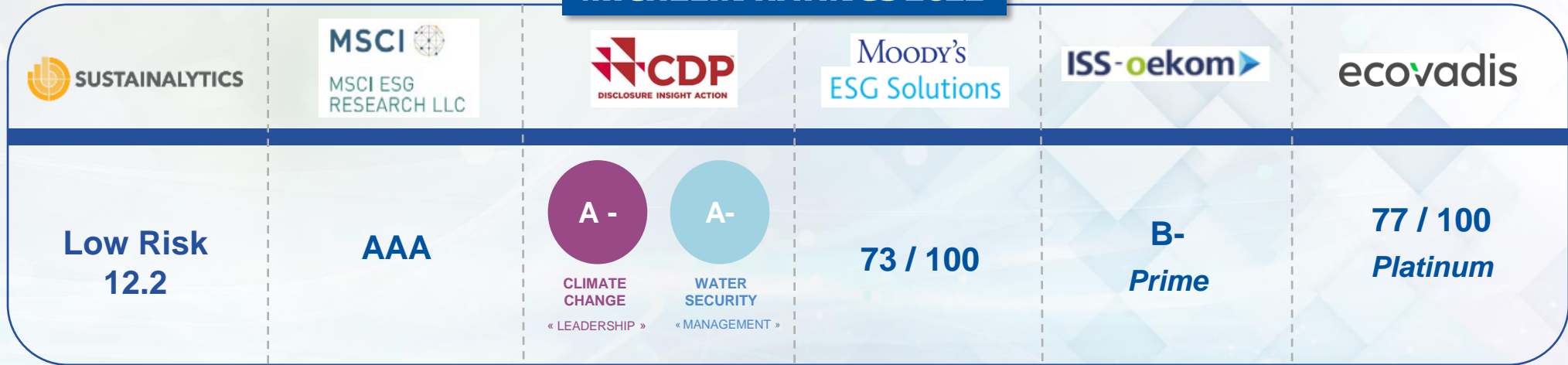


Non-financial performance: Michelin, a recognized leading player in sustainable mobility

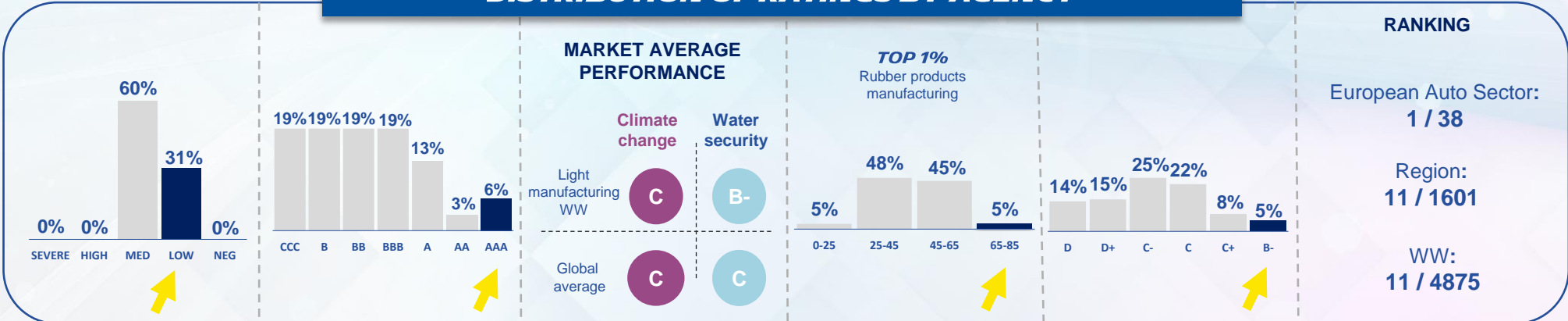
MAJOR SUSTAINABILITY RATINGS

(as of Dec. 31, 2022)

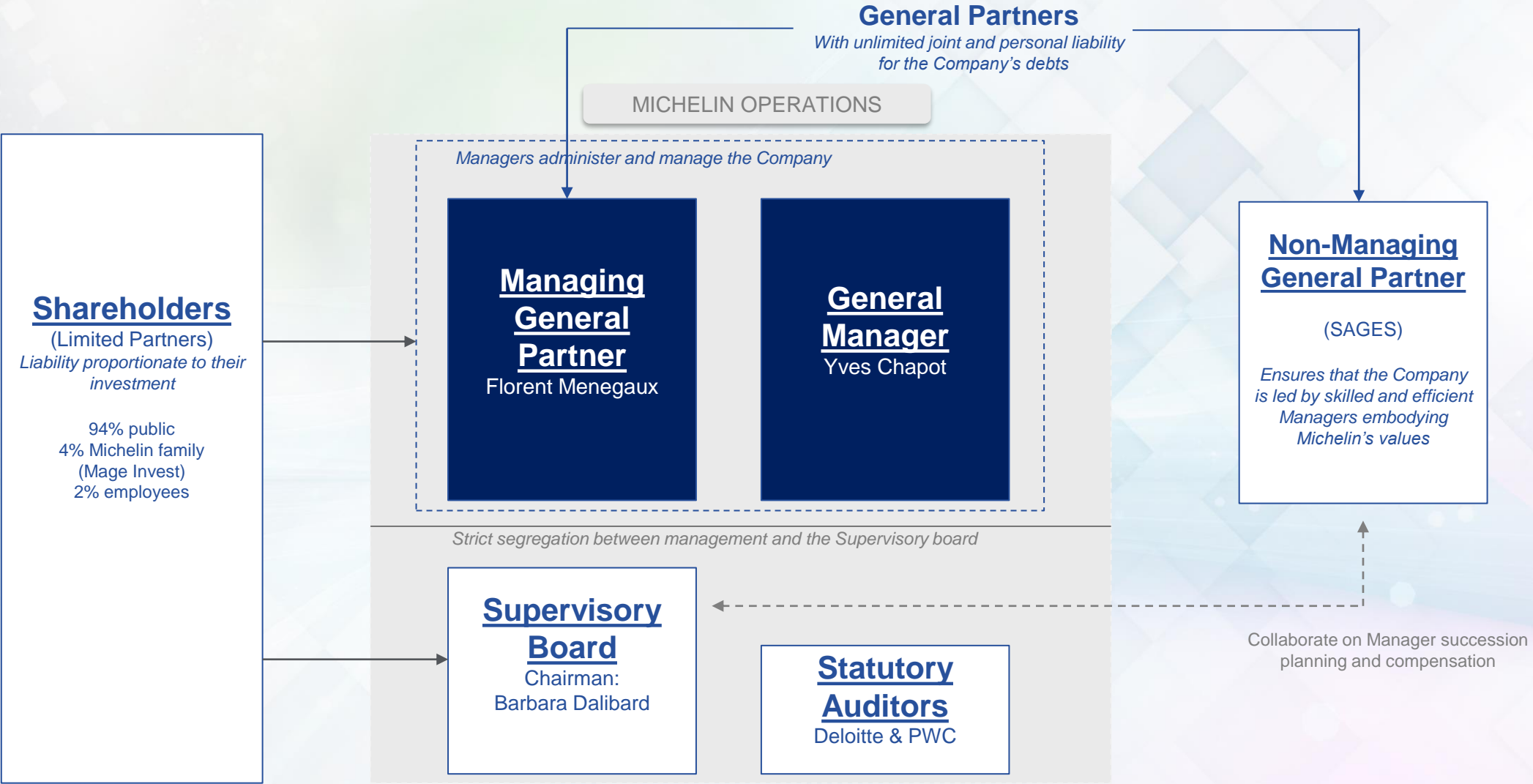
MICHELIN RATINGS 2022



DISTRIBUTION OF RATINGS BY AGENCY



Michelin governance pillars: clear segregation of management and supervisory powers



ESG awareness and oversight are fully embodied in Michelin's governance structure



SUPERVISORY BOARD - CSR COMMITTEE



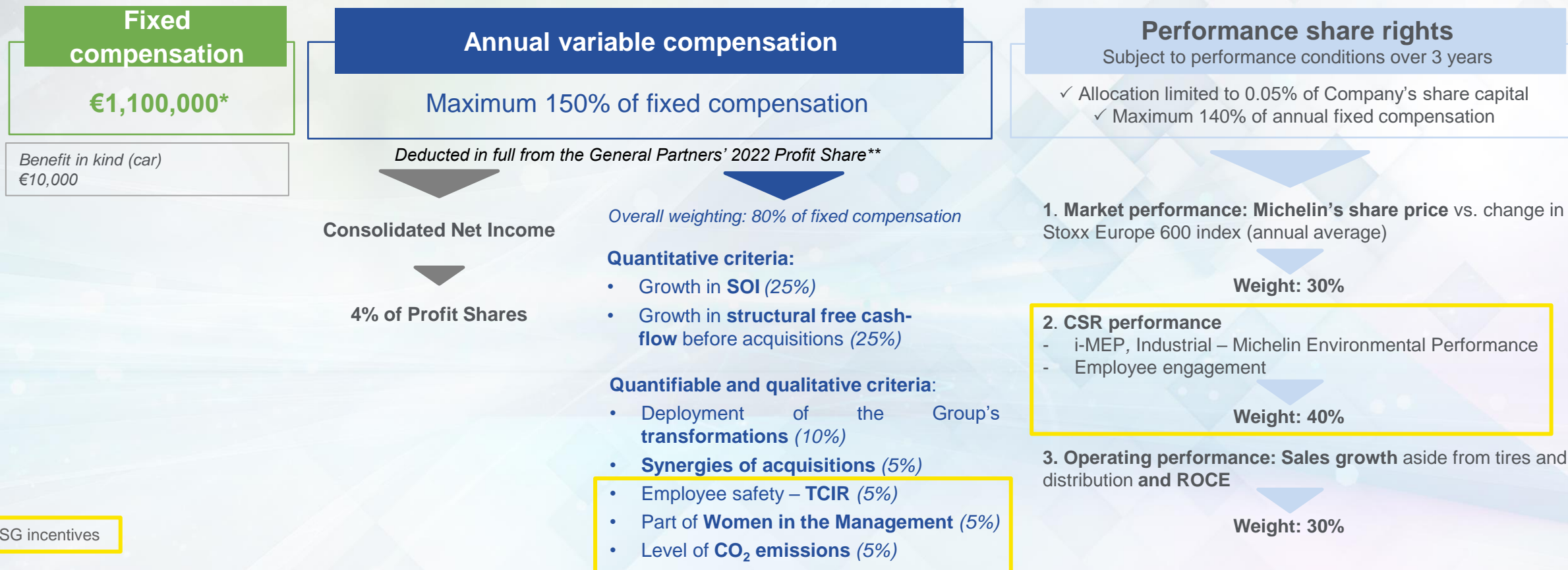
STAKEHOLDERS COMMITTEE

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



ESG criteria are included in Managers' compensation and shared with all employees regarding performance share plans

2022 COMPENSATION POLICY FOR FLORENT MENEGAUX, MANAGING CHAIRMAN



* €1,016,670 (prorated) for 2022

** The total Profit Share is capped at 0.6% of consolidated net income for the year

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
- an intermediate tranche between the different points (compensation prorated to the achievement rate for the objective)

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

Conference Luxembourg - March 30, 2023



Glossary

FREE CASH FLOW (FCF)

Free cash flow, which is stated before dividend payments and financing transactions, corresponds to net cash from operating activities less net cash used in investing activities, adjusted for net cash flows relating to cash management financial assets and borrowing collaterals.

STRUCTURAL FREE CASH FLOW

Corresponds to free cash flow before acquisitions, adjusted for the impact of changes in raw materials costs on trade payables, trade receivables and inventories. The structural free cash flow is calculated on full year basis only.

ROCE

Return on capital employed is measured as follows:

net operating profit after tax (NOPAT)(1), calculated at a standard tax rate of 25%, corresponding to the Group's average effective tax rate;

divided by average economic assets employed during the year (2), i.e., all of the Group's intangible assets, property, plant and equipment, loans and deposits, investments in equity-accounted companies, and net working capital requirement.

TIRES SALES

Correspond to sales from Michelin's core business, including the Tire as a Service (TaaS) business and Distribution operations.

NON-TIRE SALES

Correspond to sales from the Services and Solutions (excluding TaaS and Distribution), Conveyor Belts and High-Tech Materials businesses, excluding joint ventures.

Free Cash Flow (FCF)

+ M&A

= Free Cash Flow before M&A

+/- Adjusted for the impact of changes in raw materials costs

= **Structural Free Cash Flow**



(1) NOPAT = Segment operating income + amortization of acquired intangible assets + the Group's share of profit from equity-accounted companies.

(2) Average between the opening and closing balance sheets for the year.

Disclaimer

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

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



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