UNIVERSAL REGISTRATION DOCUMENT

2025



MICHELIN

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2025 UNIVERSAL REGISTRATION DOCUMENT

Including the annual financial report,
the sustainability statement and the duty of care plan

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

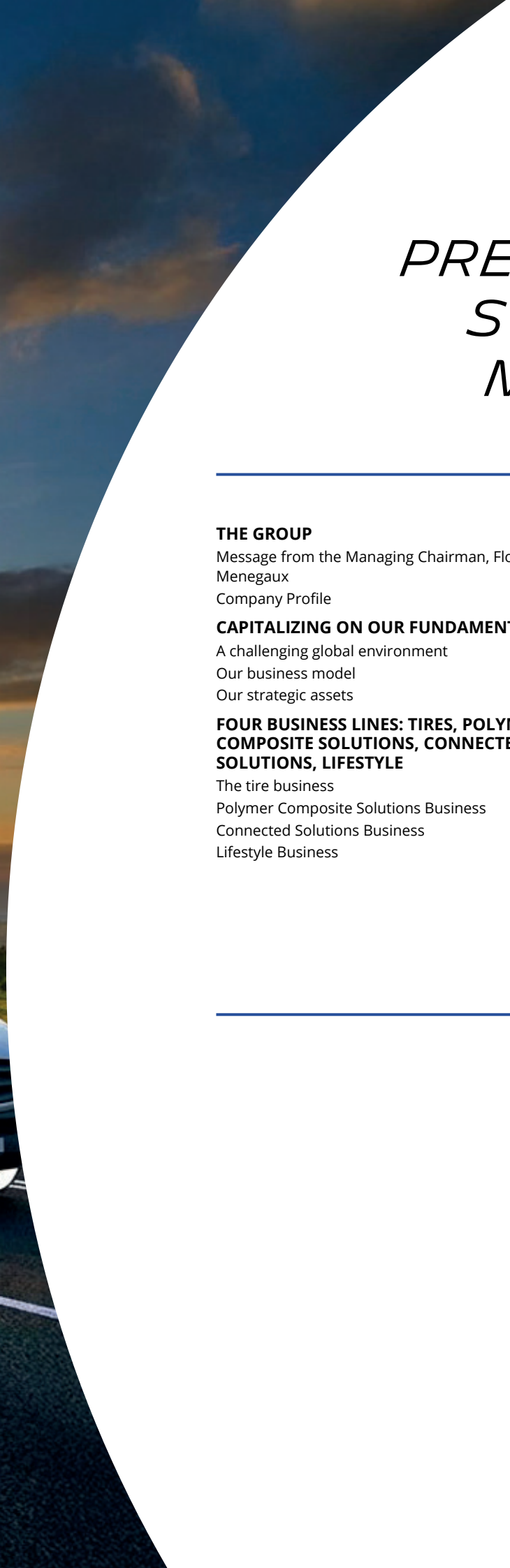
The French language version of this Universal Registration Document was filed on April 3, 2026 with the French securities regulator (*Autorité des marchés financiers* - AMF), as the competent authority under Regulation (EU) 2017/1129, without prior approval in accordance with Article 9 of said Regulation.

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01



CHAPITRE 01

PRESENTATION AND STRATEGY OF THE MICHELIN GROUP

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MESSAGE FROM MANAGING FLORENT MENEGAUX

"We can have full confidence in the future and in the Group's ability to succeed"

In 2025, the Michelin Group made progress in its drive to become a world-leading manufacturer of life-changing composites and experiences.

Our unique approach to achieving this goal is based on a sustainable growth model that recognizes the ways in which human, economic and environmental dimensions interconnect. Our belief in this interconnection underpins Michelin's All Sustainable approach and structures the way we define, manage and measure the Group's performance.

I would like to start by thanking all our employees, who are working day after day with enthusiasm, drive and determination. This is reflected in their very high engagement rate of 84.4%. Our fellow team members are always a great source of inspiration, and I'm delighted to be working alongside them. Our focus on people is central to our business model and is reflected in practical initiatives such as the introduction of a living wage for all employees and a universal social protection floor, as well as in the qualitative support proposed during the structural transformations that the Group may undergo.

Moving on, I would like to discuss Michelin's business and financial performance in 2025. Last year's performance was disrupted by unstable customs tariffs, an unfavorable regulatory framework

and a depressed original equipment market – for car, truck and agricultural tires – in an environment shaped by stiffer competition. These factors largely explain the fall in our sales volumes over the period. Our teams' energetic response to this situation helped to reverse the decline in sales in the fourth quarter and enabled us to exceed our cash generation objectives.

Concerning the environment, Michelin is reducing its impact on nature as resources become increasingly scarce. We reduced our water withdrawals by 12% in 2025 compared with 2024, and 98% of the natural rubber we use is certified as deforestation-free.

Our fundamentals are healthy and robust. Our major transformation projects are underway and are advancing according to plan.

Let me now take a step back from Michelin's performance. The world we live in is being radically transformed, and the economic and geopolitical orders that used to govern it have been turned upside down. We continued to experience upheaval in 2025, due to unstable world trade, international tensions and conflicts, and continued evidence of climate change. All this confirms a fundamental trend whereby instability and uncertainty are no longer a cyclical phenomenon, but a structural reality.

Against this backdrop, the Michelin in Motion 2030 strategy is proving its relevance. We benefit from four major strategic advantages, which are helping to shape the Group's day-to-day success.

Our teams are talented and highly engaged.

Through their hard work and ingenuity, our teams are driving Michelin's development. Thanks to the know-how accumulated throughout their careers, they have become first-rate talents underpinning the Group's excellence. Strong social cohesion among employees is also a distinctive and valuable asset for Michelin.

MICHELIN is a powerful, globally recognized brand.

The power of the MICHELIN brand is a valuable lever of business success, particularly in the face of increased competition. The brand is loved, trusted and valued not only by our customers but also by our other stakeholders. We want to exploit its potential even further, in particular by strengthening its coherence, differentiation and top-of-mind presence.

We boast leadership in innovation, backed by unique R&D and manufacturing capabilities.

Our Group holds around 12,000 active patents worldwide, and in 2025 we were once again ranked among Clarivate's Top 100 Global Innovators. This unique innovation capability honed over more than 130 years makes Michelin the only manufacturer to benefit from such a powerful weapon, not only in tires, but also in new markets such as construction, healthcare and transportation.

Innovation at Michelin is also based on mastering the entire data chain and harnessing artificial intelligence. We are stepping up the pace of integration in all areas of our business, ensuring that it is always done for the benefit of people.

A product and service offering recognized by markets.

By being tailored to a variety of uses and customers, and providing longevity, durability and safety, our solutions are truly differentiating. The awards and prizes received by our tires this year attest to this. Our product excellence is a strategic lever that consolidates the Group's reputation and the relationship of trust with our customers.

The Group's acquisition policy also fully supports the Michelin in Motion 2030 strategy, our external growth ambition and our leadership in innovation. In early 2026, Michelin announced the acquisition of three companies: Cooley Group, Tex Tech Industries and Flexitallic. These companies represent significant additions to our existing polymer composites business, which we have decided to designate as a fourth reporting segment in its own right.

With these combined strengths, we can have full confidence in the future and in the Group's ability to succeed. This confidence is based above all on the women and men of Michelin, and on their determination to drive forward the Group's innovation, performance and brand, in the service of human progress.
We continue to maintain a relationship of trust with our customers and all our partners.

Michelin will always be Michelin because we put all our energy into taking action and transforming the Group, without ever forgetting our fundamentals.

COMPANY PROFILE

Michelin is building a world-leading manufacturer of life-changing composites and experiences.

We are making our brand even more powerful, to create brand equity, preference and value. Our innovation capabilities are being stepped up, from materials science to mass production, to design high quality tires and critical components for high-spec market segments. This ambition is underpinned by the engagement of our worldwide teams and their commitment to doing things better, faster and more sustainably. Lastly, we are constantly raising the standards of excellence of our products and services to deliver performance, safety, durability and recognized experiences, notably with the MICHELIN Guide.

2025 KEY FIGURES

PEOPLE

122,600
employees including 6,000 in R&D

84.4%
engagement rate

PROFIT

10.5%
segment operating margin

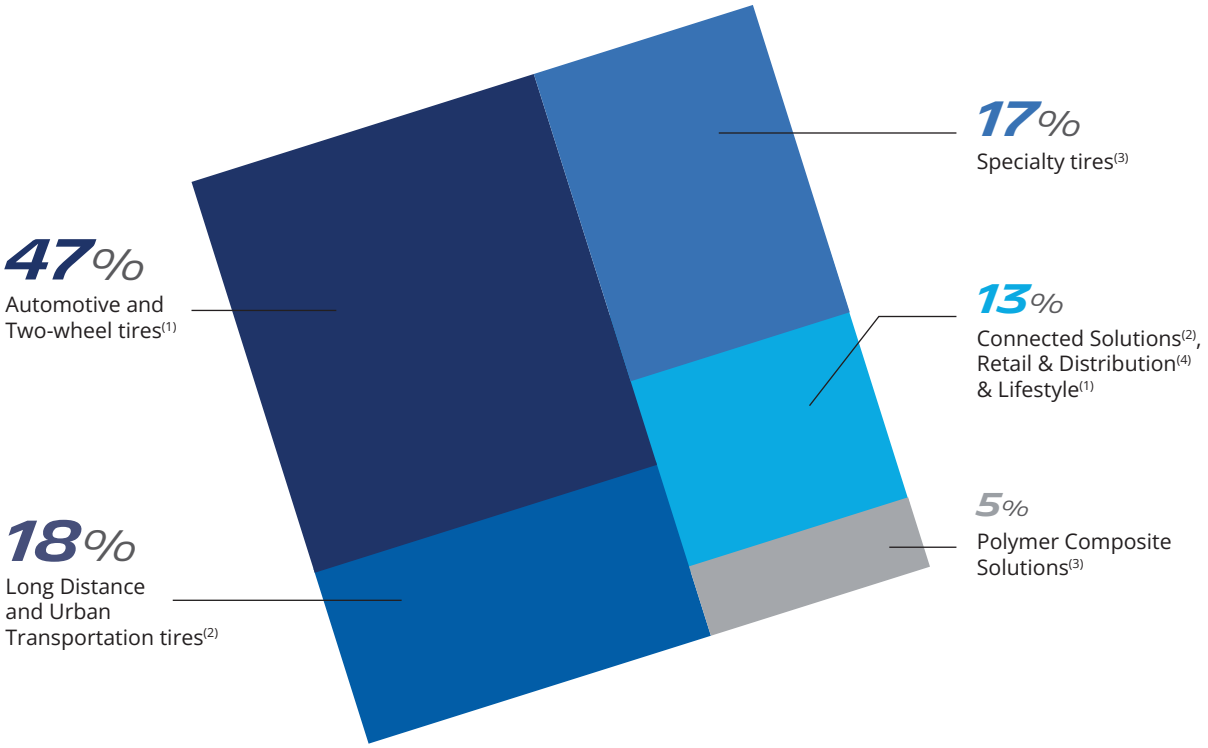
€2.1BN
free cash flow before M&A

PLANET

17% **reduction in CO_2 emissions in 2025** vs. 2024 (Scopes 1 & 2)

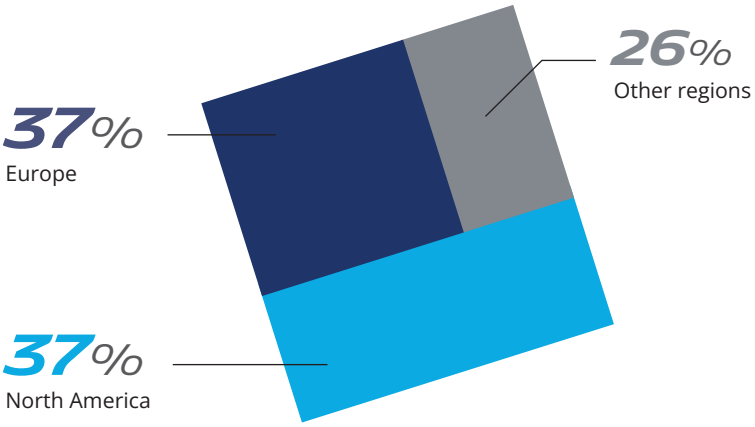
32%
renewable and recycled materials content in tires

BREAKDOWN OF SALES BY BUSINESS



GEOGRAPHIC BREAKDOWN OF SALES AND EMPLOYEES

Sales
€26BN



Global workforce
122,600

EUROPE
60,600

NORTH AMERICA
22,700

OTHER REGIONS
39,300

(1) Reporting segment 1.
(2) Reporting segment 2.
(3) Reporting segment 3.
(4) Allocated pro rata to each of the three reporting segments.

A GLOBAL ENVIRONMENT SHAPED BY LASTING UNCERTAINTIES, CALLING FOR FORWARD-LOOKING THINKING, ADAPTATION AND TRANSFORMATION

Faster pace of climate change and increased pressure on resources

The issue: Recent years have been among the warmest ever observed worldwide, with average global temperatures exceeding pre-industrial levels by more than 1.5°C over a three-year period for the first time. As extreme events multiply, ecosystems continue to deteriorate, biodiversity continues to be depleted and resources are becoming scarcer, putting severe strain on global supply chains.

WHAT THIS MEANS FOR MICHELIN

This situation increasingly calls for trade-offs between financial performance, sobriety and sustainability. For Michelin, these developments make it all the more necessary to continue transforming its businesses in order to reduce its impact on nature, use resources more efficiently and meet the expectations of its customers and partners in terms of environmental performance over the entire product life cycle.

THE MAIN TRANSFORMATION INITIATIVES

- Step up the pace of innovation to develop solutions incorporating more renewable and recycled materials, and reduce dependence on critical resources.
- Enhance the environmental performance of products and industrial processes, particularly in terms of their carbon footprint, resource consumption, and tire and road wear particle emissions.
- Make environmental excellence a factor of brand differentiation and preference, recognized by customers, partners and independent bodies.

Geopolitical fragmentation and uncertain trading conditions

The issue: Rising geopolitical tensions, challenges to certain multilateral balances and the resurgence of protectionist policies are contributing to a more fragmented and less predictable economic environment. These developments, which affect trade, financial and industrial flows, are taking place against a backdrop of increasingly divergent economic trajectories between the world's different regions.

WHAT THIS MEANS FOR MICHELIN

The developments described above add to the complexity of Michelin's business environments, requiring it to continuously adapt its manufacturing organizations and operating methods. In a more fragmented world, the challenge for the Group is to continue to serve its customers in a competitive and reliable manner, while taking into account specific local conditions and market trends.

THE MAIN TRANSFORMATION INITIATIVES

- Deploy a balanced industrial model, favoring local presence close to markets and customers.
- Craft more resilient and agile organizations capable of coping with a volatile geopolitical and economic environment.
- Increasingly integrate geopolitical and territorial dimensions into strategic thinking, in conjunction with the development of local ecosystems and regional support.

Regulatory pressure and increasingly complex standards and frameworks

The issue: Regulatory frameworks are evolving rapidly and becoming increasingly burdensome, whether in terms of environmental, technical, social or societal standards. The trend has been accompanied by stricter transparency, compliance and reporting requirements, causing further difficulties due to the lack of regulatory consistency across the world's regions.

WHAT THIS MEANS FOR MICHELIN

This growing complexity means that the Group is under increasing pressure to anticipate and adapt. It influences the conditions under which products and services are placed on the market, and can create differentiated effects according to the geographical area. For Michelin, the challenge consists of continuing to do business within these frameworks while remaining competitive and guaranteeing high levels of stakeholder confidence.

THE MAIN TRANSFORMATION INITIATIVES

- Use proven monitoring, anticipation and institutional dialogue systems to integrate regulatory changes as early as possible.
- Make compliance a cornerstone of Michelin's credibility and stakeholder confidence, particularly with institutional customers and partners.
- Transform Michelin's expertise in regulatory compliance into a lever for differentiation and sustainable value creation.

Rapid transformations of end markets

The issue: In a globalized, hyper-connected world, customer expectations are evolving rapidly and increasingly differ depending on the region and local practices. Awareness of issues related to sustainable development, overall performance, and value in use is increasingly influencing purchasing decisions, but without erasing differences in needs and behaviors.

WHAT THIS MEANS FOR MICHELIN

As a global player serving a wide variety of markets, Michelin is constantly adapting its offerings and business models to meet changing local needs and expectations. Against a backdrop of heightened competition and the arrival of new players, the challenge facing the Group is to continue to create value beyond the product itself, based on a laser-sharp understanding of customer needs and innovative solutions.

THE MAIN TRANSFORMATION INITIATIVES

- Adapt offers and solutions to the specific characteristics of markets and customers in each region of the world.
- Develop innovative solutions based on data, digital technology and artificial intelligence to improve value in use and overall performance.
- Pursue a continuous innovation dynamic, geared towards ever more sustainable, efficient and value-creating solutions.

OUR BUSINESS MODEL

MACRO-TRENDS

FASTER PACE OF CLIMATE CHANGE

RESOURCES

OUR TEAMS

122,600 employees in **63** countries
84.4% engagement rate

OUR INNOVATIONS

11,800 active patents in the portfolio
170+ new partnerships per year
9 established joint laboratories
and **8** joint laboratories opened

OUR NATURAL CAPITAL

98% of natural rubber assessed as deforestation-free
32% of renewable and recycled materials content in tires

OUR BRAND

$10.3 BN BRAND VALUE
9th strongest brand worldwide
(Brand Finance, 2026)
125 YEARS of fine dining and travel experiences

OUR FINANCIAL CAPITAL

€18.1 BILLION in equity
A long-term credit rating from the solicited agencies
(Standard & Poor's, Fitch, Scope)
4 complementary shareholder profiles:
17.9% French institutional shareholders,
68.4% non-resident institutional shareholders,
10.7% individual shareholders,
3.1% employees.

STRATEGY

BUILDING SUSTAINABLE GROWTH ON DIFFERENTIATED PRODUCTS, SERVICES AND EXPERIENCES

GROWING IN MARKETS WITH HIGH TECHNOLOGICAL REQUIREMENTS SUCH AS AEROSPACE, ENERGY AND HEALTHCARE

GEOPOLITICAL FRAGMENTATION ▶ **REGULATORY PRESSURE** ▶ **RAPID TRANSFORMATION OF END MARKETS**



RESPONDING TO THE CHALLENGES FACING ALL MOBILITY ENABLERS AND MANUFACTURERS

PERSONAL SAFETY, OPERATING PERFORMANCE AND ENVIRONMENTAL IMPACT

VALUE CREATED

FOR EMPLOYEES

20% more shares subscribed by employees compared with 2024

44 hours of training per employee in 2025

FOR SOCIETY

27% lower particulate emissions[1] than the average premium competitors

21,000 employee volunteering initiatives in 2025

FOR THE PLANET

17% cut in CO_2 emissions *vs 2024 (Scopes 1 and 2)*

33% of energy consumption from renewable sources

FOR CUSTOMERS AND PARTNERS

45.5 PTS Net Promoter Score awarded by customers and partners

28% of annual sales derived from products or services launched in the last three years

FINANCIAL VALUE CREATED

9.2% return on capital employed (ROCE) in 2025

57% of 2025 net income to be distributed as dividends (submitted to the vote of the Annual Shareholders Meeting)

(1) Result of the independent benchmarking study conducted by ADAC.

MICHELIN, A POWERFUL AND WELL-RECOGNIZED BRAND

For more than 130 years, the MICHELIN brand has promoted the Group's values and commitments throughout the world. With its recognized global strength and reputation, it is a valuable strategic resource that helps to sustain the Group's business success. Synonymous with innovation and excellence, it successfully blends emotion and trust.

$10.3BN

THE FINANCIAL VALUE OF THE MICHELIN BRAND
(Brand Finance, 2026)

9th

STRONGEST BRAND WORLDWIDE
(Brand Finance, 2026)

TOP 3

CAC 40 COMPANY
(IA-Reputation Barometer Vectors & Trickster, 2026)

For all stakeholders of a company, starting with its customers, the brand is the filter through which they form an opinion, not simply about its products and services, but also about the company itself, its reliability and its values. A strong brand is more likely to be recognized as unique by consumers and this in turn helps to boost the perceived value of the related offerings.

Far from being just a marketing or communication tool, the MICHELIN brand is one of the Group's most valuable assets. It is a strategic resource in support of the Group's sustained business success. It embodies the Group's identity and is instrumental in the success of the Michelin in Motion 2030 strategy.

In 2025, the MICHELIN brand broke two historic records – it joined the Top 10 Strongest Brands Worldwide and its financial value exceeded $10 billion. For the ninth year running, it consolidated its undisputed leadership as the most powerful and financially valuable tire brand.

A BRAND AND A POPULAR CULTURAL ICON WHOSE INFLUENCE EXTENDS FAR BEYOND THE MOBILITY SECTOR

The MICHELIN brand's power and impact is strengthened by its role as the flag-bearer for the Group's diverse businesses. One business in particular is key to its visibility and the emotional relationship it nurtures with its audiences. That business is the MICHELIN Guide, a unique source of fine dining, hotel and soon wine recommendations.

In 2025, this business accounted for 71% of global digital conversations in which MICHELIN was mentioned (Ipsos-Synthesio 2025). Every star or key awarded to a restaurant or hotel, every post or comment by a chef or other member of this highly engaged community feeds trends and algorithms, and puts MICHELIN at the center of daily lifestyle conversations.

And of course, the Michelin Man, the emblematic brand mascot voted "Icon of the Millennium" by Advertising Week in 2018, contributes strongly to the brand's recognition and its proximity to customers, as well as to the positive emotions that it generates. Over the years, the MICHELIN brand has become a genuine pop culture icon, giving the Group a considerable competitive edge in an environment where consumers are over-informed and becoming increasingly immune to the constant calls for their attention.



THE MICHELIN BRAND, A KEY STRATEGIC ASSET

The MICHELIN brand embodies the Group's fundamentals of innovation, excellence and progress, and expresses its singular appeal. It is because of its unique DNA that the brand is a decisive factor in the purchasing decision. It also unites employees and contributes to long-term value creation. It can be difficult to win over customers with arguments of technical superiority in the face of the markets' growing commoditization. In this environment, the perceived differentiation generated by the brand goes beyond technology and price, helping the Group to defend its margins. Lastly, a powerful brand like MICHELIN will be an essential lever and a key resource to ensure that our products and services are recommended by generative artificial intelligence, which is becoming both a specifier and a purchasing platform.



Adeline CHALLON-KEMOUN,

Executive Vice President, Corporate Engagement and Brands, Lifestyle – Member of the Group Executive Committee

"With the invention of the Michelin Man and the first brand content at the end of the 19th century, Michelin was a pioneer in communications and marketing. Some 130 years later, in an environment where brands are struggling to capture consumers' attention, the MICHELIN brand remains our most powerful lever for ensuring that consumers want and choose our products. Maintaining our brand's high-level performance depends on the sustained, long-term engagement of our teams throughout the world."

HIGHLY ENGAGED TEAMS THAT SET MICHELIN APART IN THE MARKET

For Michelin, employee engagement is a key performance factor that contributes to its ability to adapt to changes in its environment. The Group recognizes the strong commitment of its teams to their work and has implemented measures designed to support their personal growth and professional development.

84.4%
ENGAGEMENT RATE

With an engagement rate of 84.4% in 2025, up more than four points since 2019, Michelin is close to its goal of achieving global excellence by 2030, expressed by a rate of 85%. This rate is considerably higher than the global average, which fell to 21% in 2024(1); it places Michelin in the top quartile of the best-performing companies based on this criterion.

ENGAGEMENT, EXCELLENCE, PERFORMANCE: THE WINNING EQUATION

This result reflects a high level of employee engagement, whatever the job or profile, and an overall alignment with the Group's corporate purpose. Our teams are part of a collective dynamic and actively contribute to the conduct of the business through operational initiatives, cooperative practices and participation in the search for solutions adapted to the challenges we face.

The engagement rate also highlights employees' confidence in the Group's ability to implement its strategy, despite the obstacles that may arise, and deal with transformations or crises. Sharing a common culture and values helps to sustain employee engagement and the teams' ability to adapt, even in situations where their scope for action is limited.

In addition, the high engagement rate is a factor in attracting and retaining the skills needed to develop our business. It fosters an environment that is conducive to continuous improvement and contributes to the Group's long-term performance.

Last but by no means least, several studies show a correlation between employee engagement and customer satisfaction.

(1) *Source : Gallup-*, State of Global Workplace *2025.*

SOCIAL INNOVATION AS A DRIVE OF ENGAGEMENT

Over the decades the Group has developed a corporate culture rooted in cohesion, social dialogue and the quality of life at work. Through the Michelin One Care universal social protection floor, combined with the introduction of a living wage for all employees, a lifelong skills development approach and a policy of inclusion, Michelin has laid the foundations of a social model designed to support employee engagement, professional fulfillment and loyalty.



TESTIMONY OF SUTHASIT KANITCHAIDECHA Quality Operator, Rayong plant in Thailand



"27 years with the Group"

How is your engagement as a Michelin employee reflected in your work?

My commitment to Michelin is reflected by taking the initiative on operational issues and contributing to the continuous improvement of our day-to-day operations.

For many years, chemical inventory tracking was done manually on paper. This process was time-consuming and exposed us to the risk of error

Rather than wait for a new system to be introduced, I decided to explore how digital tools could improve reliability and efficiency at site level.

After taking part in a Digital Hackathon, I learned how to develop a Power App to replace the manual process. Although I had no previous experience of app development, I led this project step by step with a clear objective: to make our work more reliable, faster and simpler for operators.

I was inspired to take this initiative by Michelin's culture of autonomy, empowerment and continuous learning. By transforming a local operational challenge into a digital solution, I was able to make a practical contribution to improving our working methods, while supporting the Group's digital transformation trajectory.

How does your engagement contribute to the Group's performance? What does it bring to Michelin?

Thanks to the app, we now have real-time data on chemical product use, which has improved traceability and reduced the risk of error. This makes our operations more reliable and helps to ensure compliance with quality standards at our site. In addition, the operators spend less time on administrative work, allowing them to concentrate more on higher value-added activities.

The switch to a digital tracking system has also helped reduce paper consumption, thus contributing to the Group's environmental commitments.

And the initiative has had a wider impact too. It has demonstrated that digital transformation projects can be led locally, and has encouraged other employees to embrace digital technologies. This dynamic has strengthened the site's skills and provided an illustration of how local innovation can contribute to Michelin's overall transformation roadmap.

More broadly, this experience shows that individual engagement, when aligned with the Group's priorities, helps to drive gains in operational performance, environmental responsibility and sustainable long-term value creation.

INNOVATION, A STRATEGIC LEVER FOR SUSTAINABLE VALUE CREATION

Dedicated to pushing back technological frontiers and providing the market and society with advances that respond to major social and environmental challenges, innovation is inseparable from Michelin's history. It is a major strategic asset in Michelin's business model that contributes to the Group's long-term competitiveness while also having a positive impact on the world.

6,000
PEOPLE DEDICATED TO INNOVATION

€60.8M
PORTFOLIO *OPEN INNOVATION*(1)

237
PATENTS FILED IN THE YEAR

Michelin believes that companies have a social role to play in providing practical answers to the challenges of our time, starting with environmental and climate issues. Technological progress is a strategic driver of differentiation and competitiveness for Michelin, enabling the Group to propose decisive advances in terms of the circular economy, carbon emissions reduction, and the preservation of resources and biodiversity. These advances translate into products that make a difference in the marketplace and meet customers' expectations, thanks to a unique ability to transform innovation into large-scale industrial solutions.

This ability to explore new technological territories is part of a strategy to expand the scope of our controlled activities, based on distinctive know-how that creates long-term value. By strengthening its technological leadership in tires, speeding up the environmental transition and gradually extending its know-how beyond tires to other composite solutions, Michelin has been able to leverage its culture of innovation to become a deep-tech company capable of meeting challenges that transform everyday life over the long term, based on a close-knit R&D, engineering and manufacturing ecosystem



Philippe JACQUIN,
Executive Vice President, Research & Development, supervising the Innovation & Partnerships Corporate Department, Member of the Group Executive Committee

"Innovation is at the heart of the Group's strategy and growth ambitions.
Our disruptive innovations are valuable drivers of differentiation, sustaining Michelin's technological leadership and contributing to environmental progress.

Our teams are constantly innovating to manufacture very high-quality tires and components for critical applications in sectors with high technological requirements such as mobility, construction, aeronautics, low-carbon energies, and healthcare."

(1) Average annual portfolio of open innovation R&D initiatives over the 2023-2025 period, including expenditure incurred as part of partnerships with external players.

UNIQUE CAPABILITIES AND EXPERTISE

As a pioneer and a visionary that combines technological research with a scientific approach, Michelin has made the conciliation of economic performance and social well-being a cornerstone of its strategy. The demountable tire, the creation of the MICHELIN Guide, the radial tire, the green tire, the MICHELIN CrossClimate tire and advances in materials science are just some examples of innovations that have generated sustainable competitive advantages, both commercially and environmentally, and that have been deployed at scale by leveraging the Group's proven manufacturing expertise.

With a budget of €1.2 billion, innovation is a key strategic investment in the Group's growth and resilience. Capitalizing on its distinctive expertise and supported by global R&D resources, Michelin is one of the few manufacturers capable of mastering and combining chemistry, materials processing and composites design as well as understanding usage patterns. This expertise extends across the entire value chain, from fundamental research to mass production, allowing the Group to deliver sustainable performance and prepare for the long term.

The Group's power of innovation is based on four distinctive areas of expertise, which constitute major strategic assets. The first lies in our in-depth knowledge of materials science, enabling us to design, develop and produce innovative materials that play a decisive role in the final performance of our products, particularly in terms of endurance, longevity and rolling resistance. The second is the ability to mass produce flexible composite products, paving the way for high value-added applications in adjacent markets with high- tech requirements, such as construction, aeronautics, rail transport, shipping, renewable energies and healthcare. The third concerns the design and process engineering of specific processes incorporating new components and materials with completely new characteristics. The fourth is Michelin's outstanding ability to manage data and transform it into action plans and value-creating solutions for its customers, throughout the life cycle of products and industrial infrastructure.

A DIFFERENTIATING INNOVATION ECOSYSTEM

Michelin's structured and integrated innovation ecosystem constitutes a differentiating competitive advantage that is difficult to replicate. With nine R&D centers, the Michelin Innovation Lab incubator, an open innovation culture, a network of partners including startups, established companies, research institutes and universities, 6,000 dedicated employees and almost 12,000 active patents worldwide, the Group has a comprehensive innovation and sustainable value creation system that promotes the emergence and process engineering of disruptive solutions.

Innovation in manufacturing

Michelin has developed unique expertise in the design and process engineering of production processes and facilities, enabling it to deploy its innovations at scale while preparing the factory of the future. Over and above the process engineering of innovative technologies, products and materials, this work is part of a long-term innovation approach, conducted in close cooperation between engineering and methods teams, in the service of industrial, environmental and human performance.

The Group's processes address complex technical issues, including the integration of new components and materials with completely new characteristics, to make these innovations accessible to as many people as possible. At the same time, the Group designs processes and facilities to reduce the environmental footprint of its manufacturing sites, integrating from the outset solutions that promote energy efficiency, the use of renewable or recycled materials, and resource sobriety, with a view to sustainably transforming industrial facilities.

Innovation in manufacturing also involves transforming working environments. By improving the ergonomics of its machines and workstations, Michelin is working to enhance its teams' safety, quality of working life and sustainable performance. This comprehensive approach, combining industrial performance, environmental responsibility and attention to people's needs, is a key differentiating factor and a barrier to entry into its markets. As such, it is an integral part of the Group's vision of the factory of the future.

BUILDING TRUST THROUGH THE EXCELLENCE OF OUR PRODUCTS AND SERVICES

Excellence is a cornerstone of Michelin's strategy. Our products and services are recognized for their quality and performance. Nourished by disruptive innovations, they are constantly being improved. The resulting benefits contribute to the brand's positioning not only in the tire market, but also in many adjacent markets.

One of Michelin's strategic objectives is to be the best in its sector in terms of value created. Applying a deep-tech approach, it develops high-quality products and services that combine reliability with efficiency and superior performance. From fundamental research through to mass production, the Group develops solutions combining materials processing, composites design capabilities, intelligent use of algorithms and a detailed understanding of usage patterns. These innovations contribute to Michelin's positioning in tire and adjacent markets and support its long-term strategy.

103

J.D. POWER PRIZES

99.99%

OF MICHELIN TIRES WORLDWIDE ARE NOT RETURNED BY CUSTOMERS

MEASURABLE BENEFITS FOR CUSTOMERS

Michelin's leadership is particularly evident in the tire market, where the Group has made significant technological advances over the years and helped to change mobility habits. These developments have contributed to safer, more efficient and more sustainable mobility.

The tires designed, tested and developed by Michelin provide drivers with high levels of safety, grip and comfort, right up to their legal wear limit. The tires also last longer and offer low rolling resistance. Their superior performance also generates savings because they need to be replaced less often, and they also have a lower environmental impact. Leveraging Michelin's ecodesign approach at all stages of the product life cycle, the Group intends to make further progress in reducing this impact.

The objective is to use 100% renewable and recycled materials in its tires by 2050, whether biosourced or recycled, without any loss of performance. We moved a step closer to meeting this objective in 2025, with the construction of an industrial demonstrator that was used to create a tire with a 75% renewable and recycled materials content.

Michelin is also continuing to make advances in reducing abrasion emissions and has achieved convincing results. In 2025, an ADAC study showed that MICHELIN tires emit 27% fewer tire and road wear particles (TRWP) than the average of those tested by their competitors, making them one of the best performers among the models included in the study(1).

Similarly, the Group's research into connected tires has led to this technology being used on premium mass-produced cars, contributing to enhanced user safety and enabling improved operating performance and a reduced environmental impact, thanks in particular to optimized traceability.

Michelin was quick to realize that this culture of excellence could be extended to adjacent or emerging markets and has built a presence in the coated fabrics, films, conveyors, belts, seals and inflatable structure segments, where its flexible composite solutions provide functionalities adapted to a variety of industrial applications. Its polymer composites are used in non-toxic adhesives, biomaterials and active membranes. Lastly, our disruptive, high-tech innovations have led to the creation of the Wisamo wing for the maritime shipping sector, with the first commercial contract signed in 2025.

Michelin wins acclaim from the motorsport world

The demanding nature of motor racing makes it a remarkable experimental laboratory for Michelin, allowing it to successfully test its tire solutions under extreme conditions. With over one hundred Formula 1 successes, five MotoGP™ titles, more than three hundred World Rally Championship victories and around one hundred Endurance wins, not to mention the many victories in the Le Mans 24-Hour Race since 1998, Michelin has repeatedly demonstrated the quality and superior performance of its products.



RECOGNIZED SOLUTIONS THAT REGULARLY WIN AWARDS FOR THEIR RELIABILITY

The products created and developed by Michelin have won numerous awards and accolades in recognition of their quality and power. Not only in motorsport, where the Group has chalked up a number of wins (see box), but also in the mass market.

In the United States, Michelin has won 103 prized to date from J.D. Power, whose assessments are based on the opinions of vehicle owners, according to available data.

Also in the United States, Michelin has been voted Best Tire Brand three years running by the consumer association Consumer Reports, and tops the main categories rated by experts and consumers.

Last but not least, MICHELIN is one of the most highly rated brands by customers, with a large number of 5-star reviews. Michelin puts all its energy into achieving this level of excellence, which can be summed up in one figure: **99.99% of MICHELIN tires worldwide are not returned by customers.**

(1) ADAC abrasion study based on the Euro 7 measurement method in mg/km/t (June 2025).



AUTOMOTIVE AND TWO-WHEEL

A GROWTH PILLAR SUPPORTED BY A POWERFUL BRAND AND INNOVATION

"Creating sustainable value in a challenging and highly competitive market"



Jean Claude PATS,
Executive Vice President, Global and Regional Automotive Brands, Original equipment, Two-wheel
Member of the Group Executive Committee

How did the Automotive and Two-wheel B2C markets evolve in 2025?

In 2025, the B2C markets experienced limited growth and fierce competition. China was the main driver of growth in the global market. Outside China, the Automotive and Two-wheel original equipment markets remained sluggish. The automotive aftermarket remained stable in mature regions, despite the impact of higher import tariffs in the United States and inventory building in Europe ahead of expected anti-dumping measures.

The tire industry continued to suffer from chronic overcapacity, leading to intense competition, cut-price offers and limited market access in certain countries due to trade barriers.

At the same time, several trends were confirmed. The shift to electric vehicles advanced more slowly than expected, but supported the move upmarket, while the increasing age of the vehicle fleet boosted demand in both the automotive and the two-wheel sectors.





Automotive, Two-wheel and related distribution

€14.3BN(1)
OF SALES

55%
OF THE GROUP'S TOTAL BUSINESS

(1) *SR1 segment sales, as published in the annual report, including Lifestyle sales.*



Against this backdrop, what are the main drivers of value creation in the automotive and two-wheel markets?

In a sluggish market, value creation depends on the ability to expand in profitable segments and focus on the most promising uses.

In the automotive sector, changes in the product mix are essential. The shift towards 18-inch and larger tires, linked to development in the SUV and electric vehicle fleets, is leading to increased demands in terms of safety, longevity and fuel efficiency.

In the Two-wheel market, value creation is also being driven by changes in the product mix. Michelin is performing well in mature markets, increasing its sales in China and benefiting from the development of electric scooters and new uses favoring higher value-added products.

In both businesses, the Group's focus on profitable segments and a continuously improving product mix is helping to maintain its performance despite intense competition and aggressive pricing.

How is Michelin creating the differentiation needed to support consumers and sustainably create value?

In a highly competitive market with little consumer clarity, branding, information and proof of performance are becoming essential. Consumers want clear benchmarks, particularly in terms of safety, environmental performance and durability.

Michelin stands out from the competition thanks to a strong brand and recognized performance, combining safety, longevity and fuel efficiency. The Group's innovation capabilities, which are illustrated by recent new ranges such as the MICHELIN CrossClimate 3, MICHELIN CrossClimate 3 Sport, MICHELIN Primacy 5 and BFGoodrich KO3, are regularly recognized by independent awards.

The Group is also a benchmark in environmental performance and its progress in reducing particulate emissions, confirmed by the independent ADAC study, is a major competitive advantage.

In this challenging environment, Michelin has both a responsibility and an opportunity to inform the market, demonstrate the value of its offerings and capitalize on its technological strengths and brand equity. This approach strengthens the relevance of its B2C strategy, based on the move upmarket, useful innovation and sustainable value creation, in both automotive and two-wheel tires.





ROAD AND URBAN TRANSPORTATION

A PERFORMANCE DRIVER AT THE CENTER OF THE PROCESS THAT IS TRANSFORMING TRANSPORTATION

"Sustainably improving the transformation of road and urban transportation"



Bénédicte DE BONNECHOSE,
Executive Vice President, Urban and Long-Distance Transportation
Member of the Group Executive Committee

The B2B On Road business faced an extremely turbulent environment in 2025. What's your take on last year's situation?

In 2025, the global economy was disrupted by protectionist trade policies, leading to reduced visibility for industry players and depressing investment in the transportation and construction industries. In the Truck market, this translated into sharply lower original equipment sales, with a marked slowdown in North America following the challenges to the US Environmental Protection Agency's EPA 27[(1)] regulation, which encouraged fleet operators to postpone their investments.

The operating environment became more complicated, due to sluggish freight activity, persistent tensions in supply chains, labor shortages at trucking companies and increased pressure on costs.

However, 2025 also marked an important milestone for the Group, which strengthened its industrial competitiveness and accelerated the renewal of its product ranges, in line with the goal of 80% new products by 2028. These advances were accompanied by high levels of investment in innovation, particularly in connectivity and solutions that contribute to the decarbonization of transportation activities and support changing usage patterns.



Road transportation and related distribution;

€6.0BN[(2)]
OF SALES

23%
OF THE GROUP'S TOTAL BUSINESS

(1) Refers to US standards imposed by the Environmental Protection Agency on trucks, expected to be implemented from 2027.
(2) SR2 segment sales, as published in the annual report, including Connected Solutions sales.





How does the Group's selectivity strategy contribute to sustainable value creation?

In a market increasingly split between the polar opposites of premium and cut-price offers, selectivity is becoming a key lever for sustainable value creation, applied to geographies, customer segments and uses.

Michelin is building on its strong presence in mature markets (Europe, North America) and increasing the pace of development in regions where demand for premium solutions is growing, such as Australia, Canada and Southeast Asia. In these regions, premium segments account for almost 50% of the value of the target markets.

This strategy is based on Michelin's recognized technological advance, solid brand and clear value proposition, centered on performance in use for professional customers.

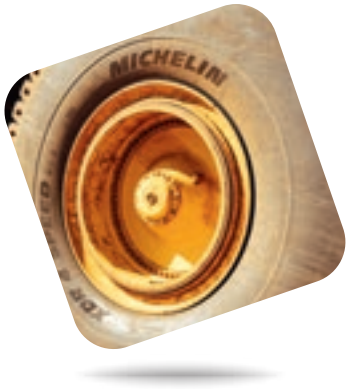
Against this increasingly demanding backdrop, what makes Michelin different today for these professional customers?

Michelin's difference lies in its ability to support professional customers across the entire spectrum of their performance needs, far beyond tires alone. This added value is based on solid technological expertise, nurtured by continuous investment in R&D and a constant stream of innovations guaranteeing safety, longevity, robustness, improved fuel efficiency and reduced environmental impacts.

It is also based on a proven multi-life model, integrating retreading and solutions such as REMIX, which optimizes the total cost of ownership and provides a practical response to the challenges of sustainability.

Added to this, Michelin has built a reputation for packaging products, services and connected solutions into coherent offerings, suited to both long-distance and urban transportation. Digital tools and predictive maintenance improve operating efficiency, enhance safety and provide greater visibility with regard to the assets' performance.

This integrated and sustainable approach translates into a clear promise: Michelin is a reliable, innovative and engaged partner, bringing confidence and serenity to a challenging environment.



SPECIALTY

A LEVER TO CREATE VALUE IN DEMANDING, DIFFERENTIATING MARKETS

"Building a sustainable future for global development"



Alexis **GARCIN,**
Executive Vice President, Aircraft, Beyond Road, Mining and Motorsport
Member of the Group Executive Committee

The Specialty businesses operated in a contrasted environment. How would you assess the situation in 2025?

The Specialty tires businesses address critical, high value-added uses that support long-term transitions, including production of essential resources, the electrification and digital transformation of economies, infrastructure construction, food safety and air mobility. These uses determine the strategic relevance of the businesses, positioning them in markets where performance, reliability and technology are decisive factors, and where barriers to entry remain high.

The businesses' environment remained mixed in 2025. The Beyond Road[(1)] OEM markets, in particular the agricultural, construction and materials handling segments, remained at the bottom of the cycle, a situation that was counterbalanced by the mining and aviation segments, which enjoyed good momentum driven by structural needs and sustained demand from customers requiring very high-spec products.

So, while 2025 was affected by unfavorable headwinds in certain cyclical markets, the Specialty Tires businesses' robust product portfolio, complementary business lines and positioning on differentiating uses contributed to the segment's overall resilience.



Specialty businesses and related distribution

€5.7BN[(2)]
OF SALES

22%
OF THE GROUP'S TOTAL BUSINESS

(1) Agricultural, Materials Handling, Construction, Defense and Powersport tires.
(2) SR3 segment sales, as published in the annual report, including Polymer Composite Solutions activities.

How do you reconcile economic development with environmental constraints?

Our strategy is clear – to support the world's development while reducing its environmental footprint. This calls for constant innovation, designed to increase usage efficiency.

In the mining sector, we are developing tires that reduce fuel consumption and the number of tires used, while improving fleet productivity. In aviation, lighter tires – up to 20% with the latest generations – significantly reduce CO_2 emissions while raising the limits in terms of the number of landings. In the agricultural sector, our solutions aim to limit soil compaction and reduce tire damage, while improving traction and yields.

These performances are based on distinctive know-how, cutting-edge materials and unique industrial processes. They are strong sources of competitive differentiation for Michelin.

Aside from products, what are the differentiating factors driving long-term value creation?

In addition to product performance, value creation in Specialty Tires is based on a combination of services, connected solutions and data management, all of which strengthen our position as a trusted partner for our customers. More than 75% of our business is conducted directly with mine operators, airlines and manufacturers, enabling us to develop in-depth knowledge of usage patterns and co-construct high value-added solutions for our customers.

Connected offers and tire management systems improve cost per use, increase vehicle availability and enhance safety. Data also open up new horizons, particularly in terms of sustainability, a key issue for our mining customers. In 2025, we opened the second largest end-of-life tire recycling plant in Peru.

Lastly, the Specialty Tires businesses are a formidable breeding ground for talent to join engaged and passionate teams working in front line professions requiring high level technical skills and intellectual agility.

It is this combination – innovation, services, data and engaged teams – that enables us to sustainably deliver profitable growth, even at the low end of economic cycles. And it is our ongoing investment and the recognition of our customers that give us confidence in the ability of the Specialty Tires businesses to make a significant contribution to the Group's performance over the long term.





POLYMER COMPOSITE SOLUTIONS

"Increasing the pace of growth in resilient, high value-added markets"



Maude PORTIGLIATTI,
Executive Vice President, Polymer Composite Solutions,
Member of the Group Executive Committee

What is the current role of Polymer Composite Solutions within the Michelin Group?

The Polymer Composite Solutions business embodies the natural extension beyond tires of Michelin's historic expertise in materials, processes and the mass production of composite solutions.

Our ambition is clear – to develop a portfolio of specialty businesses, based on highly technical composite products for challenging applications, serving diversified vertical markets. These currently fragmented markets are worth several tens of billions of euros and are profitable.

The Polymer Composite Solutions business leverages the Group's powerful innovation capabilities in research and development and its industrial excellence, to develop high value-added solutions for fast-changing markets. What's more, as these activities do not require large amounts of capital spending, they offer considerable flexibility and the ability to adapt quickly to new applications.

The optimal balance between resilience, growth and disciplined use of capital is one of the cornerstones of our trajectory.

What are the main growth drivers in the Polymer Composite Solutions business?

Our growth is based on three complementary drivers.

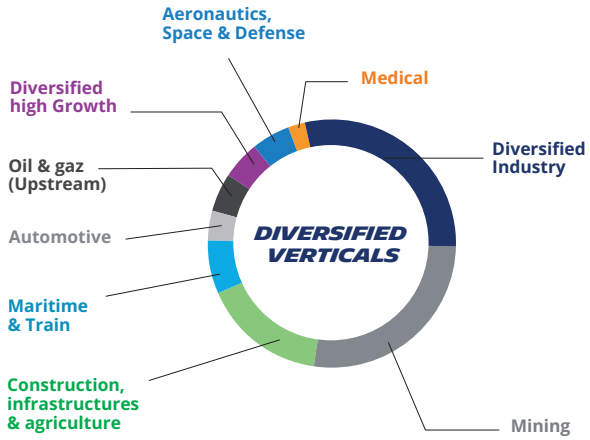
First, innovation-led organic growth in applications that make the most of our expertise in materials science. We are developing differentiating solutions wherever performance, durability, safety or energy efficiency are critical to our customers, notably in industrial, energy, defense or medical applications. This dynamic is underpinned by Michelin's 130 years of expertise in polymers and composites, which is put to use to design and produce critical components for high-tech environments.

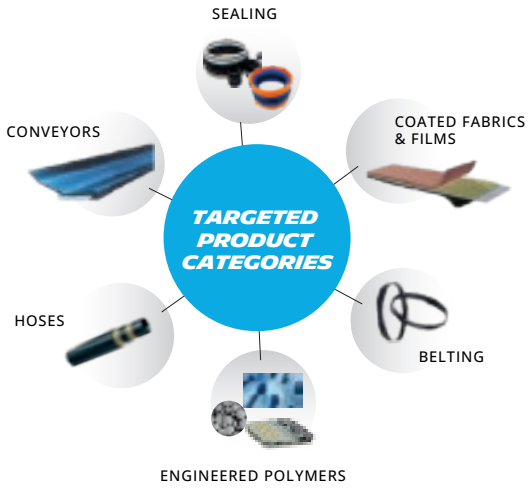
Second, external growth in the shape of strategic and bolt-on acquisitions, which strengthen and complement our technological base and market positions. Through our acquisition strategy, we have retained the agility that is a hallmark of differentiation in a constantly changing world.

Third, our approach putting the customer at the center of all our decisions. Our teams of specialists in their respective fields keep abreast of customer needs and practices. Their front-line expertise and operational agility contribute directly to the relevance and rapid deployment of our solutions.

€70BN
ADDRESSABLE MARKET

3
STRATEGIC ACQUISITIONS:
Cooley Group, Tex Tech, Flexitallic
(*subject to effective completion of acquisitions in progress, announced in early 2026)*





What were the highlights of 2025 and what is the medium-term outlook?

2025 marked a new stage in the development of the Polymer Composite Solutions business, which continued to grow rapidly. Between 2019 and 2025, our average annual growth rate was around 7%; half of this was due to our strategic acquisitions, illustrating the good balance struck between organic and external growth.

In terms of innovation, more than 60 patents were filed by the Polymer Composite Solutions business in 2025, illustrating our ability to apply our composite expertise to new applications. Michelin's Research & Development teams have significantly increased the pace of new patent filings, in combination with the work initiated in its subsidiaries over the last ten years, demonstrating the Group's ability to amplify long-term expertise.

Following the 2025 acquisition of Pronal and Aston Seals, in early 2026 the Group announced plans for three new acquisitions (Cooley, Textech and Flexitallic). These companies will strengthen the scope of the Polymer Composite Solutions business in line with its growth strategy in resilient specialized markets.

These advances confirm the Polymer Composite Solutions business's trajectory to build a coherent set of specialized activities. These activities are all based on similar technologies, they are capable of strengthening each other and are fully aligned with the Michelin Group's strategy of sustainable innovation and long-term value creation.



CONNECTED SOLUTIONS

CREATING VALUE THROUGH AN INTEGRATED APPROACH

"Transforming data into operational performance"



Michel VINCENTELLI,
Executive Vice President, Connected Solutions Business Line

What is Michelin's ambition for its Connected Solutions offering and what is its medium-term roadmap?

Michelin's connected solutions are designed for professional fleet managers and operators. They draw on the Group's expertise in services and technologies to improve fleet safety and financial and operational performance, while also reducing the fleets' environmental impact.

In an increasingly challenging environment, the Connected Solutions offering aims to provide practical support to fleet managers and operators in their quest to improve performance by efficiently transitioning from data analysis to operational action, thanks to solutions that are integrated into the business processes and deployable on a large scale.

Today, this ambition is reflected in the deployment of predictive maintenance and other proven solutions that enable customers to anticipate tire-related events, plan interventions and limit unplanned downtime.

The Connected Solutions business's medium-term aim is to create a digital twin of the customer's fleet. The resulting unified operations management platform will aggregate usage and operating data to provide a consolidated, directly actionable vision integrated into the customer's operational decisions.

In 2025, the business's momentum was illustrated by the continued growth of Tire-as-a-Service offerings in Europe and the United States.



OVER **1.6** BILLION
KILOMETERS OF DATA CAPTURED EVERY DAY

UP TO **7%**(1)
INCREASE IN FUEL EFFICIENCY

23%(2)
REDUCTION IN THE AVERAGE NUMBER OF ROAD ACCIDENTS

(1) Based on the results of solution piloting programs conducted with customers.
(2) Based on the average of Michelin Connected Fleet data from customer pilots and case studies performed in Europe over the 2020-2022 period.

These packages, combining tires, predictive maintenance and digital services, confirm the role of Michelin Connected Solutions as a strategic driver of performance and sustainable transformation.

What sets Michelin's approach apart in a technology-driven market?

In a technology-driven market, Michelin's connected solutions approach stands out for its ability to transform significant volumes of usage data into operational recommendations that can be used directly by fleet managers.

This differentiation is based on our mastery of mobility data, our use of algorithms and artificial intelligence solutions, and our in-depth knowledge of fleet management issues, built up through daily contact with trucking companies and operators.

Lastly, Michelin's worldwide service and partner network guarantees the deployment of solutions and their operational execution as close to the customer as possible.

It is this combination of business expertise, technological mastery and execution capability that is a key differentiating factor.

How does the Michelin Connected Solutions business contribute to value creation, safety and sustainability?

Thanks to an integrated approach, Michelin's connected solutions contribute simultaneously to value creation, safety and sustainability.

By anticipating events through predictive maintenance and optimizing equipment use, fleet managers can reduce unplanned downtime, improve safety, extend tire life, cut operating costs and improve their environmental footprint.

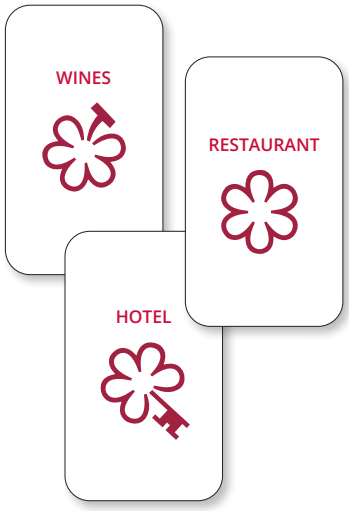
It is this integrated approach, combining data, recommendations and operational execution, that enables customers to optimize the use of their resources and sustainably improve their overall performance.





THE MICHELIN GUIDE, A GLOBAL LIFESTYLE BENCHMARK

For over 125 years, the MICHELIN Guide has inspired, enlightened and accompanied travelers and gourmets around the world. Now a leading international lifestyle medium, it is pursuing an ambitious development strategy, strengthening the pillars that make up its DNA by showcasing the best fine dining experiences, an exclusive selection of exceptional hotels, and – coming soon – outstanding vineyards producing exceptional wines.



This development consolidates our unique position as a specifier capable of influencing tourist, cultural and economic trends in our featured destinations. It also confirms the MICHELIN Guide's commitment to providing audiences throughout the world with reliable high-level benchmarks for outstanding experiences.



GWENDAL POULLENNEC,
Senior Vice President
Michelin Lifestyle

What is the current ambition of the Lifestyle business within the Michelin Group?

The MICHELIN Guide, which was historically a communication tool, is today a growing business line organized around international partnerships and a qualified digital audience.

Our ambition is to step up the pace of its global deployment and unite a constantly expanding community around fine dining, travel and lifestyle.

As a recognized influential medium, the MICHELIN Guide helps to shape consumer choices, promote the attractions of featured destinations and increase the MICHELIN brand's international appeal.

How does the Michelin Lifestyle business contribute to value creation and Michelin's global reputation?

In addition to their direct financial contribution, the Lifestyle businesses – the MICHELIN Guide, ViaMichelin, Tablet and Robert Parker Wine Advocate – play a key role in strengthening brand equity.



FEATURING AROUND **70** DESTINATIONS

MORE THAN **18,000** RECOMMENDED RESTAURANTS, INCLUDING OVER **3,700** WITH MICHELIN STARS

They help to ensure that the MICHELIN name continues to be synonymous with excellence, inspiration and high quality experiences.

The MICHELIN Guide generates daily interactions with a demanding and engaged international audience, providing strategic leverage for its partners and featured destinations.

In addition, the digital transformation undertaken in recent years, with a complete overhaul of the Guide and ViaMichelin platforms, has enabled us to offer personalized services, along with enriched content and support throughout the travel experience.

With its redesigned website and mobile app, ViaMichelin is strengthening its position as the benchmark digital mobility service.

What role does the MICHELIN Guide play in promoting more responsible gastronomy and tourism?

The MICHELIN Guide actively contributes to local economic development by shining a spotlight on establishments that have strong local roots and are committed to following responsible practices.

Through its selections and awards, it promotes the initiatives of chefs and hoteliers who favor short circuits, in-season products, a reduced environmental footprint and sustainable excellence.

By supporting these virtuous initiatives, the Guide is helping gastronomy and tourism standards evolve towards more responsible models, in line with the Group's environmental and social commitments.

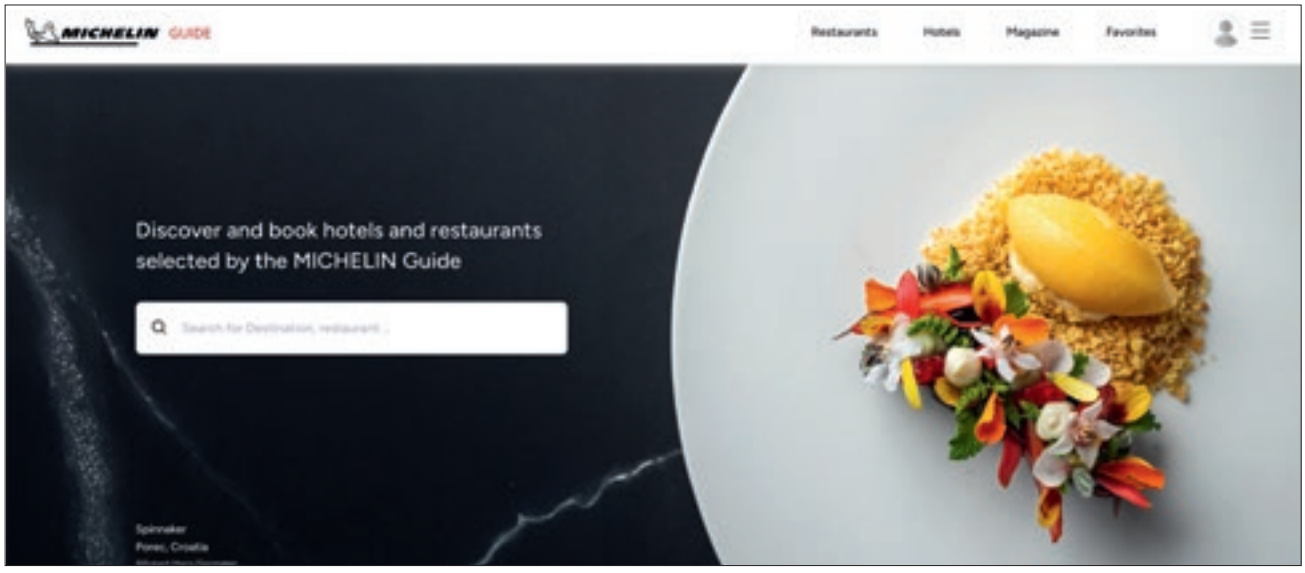
VIAMICHELIN

250 MILLION
VISITS PER YEAR

500 MILLION
ROUTES CALCULATED PER YEAR



From the paper guide to the comprehensive digital platform, the MICHELIN Guide makes its selection of restaurants, hotels and experiences easily available via its website and app.



MORE THAN **8,000** RECOMMENDED HOTELS, INCLUDING OVER **2,400** AWARDED MICHELIN KEYS

7 MILLION
SUBSCRIBERS ON SOCIAL MEDIA

3.5 MILLION
ACTIVE APP USERS

PURSUING OUR 2030 STRATEGIC VISION

In 2021, Michelin launched the 2030 Michelin in Motion strategic plan, which lays the foundations for sustainable growth through the rest of the decade in seamless alignment with the Group's All Sustainable commitment.

It embeds social, economic and environmental issues deep in the heart of the Group's growth dynamic.



OUR PURPOSE

OUR CULTURAL FOUNDATION

OUR STRATEGIC VISION

BUILDING *DIFFERENTIATION-LED SUSTAINABLE GROWTH*

RESPONDING *TO THE CHALLENGES FACING ALL MOBILITY ENABLERS AND MANUFACTURERS*

GROWING *IN MARKETS WITH HIGH TECHNOLOGICAL REQUIREMENTS*

OFFERING EVERYONE A BETTER WAY FORWARD

OUR VALUES OF RESPECT:

respect for facts, people, customers, shareholders and the environment.

OUR VALUE CREATION MODEL

We believe that tomorrow, everything will be sustainable at Michelin. This vision of the future informs all our decisions, which are grounded in a constant search for the right balance between People, Profit and the Planet.

IN *TIRES*

- **Target high value-added market segments, in particular premium tires for cars, two-wheel vehicles, bicycles, trucks and specialty vehicles (mining, agricultural, construction and materials handling machinery, and aircraft).**
- **Produce as close to our customers as possible with Industry 4.0 plants.**
- **Provide excellent customer service.**
- **Broaden the B2B services portfolio.**

IN *POLYMER COMPOSITE SOLUTIONS*

- **Develop innovative, high-performance applications for such composite solutions as coated fabrics, films, conveyors, belts, seals and inflatable structures.**
- **Introduce game-changing innovations in engineered polymers, such as active membranes, biomaterials, non-toxic adhesives and composite reinforcements (for example, with ResiCare)**
- **Forge strategic partnerships to offer very high technology-content products in still emerging markets, with initiatives like ResiCare (high performance bio-based resins) and Wisamo (marine wind propulsion solutions).**

IN *CONNECTED SOLUTIONS*

- **Increase tire-as-a-service sales and offer fleet managers purpose-designed services.**
- **Facilitate the transition to electric fleets and continue to improve efficiency, safety and environment protection.**
- **Leverage the Internet of things and data analytics to apply our acquired connected mobility expertise in new business territories.**

IN *LIFESTYLE*

- **Continue to deploy the MICHELIN Guide internationally and become "digital first".**
- **Pursue innovation, with the announcement in 2025 of the launch of the MICHELIN grapes, a new distinction for vineyards alongside the MICHELIN Guide's restaurant stars and hotel keys.**
- **Further enhance the mobility experience with a portfolio of services supporting different travel styles, from road maps and itineraries to mobile apps and travel guides.**
- **Offer a comprehensive array of licensed products that improve our daily lives, such as car and bike accessories, sports and recreational gear, collectibles etc.**

USING ARTIFICIAL INTELLIGENCE AS A DRIVER OF TRANSFORMATION AND INNOVATION

As a data-driven company, Michelin has embedded artificial intelligence in its value chain. The Group has made AI a driver of transformation and value creation, serving its industrial, financial and human fundamentals. Like any disruptive technology, AI is deployed in a gradual, controlled and responsible manner.



+200(1)
AI USE CASES DEPLOYED
(at various stages of maturity, across the entire value chain)

6,000
MONTHLY USERS

100%
OF PLANTS EQUIPPED WITH DIGITAL PERFORMANCE MANAGEMENT TOOLS

ARTIFICIAL INTELLIGENCE, ACCELERATING THE GROUP'S TRANSFORMATION

Since 2019, artificial intelligence has emerged as one of the major technologies for business transformation, supported by growing investment and rapid advances. Very early on, Michelin identified AI's potential to support the development of its businesses, improve its performance and help meet the financial, environmental and human challenges facing the Group and its customers.
The technology's ability to process huge volumes of data and transform certain processes means that AI is fully aligned with Michelin's data-driven company trajectory. Its deployment is based on a structured approach that is managed as an integral part of the Group's strategic priorities.

FUNDAMENTAL BELIEFS

Michelin's AI strategy is built on three fundamental beliefs. Artificial intelligence creates value when it automates certain repetitive tasks and improves the quality of decision-making, enabling teams to focus on higher value-added activities and boost their operational efficiency.

AI must also be responsible and ethical. Designed as a decision-making tool, it is a co-pilot at the service of human intelligence, which remains central to industrial and managerial processes.

Finally, artificial intelligence is a lever for creating sustainable value for all the Group's stakeholders.

(1) Example: project using artificial intelligence or machine learning technologies deployed in operating units or corporate departments.

DEPLOYMENT ACROSS THE VALUE CHAIN

Today, Michelin uses various forms of artificial intelligence - generative AI, voice recognition, visual perception, translation or predictive analysis - in over 200 use cases, covering the entire value chain and presenting varying levels of maturity.

AI is deployed as a priority on the most important transformation projects, particularly those aimed at optimizing operating modes, improving industrial performance and increasing the pace of innovation, in order to generate tangible financial, organizational and operational benefits.

PERFORMANCE & EFFICIENCY

~30%

REDUCTION IN WASTE ON CERTAIN RAMP-UPS (machine learning/ predictive AI)

DATA DEPLOYMENT

69

CONNECTED SITES

ENERGY/ PLANET

~€15M

IN ENERGY SAVINGS

Supporting employees in embracing AI

Rapid advances in artificial intelligence are transforming working practices and methods. We are helping employees to embrace these technologies through training in the fundamentals of AI, enabling them to understand its uses, opportunities and limitations.

They are also made aware of the Group's responsible AI approach, which is organized around ethical principles, dedicated governance and compliance with applicable regulatory frameworks.



Pierre Louis DUBOURDEAU,

Executive Vice President, Manufacturing
Member of the Group Executive Committee

Data and artificial intelligence, key drivers of our industrial transformation

Since 2019, Michelin has been extensively transforming its manufacturing resources, making data and artificial intelligence core levers of the Industry 4.0 program within its plants.

As a first step, digital tools and data were rolled out across the organization to improve day-to-day management of industrial performance. Resulting improvements, in terms of real-time visualization of production parameters, rapid identification of divergences and shared access to data, led to greater team responsiveness and helped to drive operational excellence, without replacing the role of local management.

Building on this data foundation, artificial intelligence has led to increased momentum in the transformation process. Today, quality defects are detected using machine vision, drift in machine learning is anticipated using predictive models, ramp-up phases are optimized and losses are reduced, and the maintenance teams' access to knowledge is facilitated using generative AI.

At the same time, AI is providing input into research and engineering activities, notably through simulation tools that enable us to anticipate the impact of new developments on products and processes. The combination of data, industrial expertise and artificial intelligence helps increase the pace of innovation, boost plant efficiency and improve time-to-market.

This industrial transformation initiated and accelerated in recent years, has generated significant recurring gains and enhanced the attractiveness and overall performance of the Group's manufacturing facilities.

REDUCING OUR ENVIRONMENTAL IMPACT

Michelin's environmental commitment is part of its All Sustainable approach designed to strike the right balance between human, financial and environmental issues. Driven by ambitious objectives, our teams are working hard to reduce the environmental impact of the Group's activities.

1st
TIRE MADE FROM 75% SUSTAINABLE MATERIALS APPROVED IN 2025[1]

THIS COMMITMENT IS DEEPLY EMBEDDED IN THE GROUP'S STRATEGIC VISION

The Group is determined to play a leading role in sustainable development, and is giving itself the means to do so by placing environmental issues at the center of its Michelin in Motion 2030 strategic model. The model's objectives have been broken down into practical initiatives to be managed over the strategic planning period, with detailed annual reporting of the progress made. However, Michelin is also looking even further ahead and has set the ambition of achieving net-zero emissions and producing tires made from 100% renewable and recycled materials by 2050, without any loss of performance or any other adverse environmental impacts.



A RESPONSIBLE, STRUCTURED APPROACH

Michelin is committed to acting in favor of the climate, preserving resources and protecting biodiversity.

This ambition is reflected in its comprehensive product life cycle-based approach. Each stage of the cycle is assessed in terms of sixteen environmental impacts, organized around four key areas: health, climate change, fossil fuel use and biodiversity. The products' eco-design is based in particular on the increasing integration of renewable and recycled materials.

In 2025, the rate for the Group as a whole was 32%[1]. Michelin has successfully designed the first road-approved tire made from 75% renewable and recycled materials. This is an example of how Michelin works to reduce the use of virgin resources by increasing the use of renewable and recycled materials, extending product life and developing reuse and recycling loops.

(1) *See the Scorecard on pages 42 and 43.*

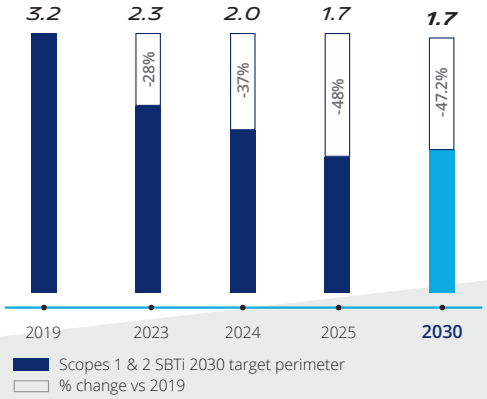
ACTING ON ALL FRONTS

Combating climate change requires action on all fronts. The Group has therefore defined a two-pronged climate strategy to reduce its carbon footprint and adapt its activities to physical climate risks. The transition plan targets were validated by the Science Based Targets initiative (SBTi) in June 2024. The plan is based on decarbonizing direct activities (Scopes 1 & 2) and indirect activities (Scope 3) in the value chain, excluding the tire use phase, and on contributing to low-carbon mobility through innovation. This involves designing products that are highly fuel-efficient throughout their lifecycle, and developing services and solutions that optimize the use and management of vehicle fleets.

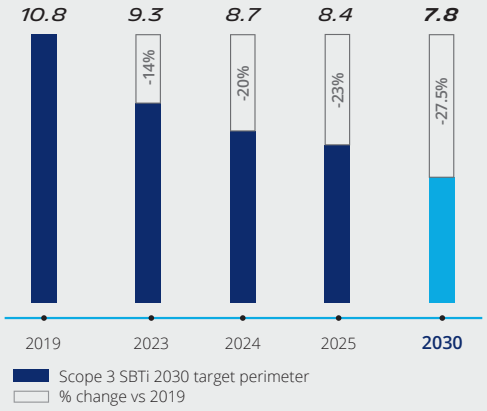
The Group drastically reduced its CO_2 emissions in 2025 and has already reached the 2030 SBTi target for the scope of its operations, with a 48% reduction in emissions compared with the 2019 baseline.

Michelin's business also depends on natural ecosystems. In 2018, Michelin affirmed its commitment to taking biodiversity into account throughout the product life cycle by joining the #Act4Nature initiative. It aims to limit the impact on diversity of all new product ranges and services, in particular through the development of sustainable practices in the natural rubber sector.

CHANGES IN SCOPE 1 & 2 CO_2e EMISSIONS
(en millions de tonnes de CO_2e)



CHANGES IN SCOPE 3 CO_2e EMISSIONS
(millions of tonnes of CO_2e)



Natural rubber: actively promoting more sustainable practices

For more than two decades, Michelin has been working to reconcile rubber farming practices with the protection of biodiversity. In Bahia, Brazil, the Group has transformed its rubber plantation into a Michelin Ecological Reserve. The program, called "Bahia Green Gold", has also helped to improve the living conditions of village smallholders. In Indonesia, Michelin's local subsidiary Royal Lestari Utama (RLU) has restored 15,000 hectares and set up a sustainable natural rubber cultivation model. The Group is also supporting or training village smallholders in the application of sustainable practices in Indonesia, Sri Lanka, Thailand and West Africa.

All these initiatives are designed to provide social support for players in the sector, strengthen the financial resilience of village smallholders and promote sustainable agricultural practices.



CARING FOR PEOPLE AND COMMUNITIES

In a globalized, complex and uncertain world, the Group is more determined than ever to contribute to human progress. In addition to its environmental and social efforts, and its investments to continually improve its offerings and operating methods, Michelin is stepping up its “Michelin Corporate Citizenship” initiative. The initiative’s various programs guide the action taken by the Group or its employees for the common good.



Michelin’s values-led team undertakes a variety of practical initiatives of benefit to its host regions and society as a whole. The corporate citizenship actions are focused on seven areas where the Group can legitimately make a difference: businesses for the future, inclusion and equal opportunities, forest biodiversity, sustainable mobility, healthy living and eating, collaborative social models, and high-impact regional initiatives.

Employees in all our host regions regularly demonstrate their creativity, engagement and know-how in carrying out positive-impact initiatives that benefit their local community.

Today, these initiatives have been translated into meaningful practical programs. Examples include:

- employee involvement and skills sponsorship, with the We Volunteer(1) program; in 2025, over 21,000 employees took part in the program, 15% more than in 2024;
- financial sponsorship through the Michelin Fondation d’Entreprise and direct donations;
- public-interest structures designed to support local programs, such as La Manufacture Des Talents, Michelin Développement and Michelin Innovation Park-Cataroux (Clermont-Ferrand).

(1) Michelin Group volunteer program, designed to encourage employees to engage with local associations and make a positive contribution to their communities.

DEVELOPING SPONSORSHIP AND VOLUNTEER INITIATIVES

The Michelin Fondation d'Entreprise and the We Volunteer program support various social philanthropy initiatives. Since it was launched in 2014, the Foundation has supported over 700 projects. The Michelin Volontariat volunteering program encourages employees who want to get involved with local communities. With around 21,000 volunteering initiatives registered in 2025, the program has helped to advance various projects in the areas of healthcare, emergency aid, environmental protection, diversity and inclusion.

SUPPORTING REGIONAL DEVELOPMENT AND REVIVAL

Michelin is involved in the life and dynamism of its host regions, in particular through Michelin Développement, whose mission is to support employment and economic activity. This support takes the form of a range of financial and technical aids granted to new or growing businesses, in addition to those offered by local economic players. Since 1990, Michelin Développement has supported the creation of over 42,000 jobs, including 32,000 in France. Michelin Développement also works to revitalize areas where the Group has launched a restructuring plan as a result of economic or industrial change. The team promotes the emergence of new businesses in these areas and acts to encourage the creation of lasting jobs. The aim is twofold: to help revive local economies and to help them build their future. The initiatives deployed at the Cataroux site in Clermont-Ferrand (France), which has become a sustainable innovation accelerator, are a particularly successful example of what Michelin can do for its host regions, in line with its Al Sustainable approach (see box).



Michelin Innovation Park - Cataroux in Clermont-Ferrand, an ambitious, collective and community-focused project

By converting the historic Cataroux manufacturing facilities into an innovation-led neighborhood that is a vector of economic, social and cultural development, Michelin has initiated a shared community-based response to the challenge with the support of numerous public and private-sector partners.

As reflected in its new name, the Michelin Innovation Park - Cataroux is mutating into a forward-looking innovation ecosystem, creating jobs and a new living environment for local residents.

The park is organized in four areas:

- The Centre des Matériaux Durables hosts start-ups specialized in biosourced or recycled materials and emerging circular industries. Six companies have already set up shop here, with a further twenty planned by 2030.
- The Pôle d'Innovation Collaborative is the largest coworking and coliving space in France; its aim is to foster the development of impact economy projects.
- The Manufacture Des Talents is a career guidance, training and ongoing skills development center dedicated to preparing people for the jobs of today and tomorrow.
- Last, the Quartier des Pistes is a new creative and unifying leisure area open to local residents. With its newly landscaped areas, city farm and innovative venues dedicated to sport, culture and gastronomy, the quarter is designed to appeal to residents and tourists alike.

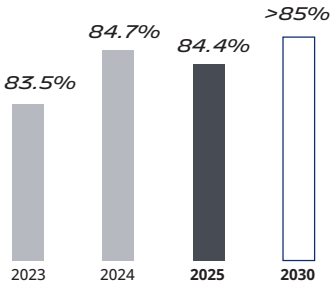
Our strategic priorities for 2030

People – Profit – Planet performances

PEOPLE

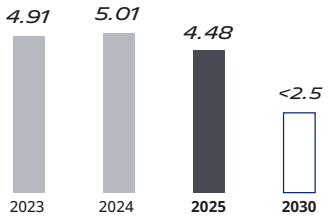
SET THE GLOBAL STANDARD FOR ***EMPLOYEE ENGAGEMENT,*** *WITH A RATE OF MORE THAN 85%*

Employee engagement rate



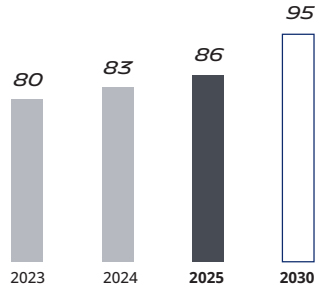
SET THE GLOBAL STANDARD IN ***WORKPLACE SAFETY***

Workplace safety
(Total Recordable Injury rate)[1]



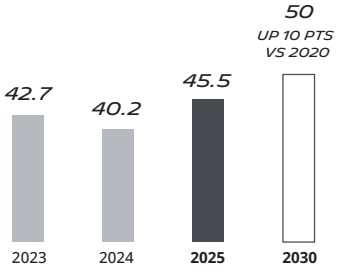
SET THE STANDARD FOR ***DIVERSITY AND INCLUSION***

Diversity and inclusion (Inclusion Diversity Management Index, max score = 100)[2]



LEAD THE INDUSTRY IN ***CREATING CUSTOMER VALUE***

Customer satisfaction
Net Promoter Score



(1) *The Total Recordable Injury Rate (TRIR) has replaced the Total Case Incident Rate (TCIR), to align our reporting with international standards. It represents the number of incidents per 500 full-time employees over a one-year period.*

(2) *IMDI: composite diversity and inclusion indicator based on five metrics: diversity, identity, multi-nationality of management, disability, equal opportunity. The indicator was adjusted in 2025 vs. 2024 to better reflect the Group's front-line initiatives.*

PROFIT

SALES
(in € millions)

Average annual sales growth of 5% between 2023 and 2030, with a strategy to derive more than 20% of sales from businesses other than tire manufacturing and related distribution in 2030

RETURN ON CAPITAL EMPLOYED (ROCE)[1]

Continuously create value between 2023 and 2030, with a more than 10.5% ROCE each year

FREE CASH FLOW BEFORE ACQUISITIONS
(in € millions)

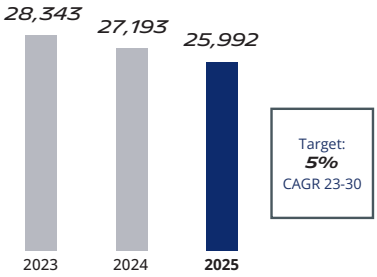
BRAND VITALITY INDICATOR[2]

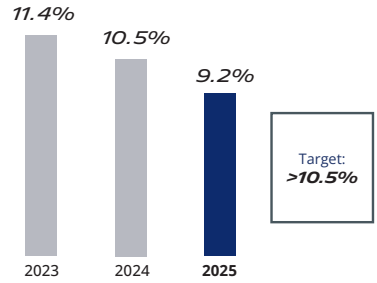
PRODUCT/SERVICE VITALITY INDEX[3]
(as a %)

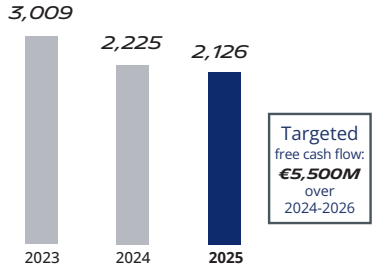
(1) *Of the segments.*

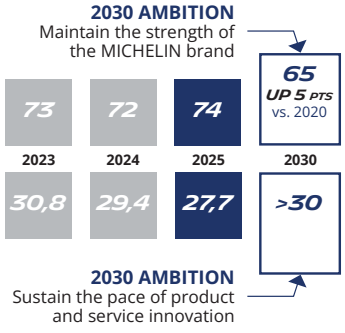
(2) *Single score composite indicator which summarizes the current vitality of the brand. It is based on five metrics: our purpose, innovation, communication, brand experience and love.*

(3) *Percentage of sales from products and services introduced in the last three years.*





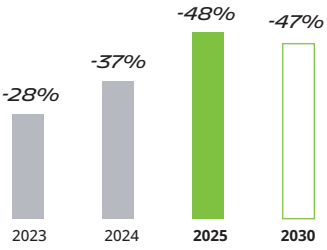




PLANET

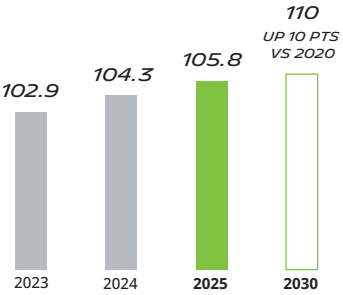
SET THE GLOBAL STANDARD FOR *MEETING THE NET-ZERO EMISSIONS TARGET BY 2050*

WITH A REDUCTION OF MORE THAN 85%



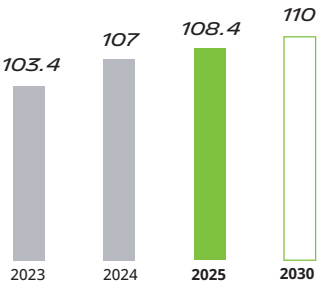
IMPROVE THE ENERGY EFFICIENCY OF OUR PRODUCTS TO HELP REACH *NET-ZERO EMISSIONS*

Product/tire energy efficiency[1]



IMPROVE THE ABRASION RESISTANCE OF OUR PRODUCTS TO HELP *REDUCE PARTICULATE EMISSIONS*

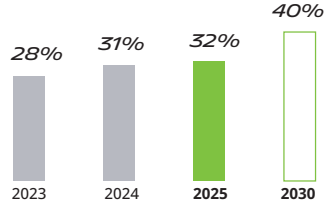
Abrasion resistance index[2]



INCREASE THE PERCENTAGE OF *RENEWABLE OR RECYCLED MATERIALS IN OUR TIRES*

TO REACH 100% BY 2050

Renewable[3] or recycled materials used in making a tire



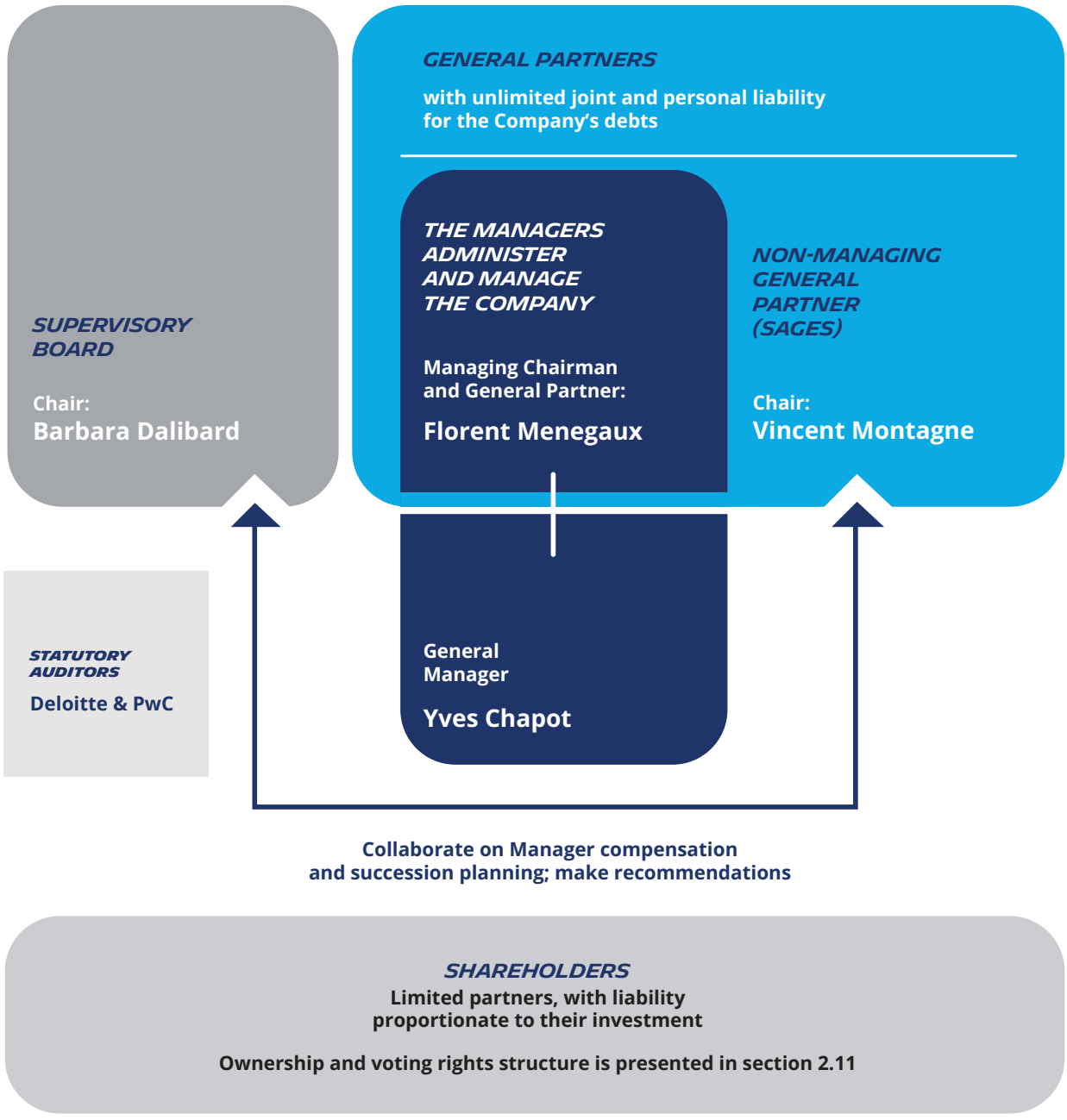
(1) *Reduction in the rolling resistance of car, light truck and truck tires.*

(2) *The abrasion efficiency index has been adopted in place of the i-MEP to refocus the scorecard on the most significant environmental issues.*

(3) *Renewable bio-based materials are made from raw materials derived from natural resources that are naturally replenished on a human timescale, such as biomass.*

STABLE, BALANCED GOVERNANCE

Michelin's governance structure is based on a clear segregation of management and supervisory powers and grounded in the long-term responsibility of its senior executives.



ALIGNING MICHELIN'S STRATEGY WITH SHAREHOLDER INTERESTS THROUGH THE MICHELIN PARTNERSHIP LIMITED BY SHARES

Throughout its history, Compagnie Générale des Établissements Michelin (CGEM), the Group's parent company, has been organized as a partnership limited by shares (société en commandite par actions – SCA). Based on this form of corporate organization, Michelin has deployed a distinctive governance structure that is at once robust, responsive and balanced. The partnership limited by shares ensures that deployment of long-term strategy is perfectly aligned with the interests of shareholders. It is also committed to driving continuous improvement in the Group's governance system and practices, in accordance with the recommendations of the AFEP/MEDEF Code(1).

THE MANAGERS ADMINISTER THE GROUP

Elected for four-year terms by shareholders at the Annual Meeting, the Managers are responsible for administering and managing the Company. With the endorsement of the Supervisory Board, they may be re-elected by Société Auxiliaire de Gestion, the Non-Managing General Partner. As a General Partner, the Managing Chairman has unlimited personal liability for Michelin's debts.



THE SUPERVISORY BOARD EXERCISES PERMANENT OVERSIGHT OF MICHELIN'S MANAGEMENT

The Supervisory Board is tasked with overseeing and assessing the quality of the Group's management and presents a report on its findings to shareholders at each Annual Meeting. It also issues opinions on the Group's strategy, capital expenditure, acquisitions and asset disposals, as well as on Michelin's social responsibility policies and the election or dismissal of Managers and the amount of their compensation. The Supervisory Board currently comprises eleven members:

- nine who are elected by shareholders at the Annual Meeting for renewable four-year terms. They offer complementary skills, honed by their solid business experience acquired by working with leading corporations.
- two employee representatives, who are appointed by the two largest representative trade unions in France. They attend a training and induction program that prepares them to effectively perform their duties.

SOCIÉTÉ AUXILIAIRE DE GESTION (SAGES): INVOLVED IN ELECTING THE MANAGERS

Société Auxiliaire de Gestion is a Non-Managing General Partner responsible for selecting the Managers and ensuring the continuity of Management. As such, it participates, alongside the Supervisory Board, in the Manager succession planning and compensation processes. However, it does not play any part in the Company's management, except in the exceptional case when there is no Managing General Partner, and then only for a maximum period of one year. In accordance with the provisions of the CGEM bylaws, SAGES is entitled to a share of the income distributed among the General Partners. At least 80% of this share is set aside to underwrite the unlimited liability that SAGES shares with the Managing Chairman.

(1) Michelin's corporate governance is described in detail in the "Engagement Governance Roadshow" prepared for investors on September 29, 2025, which may be found on the michelin.com website.

THE GROUP'S STRATEGIC AND OPERATIONAL MANAGEMENT

at December 31, 2025

THE MANAGERS

The two Managers, Florent Menegaux and Yves Chapot, are assisted by the Group Executive Committee.

EXECUTIVE COMMITTEE

Chaired by Florent Menegaux, the Executive Committee is tasked with two main missions:

- making the Group's strategic choices;
- deciding on such issues as strategic, digital and organizational transformations, the Group's business model, acquisitions policy, performance management, brand strategies and sustainable growth strategies.

THE GROUP MANAGEMENT COMMITTEE

In addition to its role in the governance of sustainability matters, the Group Management Committee:

- leads the Group's transformations in alignment with its strategic objectives and All Sustainable approach,
- oversees operational issues relating to competitiveness, the integration of acquisitions and the internal control, quality and risk management processes.

To fulfill this remit and ensure optimum representation of the Group's various units, it includes both the Executive Committee members and executives from:

- the Corporate Departments for Strategy, Finance, Legal Affairs, Customer Experience, Audit, Quality and Risk Management, and Sustainable Development and Impact;
- the Operational Departments for Purchasing, Corporate Business Services, Supply Chain and Information Systems;
- the China and North America Regions.

A CUSTOMER-CENTRIC ORGANIZATION

Focused on identifying and meeting customer needs, the Michelin organization is supported by a purpose-designed employee empowerment process deployed at every level and in every aspect of the business through:

- **20 global Business Lines** in charge of designing solutions for customers sharing similar expectations;
- **9 Regions** responsible for managing customer relationships and increasing sales;
- **7 Operating Units** which provide their expertise and support;
- **1 lean Corporate Unit** with Departments focused on their strategic missions.

Engaging in regular, constructive dialogue with stakeholders

As part of our governance practices, we engage in regular dialogue with stakeholders at the local, national and international levels. In this way, we can keep our fingers on the pulse of society, gain insight into its expectations and how they are changing, and make better informed decisions.

Since 2016, the Stakeholders Committee has comprised 12 people from four different continents who are representative of the Group's leading stakeholders, including suppliers, investors, unions, customers and non-governmental organizations (NGOs).

It meets with the Executive Committee once a year, for at least a full day, to discuss the Group's sustainability strategy.

THE MANAGERS



Florent Menegaux
Managing Chairman



Yves Chapot
General Manager and Chief Financial Officer

This chart corresponds to the governance organization in 2025 and does not take into account the changes that occurred up to the date of filing of this document. The updated composition of the Executive Committee is available on michelin.com

MEMBERS OF THE EXECUTIVE COMMITTEE



Bénédicte De Bonnechose
Executive Vice President, Urban and Long-Distance Transportation Business Line; Head of the European Regions



Adeline Challon-Kemoun
Executive Vice President, Corporate Engagement and Brands; Executive Vice President, Michelin Lifestyle Business Line



Pierre-Louis Dubourdeau
Executive Vice President, Manufacturing



Lorraine Frega
Executive Vice President, Services & Solutions, European Distribution and e-Retail Business Line; Head of the China Region; Vice President, Strategy, Progress and Transformations, Sustainable Development and Impact



Alexis Garcin
Executive Vice President, Aircraft, Beyond Road[1], Mining and Motorsport Business Line; Head of the Africa/India/Middle East, East Asia and Australia Regions; Vice President, Customer Experience



Philippe Jacquin
Executive Vice President, Research and Development; Vice President, Innovation & Partnerships



Manuel Montana Esteve
Chief People Officer; Head of the North America Region



Jean-Claude Pats
Executive Vice President, Automotive and Two-wheel Business Line; Head of the Central America Region



Maude Portigliatti
Executive Vice President, Polymer Composite Solutions; Head of the South America Region; Vice President Circular Materials Solutions

(1) Agricultural, Materials Handling, Quarry, Construction, Defense and Powersport tires.

THE SUPERVISORY BOARD

Comprising 11 members, eight of whom are independent[1], the Supervisory Board is responsible for overseeing and assessing the quality of the Group's management.

11 MEMBERS
of whom one Senior Independent Member and two members representing employees

89%
are independent[2]

45%
are women[2]

33%
are non-French nationals[2]

11
MEETINGS
in 2025

100%
ATTENDANCE RATE[3]



Barbara Dalibard
Chair



Thierry Le Hénaff
Senior Independent Member



Patrick de la Chevardière
Independent member, Chair of the Audit Committee



Monique Leroux
Independent member, Chair of the Corporate Social Responsibility Committee



Jean-Michel Severino
Independent member, Chairman of the Compensation and Appointments Committee



Aruna Jayanthi
Independent member



Jean-Christophe Laourde
Member representing employees



Delphine Roussy
Member representing employees



Wolf-Henning Scheider
Independent member



Catherine Soubie
Independent member



Pascal Vinet
Independent member

(1) Based on the criteria prescribed in the AFEP-MEDEF Code.
(2) Excluding the employee representatives.
(3) At Board meetings scheduled as of the beginning of the year.

SUPERVISORY BOARD COMMITTEES

The Supervisory Board's three standing committees, each chaired by an independent member, assist the Board in structuring its deliberations and preparing its decisions.

THE AUDIT COMMITTEE

DUTIES

Oversees the preparation and control of accounting and financial information.

MEMBERS

Patrick DE LA CHEVARDIÈRE
Chair

Aruna JAYANTHI
Monique LEROUX
Wolf-Henning SCHEIDER
Catherine SOUBIE

5 MEETINGS | **100%**(1) ATTENDANCE RATE | **5** **Independent** MEMBERS

THE COMPENSATION AND APPOINTMENTS COMMITTEE

DUTIES

Oversees:

- Executive compensation policy;
- Executive appointments policy;
- Manager appointments policy.

Assesses Supervisory Board members' independence based on the criteria recommended by AFEP/MEDEF.

MEMBERS

Jean-Michel SEVERINO
Chair

Thierry LE HÉNAFF
Delphine ROUSSY
Pascal VINET

1 MEMBER **representing employees**

4 MEETINGS | **100%**(2) ATTENDANCE RATE | **3** **Independent** MEMBERS

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

DUTIES

Reviews the Group's CSR strategy, objectives, policies and commitments.

Ensures that the Group's CSR strategy and initiatives set an outstanding example.

MEMBERS

Monique LEROUX
Chair

Jean-Christophe LAOURDE
Wolf-Henning SCHEIDER
Jean-Michel SEVERINO

1 MEMBER **representing employees**

4 MEETINGS | **100%**(2) ATTENDANCE RATE | **3** **Independent** MEMBERS

(1) At the five meetings scheduled as of the beginning of the year.
(2) At the four meetings scheduled as of the beginning of the year.

ASSESSING RISKS AND THEIR MATERIALITY TO MANAGE THEM MORE EFFECTIVELY

MAPPED RISKS

Double materiality matrix to measure and prioritize risks

Risks identified by the Group's audit and risk management system

Audits based on the double materiality matrix

POOLED MANAGEMENT

Optimized management of Internal Audit, Quality, Risk Management and Internal Control activities

Shared vision of priority risks and issues

Increased inter-team cooperation across the Group

A CRISIS MANAGEMENT PROCESS

Led by the Internal Audit, Risk Management, Internal Control and Quality Department

Deployed with management teams through simulation exercises and training seminars

A Computer Emergency Response Team (CERT) available 24/7 to track cyber intrusions and respond quickly, on every continent

RATINGS

FINANCIAL RATING as of April 2, 2026

Credit rating agencies confirm the Group's robustness

	Short term	Long term	Outlook
STANDARD & POOR'S	A-1	A	STABLE
FITCH	F1	A	STABLE
SCOPE	S-1	A	STABLE
MOODY'S	-	A2	STABLE

NON-FINANCIAL RATING as of April 2, 2026

Michelin is a leading sustainability enabler, recognized by the non-financial ratings agencies

CDP climate	A
CDP water	A-
CDP supplier	A
MSCI	A A
SUSTAINALYTICS (risk rating)	LOW RISK
ISS ESG	B-
ECOVADIS	88/100(1)

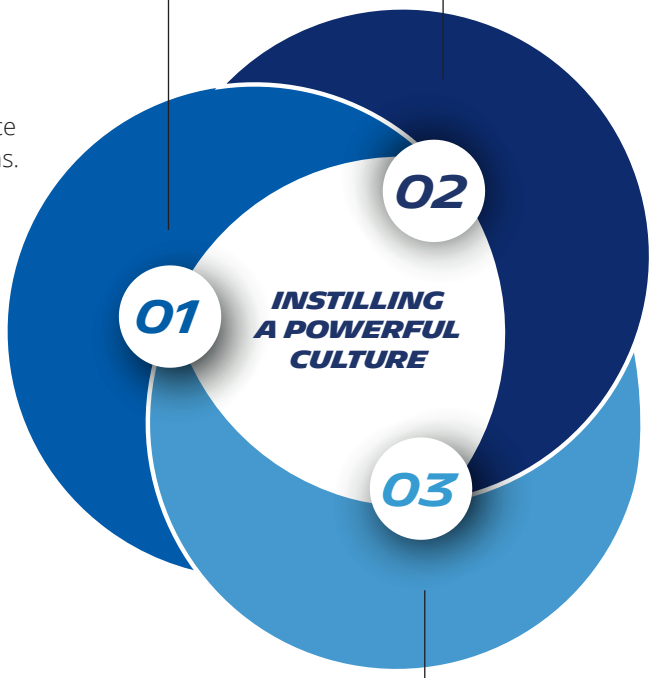
(1) Note as at December 31, 2025, updated by ECOVADIS as at February 12, 2026.

ETHICS, THE BEDROCK OF OUR CORPORATE CULTURE

As a signatory of the United Nations Global Compact, Michelin attaches particular importance to ensuring that its employees and its partners consistently act with integrity and uphold its ethical principles.

DEMONSTRATING STRONG VALUES

Respect and integrity serve as a true cultural foundation in conducting the Group's business ethically and in compliance with applicable regulations.



STRUCTURING BUSINESS PRACTICES

The Group's values and ethical principles are described in the Michelin Code of Ethics, which presents its commitments in such areas as human rights, the environment and personal data.

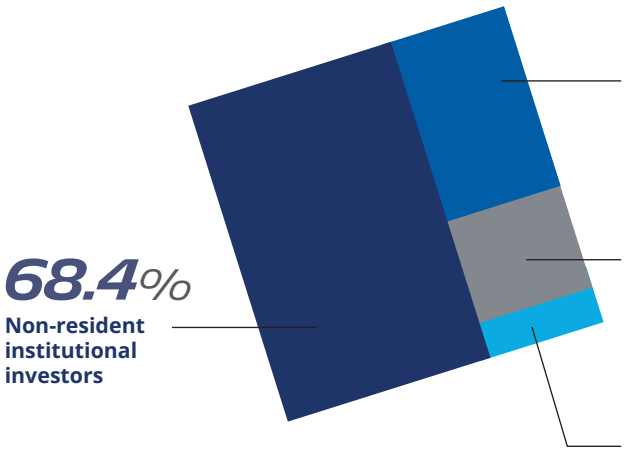
It is applicable to every employee and all the Group's partners.

MAINTAINING ROBUST SAFEGUARDS

The Group whistleblowing system, designed to ensure the confidentiality of reports and the protection of the reporting individuals, enables any employee or outsider to report behavior that is not aligned with the Group's values or Code of Ethics.

A dedicated organization and governance body is in place to define the Group's ethics and compliance strategy and lead its deployment.

OWNERSHIP STRUCTURE AND VOTING RIGHTS



17.9% French institutional investors

10.7% Individual shareholders

68.4% Non-resident institutional investors

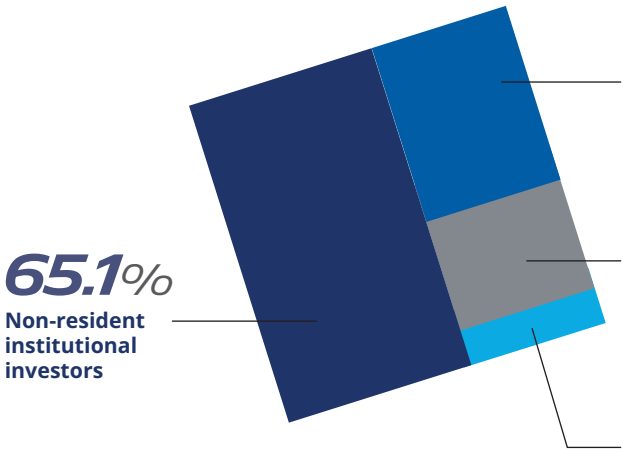
3.1% Employee share ownership plan

OWNERSHIP STRUCTURE

(at December 31, 2025)

Shares outstanding:

687,596,240



20.5% French institutional investors

11.5% Individual shareholders

65.1% Non-resident institutional investors

2.9% Employee share ownership plan

VOTING RIGHTS STRUCTURE

(at December 31, 2025)

Voting rights outstanding:

1,002,098,920

Shares held in the same name for at least four years carry double voting rights.

SHARE INFORMATION

TRADED ON THE EURONEXT PARIS STOCK EXCHANGE

Compartment **A**
Eligible for the SRD deferred settlement system
ISIN: **FR001400AJ45**

Par value: **€0.50**
Traded in units of: **1**

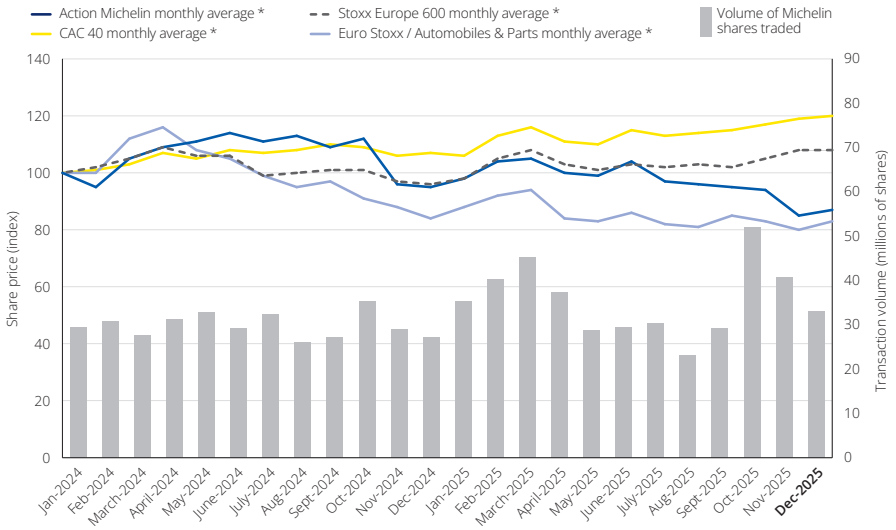
MARKET CAPITALIZATION

€19.5BN
at December 31, 2025

Share price *(in €)*	**2025**	**2024**	**2023**	**2022**	**2021**[1] (restated)	**2021** (reported)
Session high	35.70	38.52	32.65	38.93	36.50	146.00
Session low	25.51	30.06	25.60	21.99	25.83	103.30
Change in Michelin share price over the period	-10.97%	-2.03%	24.92%	-27.89%	37.35%	37.35%
Dividend per share	1.38[2]	1.38	1.35	1.25	1.12	4.50
Payout ratio[3]	57%	52%	49%	44%	44%	44%
Yield[4]	4.9%	4.3%	4.2%	4.8%	3.1%	3.1%
Basic earnings per share	2.36	2.65	2.77	2.81	2.58	10.31

(1) Only the 2021 share data have been restated to reflect the four-for-one stock split on June 16, 2022.
(2) 2025 dividend subject to approval by the Annual Shareholders Meeting of May 22, 2026.
(3) The Group's dividend policy consists of routinely distributing around 50% of net income, a rate that may be adjusted in the event of a systemic crisis.
(4) Dividend/share price at December 31.

MICHELIN SHARE PERFORMANCE



* *Standardized monthly averages (base 100 = January 1, 2024).*

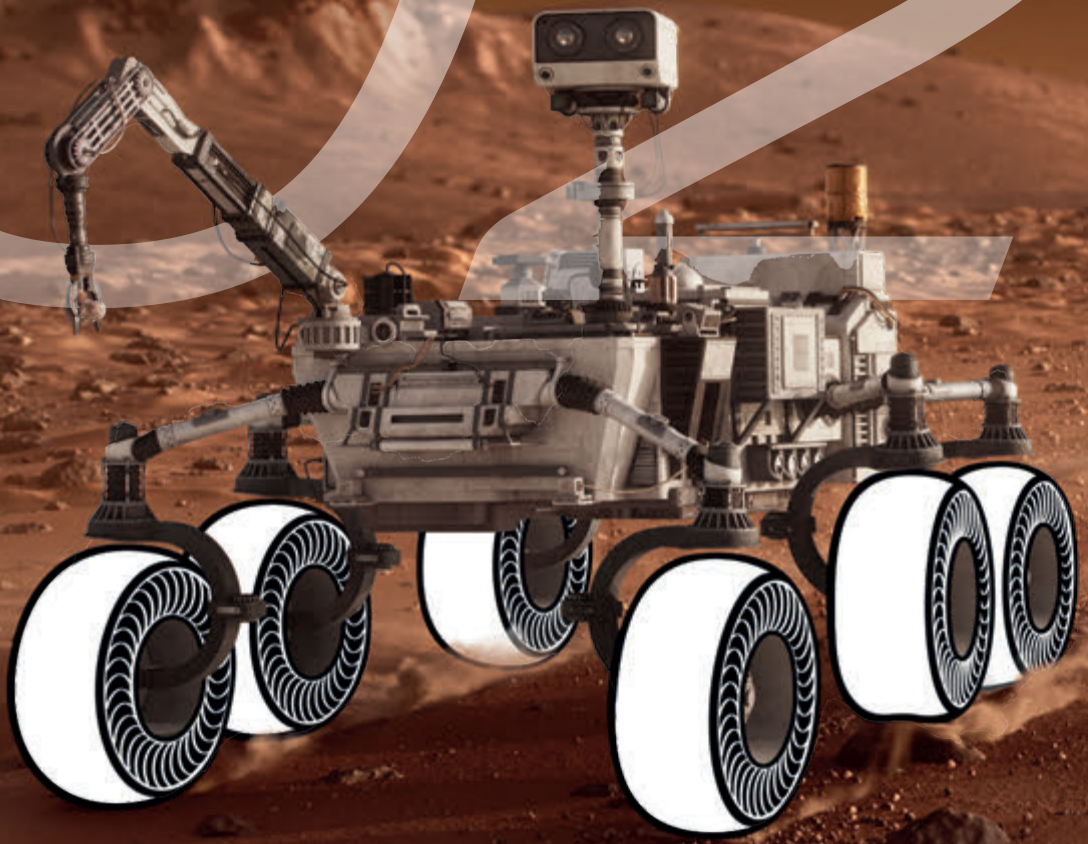


Pan-European Forum for Strategic Decisions
December 4, 2025 – "Société Générale – Sylvestre Bary"



Annual Shareholders Meeting
May 16, 2025

02



CHAPTER 02

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GOVERNANCE

The corporate governance code to which the Company refers is the AFEP-MEDEF Code.

This report has been prepared by the Supervisory Board of Compagnie Générale des Etablissements Michelin ("CGEM" or "the Company") and approved by the Board for publication on February 10, 2026 in application of Article L. 226-10-1 of the French Commercial Code (*Code de commerce*), to inform shareholders about:

- the members of the Supervisory Board and the Managers (section 2.1) and the Supervisory Board's practices and activities (section 2.2);
- the 2025 compensation (sections 2.4, 2.5, 2.6) and 2026 compensation policy (section 2.3) for the corporate officers and the Supervisory Board members;
- trading in Michelin shares by the corporate officers and their close relatives in 2025 (summary information, section 2.8);
- current authorizations granted by the Shareholders Meeting (summary information, section 2.12);
- the provisions of the Bylaws governing shareholder participation in General Meetings (section 2.10);
- items likely to have an impact in the event of a change of control of the Company (section 2.13).

A table has been prepared in accordance with AFEP-MEDEF Code recommendations (section 2.2.8), listing the Code recommendations that have not been applied and explaining the reasons for the deviations.

Some of the information in this report is also required in the Sustainability Statement presented in Chapter 4. The information concerned is identified in the Sustainability Statement and in the corresponding concordance table.

2.1 ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

Throughout its history, Compagnie Générale des Établissements Michelin, 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 strikes a better balance between the Company's short-term and long-term interests.

Tire and flexible composites 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.

CGEM has 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.

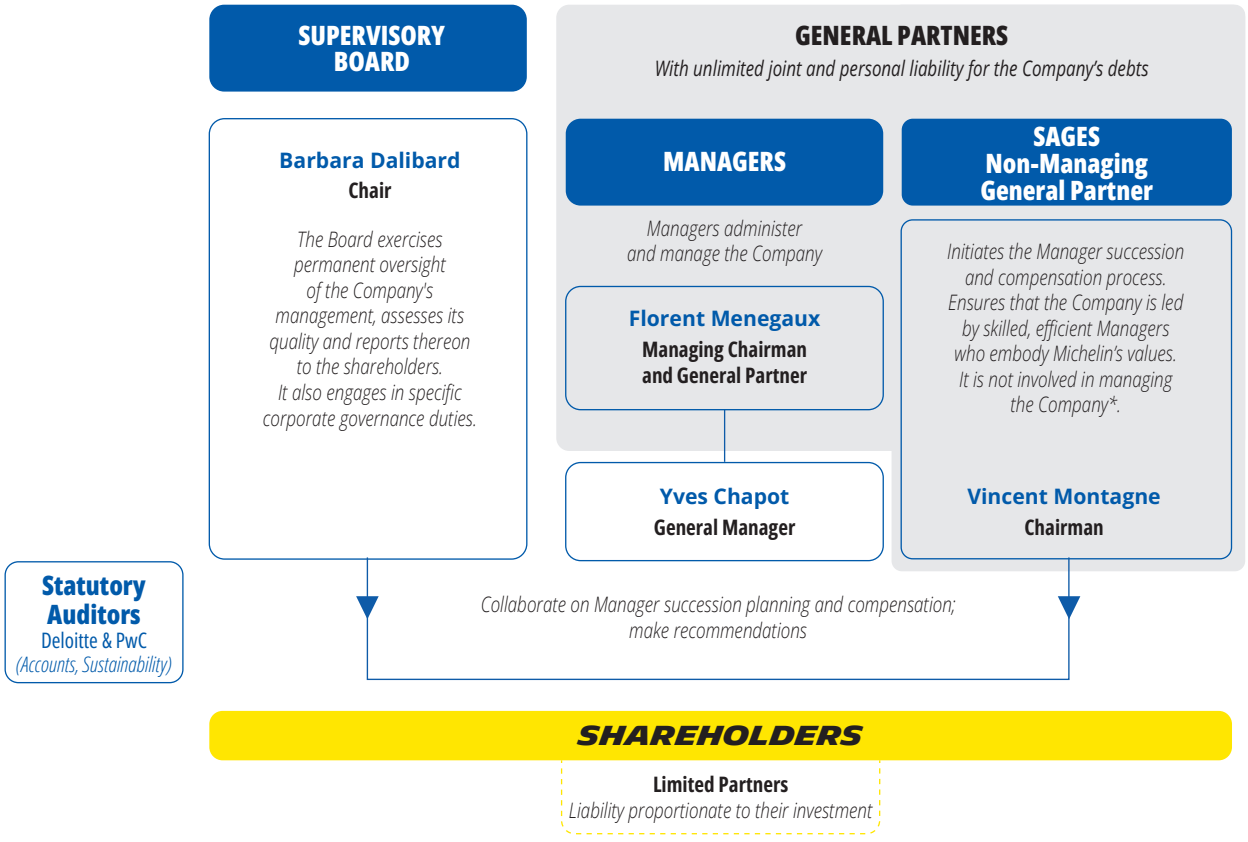
Their liability is limited to the amount of their investment and they receive a share of the profits in the form of dividends.

Second are the General Partners, including the Managing General Partner and the Non-Managing General Partner. CGEM's Non-Managing General Partner, Société Auxiliaire de Gestion (SAGES), is responsible for ensuring 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 December 31, 2025, the two General Partners of CGEM are 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 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.



* *Unless the position of Manager(s) falls vacant.*

2.1.1 AN EXPERIENCED, STABLE AND RESPONSIBLE MANAGEMENT TEAM

2.1.1.1 Members

As of December 31, 2025, the Company was led by two Managers:

- Florent Menegaux, Managing General Partner elected by the Extraordinary Shareholders Meeting of May 18, 2018 and re-elected in 2022, and Managing Chairman;
- Yves Chapot, General Manager, originally elected by the Ordinary Shareholders Meeting of May 18, 2018 and re-elected for a period of four years at the Shareholders Meeting of May 13, 2022.

In accordance with the Company's Bylaws, Florent Menegaux's term of office as Managing General Partner has been renewed by decision of the Non-Managing General Partner, Société Auxiliaire de Gestion (SAGES) with effect from 2026. The Supervisory Board voted unanimously in favor of this decision at its meeting on January 12, 2026, in line with the recommendation of its Compensation and Appointments Committee.

His renewed term of office is for a maximum of four years as from the end of the Annual Shareholders Meeting to be held on May 22, 2026 when his current term expires. This decision was announced in a press release published on January 12, 2026.

Yves Chapot has stated that he does not wish to stand for re-election as General Manager when his current term expires at the end of the Annual Shareholders Meeting on May 22, 2026.

SAGES has decided to propose the election of Philippe Jacquin as General Manager at the Annual Shareholders Meeting of May 22, 2026. The Supervisory Board voted unanimously in favor of this proposal at its meeting of January 12, 2026 This decision was announced in a press release published on January 12, 2026.



FLORENT MENEGAUX

Managing Chairman - Managing General Partner

Nationality:	**Business address:**	**First elected:**	**Current term expires:**	**Number of shares held at December 31, 2025:**
French Born in 1962	Compagnie Générale des Établissements Michelin 23, place des Carmes Déchaux 63000 Clermont-Ferrand - France	May 18, 2018	2026 (Annual Shareholders Meeting called to approve the 2025 financial statements)	159,893[1]

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, Florent 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 oversaw 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.

DIRECTORSHIPS AND OTHER POSITIONS HELD AT DECEMBER 31, 2025

- Managing General Partner of Compagnie Générale des Établissements Michelin
- Managing Chairman of Compagnie Générale des Établissements Michelin
- Chairman of Manufacture Française des Pneumatiques Michelin
- Member of the Board of Directors of Legrand[2]
- President of UN Global Compact France Network

OTHER DIRECTORSHIPS AND POSITIONS HELD IN THE LAST FIVE YEARS

2021-2025

- Managing Partner of Manufacture Française des Pneumatiques Michelin *(until December 2021)*
- Chairman of Manufacture Française des Pneumatiques Michelin *(since January 2022)*
- Managing General Partner of Compagnie Générale des Établissements Michelin
- Managing Chairman of Compagnie Générale des Établissements Michelin
- Member of the Board of Directors of Legrand[2] *(since May 2022)*
- President of UN Global Compact France Network *(since June 2023)*

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

(2) *Listed company.*



YVES CHAPOT

General Manager and Chief Financial Officer

Nationality:	**Business address:**	**First elected:**	**Current term expires:**	**Number of shares held at December 31, 2025:**
French Born in 1962	Compagnie Générale des Établissements Michelin 23, place des Carmes Déchaux 63000 Clermont-Ferrand - France	May 18, 2018	2026 (Annual Shareholders Meeting called to approve the 2025 financial statements)	91,415

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, Yves 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.

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

DIRECTORSHIPS AND OTHER POSITIONS HELD AT DECEMBER 31, 2025

- General Manager of Compagnie Générale des Établissements Michelin
- Chairman of Compagnie Financière Michelin Suisse
- Chairman of Compagnie Financière Michelin
- Managing Director of Manufacture Française des Pneumatiques Michelin
- Chairman of the Board of Directors of Siparex Associés
- Chairman of the Supervisory Board of Sigefi
- Chairman of the Association Nationale des Sociétés par Actions (ANSA)

OTHER DIRECTORSHIPS AND POSITIONS HELD IN THE LAST FIVE YEARS

2021-2025

- Chairman of the Board of Directors *(until April 2021)* then Chairman of Compagnie Financière Michelin
- General Manager of Compagnie Générale des Établissements Michelin
- Managing Director of Manufacture Française des Pneumatiques Michelin *(since January 2022)*
- Chairman of the Board of Directors of Siparex Associés *(since April 2022)*
- Chairman of the Supervisory Board of Sigefi *(since April 2022)*
- Chairman of Association Nationale des Sociétés par Actions (ANSA) (since October *2022)*

2.1.1.2 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;
- lead 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;
- oversee the preparation of financial and sustainability information;
- prepare the various reports to shareholders.

The Group's operations are organized into three reporting segments (Automotive & Two-wheel, Road Transportation and Specialties) dedicated to serving their global markets with products and services offered through 20 Business Lines.

The organization is built around:

- the Business Lines, which define their strategy for designing market-leading products and services aligned with their competitive environment based on the needs identified by the Regions;
- the nine Regions, which deploy the Group's strategy and represent it in their respective areas, are also responsible for customer satisfaction;
- The following departments, which provide support to the operational entities: Research & Development, Manufacturing, Supply Chain, Customer Experience, Purchasing, Corporate & Business Services, Strategy & Transformation, Innovation & Partnerships, Engagement & Brands, Internal Audit, Risk Management, Internal Control & Quality, Legal, Personnel, Finance, Sustainable Materials Solutions, Planning – Prevention – Protection, Sustainable Development & Impact.

The Managers are assisted by the Group Executive Committee presented in Chapter 1 of the 2025 Universal Registration Document. In addition, a Group Management Committee is responsible for ensuring that the Executive Committee's decisions are widely embraced across the organization (see Chapter 1).

2.1.1.3 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.

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.

2.1.2 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.

2.1.2.1 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 Group 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.

2.1.2.2 Biographical details of the Chairman of SAGES at December 31, 2025

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)

Nationality:
French
Born in 1959

Business address:
Média-Participations
57 rue Gaston Tessier
75019 Paris - France

Number of shares held at December 31, 2025:
36 shares owned directly
793,200 shares owned by SAGES

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 Média-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. Vincent 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. In 2009, he set up Mage-Invest, a family holding company with 400 family shareholders that is currently led by Pierre Michelin, the company's chairman.

He is Chairman of Société Auxiliaire de Gestion (SAGES), Non-Managing General Partner of Compagnie Générale des Établissements Michelin, alongside Florent Menegaux, General Partner and Managing Chairman.

2.1.2.3 Role and responsibilities

SAGES is a Non-Managing General Partner of CGEM and has unlimited joint and several liability alongside the Managing General Partner(s) for third party claims arising from the financial consequences of the Managers' management. It initiates the Manager appointment and re-appointment process to ensure the continuity of the Company's management. Solely a decision of the shareholders in an Extraordinary Meeting may relieve a General Partner of their duties, subject to the agreement of the other General Partner. 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 is a key player in the Manager succession planning and compensation processes. SAGES plays a key role, alongside the Supervisory Board and its Compensation and Appointments Committee, in the Manager succession planning and compensation processes described in section 2.1.4 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. Between 10% and 30% of this reserve fund is invested in CGEM shares.

In accordance with its Bylaws:

- 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 Chairman 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 of CGEM shall be submitted to the Managing General Partner for prior approval.

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

2.1.3.1 Supervisory Board



* *Excluding the employee representatives.*
** *Total scheduled and unscheduled meetings.*
*** *Scheduled meetings.*

Members

In accordance with the applicable law, the Company's Bylaws and the Supervisory Board's internal rules, 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, and two representing employees.

General Partners may not take part in the vote. Supervisory Board members are eligible for re-election, subject to compliance with the stipulation in the Bylaws that no more than two-thirds of the members may be over 75 years of age.

As of December 31, 2025, 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 1,600 shares[2] or 2,400 shares in the case of the Chair.

Information about the compensation of Supervisory Board members is presented in sections 2.3.3, 2.4.1, 2.4.2 and 2.5.1 of this report.

(1) The latest approved annual financial statements are published on the www.michelin.com website.
(2) With the exception of members representing employees.

Overview of the Supervisory Board (as of December 31, 2025)

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 (C)	⊖	-	2008	2013[2] 2015[3] 2019 2023	2027	17	2,740	French	67	F
Aruna Jayanthi	✓	Audit	2015	2019 2023	2027	10	1,600	Indian	63	F
Patrick de la Chevardière	✓	Audit (C)	2020	2024	2028	5	1,600	French	68	M
Jean-Christophe Laourde (RE)	⊖	Corporate Social Responsibility	2020	2024	2028[4]	5	505	French	50	M
Thierry Le Hénaff (SIM)	✓	Compensation and Appointments	2018	2022	2026	7	1,600	French	62	M
Monique Leroux	✓	Audit Corporate Social Responsibility (C)	2015[5]	2018 2022	2026	10	4,000	Canadian	71	F
Delphine Roussy (RE)	⊖	Compensation and Appointments	2020	2024	2028[4]	5	1,636	French	43	F
Wolf-Henning Scheider	✓	Audit Corporate Social Responsibility	2021	2025	2029	4	1,600	German	63	M
Jean-Michel Severino	✓	Corporate Social Responsibility Compensation and Appointments (C)	2020[6]	2022	2026	5	1,600	French	68	M
Catherine Soubie	✓	Audit	2024	-	2028	1	1,600	French	60	F
Pascal Vinet	✓	Compensation and Appointments	2024	-	2028	1	1,600	French	63	M

(C): Chair (SIM): Senior Independent Member (RE): Members 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) Appointed pursuant to the Bylaws and not elected by the shareholders.

(5) 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.

(6) 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.

Changes in 2025

Wolf-Henning Scheider's term of office expired at the end of the May 16, 2025 Annual Shareholders Meeting.

After reviewing his qualifications and noting that he intended to stand for re-election, on the recommendation of the Compensation and Appointments Committee, the Supervisory Board decided (without Wolf-Henning Scheider taking part in the decision) to recommend his re-election to the Board at the Annual Shareholders Meeting.

The re-election of Wolf-Henning Scheider to the Supervisory Board was approved at the Annual Shareholders Meeting of May 16, 2025 by a majority of 98.01% of the votes cast.

On the same day, the Supervisory Board voted unanimously (without Wolf-Henning Scheider taking part in the decision) to reappoint Wolf-Henning Scheider as a member of the Audit Committee and the Corporate Social Responsibility Committee, of which he was a member prior to the expiry of his previous term of office.

2.1.3.2 Role and responsibilities

The Company applies the recommendations set out in the Corporate Governance Code for Listed Companies ("AFEP/MEDEF Code", revised version dated December 2022). In accordance with the introduction to the Code, these recommendations are adapted as necessary to reflect the Company's organization as a partnership limited by shares ("SCA").

Under French law, the Supervisory Board is responsible for exercising permanent oversight of the Company's management on behalf of the shareholders, to whom it reports on an annual basis.

The Company's Bylaws have significantly expanded the Board's role and responsibilities to include:

- assessing the quality of management;
- playing an important role in succession planning and the appointment of the Managers;
- assessing certain major transactions such as business acquisitions.

The role of the Chair of the Supervisory Board, elected by the Board members, is to:

- manage, coordinate and lead the work of the Board, especially the activities listed in the Bylaws;
- actively participate in the Company's governance, in particular:
  - through continuous contact and regular meetings with the Managers, as well as with the Non-Managing General Partner (SAGES), to ensure seamless governance,
  - by regularly proposing and implementing better interactions, drawing on her or his experience and the proposals resulting from periodic assessments of Supervisory Board practices,
  - by talking directly to investors about the characteristics of Michelin's governance, primarily during governance roadshows[1] organized with the main shareholders.

(1) The presentation materials produced for these events are systematically posted on the *www.michelin.com* website.

SPECIFIC DUTIES OF THE SUPERVISORY BOARD REGARDING THE GROUP'S STRATEGY, PARTICULARLY ITS ENVIRONMENTAL ASPECTS

- **Regular review of the Group's strategy**
- **Periodic review of the Group's:**
  - markets of operation,
  - financial results and financial statements,
  - shareholder compensation policy,
  - organization and operations,
  - risk management and internal control policies,
  - compensation and appointment policies,
  - social, environmental and climate strategy.
- **Formal opinion provided to the Managers concerning:**
  - significant investments,
  - major external growth transactions,
  - divestitures,
  - off-balance sheet commitments.

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, major research reports published by analysts who follow Michelin, and updates on the Group's markets.

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,
  - 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.

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 M&A transactions (external growth projects and divestments), off-balance sheet commitments and asset disposals. It is also 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 enterprise value) 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.

THE SUPERVISORY BOARD REVIEWS ALL STRATEGIC M&A PROJECTS ABOVE €50 MILLION AND ISSUES A FORMAL OPINION

Every quarter

The Supervisory Board reviews deal flows

Every six months

The **Managers** report to the Supervisory Board on acquisitions carried out over the last four years. Every acquisition is assessed based on the following criteria:

- **Synergies & CSR roadmap**
- **Strategic fit**
- **Results**
- **Quality of management**

Ad hoc

Ad hoc Supervisory Board meetings are held on strategic M&A project key milestones

(1) This exception to the full application of the AFEP/MEDEF Code's recommendations is mentioned in the table in section 2.2.8 prepared in accordance with the "comply or explain" rule.
(2) Available from the Group's website www.michelin.com.

2.1.3.3 Diverse profiles and experiences represented on the Supervisory Board and management bodies

Diverse profiles and experiences represented on the Supervisory Board

In line with the values of the Group and of its regions, the Supervisory Board consistently endeavors to propose candidates from diverse nationalities 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 Supervisory Board are regularly assisted by recognized outside consultants.

The Supervisory Board diversity policy for 2025 is described below, as required by Article L. 22-10-10-2° of the French Commercial Code.

Criteria	Objectives confirmed in 2025	Implementation method	2025 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. This article also states that any appointment made in breach of this gender equality requirement will be null and void.	Proposal to the Annual Shareholders Meeting to re-elect incumbent women members or to elect new women members to replace them, in line with the gender equality requirement.	The candidates recommended by the Supervisory Board and elected by the Annual Shareholders Meeting upheld 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). An objective to restrict the 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 100.0% in 2025 for scheduled meetings of the Supervisory Board and its Committees. The average attendance rate of the incumbent Board members proposed for re-election and re-elected was over 85% over the last three years of their term of office. Only a limited number of members also hold directorships, chairmanships or executive positions in other listed companies.
Qualifications/professional skills and expertise/international outlook/adherence to the Group's values	Board members should achieve and maintain satisfactory complementarity of academic qualifications, professional experience in the areas of manufacturing, finance, internal control, IT/AI and leadership of major international listed groups, and adhere to the Group's values.	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 international experience represented by Supervisory Board members in the areas of executive management and new technologies. 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.	Proposal and approval of the re-election of Wolf-Henning Scheider, who continues to contribute his expertise to the Board's work. Independence rate stable at 33% (excluding members representing employees).

Criteria	Objectives confirmed in 2025	Implementation method	2025 results
		The Board member skills map (matrix) is used to analyze the target composition of the Board and propose suitable candidates.	
Size of the Supervisory Board	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.	No additional members to be proposed for election at the Shareholders Meeting, except to comply with legal requirements or to bring in or maintain highly sought-after skills. Within the limit of the number provided for in the Bylaws, the 2026 Annual Shareholders Meeting will be asked to elect an additional member in order to ensure that the necessary complementarity of Board members' expertise in IT/AI/ Cybersecurity is maintained when certain directors' terms expire in the coming years.	No additional members were proposed for election in 2025.
Independence	At least 50% of Supervisory Board members should be independent, based on the definition in the AFEP/MEDEF Code. The Audit Committee, Compensation and Appointments Committee and Corporate Social Responsibility Committee to be chaired by independent Supervisory Board members.	As a general rule, unless an exception is duly recommended and justified by the Compensation and Appointments Committee, incumbent members will be proposed for re-election (i) provided they fulfill the independence criteria or (ii) if they no longer qualify as independent solely because they have served on the Board for more than 12 years, provided their appointment does not increase the proportion of non-independent members elected by the Shareholders Meeting to more than 50%.	Proposal and approval of the re-election of Wolf-Henning Scheider, independent member of the Board. Independence rate stable at 89% (excluding members representing employees). The Audit Committee, Compensation and Appointments Committee and Corporate Social Responsibility Committee are all chaired by independent Supervisory Board members.
Employee representation on the Supervisory Board	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).	Participation of members representing employees in the work of the Supervisory Board and its Committees.	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.

Expertise of the Supervisory Board members

The tables and comments below present the expertise of Supervisory Board members that is considered the most relevant aspect of their skills and experience for the purpose of the Board carrying out its duties for the benefit of the Company, its shareholders and its stakeholders in accordance with the Group's values.

MAIN AREAS OF EXPERTISE OF THE MEMBERS OF THE SUPERVISORY BOARD (1)

	International Management	Finance	Social Environment, Human Resources and Governance	Environment, Climate and Biodiversity	Manufacturing	Automotive and Mobility Sector	Materials	IT, AI and Cyber Security
Barbara Dalibard	◉					◉		◉
Aruna Jayanthi	◉		◉					◉
Patrick de la Chevardière	◉	◉			◉			
Jean-Christophe Laourde			◉	◉		◉		
Thierry Le Hénaff	◉		◉				◉	
Monique Leroux		◉	◉	◉				
Delphine Roussy			◉		◉			◉
Wolf-Henning Scheider	◉			◉	◉	◉		
Jean-Michel Severino		◉	◉	◉				
Catherine Soubie	◉	◉	◉					
Pascal Vinet	◉				◉		◉	
Subject to her election by the Annual Shareholders Meeting of May 22, 2026 (and as from that date):								
Anne-Sophie Lotgering	◉	◉						◉

Barbara Dalibard: International Management: former CEO of Orange Business Services and SITA, companies present in 220 countries. **Automotive and Mobility sector**: wide-ranging experience in people mobility (train, bus, car/ridesharing and aviation). **IT, AI and Cyber Security:** 35 years' experience in new technologies: networks, IT services, software production, digital consumer software delivery. Member of the Académie des Technologies.

Aruna Jayanthi: International Management: numerous international business management positions in the Capgemini group, particularly in India, the Asia-Pacific region, Latin America and Canada. **Social Environment, Human Resources and Governance**: member of the CSR committee of Capgemini India (involved in various social projects in India), former Chair of the Board of Directors of a national engineering college in India (NIT Calicut) and former member of the Executive Board of NASSCOM, the national association of software vendors in India. **IT, AI and Cyber Security:** 38 years' experience in IT services companies including Tata Consulting and Aptech, management of the Capgemini software factory in India (50,000 employees).

Patrick de la Chevardière: International Management: former Asia Director in Total's refining and distribution division; **Finance:** CFO of Total for 10 years and extensive management experience as a finance professional. **Manufacturing**: varied experience in Exploration, Production and Refining at Total. Member of the Board of Directors of SLB (formerly Schlumberger).

(1) See also the table below concerning sustainability matters.

Jean-Christophe Laourde: Social Environment, Human Resources and Governance: Employee representation mandates in the Michelin Group. Member of the Chimie AURA trade union council. **Environment, Climate and Biodiversity**: active participant *in the Shift Project, Time for the Planet*. Member of the Environment section of his trade union. **Automotive and Mobility Sector**: 25 years' experience in sales, marketing and distribution at Michelin.

Thierry Le Hénaff: International Management: Since 2006, Chairman and CEO of Arkema, an international group (92% of revenue generated outside France) listed in Paris (Euronext). Previously, numerous operational management positions at Total. **Social Environment, Human Resources and Governance:** Chairman and CEO of Arkema (international group with over 21,000 employees in more than 55 countries). Chairman and CEO of Arkema, a group with high-level expertise and innovation capabilities focused on high-performance materials and polymers.

Monique Leroux: Finance: former CEO and Chair of the Board of the Desjardins group (Banking and Insurance), former CFO of the Desjardins group, former member of the Board of Directors of S&P Global, Fellow of the Order of Chartered Professional Accountants (CPA) of Canada and former audit partner of EY, Chartered Accountant (CA) and Certified Management Accountant (CMA) degrees. **Social Environment, Human Resources and Governance:** Fellow of the Institute of Corporate Directors of Canada (ICD), former Chair of the Board of Investissement Québec and Desjardins Group, which promotes investment in innovative sustainable development and climate projects. Chair of the Governance and ESG Committee of BCE/Bell. **Environment, Climate and Biodiversity**: member of numerous Canadian expert committees advising on climate projects (advisor on Canadian industrial strategy, G7 Impact Task Force, etc.), author of a report on the future of corporate governance in Canada (ICD/TMX), which includes major ESG recommendations.

Delphine Roussy: Social Environment, Human Resources and Governance: various employee representation mandates. **Manufacturing**: professional experience at Philips and Michelin. **IT, AI and Cyber Security**: professional experience in new technologies (3G/4G networks, communication protocols, RFID).

Wolf-Henning Scheider: International Management: Member of the Executive Committee of Partners Group AG, former CEO of ZF group and Mahle, former senior executive at Bosch. **Manufacturing**: former CEO of ZF and Mahle, former senior executive at Bosch. **Automotive and Mobility sector**: former CEO of international automotive sector companies and former member of the Board of VDA (German automotive industry association). **Environment, Climate and Biodiversity**: Executive Director for Sustainability at Partners Group AG

Jean-Michel Severino: Finance: former director at the World Bank, former CEO of the French Development Agency (AFD), manager of investment funds in Africa and Asia, former Chairman and CEO of Investisseurs et Partenaires, former Chairman of the Board of Ecobank International. **Social Environment, Human Resources and Governance:** director of Phitrust Impact Investors, former Senior Independent Director of Danone and former Chairman of its Governance and Compensation Committee, former member of the Governance Committee of Orange; **Environment, Climate and Biodiversity:** management of investments in the renewable energy, water and green and inclusive growth sectors at the French Development Agency (AFD); participation in numerous expert groups on these subjects at the World Bank; member of the Investment Committee of Energy Access Ventures (an African green energy fund); Chairman of Veolia's Critical Friends Committee (set up to consider the Veolia group's exposure to environmental and social risks).

Catherine Soubie: International Management: former Deputy CEO of Rallye, former Managing Director and Head of Investment Banking at Barclays France & Benelux. **Finance:** 22 years' experience in the finance sector, including Financial Affairs Manager at Lazard, Managing Director at Morgan Stanley and Managing Director, Head of Investment Banking for France, Belgium & Luxembourg at Barclays. **Social Environment, Human Resources and Governance:** CEO of Arfilia (information, consulting and business services) for the past eight years, member of Covivio and Sofina's Compensation and Appointments Committees.

Pascal Vinet: International Management: former Executive Vice-President of the Air Liquide Group, overseeing Group Safety & Industrial Systems; **Manufacturing**: former CEO of Airgas (Air Liquide's Industrial Merchant and Healthcare business lines in the United States) and former Executive Vice President overseeing Air Liquide's Europe Industries hub, the Africa/Middle East/India hub and Industrial Merchant World business line. **Materials:** former Vice-President for Research & Development at Air Liquide.

Subject to her election by the Annual Shareholders Meeting of May 22, 2026 (and as from that date):

Anne-Sophie Lotgering: IT, AI and Cyber Security: 24 years' experience in IT services companies including NTT, Orange, Proximus and Microsoft; management of an IT integration services business for the NTT Group with over 13,000 employees. **International Management:** CEO Europe and member of the Executive Leadership Team of NTT DATA, former CEO and member of the Executive Committee of Proximus NXT IT. **Financial expertise:** experience in M&A activities, including at Proximus, where she was responsible for integrating the Group's various B2B activities in the Benelux countries.

EXPERTISE OF SUPERVISORY BOARD MEMBERS CONCERNING SUSTAINABILITY MATTERS

ESG matters (ESRS)	Barbara Dalibard	Aruna Jayanthi	Patrick de La Chevardière	Jean-Christophe Laourde	Thierry Le Hénaff	Monique Leroux	Delphine Roussy	Wolf-Henning Scheider	Jean-Michel Severino	Catherine Soubie	Pascal Vinet	Anne-Sophie Lotgering*
Climate change adaptation/Climate change mitigation (Scopes 1/2/3; carbon-free mobility) (E1)	⊙	⊙	⊙	⊙	⊙	⊙		⊙	⊙	⊙	⊙	⊙
Water, soil and air pollution, noise pollution (E2)			⊙		⊙	⊙		⊙	⊙			
Water management (E3)					⊙	⊙		⊙	⊙			
Ecosystems and biodiversity (deforestation and loss of habitat) (E4)					⊙	⊙		⊙	⊙			
Resources and waste (circularity, raw materials, end-of-life product management) (E5)	⊙		⊙		⊙	⊙		⊙	⊙		⊙	⊙
Business ethics and corporate culture (G1)	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙
Attracting and retaining talent (S1)	⊙	⊙		⊙	⊙	⊙		⊙	⊙	⊙	⊙	⊙
Employee health, safety and well being (S1)	⊙	⊙	⊙	⊙	⊙		⊙	⊙	⊙	⊙	⊙	
Social dialogue, workers' rights and working conditions (S2)	⊙	⊙		⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	
Quality and safety of products and services (S4)	⊙	⊙			⊙	⊙		⊙				

* Subject to her election by the Annual Shareholders Meeting of May 22, 2026 (and as from that date):

Gender balance on management bodies[(1)]

The CSR Committee reviews the Group's policies and ambitions in terms of diversity and inclusion.

One of its ambitions is for 35% of senior management positions (currently around 630 positions) to be held by women by 2030. This approach led to measures to rebalance the membership of the Group's management bodies, including the Executive Committee, which comprises 10 members, three of whom are women.

(1) 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

Nationality:	**Business address:**	**First elected:**	**Current term expires:**	**Number of shares held at December 31, 2025:**
French Born in 1958	Michelin 112, avenue Kléber 75016 Paris - France	May 16, 2008	2027 (Annual Shareholders Meeting called to approve the 2026 financial statements)	2,740

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.

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.

In 2003, she joined the Executive Committee of the Orange group and was the Chief Executive Officer of Orange Business Services, a business located in 220 countries and regions.

Ms. Dalibard joined SNCF in 2010 and was appointed Chief Executive Officer of SNCF Voyage (the TGV, Eurostar, Thalys businesses, etc.), then SNCF Voyageurs, which includes all of the group's passenger activities. She launched OUIGO, the first low-cost TGV, and the Ouibus long-distance coach subsidiary.

Ms. Dalibard is an Officer of the Légion d'honneur, Officer of the Ordre du mérite and Doctor Honoris Causa of École Polytechnique de Montréal.

EXPERTISE

See details in section 2.1.3.3.

DIRECTORSHIPS AND OTHER POSITIONS HELD AT DECEMBER 31, 2025

- Director on the Supervisory Committee of Castillon
- Member of the Board of Directors and Chair of the Nomination and Governance Committee of Rexel
- Member of the Board of Directors of ATC Europe

OTHER DIRECTORSHIPS AND POSITIONS HELD IN THE LAST FIVE YEARS

2021-2025

- Chief Executive Officer of SITA *(until December 2021)*
- Non-voting member then director on the Supervisory Committee of Castillon *(since July 2021)*
- Member of the Board of Directors of Rexel *(appointed in December 2021)*
- Chair of Rexel's Nomination and Governance Committee *(since September 2023)*
- Member of the Board of Directors of ATC Europe *(since January 2025)*



ARUNA JAYANTHI

Independent member of the Supervisory Board - Member of the Audit Committee

Nationality:	Business address:	First elected:	Current term expires:	Number of shares held at December 31, 2025:
Indian Born in 1962	Michelin 112, avenue Kléber 75016 Paris - France	May 22, 2015	2027 (Annual Shareholders Meeting called to approve the 2026 financial statements)	1,600

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 was appointed to lead a new Business Services Unit. In 2018, she was appointed to lead Capgemini's operations in the Asia-Pacific and Latin America regions, before becoming Managing Director of these Business Units. In 2022, she was named Head of Capgemini Latin America and Canada. She was a member of the Group Executive Committee for 14 years, until the end of 2024.

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[1].

EXPERTISE

See details in section 2.1.3.3.

DIRECTORSHIPS AND OTHER POSITIONS HELD AT DECEMBER 31, 2025

- Member of the Board of Directors of the following Capgemini group companies[1]: Capgemini Technology Services India Limited, Capgemini Brasil Ltda, Capgemini Business Services Guatemala S.A, Capgemini Mexico – S.DE R.L DE C.V, Capgemini Canada Inc., Gestion Capgemini Québec Inc. (Canada), Capgemini Solutions Canada Inc.
- Independent member of the Board of Directors of Barry Callebaut

OTHER DIRECTORSHIPS AND POSITIONS HELD IN THE LAST FIVE YEARS

2021-2025

- Member of the Board of Directors of Chappuis Halder Inc. (Canada) *(until December 2022)*
- Member of the Board of Directors of Equation Capital Partners LLP *(until April 2024)*
- Member of the Board of Directors of the following Capgemini group companies[1]: Capgemini Australia Pty Limited *(until June 2021),* Capgemini Hong-Kong Ltd. *(until December 2021),* Capgemini Business Services (China) Limited *(until December 2021),* Capgemini Asia Pacific Pte Limited *(until December 2021),* Capgemini (Hangzhou) Co. Ltd *(until December 2021),* Capgemini Saudi Limited *(until March 2022),* Solcen Technologies Private Limited *(until April 2022),* Capgemini Technology Services India Limited, Capgemini Brasil Ltda, Capgemini Business Services Guatemala S.A, Capgemini Mexico - S. DE R.L DE C.V, Capgemini Canada Inc. *(2022),* Gestion Capgemini Québec Inc. (Canada) *(2022),* Capgemini Solutions Canada Inc. *(2022)*
- Independent member of the Board of Directors of Barry Callebaut *(since December 2024)*

(1) Listed company.



PATRICK DE LA CHEVARDIÈRE

Independent member of the Supervisory Board - Chairman of the Audit Committee

Nationality:	**Business address:**	**First elected:**	**Current term expires:**	**Number of shares held at December 31, 2025:**
French Born in 1957	Michelin 112, avenue Kléber 75016 Paris - France	June 23, 2020	2028 (Annual Shareholders Meeting called to approve the 2027 financial statements)	1,600

BIOGRAPHICAL DETAILS – PROFESSIONAL EXPERIENCE

Patrick de la Chevardière is currently a director of Schlumberger[1] and until July 2019 was the 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).

EXPERTISE

See details in section 2.1.3.3.

DIRECTORSHIPS AND OTHER POSITIONS HELD AT DECEMBER 31, 2025

Member of the Board of Directors of SLB[1]
(formerly Schlumberger)

OTHER DIRECTORSHIPS AND POSITIONS HELD IN THE LAST FIVE YEARS

2021-2025

Member of the Board of Directors of SLB[1]
(formerly Schlumberger)

(1) Listed company.



JEAN-CHRISTOPHE LAOURDE

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

Nationality:	Business address:	First elected:	Current term expires:	Number of shares held at December 31, 2025:
French Born in 1975	Compagnie Générale des Établissements Michelin 23, place des Carmes Déchaux 63000 Clermont-Ferrand - France	December 14, 2020	2028	505

BIOGRAPHICAL DETAILS – PROFESSIONAL EXPERIENCE

Jean-Christophe Laourde is an employee of Manufacture Française des Pneumatiques Michelin, where he is a service designer in the Road Transportation Services & Solutions marketing department. 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 and in Benelux.

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

EXPERTISE

See details in section 2.1.3.3.

DIRECTORSHIPS AND OTHER POSITIONS HELD AT DECEMBER 31, 2025

None

OTHER DIRECTORSHIPS AND POSITIONS HELD IN THE LAST FIVE YEARS

2021-2025

None



THIERRY LE HÉNAFF

Independent member of the Supervisory Board - Senior Independent Member of the Supervisory Board - Member of the Compensation and Appointments Committee

Nationality:	**Business address:**	**First elected:**	**Current term expires:**	**Number of shares held at December 31, 2025:**
French Born in 1963	Arkema 51, Esplanade du Général de Gaulle 92800 Puteaux - La Défense - France	May 18, 2018	2026 (Annual Shareholders Meeting called to approve the 2025 financial statements)	1,600

BIOGRAPHICAL DETAILS – PROFESSIONAL EXPERIENCE

Thierry Le Hénaff is currently Chairman and Chief Executive Officer of Arkema[1].

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.A.'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 Executive Committee of the Total group[1]. 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.

EXPERTISE

See details in section 2.1.3.3.

DIRECTORSHIPS AND OTHER POSITIONS HELD AT DECEMBER 31, 2025

- Chairman and Chief Executive Officer of Arkema[1]
- Chairman of the Board of Directors of Arkema France

OTHER DIRECTORSHIPS AND POSITIONS HELD IN THE LAST FIVE YEARS

2021 -2025

- Chairman and Chief Executive Officer of Arkema[1]
- Chairman of the Board of Directors of Arkema France

(1) Listed company.



MONIQUE LEROUX

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

Nationality:	Business address:	First elected:	Current term expires:	Number of shares held at December 31, 2025:
Canadian Born in 1954	Michelin 112, avenue Kléber 75016 Paris - France	October 1, 2015	2026 (Annual Shareholders Meeting called to approve the 2025 financial statements)	4,000

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] and Couche-Tard (ATD)[1]. She contributes to these boards and committees her wide-ranging experience, acquired for example as an audit partner of EY (Canada) and as Chair of the Board and Chief Executive Officer of Mouvement Desjardins from 2008 to 2016.

Monique Leroux is a Companion 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 12 Canadian universities in recognition of her contribution to the business sector and also to the community.

Monique Leroux chaired Canada's National Industrial Strategy Board in 2020 as part of a special mandate from the Canadian government on economic recovery, and also chaired the Board of Directors of Investissement Québec from 2016 to 2020. She also served as a member of the Board of Directors of S&P Global from 2016 to 2022.

EXPERTISE

See details in section 2.1.3.3.

DIRECTORSHIPS AND OTHER POSITIONS HELD AT DECEMBER 31, 2025

- Member of the Board of Directors of Couche-Tard[1]
- Member of the Board of Directors and Chair of the Governance Committee of Bell/BCE[1]
- Other private and community activities:
  - Member of Lallemand and Lhoist (privately owned companies)
  - Part-time (non-executive) advisor to Teneo

OTHER DIRECTORSHIPS AND POSITIONS HELD IN THE LAST FIVE YEARS

2021-2025

- Member of the Board of Directors of S&P Global[1] *(until May 2022)*
- Member of the Board of Directors of Couche-Tard[1]
- Member of the Board of Directors and Chair of the Governance Committee of Bell/BCE[1]
- Other private and community activities:
  - Part-time (non-executive) advisor to Fiera Capital (until June 2023)
  - Member of Lallemand and Lhoist (privately owned companies)
  - Part-time (non-executive) advisor to Teneo *(since July 2023)*

(1) Listed company.



DELPHINE ROUSSY

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

Nationality:	**Business address:**	**First elected:**	**Current term expires:**	**Number of shares held at December 31, 2025:**
French Born in 1982	Compagnie Générale des Établissements Michelin 23, place des Carmes Déchaux 63000 Clermont-Ferrand - France	December 14, 2020	2028	1,636

BIOGRAPHICAL DETAILS – PROFESSIONAL EXPERIENCE

Delphine Roussy is an employee of Manufacture Française des Pneumatiques Michelin, where she is Deputy Director in charge of Acquisitions & Integrations within the Corporate Planning, Prevention, Protection 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.

She has followed the Certified Corporate Director training program organized by Sciences Po and Institut Français des Administrateurs and holds an Executive MBA in Strategic Business Intelligence Management.

EXPERTISE

See details in section 2.1.3.3.

DIRECTORSHIPS AND OTHER POSITIONS HELD AT DECEMBER 31, 2025

None

OTHER DIRECTORSHIPS AND POSITIONS HELD IN THE LAST FIVE YEARS

2021-2025

None



WOLF-HENNING SCHEIDER

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

Nationality:	Business address:	First elected:	Current term expires:	Number of shares held at December 31, 2025:
German Born in 1962	Michelin 112, avenue Kléber 75016 Paris - France	May 21, 2021	2029 (Annual Shareholders Meeting called to approve the 2028 financial statements)	1,600

BIOGRAPHICAL DETAILS – PROFESSIONAL EXPERIENCE

Since 2023, Wolf-Henning Scheider has been a member of the Executive Committee of Partners Group AG[(1)], responsible for private placements, and Executive Director for Sustainability.

He studied at Saarbruck University and RWTH Aachen University, graduating in Business Administration and Economics. He began his career with the Bosch group[(1)], 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[(1)]. Wolf-Henning Scheider was Chairman of the Board of Management and Chief Executive Officer of ZF Friedrichshafen AG[(1)] Listed company. (ZF group), a German group that is a global leader in automotive, transportation and mobility technologies, from 2018 to early 2023.

EXPERTISE

See details in section 2.1.3.3.

DIRECTORSHIPS AND OTHER POSITIONS HELD AT DECEMBER 31, 2025

Member of the Executive Committee of Partners Group AG (Switzerland)

OTHER DIRECTORSHIPS AND POSITIONS HELD IN THE LAST FIVE YEARS

2021-2025

- Member of the Board of Directors of VDA German Association of the Automotive Industry *(until November 2022)*
- Chairman of the Board of Management and Chief Executive Officer of ZF *(until January 2023)*
- Member of the Executive Committee of Partners Group AG (Switzerland) *(since January 2023)*

(1) Listed company.



JEAN-MICHEL SEVERINO

Independent member of the Supervisory Board - Chairman of the Compensation and Appointments Committee - Member of the Corporate Social Responsibility Committee

Nationality:	**Business address:**	**First elected:**	**Current term expires:**	**Number of shares held at December 31, 2025:**
French Born in 1957	Investisseurs et Partenaires 9, rue Notre Dame des Victoires 75002 Paris - France	November 12, 2020	2026 (Annual Shareholders Meeting called to approve the 2025 financial statements)	1,600

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 was 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. He previously served as Senior Independent Director of Danone, Chairman of the Board of Ecobank International, and a member of the Boards of Orange and the EIB. He chairs Veolia's Critical Friends Committee.

He is Chairman of the Supervisory Board of Investisseurs et Partenaires (I&P), an investment firm specialized in financing for African SMEs and start-ups.

He is also Vice President and a Senior Fellow of the Foundation for Studies and Research on International Development (FERDI), a French think tank engaged in international discussions on sustainable development matters, and a member of the French Academy of Technologies. He is a Commander of the Légion d'Honneur

EXPERTISE

See details in section 2.1.3.3.

DIRECTORSHIPS AND OTHER POSITIONS HELD AT DECEMBER 31, 2025

- Chairman of the Board of Directors of IPAE
- Member of the Board of Directors of I&P Gestion
- Member of the Board of Directors of Phitrust Impact Investors
- Chairman of Emergences Développement
- Chief Executive Officer and Chairman of the Supervisory Board of Investisseurs et Partenaires (I&P)
- Vice President of the Foundation for Studies and Research on International Development (FERDI)
- Chairman of the Véolia Critical Friends Committee (set up to advise Véolia's Executive Management on the Group's non-financial risks and opportunities)

OTHER DIRECTORSHIPS AND POSITIONS HELD IN THE LAST FIVE YEARS

2021-2025

- Chairman of the Board of Directors of EBI SA *(until April 2021)*
- Manager of Investisseurs et Partenaires (I&P) *(until October 2021)* then Chairman of the Supervisory Board
- Member of the Board of Directors of Adenia Partners (Mauritius) *(until December 2021)*
- Manager of I&P SARL and I&P Conseil *(until December 2021)*
- Senior Independent Director and Chairman of the Governance Committee of Danone SA[(1)] *(until April 2022)*
- Member of the Board of Directors and member of the Audit Committee of Orange SA[(1)] *(until May 2023)*
- Chairman of the Board of Directors of IPAE
- Member of the Board of Directors of I&P Gestion
- Member of the Board of Directors of Phitrust Impact Investors
- Chairman of Emergences Développement
- Chief Executive Officer and Chairman of the Supervisory Board of Investisseurs et Partenaires (I&P)
- Vice President of the Foundation for Studies and Research on International Development (FERDI)
- Chairman of the Véolia Critical Friends Committee (set up to advise Véolia's Executive Management on the Group's non-financial risks and opportunities)

(1) Listed company.



CATHERINE SOUBIE

Independent member of the Supervisory Board - Member of the Audit Committee

Nationality:	**Business address:**	**First elected:**	**Current term expires:**	**Number of shares held at December 31, 2025:**
French Born in 1965	Michelin 112, avenue Kléber 75016 Paris - France	May 17, 2024	2028 (Annual Shareholders Meeting called to approve the 2027 financial statements)	1,600

BIOGRAPHICAL DETAILS – PROFESSIONAL EXPERIENCE

Catherine Soubie is CEO of the Arfilia group of companies specializing in information, consulting and business services.

She is a graduate of École Supérieure de Commerce de Paris.

Catherine Soubie began her career in 1989 at Lazard, first in London and then in Paris, where she was appointed Financial Affairs Manager. She then held various positions at Morgan Stanley in Paris, including Managing Director. From 2005 to 2010, she was Deputy CEO of Rallye (retail). In 2010, she joined Barclays as Managing Director, Head of Investment Banking for France, Belgium and Luxembourg until September 2016.

She is also an independent director of several listed companies.

EXPERTISE

See details in section 2.1.3.3.

DIRECTORSHIPS AND OTHER POSITIONS HELD AT DECEMBER 31, 2025

- CEO of Arfilia
- Independent member of Sofina's Board of Directors and Compensation and Appointments Committees[1]
- Independent member of Covivio's Board of Directors, Compensation and Appointments Committee and Audit Committee[1]

OTHER DIRECTORSHIPS AND POSITIONS HELD IN THE LAST FIVE YEARS

2021-2025

- Independent member of Clariane's Board of Directors, Audit Committee and Compensation and Appointments Committee[1] *(until June 2024)*
- CEO of Arfilia
- Independent member of Sofina's Board of Directors and Compensation and Appointments Committees[1]
- Independent member of Covivio's Board of Directors, Compensation and Appointments Committee and Audit Committee[1]

(1) Listed company.



PASCAL VINET

Independent member of the Supervisory Board - Member of the Compensation and Appointments Committee

Nationality:	**Business address:**	**First elected:**	**Current term expires:**	**Number of shares held at December 31, 2025:**
French Born in 1962	Michelin 112, avenue Kléber 75016 Paris - France	May 17, 2024	2028 (Annual Shareholders Meeting called to approve the 2027 financial statements)	1,600

BIOGRAPHICAL DETAILS – PROFESSIONAL EXPERIENCE

Pascal Vinet was previously Executive Vice President of the Air Liquide group[1] from 2023 to 2024. He retired on December 31, 2024.

His educational background is in engineering and he holds a PhD in physics from École Centrale de Lyon. Pascal Vinet joined Air Liquide[1] in 1986 after having worked for NASA in the United States. In 1995, he was appointed CEO of Air Liquide Australia, before becoming Chief Operating Officer of the Group's Industrial Merchant Business Line in France in 1998. In 1999, he became Vice President for Research & Development, before being appointed President of the Group's Industrial Merchant Business Line in the United States in 2002.

In 2005, he was appointed Vice President in charge of Group corporate operations (Operations Control, Strategic Planning, Procurement, IT). He became Vice President overseeing global operations for Air Liquide Healthcare in 2010 and joined the Executive Committee in this capacity in 2011. In 2016, he became CEO of Airgas, the subsidiary operating Air Liquide's Industrial Merchant and Healthcare Business Lines in the United States, just after its acquisition by the Group. In 2021, he was appointed Senior Vice President overseeing the Europe Industries Hub, the Africa/Middle East/India Hub and Group Safety & Industrial Systems. In 2023, he became Executive Vice President overseeing the Europe Industries Hub, the Africa/Middle East/India Hub, the Industrial Merchant World Business Line and Group Safety & Industrial Systems. During 2024, he also oversaw the Group Manufacturing Department.

EXPERTISE

See details in section 2.1.3.3.

DIRECTORSHIPS AND OTHER POSITIONS HELD AT DECEMBER 31, 2025

None

OTHER DIRECTORSHIPS AND POSITIONS HELD IN THE LAST FIVE YEARS

2021-2025

- Member of the Board of Directors and Chairman of Air Liquide Middle East *(until June 2024)*
- Member of the Board of Directors of AIRGAS *(until December 2024)*
- Member of the Board of Directors and President of the European Industrial Gases Association (EIGA) *(until December 2024)*
- Member of the Board of Directors of SEPPIC *(until March 2025)*

(1) Listed company.

2.1.4 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 up to 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 Manager 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 fiscal 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 approval of the Non-Managing General Partner (SAGES), 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, (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 and objectives 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, criteria and objectives 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, with performance in relation to quantitative financial criteria[1] reviewed by the Statutory Auditors,
  - 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 components 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 and according to the specified procedure,
  - 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.

2.1.5 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[2];
- 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.

(1) For 2025, including net income, segment operating income, structural free cash flow, sales growth excluding tires and distribution, and full ROCE.
(2) See detailed disclosures in the Corporate Governance Report presented in section 2.2.6 of the 2025 Universal Registration Document.

2.2 SUPERVISORY BOARD PRACTICES - ACTIVITIES IN 2025

2.2.1 GENERAL ACTIVITIES

In addition to the seven meetings initially scheduled, the Board held four further meetings in 2025, primarily to review progress on certain significant projects.

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:
  - periodic (quarterly financial information, interim and annual results) and ongoing financial information, scorecards, corresponding press releases and recommended dividend; in particular, the Board examined the 2024 financial statements at its February 11, 2025 meeting,
  - internal control and risk management,
  - M&A (external growth, divestment) and capital expenditure projects in progress and updates on M&A transactions (several meetings);
- Strategic overview:
  - strategy seminar (several meetings): detailed business review focused on each of the three development objectives, acquisition projections, 2030 strategic plan,
  - presentation of personnel management issues in manufacturing activities,
  - presentation of cybersecurity activities and information technology risk management,
  - presentation of the Beyond Road business line,
  - presentation of the Group's distribution strategy,
  - presentation of the ways in which the Group's know-how is being transposed into new activities;
- Corporate officers' compensation:
  - results of the performance criteria used to determine the Managers' variable compensation for 2024,
  - 2025 variable compensation criteria and performance objectives for the Managers and performance share plan criteria;
- Group compensation policies;
- Manager succession plan (see section 2.1.4 of this report): ongoing process conducted jointly with the Chairman of the Non-Managing General Partner (several meetings);
- Changes in the membership of the Group Executive Committee;
- Membership and practices of the Supervisory Board and its Committees:
  - review of members standing for re-election to the Supervisory Board,
  - changes in the membership of the Committees of the Board following the re-election/election of Supervisory Board members,
  - Supervisory Board members' independence,
  - assessment of Supervisory Board practices,
  - preparation of the Corporate Governance Report and the Annual Shareholders Meeting;
- Shareholder dialogue:
  - the annual Governance Roadshow organized with the main investors (presentation of Michelin's governance and discussion of the social, societal and environmental challenges)[(1)],
  - the Annual Shareholders Meeting (particularly the presentation on climate issues, in addition to the Managers' presentation of the Group's climate strategy and the main initiatives and achievements in this area);
- Reports of the Audit Committee, Compensation and Appointments Committee and Corporate Social Responsibility 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 two executive sessions.

(1) Presentation available on the Group's website www.michelin.com.

During the year, the Chair of the Supervisory Board continued to:

- coordinate and lead the work of the Board, especially the activities listed in the Bylaws;
- actively participate in the Company's governance, in particular:
  - through continuous contact and regular meetings with the Managers, as well as with the Chairman of the Non-Managing General Partner (SAGES), to ensure seamless governance,
  - by regularly proposing and implementing better interactions on the Board, drawing on her or his experience and the proposals resulting from periodic assessments of Supervisory Board practices,
  - by talking directly to investors about the characteristics of Michelin's governance during the Governance Roadshow.

2.2.2 SUPERVISORY BOARD MEMBERS' ATTENDANCE RATES

The Supervisory Board met 11 times in 2025, on February 11, April 23, May 16, July 23, September 12, October 13-15, October 20, November 7, December 2, December 11 and December 18.

Substantially all the scheduled meetings took place over a whole day[1].

The Chair of the Supervisory Board and the Chairman of the Compensation and Appointments Committee ensure that Board members comply with their commitments in terms of availability to carry out their duties under the best possible conditions.

The overall attendance rate at Board and Committee meetings was 100% (excluding the Board meetings of September 12, November 7, December 2, December 18, which were not scheduled at the beginning of the year).

The members' individual participation rates are presented in the table below:

	Participation at meetings scheduled in 2025[1]			
Supervisory Board members	**Supervisory Board**	**Audit Committee**	**Compensation and Appointments Committee**	**Corporate Social Responsibility Committee**
Barbara Dalibard	100%	N/A	N/A	N/A
Aruna Jayanthi	100%	100%	N/A	N/A
Patrick de la Chevardière	100%	100%	N/A	N/A
Jean-Christophe Laourde	100%	N/A	N/A	100%
Thierry Le Hénaff	100%	N/A	100%	N/A
Monique Leroux	100%	100%	N/A	100%
Delphine Roussy	100%	N/A	100%	N/A
Wolf-Henning Scheider	100%	100%	N/A	100%
Jean-Michel Severino	100%	N/A	100%	100%
Catherine Soubie	100%	100%	N/A	N/A
Pascal Vinet	100%	N/A	100%	N/A

(1) Excluding unscheduled meetings (four Board meetings and one Compensation and Appointments Committee meeting).

2.2.3 TRAINING FOR 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.

Board members took part in a training session led by the Executive Vice President, Digital Transformation and Information Systems, primarily covering:

- digital transformation and the use of artificial intelligence in the Group's various processes and businesses, such as innovation and differentiation, manufacturing, supply chain and distribution;
- Group strategy and the stages in the transformation and deployment process.

(1) One meeting took place over two days and two meetings lasted less than a whole day.

Board members paid a one-day visit to the Group's main research and development (R&D) site in Ladoux (France), where they reviewed the Group's latest innovations. The day was organized in three sessions:

- Presentation of the Group's overall R&D strategy by the Executive Vice President, Research & Development, and the Polymer Composite Solutions business line's overall strategy by the Executive Vice President, Polymer Composite Solutions, with particular emphasis on innovation synergies;
- Immersion in the Polymer Composite Solutions innovation R&D laboratories, with particular emphasis on conveyors and coated fabrics;
- Immersion in the tire innovation R&D laboratories, with the Cross Climate 3 Sport illustrating the use of new materials and the development of a virtual tire for driving simulators or digital twinning technology.

All the Supervisory Board members are also members of at least one Committee of the Board and as such, they also received training provided by internal or external specialists in the matters addressed by the Committee(s) concerned. This was the case, for example, for the relevant national and regional sustainability regulations[1]: *Corporate Sustainability Reporting Directive (CSRD), Regulation on Deforestation-free Products (EUDR)* and *Corporate Sustainability Due Diligence Directive (CS3D)* on the duty of care.

All these seminars help the Supervisory Board members to maintain and develop their expertise. And they may also receive training as part of their professional or other activities, which may be taken into account in the presentation of their expertise in sustainability matters (see the expertise matrices in section 2.1.3.3 of this report).

As no new members joined the Supervisory Board in 2025, the Group's specific induction and on-boarding program[2] was not applied.

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 activities and implementation of the Group's Michelin in Motion strategy.

2.2.4 SUPERVISORY BOARD SUCCESSION PLANS AND MANAGEMENT AND PREPARATION OF DECISIONS, PROPOSALS AND RECOMMENDATIONS FOR THE RE-ELECTION OF SUPERVISORY BOARD MEMBERS AT THE 2026 ANNUAL SHAREHOLDERS MEETING

Supervisory Board

The Supervisory Board asked the Compensation and Appointments Committee to review the expiry dates of incumbent members' terms.

The candidate selected by the Supervisory Board[3] from the short-list presented by the Compensation and Appointments Committee was proposed for election to the Board at the Annual Shareholders Meeting of May 16, 2025, which adopted the related resolution.

The Supervisory Board considers that the complementary skills and expertise of its members are satisfactory, enabling it to fulfill its mission under the best possible conditions.

Concerning the Supervisory Board members whose term expires at the end of the 2026 Annual Shareholders Meeting, the procedures and recommendations of the Board and the Compensation and Appointments Committee are presented in the Supervisory Board's report on the resolutions to be submitted to the Annual Shareholders Meeting (see section 7.2 of this 2025 Universal Registration Document).

The Committee also continued to implement the succession plan for Board members in preparation for future elections or re-elections.

The Managers

Concerning the terms of office of the Managers that expire at the end of the 2026 Annual Shareholders Meeting, the Supervisory Board and its Compensation and Appointments Committee, along with the Non-Managing General Partner (SAGES), implemented the process described in section 2.1.4 above. The action taken in accordance with this process is presented in section 2.1.1.1 above and in the Supervisory Board's report on the resolutions submitted to the Annual Shareholders Meeting (section 7.2 of the 2025 Universal Registration Document).

(1) See sections 2.2.9 to 2.2.11 for a summary of these committees' activities.
(2) The induction and on-boarding program includes various interviews and presentations with the Group's key executives (for 2024, see the detailed description presented in section 2.2.3 of the 2024 Universal Registration Document).
(3) Re-election of one member, Wolf-Henning Scheider.

2.2.5 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 of the Supervisory Board. The Board nevertheless decided to create the position of Senior Independent Member in 2017.

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 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 of the Board is unable to perform this task;
- meet with the Managing Chairman to inform him of all or some of the views or wishes expressed by the independent members during executive sessions, after informing the Chair 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 of the Supervisory Board or the Managing Chairman.

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

In 2025, Thierry Le Hénaff organized and chaired two executive sessions of independent Supervisory Board members, held without the Managers (equivalent to executive directors) being present.

The purpose of the first meeting was to take a closer look at current succession plans.

The second meeting was devoted to discussing the Board's practices and recommended areas for improvement. The main findings concerned:

- management's transparency and openness, and the quality of discussions with the Managers and Supervisory Board members;
- the successful induction of new Board members;
- the Supervisory Board's positive assessment of the Managers' succession planning process.

During this meeting, the following development actions were identified:

- deeper consideration of the strategic challenges in an increasingly uncertain global environment and their impact on the Group's competitiveness and market dynamics;
- the ongoing review of the Board's M&A project governance processes;
- improvements to the aspects of the Managers' succession planning process that relate to the Executive Committee members' development plans, particularly as regards the management of large-scale businesses.

Thierry Le Hénaff shared the conclusions of this meeting with the Board members and the Managers during the first quarter of 2026.

2.2.6 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).

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[1], 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[2];
- they have not been selected to serve as a corporate officer of the Company 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 hs 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[2].

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 a Group company, 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.

In line with the Supervisory Board's standard practice, if information that is considered sensitive for both Michelin and the undertaking concerned is presented to the Supervisory Board, the Board member concerned steps aside during the communication and discussion of said information and the related decision, in line with the Board's internal rules.

When considered necessary, the Committee reviews the conclusions of the analysis of 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 2026. Its conclusions were presented to the Supervisory Board, which discussed and then adopted them. The review process can be summarized as follows.

(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.
(2) Excluding the Supervisory Board members representing employees.

The Committee also examined the business relationship between Michelin and the Capgemini group, whose operations in Latin America and Canada are headed by **Aruna Jayanthi**.

Transactions between the Capgemini group and the Michelin Group for IT consulting services represent only a small proportion of the Company's purchases[(1)], 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.

The Committee also 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 Engineered Polymers 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, maturity, main scopes and target applications/markets, the Committee concluded 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.

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 inform the Chair of the Supervisory Board and step aside during the communications, discussions and decisions concerned, in line with the Board's internal rules.

The Committee examined the situation of **Wolf-Henning Scheider**, member of the Executive Committee of Partners Group AG (a private equity firm), responsible for private placements and Executive Director for Sustainability, to identify any possible conflict of interest that could result from the proximity of some of Partners Group's activities to the scope of Michelin's M&A strategy.

After examining factors such as the characteristics of Partners Group's business and its markets, and Wolf-Henning Scheider's functions within the company, the Committee decided that these factors 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, Wolf-Henning Scheider would inform the Chair of the Supervisory Board and step aside during the communications, discussions and decisions concerned, in line with the Board's internal rules.

Delphine Roussy and **Jean-Christophe Laourde**, Supervisory Board members representing employees, are employees of MFPM. The Committee 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**, Chair of CGEM's Supervisory Board since 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 the regular discussions with the Managers and the Non-Managing General Partner (SAGES).

The Committee confirmed its previous analyses and considered that since Barbara Dalibard had served on the Board for an uninterrupted period of 12 years, she could no longer be considered as independent for this reason alone.

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.

(1) The choice of IT consultants is systematically based on a competitive bidding process, organized at regular intervals and managed collegially by several Michelin Group entities.

Criteria[1]	Barbara Dalibard	Aruna Jayanthi	Patrick de la Chevardière	Jean-Christophe Laourde	Thierry Le Hénaff	Monique Leroux	Delphine Roussy	Wolf-Henning Scheider	Jean-Michel Severino	Catherine Soubie	Pascal Vinet
Criterion 1: Employee or corporate officer over the past five years	✓	✓	✓	✖	✓	✓	✖	✓	✓	✓	✓
Criterion 2: Cross directorships	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Criterion 3: Material business relationship	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Criterion 4: Family ties	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Criterion 5: Statutory Auditor	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Criterion 6: More than 12 years served on the Board	✖	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Criterion 7: Non-executive Supervisory Board member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Criterion 8: Representative of a major shareholder	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

(1) *In this table, ✓ denotes an independence criterion that is met and ✖ denotes an independence criterion that is not met.*

2.2.7 ASSESSMENT OF THE SUPERVISORY BOARD'S PRACTICES

An external assessment of the Supervisory Board's practices was performed in 2025 by a specialist consultant possessing the required high-level skills and the necessary independence from the Company and its corporate officers, with the participation of the Senior Independent Member.

The assessment was based on a series of one-on-one interviews with Supervisory Board members and the Managers, conducted by one of the firm's consultants. The following matters were covered:

- Supervisory Board practices;
- Supervisory Board membership;
- assessment of the actual individual contributions of members, including the Chairs of the Board and its Committees;
- experience and expertise represented on the Board;
- the Board's interactions with the Managers, shareholders and other stakeholders;
- practices of the Committees of the Supervisory Board.

The Board's practices improved compared with previous assessments and were judged to be entirely satisfactory, in line with the best practices observed among the panel of CAC40 companies assessed by the specialist consultant.

Its members' diverse and complementary profiles, and their engagement and independence were viewed as contributing to a very positive, dynamic attitude underpinned by extremely high standards.

The members expressed their appreciation of the quality of their discussions and their ability to challenge management, as well as the many opportunities to meet the Senior Management team., They also acknowledged that these strengths played a key role in facilitating the succession planning process.

The information provided to Board members was judged to be of a high quality, as were the induction programs for new members. However, the members felt that, while the information provided in response to their requests was complete, it tended to be too detailed. They suggested that more streamlined presentations should be prepared in future, to leave even more time to discuss the issues.

The members expressed their appreciation of the time devoted to discussing the Group's strategy during the two annual sessions, and were in complete agreement on the key issues facing Michelin.

Areas identified for improvement included feedback on M&A projects, both successful and unsuccessful, and the structure of the Board's briefing files. This latter suggestion will be dealt with by the Audit Committee. It was also suggested that changes in the external environment and competition, and their potential impact on Michelin, should be discussed in more depth by the Board.

An additional Executive session could also be added to the Board's meeting schedule.

The succession process for the current Managers was launched very early on with the General Partners. The Supervisory Board will review executive managers' development plans at regular intervals over the coming months and years.

An item was added to the agenda of the February 10, 2026 Supervisory Board meeting, to include a presentation of the assessment's findings to the Board and the Managers, by the Chair of the Supervisory Board, the Senior Independent Member and the specialist consultant tasked with conducting the assessment. The presentation was followed by an exchange of views among Supervisory Board members.

2.2.8 IMPLEMENTATION OF THE "APPLY OR EXPLAIN" RULE

In accordance with Article L. 22-10-10-4° of the French Commercial Code and paragraph 28.1 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)	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. 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), as well as the Supervisory Board's internal rules(1). 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 (enterprise value) 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. This approach complies with the spirit and aims of the recommendation.
Termination of employment contract in the event of becoming a corporate officer (Recommendation 22)	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. 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. 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, 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 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.

(1) Available on 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 (...)".

2.2.9 AUDIT COMMITTEE[1]



2.2.9.1 Members

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.

The Audit Committee comprises the following members, all of whom are independent:

- Patrick de la Chevardière, Chairman;
- Aruna Jayanthi;
- Monique Leroux;
- Wolf-Henning Scheider;
- Catherine Soubie.

The qualifications and experience of the Audit Committee members at December 31, 2025 have given them extensive expertise in financial and accounting matters:

- Patrick de la Chevardière:
  - International Management: former Asia Director in Total's refining and distribution division,
  - Finance: CFO of Total for 10 years and extensive management experience as a finance professional,
  - Manufacturing: varied experience in Exploration, Production and Refining at Total, member of the Board of Directors of SLB (ex. Schlumberger);
- Aruna Jayanthi:
  - International Management: numerous international business management positions in the Capgemini group, in India, Americas and Canada,
  - IT, AI and Cyber Security: 38 years' experience in IT services companies including Tata Consulting and Aptech, management of the Capgemini software factory in India (50,000 employees);
- Monique Leroux:
  - Finance: former CEO and Chair of the Board of the Desjardins group (Banking and Insurance), former CFO of the Desjardins group, former member of the Board of S&P Global, Fellow of the Order of Chartered Professional Accountants (CPA) of Canada and former audit partner of EY, holder of Chartered Accountant (CA) and Certified Management Accountant (CMA) degrees,
  - Environment, Climate and Biodiversity[2]: member of numerous Canadian expert committees advising on climate projects (advisor on Canadian industrial strategy, G7 Impact Task Force, etc.), author of a report on the future of corporate governance in Canada (ICD/TMX), which includes major ESG recommendations;
- Wolf-Henning Scheider:
  - International Management: former CEO of ZF Friedrichshafen and Mahle, former senior executive at Bosch,
  - Manufacturing: former CEO of ZF group and Mahle, former senior executive at Bosch,
  - Environment, Climate and Biodiversity[2]: Executive Director for Sustainability at Partners Group AG; knowledge and/or expertise covering all sustainability matters identified by the Company;
- Catherine Soubie:
  - International Management: former Deputy CEO of Rallye, former Managing Director and Head of Investment Banking at Barclays France & Benelux,
  - Over 22 years' experience in the finance sector, including Financial Affairs Manager at Lazard, Managing Director at Morgan Stanley and Managing Director, Head of Investment Banking for France, Belgium, the Netherlands & Luxembourg at Barclays, President of the Clariane Audit Committee.

(1) At December 31, 2025
(2) See also the table showing the members' expertise in sustainability matters, in section 2.1.3.3 of this report.

2.2.9.2 Role and responsibilities

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, as well as sustainability information, in accordance with Articles L. 821-67 *et seq.* of the French Commercial Code.

The role and responsibilities of the Audit Committee and its interactions with the other Committees are described in its internal rules, available on the Group's website www.michelin.com.

For the first sustainability reporting exercise in application of the Corporate Sustainability Reporting Directive (CSRD), including preparation of the first Sustainability Statement, the main tasks of the Audit Committee, as defined in its internal rules referred to above, were as follows:

- Internal control and risk management
  - check that internal control and risk management systems and internal audit systems exist, covering the procedures for the preparation and processing of sustainability information, and that their effectiveness is tracked,
  - assess the effectiveness and quality of the Group's internal control procedures in helping to ensure that (i) the reported sustainability information provides a true and fair view of the operations of CGEM and the Group, and (ii) it complies with accounting standards and the sustainability reporting standards that determine the information to be disclosed,
  - assess the organization of the departments responsible for internal audit and risk management,
  - track the implementation and effectiveness of risk management procedures, including bribery and corruption, influence peddling and fraud prevention and detection systems,
  - perform an overall assessment of the application of compliance rules,
  - make recommendations to guarantee the integrity of these procedures,
  - review material off-balance sheet risks and commitments,
  - ensure that corrective action is taken to resolve material weaknesses or anomalies reported to the Committee, and inform the Supervisory Board if necessary,
  - ensure that financial and sustainability communications by CGEM and the Group are relevant and of a high quality,
  - in coordination with the CSR Committee, (i) ensure that CGEM's management performs a double materiality assessment of internal or external sustainability matters (Impacts, Risks and Opportunities - IRO) affecting the Group, and (ii) analyze sustainability risks for the preparation of the risk map and double materiality matrix, as well as for other purposes as needed,
  - inform the CSR Committee of the conclusions of the Statutory Auditors tasked with certifying the sustainability information.

The Audit Committee is informed of the main observations of the Statutory Auditors and internal auditors concerning the effectiveness of the internal control and risk management systems. It receives the reports of the heads of internal audit and risk management. It is given details of the internal audit program and receives the internal audit reports or an executive summary of these reports.

- Concerning the examination of sustainability information, the Audit Committee's task is to:
  - track the process for the preparation of sustainability information and, if appropriate, make recommendations to guarantee its integrity,
  - oversee the consistency of financial and sustainability information.

At the meeting of the Committee at which the sustainability information is examined, the Statutory Auditors present the key matters identified during their audit of the information.

- Concerning the work of the external auditors, the Audit Committee's task is to:
  - ensure that the Statutory Auditors fulfill their engagement for the certification of the sustainability information,
  - lead the procedures for the selection of the Statutory Auditors (or the independent third party organizations, depending on the case) and review matters relating to the appointment, re-appointment or removal of the auditors.

In 2025, the Chairman of the Audit Committee obtained assurance that the Committee's work in 2024 and 2025 enabled it to fulfill its remit as specified in French law and the AFEP/MEDEF Code.

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 annual and interim financial statements a day before they are presented to the Supervisory Board.

2.2.9.3 **Activities in 2025**

The Committee met five times in 2025, on February 10, April 22, July 22 and December 10 (two meetings, including a joint meeting with the CSR Committee).

The attendance rate at scheduled meetings was 100%.

The main purpose of the meetings held in 2025 was to review:

- The audited parent company financial statements, the parent company projections prepared in accordance with French law, and the audited consolidated financial statements for 2024, presented by the General Manager and Chief Financial Officer, the Deputy Chief Financial Officer and the Senior Vice President, Accounting. 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, 2025 and the information on the parent company projections prepared in accordance with French law, presented by the General Manager and Chief Financial 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 2025 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, 2025. Their review report did not contain any qualifications or emphasis of matter;
- Preparation of the 2025 accounts closing, based on a presentation by the General Manager and Chief Financial Officer, the Deputy Chief Financial Officer and the Senior Vice President, Accounting;
- Risk management and internal control systems (covering self-assessments, controls, status of action plans, a comprehensive analysis of risks and their impacts, and the 2026 action plans), presented by the Executive Vice President, Risk Management, Internal Audit and Quality and the Head of Internal Control;
- The internal audit plan and the results of audits carried out in 2025 presented at quarterly meetings of the Committee by the Group's Internal Audit and Risk Management Director;
- The proposed Audit Committee work program for 2026;
- In early 2026, the review of the audited parent company financial statements for 2025, the parent company projections prepared in accordance with French law, and the audited consolidated financial statements for 2025, presented by the General Manager and Chief Financial Officer;
- The Committee's work also covered the following areas:
  - the review of the Group's 2024 Sustainability Statement – the first such statement prepared within the framework of the CSRD – and the work of the sustainability auditors, presented by the Finance Department's Head of Sustainable Finance and the sustainability auditors,
  - a presentation of the updated 2025 Sustainability Statement by the Finance Department's Head of Sustainable Finance, and a presentation of changes in the CSR risk map and the Adaptation roadmap related to physical climate risks by the Group's Internal Audit and Risk Management Director (joint meeting with the CSR Committee),
  - control of financial risks and cash management transactions: presentation by the General Manager and Chief Financial Officer and the Corporate Financing Director of the organization, role and responsibilities of the Corporate Financing Department, risk management procedures and topical issues,
  - results of fraud risks investigated in 2024 and the first half of 2025, review of material instances of fraud, presented by the Group Chief Compliance Officer,
  - analysis of incidents reported on the Group Ethics Hotline in 2024, presentation of improvements to the whistleblowing, internal investigation and anti-corruption systems, adaptation of the Group's ethics framework to take account of the use of artificial intelligence, report on the activities of the Group Ethics Committee and the 2025 action plans, presented by the Group Chief Compliance Officer,
  - review of the raw materials procurement strategy and action to control and reduce procurement risks, presented by the Chief Procurement Officer and the Group Raw Materials Purchasing Director,
  - review of the M&A monitoring process (acquisitions, disposals, etc.) by the General Manager and Chief Financial Officer and the Group M&A Director,
  - review and approval of the proposed selection process for the appointment of a new Statutory Auditor when the current Auditors' term of office expires (2028 Annual Shareholders Meeting), presented by the General Manager and Chief Financial Officer.

The Chairman of the Audit Committee reported to the Supervisory Board on the Committee's work on February 11, April 23, July 23 and December 11, 2025.

2.2.10 COMPENSATION AND APPOINTMENTS COMMITTEE[1]



* *Excluding the employee representatives.*
** *Total scheduled and unscheduled meetings.*
*** *Scheduled meetings.*

2.2.10.1 Members

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

The current members of the Compensation and Appointments Committee are:

- Jean-Michel Severino, independent member and Committee Chairman;
- Thierry Le Hénaff, independent member and Senior Independent Member of the Supervisory Board;
- Delphine Roussy, non-independent (non-executive) member representing employees;
- Pascal Vinet, independent member.

Considering their educational and professional backgrounds, all members of the Committee have relevant expertise in the areas covered by the Committee's terms of reference:

- Jean-Michel Severino:
  - Social, Environment, Human Resources and Governance[2]: Director of Phitrust Impact Investors, former Senior Independent Director of Danone and former Chairman of its Governance and Compensation Committee, former member of the Governance Committee of Orange,
  - Environment, Climate and Biodiversity[2]: at the French Development Agency (AFD), management of investments in the renewable energy, water and green and inclusive growth sectors; participation in numerous expert groups on these subjects at the World Bank; member of the Investment Committee of Energy Access Ventures (an African green energy fund); Chairman of Veolia's Critical Friends Committee (set up to consider the Veolia group's exposure to environmental and social risks);
- Thierry Le Hénaff:
  - International Management: Chairman and CEO of Arkema since 2006,
  - Social Environment, Human Resources and Governance[2]: Chairman and CEO of Arkema (international group with over 21,000 employees in more than 55 countries);
- Delphine Roussy:
  - Social Environment, Human Resources and Governance[2]: various employee representation mandates,
  - Manufacturing: Professional experience at Philips and Michelin;
- Pascal Vinet:
  - International Management: Executive Vice-President of the Air Liquide Group, overseeing Group Safety & Industrial Systems,
  - Manufacturing: former CEO of Airgas (Air Liquide's Industrial Merchant and Healthcare business lines in the United States) and former Executive Vice President overseeing Air Liquide's Europe Industries hub, the Africa/Middle East/India hub and Industrial Merchant World business line.

2.2.10.2 Role and responsibilities

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

- executive management appointments and compensation policy;
- talent management, diversity and inclusion policy;
- the policy concerning the appointment of Managers, including career and succession plans, developed jointly with the Non Managing General Partner (SAGES)[2];
- the compensation awarded to the corporate officers (Managers, the Chair of the Supervisory Board and the other Supervisory Board members), discussed with the Non-Managing General Partner (SAGES)[2];
- the membership of the Supervisory Board and its Committees, and the succession plans for their members and Chairs.

(1) At December 31, 2025
(2) As explained in section 2.1.4 above.

2.2.10.3 **Activities in 2025**

The Committee met four times in 2025, on January 7, February 5, April 16 and October 22, with an attendance rate of 100%.

The Committee's work mainly covered the following issues:

- Manager succession plan (see section 2.1.4 of this report): ongoing process conducted jointly with the Chairman of the Non-Managing General Partner (several meetings);
- review of executive officers' variable compensation. At the beginning of 2025, the Committee analyzed and submitted its conclusions to the Supervisory Board 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 of the Supervisory Board for 2024, prior to these conclusions being submitted to the General Partners (SAGES, Non-Managing Partner, and Florent Menegaux, Managing Chairman); these components were put to the vote and approved at the Annual Shareholders Meeting of May 16, 2025 (8th to 10th resolutions).

  The Committee analyzed and recommended to the Supervisory Board the 2025 compensation policy for the Managers submitted to the Annual Shareholders Meeting of May 16, 2025, which approved the corresponding resolution (6th resolution).

  In early 2026, the Committee analyzed the various components of the Managers' variable compensation and noted the achievement rates for the applicable performance objectives (annual, performance shares, etc.). It then presented its conclusions and recommendations to the Supervisory Board;
- compensation of the Supervisory Board members. Based on the Committee's recommendation, the Supervisory Board examined the compensation awarded to its Chair in 2024 and decided on the compensation components to be put to the vote at the Annual Shareholders Meeting of May 16, 2025, which approved the corresponding resolutions (8th and 11th resolutions).

  The Committee analyzed and recommended to the Supervisory Board the 2025 compensation policy for the Chair and members of the Supervisory Board (including specific compensation for the duties of the Chair of the Board), submitted to the Annual Shareholders Meeting of May 16, 2025, which approved the corresponding resolution (7th resolution);
- 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 the Company that could be qualified as material(1);
- executive management succession plan. The Compensation and Appointments Committee of the Supervisory Board periodically reviews the succession plans and career plans of the Group's executive management team, the Managers and current or potential future members of the Group's 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 has examined (i) the performance appraisals of key executives prepared by management with the assistance of independent consultants, with whom the Committee Chairman has high quality discussions, and (ii) the components, objectives and targets of the compensation awarded to the members of the Group Executive Committee, presented by management;
- talent management, diversity and inclusion. In 2025, the Compensation and Appointments Committee reviewed the changes in the membership of the Group Executive Committee, the talent management policy (covering the top 100 and top 600 managers and including a review of the pool of potential high-flyers in line to take over from managers who are due to retire in the period to 2030), and the action plans to promote diversity and inclusion within the management bodies and throughout the organization;
- Supervisory Board succession plans and the recommendations concerning the proposed election/re-election of Supervisory Board members at the Annual Shareholders Meetings of May 16, 2025 and May 22, 2026. At the Supervisory Board's request, the Committee reviewed the proposed re-elections of Supervisory Board members;

  A description of the Committee's work and recommendations to the Supervisory Board is provided in:
  - section 7.2 of the 2024 Universal Registration Document (Supervisory Board's report on the proposed resolutions) for the re-elections proposed at the Annual Shareholders Meeting of May 16, 2025,
  - section 7.2 of the 2025 Universal Registration Document (Supervisory Board's report on the proposed resolutions) for the elections/re-elections proposed at the Annual Shareholders Meeting of May 22, 2026, and
  - section 2.2.4 of this report for the follow-up of the succession plan for Supervisory Board members;
- the employee stock ownership policy. The Committee was given a presentation of the situation regarding employee stock ownership within the Group and the main characteristics of the employee stock ownership plan launched in 2025;

(1) See the detailed description in section 2.2.6 of this report.

- the 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 Chairman of the Committee reported to the Supervisory Board on the Committee's work on February 11, April 23 and December 11, 2025.

2.2.11 CORPORATE SOCIAL RESPONSIBILITY COMMITTEE[1]



* *Excluding the employee representatives.*

2.2.11.1 Members

The Corporate Social Responsibility Committee must comprise at least three members (including the Chair 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:

- Monique Leroux, independent member and Chair of the Committee;
- Jean-Christophe Laourde, non-independent (non-executive) member representing employees;
- Jean-Michel Severino, independent member;
- Wolf-Henning Scheider, independent member.

Considering their educational and professional backgrounds, all members of the Committee have relevant expertise in the areas covered by the Committee's terms of reference:

- Monique Leroux:
  - Social Environment, Human Resources and Governance[2]: Fellow of the Institute of Corporate Directors of Canada (ICD), former Chair of the Board of Investissement Québec and Desjardins Group, which promotes investment in innovative sustainable development and climate projects, Chair of the Governance and ESG Committee of BCE/Bell,
  - Environment, Climate and Biodiversity[2]: member of numerous Canadian expert committees advising on climate projects (advisor on Canadian industrial strategy, G7 Impact Task Force, etc.), author of a report on the future of corporate governance in Canada (ICD/TMX), which includes major CSR recommendations;
- Jean-Christophe Laourde:
  - Social Environment, Human Resources and Governance[2]: Employee representative mandates at Michelin, member of the Chimie AURA trade union council,
  - Environment, Climate and Biodiversity[2]: *active participant in the Shift Project, Time for the Planet. Member of the Environment section of his trade union;*
- Jean-Michel Severino:
  - Social Environment, Human Resources and Governance[2]: Director of Phitrust Impact Investors, former Senior Independent Director of Danone and former Chairman of its Governance and Compensation Committee, former member of the Governance Committee of Orange,
  - Environment, Climate and Biodiversity[2]: at the French Development Agency (AFD), management of investments in the renewable energy, water and green and inclusive growth sectors; participation in numerous expert groups on these subjects at the World Bank; member of the Investment Committee of Energy Access Ventures (an African green energy fund); Chairman of Veolia's Critical Friends Committee (set up to consider the Veolia group's exposure to environmental and social risks);
- Wolf-Henning Scheider:
  - Social Environment, Human Resources and Governance[2]: Executive Director for Sustainability at Partners Group AG,
  - International Management: member of Partners Group AG's Executive Committee responsible for private placements, former CEO of ZF group and Mahle, former senior executive at Bosch. Manufacturing: former CEO of ZF and Mahle, former senior executive at Bosch,
  - Automotive and Mobility sector: former CEO of international automotive sector companies and former member of the Board of VDA (German automotive industry association).

(1) At December 31, 2025
(2) See also the table showing the members' expertise in sustainability matters (third table in section 2.1.3.3 of this document).

2.2.11.2 **Role and responsibilities**

The role and responsibilities of the Audit Committee and its interactions with the other Committees are 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 works closely with the other Committees of the Board on matters that are of interest to them. This includes working with the Audit Committee on matters relating to the management of CSR risks and sustainability reporting.

For the first sustainability reporting exercise in application of the Corporate Sustainability Reporting Directive (CSRD), including preparation of the first Sustainability Statement, the main tasks of the CSR Committee, as defined in its internal rules referred to above, were as follows:

- review the Group's strategy, ambitions, policies and commitments in the overall area of sustainability and particularly in the following specific areas:
  - environment and climate/decarbonization,
  - human rights,
  - health, safety and security,
  - people management and social cohesion,
  - ethics and compliance,

and make recommendations on these matters;

- ensure that the Group's strategy is aligned with its sustainability objectives and that its initiatives are aligned with the those objectives;
- ensure that CGEM and the Group demonstrate a level of engagement concerning sustainability matters that is aligned with the expectations of the various stakeholders.

To this end, the Committee:

- ensures that the internal sustainability management system is robust and compatible with the external expectations and requirements that it has identified;
- in coordination with the Audit Committee, ensures that CGEM's management performs a double materiality assessment of internal or external sustainability matters (Impacts, Risks and Opportunities - IRO) affecting the Group, and analyzes sustainability risks, for the preparation of the risk map and double materiality matrix, as well as for other purposes as needed;
- is informed by the Audit Committee of (i) its work on sustainability matters, particularly the preparation of sustainability information and the related reports, (ii) sustainability-related internal control and risk management systems, and (iii) the Audit Committee's oversight of the Statutory Auditors responsible for certifying sustainability information;
- examines the Group's sustainability policies, guidelines and charters and ensures that they are effective;
- expresses an opinion on the completeness of the matters covered by the sustainability information included in the annual management report, and makes recommendations for future reports;
- examines the sustainability indicators presented by CGEM's management;
- performs annual reviews of the topics discussed by the Corporate Stakeholders Committee, presented by CGEM's management;
- performs annual reviews of the Group's non-financial ratings;
- tracks emerging sustainability standards and best practices.

2.2.11.3 **Activities in 2025**

The Committee met four times in 2025, on February 10, July 22 and December 10 (two meetings, including a joint meeting with the Audit Committee). The attendance rate at scheduled meetings was 100%.

Presentations were generally led by the Head of the Corporate Sustainable Development and Impact Department, with the participation of other department directors or managers, where appropriate.

The Committee's work mainly covered the following issues:

- Cross-committee matters:
  - analysis of the Group's non-financial performance,
  - review of the Group's 2024 Sustainability Statement, the first such report prepared within the framework of the CSRD (review conducted jointly with the Audit Committee),
  - comparative review of the first sustainability statements published by the Group's competitors and customers,
  - presentation of the updated 2025 Sustainability Statement by the Finance Department's Head of Sustainable Finance, and presentation of changes in the CSR risk map and the Adaptation roadmap related to physical climate risks by the Group's Internal Audit and Risk Management Director (joint meeting with the Audit Committee),
  - review of the Group's updated Climate Strategy, including the transition and adaptation plans,
  - ongoing monitoring of regulatory developments, in particular the CSRD, and analysis of major trends by geographic zone,
  - summary of CSR regulations from a competitiveness perspective, presented by the Vice President, Sustainable Development and the Director of Public Affairs,
  - preparation of the Committee's work program for 2026;
- Group environmental responsibility matters:
  - Water strategy review: presentation of the major issues surrounding water resources and the Group's strategy,
  - circularity issues and treatment of end-of-life tires;
- in the area of corporate social responsibility, review of the Group's Corporate Citizenship program, its approach to the ethics of artificial intelligence, the role of social dialogue within the Group and the related processes, and the work carried out during the year by Michelin's Corporate Stakeholder Committee.

The Chair of the Committee reported to the Supervisory Board on the Committee's work on February 11, July 23 and December 11, 2025.

COMPENSATION

2.3 MANAGEMENT AND SUPERVISORY BOARD COMPENSATION POLICIES FOR 2026

2.3.1 GENERAL PRINCIPLES

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 22, 2026 to approve the 2026 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 the Company's marketing strategy as well as its long-term sustainability. 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, for the following reasons:

- 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, for the following reasons:

- for the Managers:
  - the performance indicators applicable to their variable compensation (annual and long-term) focus on sustainability in line with the Group's strategy,
  - under the long-term variable compensation scheme in the form of performance shares, (i) the number of shares received at the end of the vesting period depends on the achievement of performance targets to be met over several years, and (ii) a portion of the vested shares must be kept for as long as they hold the position of 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, allocating his annual variable compensation based on 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 one or various Committees 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].

(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.

For 2026, the same quantitative performance criteria and indicators will apply to the annual and long-term variable compensation of both the Managers and the 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 2.2.6.

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 2026 compensation policy is the subject of two proposed resolutions to be presented at the Ordinary Shareholders Meeting to be called to approve the 2025 financial statements:

- the 6th resolution concerning the policy applicable to the Managers, presented in section 2.3.2 below;
- the 7th resolution concerning the policy applicable to the members of the Supervisory Board, presented in section 2.3.3 below.

2.3.2 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 2025 financial statements (6th resolution).

Due to the expiry of the Managers' terms of office and the transition announced on January 12, 2026, the Managers' 2026 compensation policy will apply:

- to Florent Menegaux throughout 2026;
- to Yves Chapot between January 1 and May 22, 2026, the date of the next Annual Shareholders Meeting (assuming that he will step down from his position on May 31, 2026);
- to Philippe Jacquin between May 22, 2026 and December 31, 2026, subject to shareholder approval of his appointment (assuming that he will take up his position on June 1, 2026).

2.3.2.1 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 component is deducted from the General Partners' Profit Share, as explained in section 2.3.2.3 below;
- the long-term variable component is awarded in the form of performance shares;
- the fixed component 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 Managers and their long-term variable compensation (performance shares) are decided by the General Partners and are the subject of decisions by the Supervisory Board.

The Compensation and Appointments 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 appropriate and consistent in terms of (i) the Group's performance and (ii) industry and market practice.

2.3.2.2 Fixed compensation

Florent Menegaux

The Compensation and Appointments Committee noted that:

- the fixed compensation defined in the approved 2025 compensation policy for Florent Menegaux was determined at the start of his second term in 2022 and remained unchanged throughout this term;
- this level of fixed compensation remains below the median fixed compensation of the top corporate officers of the main French listed groups[1].

The Committee also recognized senior management's performance in rolling out the Group's strategy in a complex and fast-changing geopolitical situation.

The Committee therefore considered that it was justified and appropriate to adjust his fixed compensation from 2026, the first year of his new term of office.

However, given the current economic environment and, in particular, the 2026 policy of wage restraint applied to employees in the reference group[2], Florent Menegaux asked the Committee not to increase his fixed compensation in 2026.

The Committee took note of his request and proposed maintaining his fixed compensation for 2026 at the 2022 level of €1,100,000.00.

Yves Chapot

The fixed compensation defined in the approved 2025 compensation policy for Yves Chapot was determined at the start of his second term of office in 2022 and remained unchanged throughout this term. The Committee proposed maintaining his fixed compensation for 2026 at the 2022 level of €770,000.00.

Yves Chapot has stated that he intends to stand down from his position as General Manager when his term expires at the end of the Ordinary Shareholders Meeting of May 22, 2026. His fixed compensation will be prorated over the period served (i.e., up to May 31, 2026).

Philippe Jacquin

The Compensation and Appointments Committee examined Philippe Jacquin's proposed compensation package in his capacity as General Manager, subject to his election at the Ordinary Shareholders Meeting of May 22, 2026.

In determining his fixed compensation, the Committee considered the following factors in particular:

- his appointment as General Manager;
- the compensation paid to the main members of the Executive Committee.

In conclusion, subject to his appointment as General Manager by the Annual Shareholders Meeting of May 22, 2026, Philippe Jacquin's annual fixed compensation has been set at €500,000.00. For 2026, this amount will be prorated over the period served during the year, i.e. from June 1, 2026, such that the fixed compensation received by him in 2026 will amount to €291,667.00.

2.3.2.3 Annual and long-term variable compensation

Shared principles

To align Managers' interests more closely with 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.

(1) Based on an analysis of the compensation paid to equivalent categories of senior executives in CAC40 companies, using several convergent studies carried out by leading firms of specialized consultants.
(2) The reference group corresponds to all MFPM employees (see section 2.3.1 of this report).

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[1].

Allocation method

The Profit Share is defined in Articles 12 and 30 of the Company's Bylaws, which state 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 or her 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 No. 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.
- 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.

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

Florent Menegaux's annual variable compensation would be deducted in full from his share of the annual profit attributable to the General Partners (the Profit Share) and would comprise:

- A first component[2] in recognition of his financial and legal liability as General Partner, entitling him to an amount:
  - equal to 4% of the Profit Share calculation base (equal to 0.6% of consolidated net income),
  - capped at 150% of the total amount obtained in respect of the performance criteria and objectives that determine the second component (new cap introduced in the 2025 compensation policy);
- A second component calculated as a percentage of his annual fixed compensation and determined by the results of the performance criteria and objectives decided by the Supervisory Board.

(1) 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.

(2) The calculation of the net income criterion is adapted to take account of Florent Menegaux's liability as General Partner.

The 2026 compensation policy's criteria and objectives also apply to the General Manager and to all Group employees who are eligible to participate in the bonus scheme. They are presented in the table below, which also shows threshold, target and ceiling values. The 2025 compensation policy criteria have been rolled over to 2026 with the following changes:

- creation of a new Strategy criterion, measuring growth in Segment Operating Income (SOI) for the Polymer Composite Solutions business, which forms the new reporting segment of the same name, with a weighting of 5%;
- corresponding adjustments to the weighting of the other criteria:
  - weighting of the general criterion relating to the Group's transformation deployment strategy reduced from 10% to 7%,
  - weighting of the CO_2 emissions criterion reduced from 10% to 8%, considering the Group's maturity.

	Criterion	Objective	Measurement method[1]	Min.	Target	Max.
Quantitative criterion and objective related to the position of General Partner/1st component	Net income	Profit	As a % of the Profit Share	N/A	N/A	N/A
			Value of the indicator *(Profit Share calculation base)*	4%	4%	4%[2]
Quantitative criteria and objectives/2nd component *(50% of the target fixed compensation)*	2026 segment operating income (SOI) *(like-for-like vs. 2025)*	Profit	As a % of fixed compensation	0%	25%	37.5%
			Value of the indicator	€2,720m	€3,300m	€3,400m
	Growth in free cash flow before acquisitions	Profit	As a % of fixed compensation	0%	25%	37.5%
			Value of the indicator	€1,600m	€1,800m	€2,100m
Total quantitative/2nd component				0%	50%	75%
Quantifiable qualitative criteria and objectives/2nd component *(30% of the target fixed compensation)*	Strategy: transformation deployment	Profit	Board assessment based on implementation of the Balanced Score Card			
			As a % of fixed compensation	0%	7%	10.5%
			Value of the indicator	N/A	N/A	N/A
	Strategy: growth in Polymer Composite Solutions segment operating income (*like-for-like vs. 2025*)	Profit	As a % of fixed compensation	0%	5%	7.5%
			Value of the indicator	€186m	€195m	€204m
	Total Recordable Injury Rate (TRIR)	People	As a % of fixed compensation	0%	5%	7.5%
			Value of the indicator	4.5	4.3	4.2
	Percentage of Group management positions held by women	People	As a % of fixed compensation	0%	5%	7.5%
			Value of the indicator	27.0%	27.5%	28.0%
	CO_2 emissions *(Scopes 1 and 2)*	Planet	As a % of fixed compensation	0%	8%	12%
			Value of the indicator	1.640 mt	1.600 mt	1.550 mt
Total quantifiable qualitative/2nd component				0%	30%	45%
Total quantifiable qualitative/2nd component (i.e., excluding net income criterion)				**0%**	**80%**	**120%**
TOTAL VARIABLE AS % OF FIXED COMPENSATION/1ST AND 2ND COMPONENTS				**0%**	**N/A**	**150%**
MAXIMUM TOTAL VARIABLE (IN €)						**1,650, 000[3]**

(1) For each criterion of the second component, a threshold rate, target rate and capped outperformance rate are defined; for performance between the threshold rate and the target rate, or between the target rate and the outperformance rate, the variable compensation is calculated on a straight-line basis.

(2) The amount awarded in respect of the first component will be capped at 150% of the total amount obtained in respect of the performance criteria and objectives for the second component.

(3) The entire variable annual compensation would be deducted from the Profit Share.

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. The compensation paid will be prorated over the period served in 2026 (i.e. up to May 31, 2026).

Annual variable compensation structure

The 2026 compensation policy's criteria and objectives are presented in the table below, which also shows threshold, target and ceiling values. As for the Managing Chairman, the 2025 compensation policy criteria have been rolled over to 2026, with the following changes:

- creation of a new Strategy criterion, measuring growth in Segment Operating Income (SOI) for the Polymer Composite Solutions business, which forms the new reporting segment of the same name, with a weighting of 5%;
- corresponding adjustments to the weighting of the other criteria:
  - weighting of the general criterion relating to the Group's transformation deployment strategy reduced from 10% to 7%,
  - weighting of the CO_2 emissions criterion reduced from 10% to 8%, considering the Group's maturity.

	Criterion	Objective	Measurement method[1]	Min.	Target	Max.
Quantitative criteria and objectives *(70% of the target fixed compensation)*	Net income	Profit	As a % of fixed compensation	0%	20%	30%
			Value of the indicator	€1,500m	€1,700m	€1,900m
	2026 segment operating income (SOI) *(like-for-like vs. 2025)*	Profit	As a % of fixed compensation	0%	25%	37.5%
			Value of the indicator	€2,720m	€3,300m	€3,400m
	Growth in free cash flow before acquisitions	Profit	As a % of fixed compensation	0%	25%	37.5%
			Value of the indicator	€1,600m	€1,800m	€2,100m
TOTAL QUANTITATIVE				**0%**	**70%**	**105%**
Quantifiable qualitative criteria and objectives *(30% of the target fixed compensation)*	Strategy: transformation deployment	Profit	Board assessment based on implementation of the Balanced Score Card			
			As a % of fixed compensation	0%	7%	10.5%
			Value of the indicator	N/A	N/A	N/A
	Strategy: growth in Polymer Composite Solutions segment operating income (*like-for-like vs. 2025*)	Profit	As a % of fixed compensation	0%	5%	7.5%
			Value of the indicator	€186m	€195m	€204m
	Total Recordable Injury Rate (TRIR)	People	As a % of fixed compensation	0%	5%	7.5%
			Value of the indicator	4.5	4.3	4.2
	Percentage of Group management positions held by women	People	As a % of fixed compensation	0%	5%	7.5%
			Value of the indicator	27.0%	27.5%	28.0%
	CO_2 emissions *(Scopes 1 and 2)*	Planet	As a % of fixed compensation	0%	8%	12%
			Value of the indicator	1.640 mt	1.600 mt	1.550 mt
TOTAL QUANTIFIABLE QUALITATIVE				**0%**	**30%**	**45%**
Total quantitative and qualitative excluding net income criteria				**0%**	**80%**	**120%**
TOTAL VARIABLE AS A % OF FIXED COMPENSATION				**0%**	**100%**	**150%**
MAXIMUM TOTAL VARIABLE (IN €)[2]						**1,155,000**

(1) For each criterion, a threshold rate, target rate and capped outperformance rate are defined; for performance between the threshold rate and the target rate, or between the target rate and the outperformance rate, the variable compensation is calculated on a straight-line basis.

(2) On an annual basis.

Philippe Jacquin, 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.

Subject to the election of Philippe Jacquin as General Manager by the Annual Shareholders Meeting of May 22, 2026, the total amount resulting from the achievement of targets will be prorated over the period served during the year, i.e. from June 1, 2026.

Annual variable compensation structure

The 2026 compensation policy's criteria and objectives are presented in the table below, which also shows threshold, target and ceiling values.

The 2025 compensation policy criteria applicable to Yves Chapot, General Manager, have been rolled over to 2026 for the two General Managers, with the following changes:

- creation of a new Strategy criterion, measuring growth in Segment Operating Income (SOI) for the Polymer Composite Solutions business, which forms the new reporting segment of the same name, with a weighting of 5%;
- corresponding adjustments to the weighting of the other criteria:
  - weighting of the general criterion relating to the Group's transformation deployment strategy reduced from 10% to 7%,
  - weighting of the CO_2 emissions criterion reduced from 10% to 8%, considering the Group's maturity.

	Criterion	Objective	Measurement method[1]	Min.	Target	Max.
Quantitative criteria and objectives *(70% of the target fixed compensation)*	Net income	Profit	As a % of fixed compensation	0%	20%	30%
			Value of the indicator	€1,500m	€1,700m	€1,900m
	2026 segment operating income (SOI) *(like-for-like vs. 2025)*	Profit	As a % of fixed compensation	0%	25%	37.5%
			Value of the indicator	€2,720m	€3,300m	€3,400m
	Growth in free cash flow before acquisitions	Profit	As a % of fixed compensation	0%	25%	37.5%
			Value of the indicator	€1,600m	€1,800m	€2,100m
TOTAL QUANTITATIVE				**0%**	**70%**	**105%**
Quantifiable qualitative criteria and objectives *(30% of the target fixed compensation)*	Strategy: transformation deployment	Profit	Board assessment based on implementation of the Balanced Score Card			
			As a % of fixed compensation	0%	7%	10.5%
			Value of the indicator	N/A	N/A	N/A
	Strategy: growth in Polymer Composite Solutions segment operating income (*like-for-like vs. 2025*)	Profit	As a % of fixed compensation	0%	5%	7.5%
			Value of the indicator	€186m	€195m	€204m
	Total Recordable Injury Rate (TRIR)	People	As a % of fixed compensation	0%	5%	7.5%
			Value of the indicator	4.5	4.3	4.2
	Percentage of Group management positions held by women	People	As a % of fixed compensation	0%	5%	7.5%
			Value of the indicator	27.0%	27.5%	28.0%
	CO_2 emissions *(Scopes 1 and 2)*	Planet	As a % of fixed compensation	0%	8%	12%
			Value of the indicator	1.640 mt	1.600 mt	1.550 mt
TOTAL QUANTIFIABLE QUALITATIVE				**0%**	**30%**	**45%**
Total quantitative and qualitative excluding net income criteria				**0%**	**80%**	**120%**
TOTAL VARIABLE AS A % OF FIXED COMPENSATION				**0%**	**100%**	**150%**
MAXIMUM TOTAL VARIABLE (IN €)[2]						**750,000**

(1) For each criterion, a threshold rate, target rate and capped outperformance rate are defined; for performance between the threshold rate and the target rate, or between the target rate and the outperformance rate, the variable compensation is calculated on a straight-line basis.
(2) On an annual basis.

Long-term variable compensation: performance share rights

In order to align the Managers' medium/long-term objectives with the objectives assigned to performance share plans for eligible Group employees, this compensation is paid in the form of Michelin performance share rights.

The conditions, criteria and objectives applicable to the 2026 performance share grants are aligned with the terms of the authorization given in the extraordinary resolution of the Annual Shareholders Meeting of May 22, 2026[1].

Within the framework of this authorization and on the recommendation of the Compensation and Appointments Committee, the Supervisory Board decided to roll over the 2025 compensation policy indicators to 2026, with the following changes:

- adaptation of the stock market criterion, with the Total Shareholder Return (TSR) indicator used in place of Michelin share price performance alone;
- trends in operating performance indicators, with two indicators covering tire and non-tire activities respectively:
  - growth in Polymer Composite Solutions revenue (reporting segment of the same name), and
  - growth in Tires and Services revenue (Consumer, Road Transportation and Specialty reporting segments);
- compensating adjustments of the CSR performance weighting and the operating performance weighting.

The main specific characteristics of the performance share rights that may be awarded to the Managers in 2026 are unchanged from those in the approved 2025 compensation policy:

- 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 shares awarded to the Managers during the period of validity of the proposed extraordinary resolution of the Annual Shareholders Meeting of May 22, 2026 will be capped at 0.1% 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 number of performance shares to be granted in 2026 would be limited to an amount equivalent to 140% of his 2026[2] fixed compensation and, for the General Manager in office on the day of allocation, to an amount equivalent to 120% of his 2026[4] fixed annual compensation; these levels correspond to the median rates for their counterparts in CAC 40 companies[3];
- the Managers will be required to keep 40% of the vested shares for as long as they remain in office and will be banned from hedging the equity risk on the performance shares before the end of this lock-up period;
- concerning the Managing Chairman and General Partner, the vested performance shares would be delivered to him only if the Profit Share was distributed in respect of the year preceding the one in which the shares were issued;
- 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 before the end of the vesting period, he would retain a number of performance share rights initially awarded to him prorated over the time served in office during the vesting period, and the reference three-year period would continue to run, during and beyond the end of his term[4].

(1) See detailed description of the authorization and the applicable criteria and indicators in section 7.1 of the 2025 Universal Registration Document.
(2) Calculated on the basis of the average opening price of the Michelin share over the 20 trading days preceding the grant date, less a discount equal to the value of dividends not received during the vesting period.
(3) Based on the Compensation and Appointments Committee's 2022 analysis of the convergent results of several studies carried out by leading compensation consultants.
(4) In the event of disability or death, the total number of rights would be awarded and the reference period would not apply.

The performance metrics and targets are as follows:

Criteria	Objective	Indicator	Weighting
Relative change in Total Shareholder Return (TSR)	Stock performance	Michelin TSR must outperform the Stoxx Europe 600 Net Return by between 0 points (threshold) and 5 points (target) over the period 2025 to 2028[1]	20%
Corporate social responsibility performance	Planet	The improvement in tire rolling resistance (RR)[2] must be within the range of 8% (threshold) and 9% (ceiling) in 2028 versus the 2020 baseline.	10%
	Planet	The Renewable and Recycled Materials Rate (RRMR)[2] must be within the range of 34% (threshold) and 37% (ceiling) in 2028.	10%
	People	Change in average employee engagement rate to range between 83.0 points (threshold) and 85.0 points (ceiling) on a like-for-like consolidated basis over a three-year period[2]	10%
Operating performance	Profit	Average annual growth in revenue from Polymer Composite Solutions (segment of the same name) activities[3] to range between 3% (threshold) and 5% (ceiling) between 2026/2025, 2027/2026 and 2028/2027	15%
	Profit	Average annual growth in Tire and Services revenue (Consumer, Road Transportation, Specialty reporting segments)[4] to range from 1% (threshold) to 2.5% (target) between 2026/2025, 2027/2026 and 2028/2027.	15%
	Profit	Total consolidated return on capital employed (ROCE)[5] to range between 10% (threshold) and 12% (ceiling) in 2028	20%

(1) (i) annual average of the daily closing prices for the year preceding the three-year period under review, including dividends paid in that year, and (ii) annual average of the daily closing prices for the last year of the three-year period under review, including dividends paid each year during the period (closing prices quoted on Euronext Paris for Michelin shares, and closing prices quoted for the Stoxx Europe 600 Net Return index).
(2) See the presentations of these indicators in the 2025 Universal Registration Document, in sections 4.6.4.1 for renewable materials, 4.2.1.2 and 4.2.2.3 for rolling resistance, and 4.8.1 and 4.8.2 for the employee engagement rate. Based on reported annual figures, including acquisitions as from the fourth year of inclusion in the Group's consolidated financial statements.
(3) In € millions, at constant exchange rates and based on a comparable scope of consolidation.
(4) In € millions, at constant exchange rates and based on a comparable scope of consolidation, excluding the raw materials effect.
(5) Including acquisitions and related goodwill, and associates & joint ventures.

Performance in relation to the TSR criterion is assessed between a threshold and a target as follows:

- TSR below the threshold: no performance shares will vest;
- TSR between the threshold and the target: number of vested shares calculated on a straight-line basis between 0 and 100% of the total grant;
- TSR equal to or greater than the target: 100% of the performance shares will vest.

For all other indicators, the number of vested performance shares is determined between a threshold and a target as follows:

- Performance below the threshold: no performance shares will vest;
- Performance in line with the threshold: 30% of the performance shares will vest;
- Performance between the threshold and the target: number of vested shares calculated on a straight-line basis between 30% and 100% of the total grant;
- TSR equal to or greater than the target: 100% of the performance shares will vest.

2.3.2.4 Fringe benefits and directors' compensation

Each Manager has a fringe benefit in the form of a Company car.

They do not receive any compensation for serving on the Board of the Company or any Group subsidiaries.

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

2.3.2.5 Stock options

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

2.3.2.6 Pension plans

There is no specific supplementary pension plan set up for the Managers or the Chair 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 Michelin Executive Supplementary Pension Plan described in sections 2.4.3.5 and 2.4.4.5 of this 2025 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 Florent Menegaux and Yves Chapot entitle them to capped pension benefits corresponding to a 15% replacement rate.

If a Manager did not participate or 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.

As Philippe Jacquin is not covered by the Michelin Executive Supplementary Pension Plan, alternative arrangements will be made for him. These alternative arrangements will consist of maintaining his participation in the optional defined contribution pension plan (governed by Article 82 of the French General Tax Code) already in place within the Group for members of the Michelin Group Executive Committee, including Philippe Jacquin.

Under this plan, the Company pays a contribution to an insurance company equal to 20% of the portion of the gross annual compensation (fixed and variable) received by the plan participant in the contribution year and that falls between 12 and 24 times the social security ceiling. The Company's contributions to the plan do not qualify for any special treatment under French payroll tax or income tax rules and Philippe Jacquin therefore receives a flat allowance equal to the contribution paid on his behalf to the insurer. This flat allowance is paid at the same time as the contribution to the insurer. The amounts of the contribution and the flat allowance are performance-related, insofar as the calculation base includes Philippe Jacquin's variable compensation, which is linked to the Group's results.

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

2.3.2.7 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.

2.3.2.8 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 2.6.1.12 of the 2025 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 and Philippe Jacquin, General Managers, would be entitled to a non-compete indemnity of up to 24 months' compensation, based on the most recent compensation provided for in their suspended employment contract covering the position held prior to their appointment as Managers.

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 any event, no compensation would be paid beyond the age of 65.

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.

2.3.2.9 Exceptional compensation

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

2.3.2.10 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.

In addition, the mandates of Yves Chapot and Philippe Jacquin as General Managers justify suspending their pre-existing employment contract with a Michelin group company for the following reasons[1]:

- a General Manager 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;
- if a General Manager 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.

2.3.2.11 Proposed resolution on the compensation policy for the Managers

At the Ordinary Shareholders Meeting called to approve the 2025 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 2.3.1 and 2.3.2 of the Company's 2025 Universal Registration Document.

2.3.3 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 2025 financial statements (7th resolution).

An annual fixed amount of compensation may be awarded to the Supervisory Board and allocated among its members and the Chair on a basis decided by the Board in accordance with the compensation policy.

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

(1) This exception to the full application of the AFEP/MEDEF Code's recommendations is mentioned in the table in section 2.2.8 prepared in accordance with the "comply or explain" rule.

2.3.3.1 Chair of the Supervisory Board

Under French law, the Supervisory Board is responsible for exercising permanent control over the management of the business; however, the Company's Bylaws have significantly expanded the Board's role and responsibilities to include:

- assessing the quality of management;
- playing an important role in succession planning and the appointment of the Managers;
- assessing certain major transactions such as business acquisitions.

The role of the Chair of the Supervisory Board, elected by the Board members, is to:

- manage, coordinate and lead the work of the Board, especially the activities listed in the Bylaws;
- actively participate in the Company's governance, playing a major role and devoting most of her or his time to this, in particular:
  - through continuous contact and regular meetings with the Managers, as well as with the Non-Managing General Partner (SAGES) and its representatives, to ensure seamless governance,
  - by regularly proposing and implementing better interactions, drawing on her or his experience and with the proposals resulting from periodic assessments of Supervisory Board practices,
  - by talking directly to investors about the characteristics of Michelin's governance during governance roadshows.

On the recommendation of the Compensation and Appointments Committee, the Supervisory Board decided (with the Chair abstaining) to roll over the 2025 compensation policy[1] for the Chair of the Supervisory Board and to set the fixed annual compensation of Barbara Dalibard as Chair of the Supervisory Board at €400,000, breaking down as compensation for her duties as Chair (€350,000[2]) and her compensation as a member of the Board (see section 2.3.3.2 below).

2.3.3.2 Supervisory Board members

Board members spend a growing amount of time performing their legal and statutory duties. This increased commitment is reflected in their active involvement in the work of the Board committees, as well as in their participation in a challenging continuous training program.

In order to guarantee the sustainability of the current demanding, engaged and high-quality corporate governance system, the Compensation and Appointments Committee conducted a detailed analysis of the current context and the conditions under which Supervisory Board members perform their duties. This analysis highlighted a number of structural elements justifying a change in their compensation.

The Board committees (Audit, CSR, Compensation and Appointments) play, now more than ever before, a decisive role in ensuring that the governance system functions efficiently and that strategic decisions are properly prepared. In the current increasingly complex economic, regulatory and technological environment, they have to dig much deeper into the issues falling within their remit and this requires a significant investment of time and effort.

In addition, the scope of the committees' work has expanded to include technical and emerging issues such as cyber risk management, climate change analysis, overall compliance and non-financial performance monitoring.

To further strengthen the Board's involvement in overseeing the execution of the Group's strategy, from 2026 the Audit Committee will examine key M&A projects in advance of the review by the full Board.

These changes in the Committees' activities call for a high level of expertise and additional commitment, which needs to be appropriately reflected in the compensation policy.

It has become clear that the quality of the Supervisory Board's work depends on its members acquiring and maintaining knowledge and expertise in technical and emerging issues, and keeping abreast of developments affecting the industry and the geopolitical environment. This duty of training, which has become structural, requires a sustained personal investment on the part of the Board's members.

As in previous years, the findings of the latest external assessment of the Board's practices, corroborated by the independent members' observations reported by the Senior Independent Member, attest to the Board members' availability – reflected in their high attendance rates – and rigorous preparation. Their involvement in analyzing complex strategic issues and addressing wide ranging topics illustrate the quality and consistency of their commitment to the Company and its shareholders. This justifies a level of compensation that is commensurate with the high standards required.

(1) The 2025 compensation policy is presented on page 116 of the 2024 Universal Registration Document; it was approved by the Annual Shareholders Meeting of May 16, 2025 (7th resolution, adopted by a 99.85% majority of the votes cast).
(2) This compensation amount has been set for the entire duration of Barbara Dalibard's duties as Chair of the Supervisory Board.

Furthermore, the independence expected of Board members – implying a strict limit on the number of directorships they may hold and the absence of conflicts of interest – requires them to be adequately remunerated.

At a time when other CAC 40 companies and major international groups are also strengthening their corporate governance systems, it is essential for the Company to maintain its appeal in order to attract and retain Board members with recognized skills and high-level international experience.

The Board considers that the changes presented will help to preserve the independence of its members, ensure that its governance is aligned with best market practices, and sustainably guarantee the effectiveness over the long term of its work in the service of the Company and all its shareholders. Against a backdrop of heightened competition for qualified corporate officers, it is essential to continue offering compensation in line with national and international standards.

On the recommendation of the Compensation and Appointments Committee, the Supervisory Board is proposing, for the 2026 compensation policy:

- to maintain the total maximum compensation package for the Supervisory Board at its current level of €1,150,000[1], without increasing it;
- to adopt new rules setting the compensation of individual Board members that reflect the existing practices of most of France's leading listed companies (CAC 40 and SBF 120 companies), with the proposed new rules differentiating between:
  - meetings of the Supervisory Board and meetings of its Committees,
  - face-to-face and remote meetings,
  - attendance at meetings by members residing in France, Europe and outside Europe.

They are presented in the following table:

Fixed individual compensation			€40,000
Additional compensation per Supervisory Board meeting[1]	Resident in France	Face-to-face meeting	€4,500
		Remote meeting	€1,400
	Resident in Europe other than France	Face-to-face meeting	€5,200
		Remote meeting	€1,400
	Resident outside Europe	Face-to-face meeting	€5,700
		Remote meeting	€1,400
Additional compensation per Committee meeting[2]	Resident in France	Face-to-face meeting	€3,100
		Remote meeting	€1,400
	Resident in Europe other than France	Face-to-face meeting	€3,100
		Remote meeting	€1,400
	Resident outside Europe	Face-to-face meeting	€3,100
		Remote meeting	€1,400
Additional compensation for the Committee Chair[2]			€21,000
Additional compensation for the Senior Independent Member[3]			€18,000

(1) In addition to the other compensation, per meeting scheduled at the beginning of the year up to a maximum of eight meetings per year (six face-to-face, two remote).
(2) In addition to the other compensation, per meeting scheduled at the beginning of the year up to a maximum of eight meetings per year for the Audit Committee (four face-to-face, four remote), three meetings per year for the Compensation and Appointments Committee (face-to-face) and three meetings per year for the Corporate Social Responsibility Committee (face-to-face).
(3) In addition to the other compensation.

(1) This amount is less than the average compensation packages awarded to the Boards of CAC40 companies.

In the same way as for the 2025 Compensation Policy:

- members' attendance at meetings will be placed on record and the corresponding proposed allocation of annual compensation for a given year will be determined by the Compensation and Appointments Committee and submitted to the Supervisory Board for approval during the first quarter of the following year;
- the compensation will be paid 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.

The effect of the new allocation rules on the compensation paid to each member compared to their compensation under the previous rules will depend on the individual situation of each member.

2.3.3.3 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[1].

2.3.3.4 Proposed resolution on the compensation policy for members of the Supervisory Board

At the Ordinary Shareholders Meeting called to approve the 2025 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 2.3.1 and 2.3.3 of the Company's 2025 Universal Registration Document.

(1) Excluding the Supervisory Board members representing employees.

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

2.4.1 COMPENSATION OF THE MEMBERS OF THE SUPERVISORY BOARD

No variable compensation was paid to Supervisory Board members in 2025.

The 2025 compensation policy for Supervisory Board members was presented to the Ordinary Shareholders Meeting of May 16, 2025 and was approved by a 97.85% majority of the votes cast.

Information about the members' attendance rates at meetings of the Supervisory Board and its Committees in 2025 is provided in section 2.2.2 of this 2025 Universal Registration Document.

The following table shows:

- Amounts paid in 2024 in respect of services to the Board in 2023;
- Amounts awarded for services to the Board in 2024, paid in 2025;
- Amounts paid in 2025 in respect of services to the Board in 2024;
- Amounts awarded for services to the Board in 2025, not yet paid.

	2025[1]		2024[1]	
Supervisory Board members	**Amount awarded** *(in €)*	**Amount paid** *(in €)*	**Amount awarded** *(in €)*	**Amount paid** *(in €)*
Barbara Dalibard	400,000[2]	400,000[2]	400,000[2]	400,000[2]
Jean-Pierre Duprieu[3]	N/A	37,619	37,619	85,000
Aruna Jayanthi	80,000	79,000	79,000	78,800
Anne-Sophie de la Bigne[3]	N/A	32,619	32,619	90,000
Patrick de la Chevardière	100,000	98,500	98,500	99,400
Jean-Christophe Laourde	70,000	70,000	70,000	70,000
Thierry Le Hénaff	85,000	80,714	80,714	85,000
Monique Leroux	115,000	113,875	113,875	115,000
Delphine Roussy	70,000	70,000	70,000	70,000
Wolf-Henning Scheider	100,000	86,589	86,589	80,000
Jean-Michel Severino	105,000	81,667	81,667	70,000
Catherine Soubie[4]	70,000	47,714	47,714	N/A
Pascal Vinet[4]	70,000	42,381	42,381	N/A
TOTAL	**1,265,000[5]**	**1,240,679[6]**	**1,240,679**	**1,243,200**

(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) Compensation including her €350,000 fixed compensation as Chair of the Board, which is not included in the maximum total annual amount referred to in footnote 5 below.
(3) Supervisory Board member until May 2024.
(4) Supervisory Board member since May 2024.
(5) The amounts allocated for the past year (2025) have been determined in accordance with the Supervisory Board's 2025 compensation policy approved by the Annual Shareholders Meeting of May 16, 2025 (7th resolution), based on the maximum total annual compensation package for the Supervisory Board (€1,150,000 excluding the fixed compensation of the Chair of the Supervisory Board, see footnote 2 above) decided by the Annual Shareholders Meeting of May 16, 2025 (13th resolution).
(6) The amounts paid in 2025 were awarded in respect of 2024, except for the fixed compensation awarded to Barbara Dalibard in respect of 2025 (€350,000) and paid in that year, which was not included in the maximum total annual amount of Supervisory Board compensation referred to in footnote 5 above.

2.4.2 COMPENSATION OF BARBARA DALIBARD, CHAIR OF THE SUPERVISORY BOARD

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 based on the 2025 compensation policy.

2.4.2.1 Compensation for Supervisory Board duties

In accordance with the 2024 compensation policy, in 2025, Barbara Dalibard received fixed compensation of €50,000 for her duties as member of the Supervisory Board in 2024.

In application of the 2025 compensation policy:

- in 2025, Barbara Dalibard received fixed compensation of €350,000 for her duties as Chair of the Supervisory Board in that year;
- in 2026, Barbara Dalibard is in line to receive fixed compensation of €50,000 for her duties as member of the Supervisory Board in 2025.

No variable compensation was paid or awarded to her during or in respect of 2025.

Information about Barbara Dalibard's attendance rates at meetings of the Supervisory Board in 2025 is provided in section 2.2.2 of this 2025 Universal Registration Document.

2.4.2.2 Other compensation

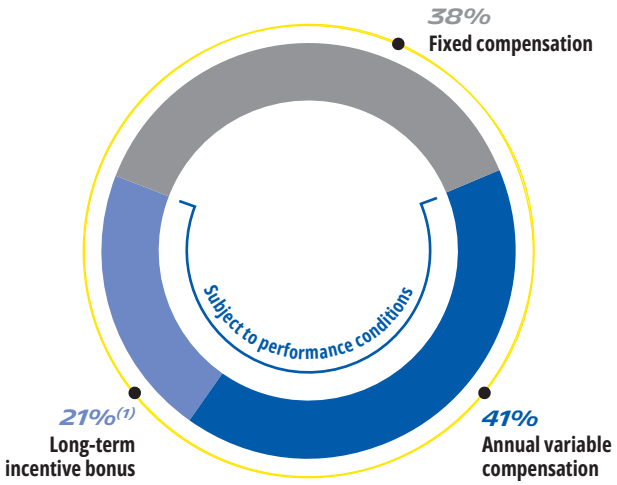
No other compensation was paid or awarded to Barbara Dalibard during or in respect of 2025.

2.4.3 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 capped profit share based on a mechanism defined in the Bylaws. Their profit shares are determined on the basis of the Company's profits. 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 2025 or awarded to him in respect of 2025, pursuant to the 2025 compensation policy. This policy is described in the Corporate Governance Report (the "2025 compensation policy") reproduced in the 2024 Universal Registration Document[2] and was presented to the Annual Shareholders Meeting of May 16, 2025 by the Chair of the Compensation and Appointments Committee[3].

COMPENSATION PAID TO FLORENT MENEGAUX DURING FISCAL YEAR 2025



(1) Long-term compensation corresponds to the number of performance shares delivered in 2025 under the 2021 allocation plan.

(1) At December 31, 2025, the Company had two General Partners: Florent Menegaux, Managing Chairman, and SAGES, Non-Managing General Partner (see section 2.1.2 of this 2025 Universal Registration Document).
(2) See sections 2.3.1 and 2.3.2 of the 2024 Universal Registration Document.
(3) See the information/presentations for the May 16, 2025 Annual Shareholders Meeting on the Company's website www.michelin.com.

2.4.3.1 Fixed compensation

In application of the 2025 compensation policy, the fixed compensation received by Florent Menegaux amounted to €1,100,000.00[(1)].

2.4.3.2 Annual variable compensation

Florent Menegaux's annual variable compensation has been determined in application of the 2025 compensation policy and the recommendation of the Supervisory Board, and is deducted in full from the General Partners' Profit Share[(2)].

Pursuant to Article L.22-10-9, paragraph 3 of the French Commercial Code, the Company declares that it has not exercised the option of claiming the return of this variable compensation.

All quantitative and qualitative objectives were set at the start of 2025 and were not adjusted during the year.

The Compensation and Appointments Committee carefully reviewed achievement rates for each of the criteria. In conclusion of this review, the Committee recommended that the Supervisory Board approve the compensation components presented in the table below, resulting in annual variable compensation of €1,176,235.00.

Concerning the quantifiable qualitative criteria, the Committee's conclusions were as follows:

- for the "Implementation of the strategy (deployment of the transformations)" criterion, the Committee analyzed the results of the Balanced Score Card. Having noted the progress made in deploying the People, Profit and Planet aspects of Michelin's strategy, the Committee decided that the indicator-based objectives had been 90%-met;
- Concerning the "Corporate social responsibility" criterion (Total Recordable Injury Rate: safety of Michelin Group employees), the Committee noted that the improvement rate of 4.48 was above the target rate;
- for the "Gender balance" criterion, the Committee noted that the percentage of Group management positions held by women (26.0%) was very close to the ceiling percentage;
- for the "CO_2 emissions (Scopes 1 and 2)" criterion, the Committee noted that actual emissions (1.690 mt) were higher than the target.

After discussing the matter during its meeting on February 10, 2026, the Supervisory Board approved the Compensation and Appointments Committee's recommendations, which were then also approved by the General Partners.

(1) Compensation paid by Manufacture Française des Pneumatiques Michelin (MFPM) in consideration of his role as Chairman of the Company.
(2) See the 2nd resolution presented to the Annual Shareholders Meeting of May 22, 2026. 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 2.3.2.3 and 2.10.5 of this 2025 Universal Registration Document).

	Criterion	Objective	Measurement method[1]	Min.	Target	Max.	2025 actual	Achievement rate
Quantitative criterion and objective related to the position of General Partner/1st component	Net income	Profit	As a % of the Profit Share	N/A	N/A	N/A	N/A	N/A
			Value of the indicator *(Profit Share calculation base)*	4%	4%	4%	4%	4%[1]
Quantitative criteria and objectives/2nd component *(50% of the target fixed compensation)*	2025 segment operating income (SOI)	Profit	As a % of fixed compensation	0%	25%	37.5%	-	0%
			Value of the indicator	€3,300m	€3,700m	€3,800m	€2,934m	-
	Growth in free cash flow before acquisitions	Profit	As a % of fixed compensation	0%	25%	37.5%	-	32.88%
			Value of the indicator	€1,700m	€2,000m	€2,200m	€2,126m	-
Total quantitative/2nd component				0%	50%	75%	-	32.88%
Quantifiable qualitative criteria and objectives/2nd component *(30% of the target fixed compensation)*	Implementation of the strategy (deployment of the transformations)	Profit	Board assessment based on implementation of the Balanced Score Card					
			As a % of fixed compensation	0%	10%	15%	-	9.00%
			Value of the indicator	N/A	N/A	N/A	N/A	N/A
	Total Recordable Injury Rate (TRIR)	People	As a % of fixed compensation	0%	5%	7.5%	-	7.50%
			Value of the indicator	5.1	4.7	4.6	4.48	-
	Percentage of Group management positions held by women	People	As a % of fixed compensation	0%	5%	7.5%	-	6.25%
			Value of the indicator	24.5%	25.5%	26.5%	26.0%	-
	CO_2 emissions (Scopes 1 and 2)	Planet	As a % of fixed compensation	0%	10%	15%	-	15.00%
			Value of the indicator	1.94 mt	1.84 mt	1.74 mt	1.690 mt	-
Total quantifiable qualitative/2nd component				0%	30%	45%		37.75%
Total quantitative and qualitative excluding net income criteria								70.63%
TOTAL VARIABLE COMPENSATION AS % OF FIXED COMPENSATION/ 1ST AND 2ND COMPONENTS *(rounded to the nearest decimal)*				**0%**	**N/A**	**150%**		**107.00%**

Maximum value of all quantitative and quantifiable qualitative criteria	**150% of annual fixed compensation**
Actual overall achievement rate	107.00%
Amount awarded *(in €)*	1,176,235.00
Capped achievement rate as a percentage of the fixed reference compensation (including the amount corresponding to the compensation as General Partner)	150.00%

(1) This is a percentage of 4.0%, determined by the Supervisory Board on the basis of the Profit Share calculation (0.6% of consolidated net income for the year, in application of the 2025 compensation policy) and not by reference to fixed compensation.

2.4.3.3 Long-term variable compensation granted in 2025: performance share rights

On November 14, 2025, 66,083 performance share rights were awarded to Florent Menegaux[1]. At December 31, 2025, these rights were valued at €930,131.44 and represented less than 0.0096% of the total Michelin shares outstanding at the year-end.

This award was:

- authorized in an extraordinary resolution of the Annual Shareholders Meeting of May 12, 2023 (14th resolution);
- made on the proposal of the General Partners in application of the conditions and criteria set by the Supervisory Board that determine all the performance share awards, as presented in the 2022 Universal Registration Document and as they result from the 2025 compensation policy[2].

In application of the 2025 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 number of performance shares granted was limited such that their value[1] did not exceed 140% of Florent Menegaux's annual fixed compensation for 2025;
- in addition, for the period of validity of the authorization (38 months), performance share rights awarded to the Managers may not exceed the equivalent of 0.1% of the Company's capital; this is a specific sub-cap applicable to the Managers within the overall cap of 1.5% applicable to all beneficiaries as mentioned in the above-mentioned 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. 26.3.3, 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.

The performance metrics and targets are as follows[3]:

Criteria		*Weighting*
Share price performance	Michelin share price must outperform the Stoxx Europe 600 index by at least 5 points between 2024 and 2027 (based on average closing prices for the two years).	
	Vesting prorated to the achievement rate between the trigger point of 0 and the targeted 5 points	*20%*
Corporate social responsibility performance	Tire rolling resistance (RR) must have been improved by more than 7% in 2027 versus the 2020 baseline.	
	Result calculated on a straight-line basis between the threshold of 6% and the targeted 7%	*10%*
	The Renewable and Recycled Materials Rate (RRMR) must be greater than 35% in 2027.	
	Result calculated on a straight-line basis between the threshold of 31% and the targeted 35%	*10%*
	The average employee engagement rate must exceed 85% in 2025, 2026 and 2027.	
	Result calculated on a straight-line basis between the threshold of 83% and the targeted 85%	*20%*
Operating performance	Average growth in revenue, like-for-like excluding tires and distribution, must exceed 6% over 2025, 2026 and 2027.	
	Result calculated on a straight-line basis between the threshold of 2% and the targeted 6%	*20%*
	Total consolidated ROCE (including acquisitions, related goodwill and equity-accounted companies) must exceed 12% in 2027.	
	Result calculated on a straight-line basis between the threshold of 10.5% and the targeted 12%	*20%*

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

For all criteria, fulfillment is calculated as follows:

- performance below threshold: no shares will vest;
- performance between the threshold and the ceiling: number of vested shares calculated on a straight-line basis;
- performance equal to or greater than the ceiling: all the shares will vest.

(1) To improve year-on-year comparability and avoid taking into account stock market performance conditions, due to the excessive volatility of this indicator, for the determination of the discount rate, the fair value used to determine the number of shares to be awarded only takes into account the dividends not received during the vesting period.
(2) See information provided in the 2022 Universal Registration Document (page 455) and the 2024 Universal Registration Document (pages 113-114).
(3) Interim results for the indicators are given in the last table in section 6.5.4 c) of the 2025 Universal Registration Document.

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

In line with the 2025 compensation policy, in 2025 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.

Florent Menegaux has a fringe benefit in the form of a Company car (see the table in section 2.6.1.2).

2.4.3.5 Pension plans

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

Mandatory company retirement savings plan (PERO)

Florent Menegaux participates in the defined-contribution supplementary pension plan set up for all employees of the Group's participating French companies.

As for all Group employees:

- Contributions are split between the Company (1%) and the beneficiary (0.2%);
- The defined contribution pension plan is funded as follows: 1% of the reference compensation up to 5% of five times the ceiling for French social security contributions (5 PASS). The reference compensation is expressed as the gross annual amount in accordance with Article 242-1 of the French Social Security Code;
- Company contributions are (i) deductible from the corporate income tax base, (ii) subject to the 16% flat social security levy, and (iii) excluded from the French social security contribution base up to the higher of the following two values: 5% of the ceiling for social security contributions (PASS) or 5% of compensation up to five times the PASS (€235,500 in 2025). The Company's contribution to this plan for 2025 amounted to €11,095.

The annual pension benefit will be determined by converting the savings accumulated up to the beneficiary's retirement date into an annuity. Each participant in the PERO plan is required to pay, immediately and directly, the social security contributions and other taxes due on the amounts invested in the plan.

Defined benefit pension plan (Article 39 of the French General Tax Code – Article L. 137-11 of the French Social Security Code)

In his capacity as Chairman of the subsidiary MFPM, Florent 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% 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 1, 2019;
- the vested benefit entitlement is in addition to the replacement rate provided by all pension plans in which Florent Menegaux participates. The total replacement rate 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 executive 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.

Florent Menegaux's reference compensation for 2025 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, the estimated gross annual pension payable to Florent Menegaux under this plan amounts to €165,000.

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 AFEP/MEDEF Code.

2.4.3.6 Compensation for loss of office

No compensation for loss of office was paid to Yves Chapot in 2025[(1)].

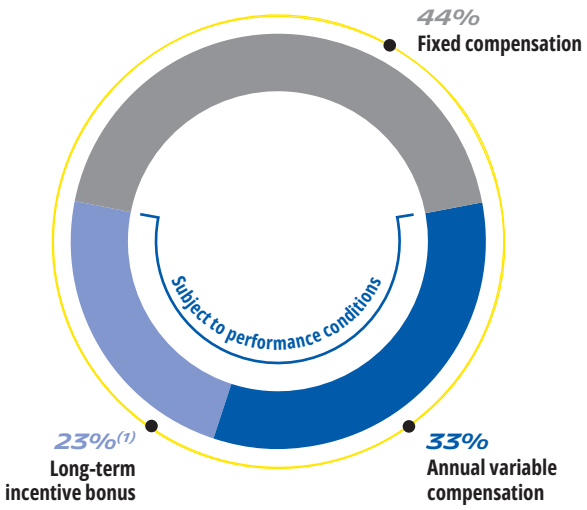
2.4.3.7 Non-compete clause

No non-compete indemnity was paid to Yves Chapot in 2025[1].

2.4.4 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 2025 or awarded to him in respect of 2025 in his capacity as General Manager, pursuant to the 2025 compensation policy. This policy is described in the Corporate Governance Report (the "2024 compensation policy") reproduced in the 2024 Universal Registration Document[2] and was presented to the Annual Shareholders Meeting of May 16, 2025 by the Chair of the Compensation and Appointments Committee[3].

COMPENSATION PAID TO YVES CHAPOT DURING FISCAL YEAR 2025



(1) Long-term compensation corresponds to the number of performance shares delivered in 2025 under the 2021 allocation plan.

2.4.4.1 Fixed compensation

In application of the 2025 compensation policy, the fixed compensation received by Yves Chapot amounted to €770,000.00.

2.4.4.2 Annual variable compensation

Yves Chapot's annual variable compensation was determined in application of the 2025 compensation policy, based on the recommendation of the Supervisory Board.

Pursuant to Article L.22-10-9, paragraph 3 of the French Commercial Code, the Company declares that it has not exercised the option of claiming the return of this variable compensation.

All quantitative and qualitative objectives were set at the start of 2025 and were not adjusted during the year.

The Compensation and Appointments Committee carefully reviewed achievement rates for each of the criteria. In conclusion of this review, the Committee recommended that the Supervisory Board approve the compensation components presented in the table below, resulting in annual variable compensation of €543,812.50. Concerning the quantifiable qualitative criteria, the Committee's conclusions were as follows:

- for the "Implementation of the strategy (deployment of the transformations)" criterion, the Committee analyzed the results of the Balanced Score Card. Having noted the progress made in deploying the People, Profit and Planet aspects of Michelin's strategy, the Committee decided that the indicator-based objectives had been 90%-met;
- Concerning the "Corporate social responsibility" criterion (Total Recordable Injury Rate: safety of Michelin Group employees), the Committee noted that the improvement rate of 4.48 was above the target rate;
- for the "Gender balance" criterion, the Committee noted that the percentage of Group management positions held by women (26.0%) was very close to the ceiling percentage;
- for the "CO_2 emissions (Scopes 1 and 2)" criterion, the Committee noted that actual emissions (1.690 mt) were higher than the target.

After discussing the matter during its meeting on February 10, 2026, the Supervisory Board approved the Compensation and Appointments Committee's recommendations, which were then also approved by the General Partners.

(1) See detailed disclosures in section 2.6.1.12 of the 2025 Universal Registration Document.
(2) See sections 2.3.1 and 2.3.2 of the 2024 Universal Registration Document.
(3) See the information/presentations on the May 16, 2025 Annual Shareholders Meeting on the Company's website www.michelin.com.

	Criterion	Objective	Measurement method[1]	Min.	Target	Max.	2025 actual	Achievement rate
Quantitative criteria and objectives *(70% of the target fixed compensation)*	Net income	Profit	As a % of fixed compensation	0%	20%	30%	-	0%
			Value of the indicator	€1,800m	€2,000m	€2,200m	€1,664m	-
	2025 segment operating income (SOI)	Profit	As a % of fixed compensation	0%	25%	37.5%	-	0%
			Value of the indicator	€3,300m	€3,700m	€3,800m	€2,934m	-
	Growth in free cash flow before acquisitions	Profit	As a % of fixed compensation	0%	25%	37.5%	-	32.88%
			Value of the indicator	€1,700m	€2,000m	€2,200m	€2,126m	-
Total quantitative				0%	70%	105%	-	32.88%
Quantifiable qualitative criteria and objectives *(30% of the target fixed compensation)*	Implementation of the strategy (deployment of the transformations)	Profit	Board assessment based on implementation of the Balanced Score Card					
			As a % of fixed compensation	0%	10%	15%	-	9.00%
			Value of the indicator	N/A	N/A	N/A	N/A	N/A
	Total Recordable Injury Rate (TRIR)	People	As a % of fixed compensation	0%	5%	7.5%	-	7.50%
			Value of the indicator	5.1	4.7	4.6	4.48	-
	Percentage of Group management positions held by women	People	As a % of fixed compensation	0%	5%	7.5%	-	6.25%
			Value of the indicator	24.5%	25.5%	26.5%	26.0%	-
	CO_2 emissions (Scopes 1 and 2)	Planet	As a % of fixed compensation	0%	10%	15%	-	15.00%
			Value of the indicator	1.94 mt	1.84 mt	1.74 mt	1.690 mt	-
Total quantifiable qualitative				0%	30%	45%		37.75%
Total quantitative and qualitative excluding net income criteria								70.63%
TOTAL VARIABLE COMPENSATION AS % OF FIXED COMPENSATION *(rounded to the nearest decimal)*				**0%**	**100%**	**150%**		**70.6%**

Maximum value of all quantitative and quantifiable qualitative criteria	**150% of annual fixed compensation**
Actual overall achievement rate (quantitative and quantifiable qualitative criteria)	70.6%
Amount awarded *(in €)*	543,812.50
Achievement rate as a % of the reference fixed compensation	70.6%

2.4.4.3 Long-term variable compensation granted in 2025: performance share rights

Deferred variable compensation

On November 14, 2025, 39,650 performance share rights were awarded to Yves Chapot[1]. At December 31, 2025, these rights were valued at €558,081.68 and represented less than 0.0058% of the total Michelin shares outstanding at the year-end.

This award was:

- authorized in an extraordinary resolution of the Annual Shareholders Meeting of May 12, 2023 (14th resolution);
- made on the proposal of the General Partners in application of the conditions and criteria set by the Supervisory Board that determine all the performance share awards, as presented in the 2022 Universal Registration Document and as they result from the 2025 compensation policy[2].

In application of the 2025 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 number of performance shares granted was limited such that their value[1] did not exceed 120% of his annual fixed compensation for 2025;
- in addition, for the period of validity of the authorization (38 months), performance share rights awarded to the Managers may not exceed the equivalent of 0.1% of the Company's capital; this is a specific sub-cap applicable to the Managers within the overall cap of 1.5% applicable to all beneficiaries as mentioned in the above-mentioned resolution.

In accordance with AFEP/MEDEF Code recommendation No. 26.3.3, 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.

The performance metrics and targets are as follows[3]:

Criteria		*Weighting*
Share price performance	Michelin share price must outperform the Stoxx Europe 600 index by at least 5 points between 2024 and 2027 (based on average closing prices for the two years).	
	Vesting prorated to the achievement rate between the trigger point of 0 and the targeted 5 points	*20%*
Corporate social responsibility performance	Tire rolling resistance (RR) must have been improved by more than 7% in 2027 versus the 2020 baseline.	
	Result calculated on a straight-line basis between the threshold of 6% and the targeted 7%	*10%*
	The Renewable and Recycled Materials Rate (RRMR) must be greater than 35% in 2027.	
	Result calculated on a straight-line basis between the threshold of 31% and the targeted 35%	*10%*
	The average employee engagement rate must exceed 85% in 2025, 2026 and 2027.	
	Result calculated on a straight-line basis between the threshold of 83% and the targeted 85%	*20%*
Operating performance	Average growth in revenue, like-for-like excluding tires and distribution, must exceed 6% over 2025, 2026 and 2027.	
	Result calculated on a straight-line basis between the threshold of 2% and the targeted 6%	*20%*
	Total consolidated ROCE (including acquisitions, related goodwill and equity-accounted companies) must exceed 12% in 2027.	
	Result calculated on a straight-line basis between the threshold of 10.5% and the targeted 12%	*20%*

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

For all criteria, fulfillment is calculated as follows:

- performance below threshold: no shares will vest;
- performance between the threshold and the ceiling: number of vested shares calculated on a straight-line basis;
- performance equal to or greater than the ceiling: all the shares will vest.

(1) To improve year-on-year comparability and avoid taking into account stock market performance conditions, due to the excessive volatility of this indicator, for the determination of the discount rate, the fair value used to determine the number of shares to be awarded only takes into account the dividends not received during the vesting period.
(2) See information provided in the 2022 Universal Registration Document (page 455) and the 2024 Universal Registration Document (pages 113-114).
(3) Interim results for the indicators are given in the last table in section 6.5.4 c) of the 2025 Universal Registration Document.

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

In line with the 2025 compensation policy, in 2025 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 2.6.1.3).

2.4.4.5 Pension plans

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

Mandatory company retirement savings plan (PERO)

Yves Chapot participates in the defined-contribution supplementary pension plan set up for all employees of the Group's participating French companies.

As for all Group employees:

- Contributions are split between the Company (1%) and the beneficiary (0.2%);
- The defined contribution pension plan is funded as follows: 1% of the reference compensation up to 5% of five times the ceiling for French social security contributions (5 PASS). The reference compensation is expressed as the gross annual amount in accordance with Article 242-1 of the French Social Security Code;
- Company contributions are (i) deductible from the corporate income tax base, (ii) subject to the 16% flat social security levy, and (iii) excluded from the French social security contribution base up to the higher of the following two values: 5% of the ceiling for social security contributions (PASS) or 5% of compensation up to five times the PASS (€235,500 in 2025). The Company's contribution to this plan for 2025 amounts to €11,775.

The annual pension benefit will be determined by converting the savings accumulated up to the beneficiary's retirement date into an annuity. Each participant in the PERO plan is required to pay, immediately and directly, the social security contributions and other taxes due on the amounts invested in the plan.

Defined benefit pension plan (Article 39 of the French General Tax Code – Article L. 137-11 of the French Social Security Code)

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 vested benefit entitlement is in addition to the replacement rate provided by all pension plans in which Yves Chapot participates. The total replacement rate 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 executive 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 2025 in his capacity as executive officer 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, the estimated gross annual pension payable to Yves Chapot under this plan amounts to €233,139.

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.

2.4.4.6 Compensation for loss of office

No non-compete indemnity was paid to Yves Chapot in 2025[1].

2.4.4.7 Non-compete clause

No non-compete indemnity was paid to Yves Chapot in 2025[2].

2.4.5 COMPENSATION RATIOS OF THE MANAGERS AND THE CHAIR OF THE SUPERVISORY BOARD

Background

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 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.

For this reason, the Company has chosen to disclose these ratios for the Group's four main French companies[3], which together employed nearly 81% of the Michelin Group's total workforce in France as of December 31, 2025.

Apart from the Company, these subsidiaries are engaged in manufacturing, sales, and research and development activities and one of them hosts the vast majority of the Michelin Group's corporate departments.

Like the previous year's report, the 2025 report has been prepared by applying the "Guidelines on Compensation Multiples" published by the AFEP in February 2021.

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, benefits and other bonuses paid during the years indicated to (i) Managers and the Chair of the Supervisory Board and (ii) employees who were present throughout the year, as well as on the performance share rights **awarded** in those years, measured at fair value.

The compensation and benefits recorded for the Managing Partners are those presented for Florent Menegaux and Yves Chapot respectively:

- for variable compensation paid in 2025, in sections 2.4.3.2 and 2.4.4.2 of the 2024 Universal Registration Document;
- for fixed compensation paid in 2025, in sections 2.4.3.1 and 2.4.4.1 of the 2025 Universal Registration Document;
- for benefits in kind and other bonuses paid in 2025, in sections 2.4.3.4 and 2.4.4.4 of the 2025 Universal Registration Document;
- for performance shares awarded in 2025, in sections 2.4.3.3 and 2.4.4.3 of the 2025 Universal Registration Document.

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

(1) See detailed disclosures in section 2.6.1.12 of the 2025 Universal Registration Document.
(2) See detailed disclosures in section 2.6.1.12 of the 2025 Universal Registration Document.
(3) Compagnie Générale des Établissements Michelin, Manufacture Française des Pneumatiques Michelin, Pneu Laurent, Société du Caoutchouc Synthétique Michelin - CSM.

Ratios presented in application of Article L.22-10-9-I, paragraphs 6 and 7, of the French Commercial Code

	2025	2024	2023	2022	2021
PERCENTAGE CHANGE IN THE COMPENSATION OF THE CHAIR OF THE SUPERVISORY BOARD[1][2]	**0.0%**	**-14.9%**	**291.7%**	**0.0%**	**6.4%**
Percentage change in the average compensation of employees	**-2.8%**	7.5%	-0.2%	12.3%	2.6%
Ratio versus average employee compensation	**6.1**	5.9	7.5	1.9	2.1
Percentage change in the ratio versus the previous year	**3.4%**	-21.3%	294.7%	-9.5%	0%
Ratio versus median employee compensation	**7.5**	7.6	9.5	2.5	2.8
Percentage change in the ratio versus the previous year	**-1.3%**	-20%	280.0%	-10.7%	3.7%
PERCENTAGE CHANGE IN THE MANAGING CHAIRMAN'S COMPENSATION[1][3][4][5]	**-14.7%**	**22.5%**	**-36.9%**	**103.0%**	**-6.5%**
Percentage change in the average compensation of employees	**-2.8%**	7.5%	-0.2%	12.3%	2.6%
Ratio versus average employee compensation	**48.8**	55.6	48.8	77.3	42.9
Percentage change in the ratio versus the previous year	**-12.2%**	13.9%	-36.9%	80.2%	-8.9%
Ratio versus median employee compensation	**60**	70.8	61.7	101.3	55.9
Percentage change in the ratio versus the previous year	**-15.3%**	14.7%	-39.1%	81.2%	-8.4%
PERCENTAGE CHANGE IN THE GENERAL MANAGER'S COMPENSATION[1][4][5]	**-17.3%**	**17.1%**	**-20.1%**	**40.7%**	**28.6%**
Percentage change in the average compensation of employees	**-2.8%**	7.5%	-0.2%	12.3%	2.6%
Ratio versus average employee compensation	**29.3**	34.4	31.6	39.5	31.5
Percentage change in the ratio versus the previous year	**-14.8%**	8.9%	-20.0%	25.4%	25.5%
Ratio versus median employee compensation	**35.9**	43.8	39.9	51.7	41.0
Percentage change in the ratio versus the previous year	**-18.0%**	9.8%	-22.8%	26.1%	25.8%
COMPANY PERFORMANCE[6]					
Growth in segment operating income (SOI) (excluding currency effect)	-3.5%	13.8%	8.3%	65.2%	-33.4%
Growth in sales (excluding currency effect)	-3.1%	2%	14.0%	18.2%	-12.6%

(1) 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.
(2) The 2023 values shown for this function were adjusted to reflect the actual amount paid in 2023, as recorded in the financial statements (see explanation in section 3.4.5 of the 2023 Universal Registration Document).
(3) 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.
(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) Since 2020, the reference amount for variable compensation includes the book value of performance shares awarded to the Managers.
(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 taken into account for a given year correspond to the results achieved in the prior year.

2.4.6 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 2025 to the corporate officers.

The resolution to be presented to the Annual Shareholders Meeting of May 22, 2026 concerning all the disclosures contained in sections 2.4.1 to 2.4.5, 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 2.4.1 to 2.4.5 of the Company's 2025 Universal Registration Document.

2.5 INDIVIDUAL COMPENSATION PAID OR AWARDED TO THE MANAGERS AND THE CHAIR OF THE SUPERVISORY BOARD FOR 2025

In addition to the resolution presented in section 2.4.6 above, the Annual Shareholders Meeting will be asked to adopt the following individual resolutions concerning the Chair of the Supervisory Board and each of the Managers.

2.5.1 VOTE BY SHAREHOLDERS AT THE ORDINARY SHAREHOLDERS MEETING OF MAY 22, 2026 ON THE COMPENSATION PACKAGE OF BARBARA DALIBARD, CHAIR OF THE SUPERVISORY BOARD

This section presents the components of the compensation paid or awarded in 2025 to Barbara Dalibard in her capacity as member then Chair of the Supervisory Board.

Compensation components put to the vote	Amounts paid in 2025	Amounts awarded in respect of 2025	Presentation
Compensation as Supervisory Board member and Chair	€400,000.00	€400,000.00	**The amount paid in 2025:** is due ■ for €50,000.00, as compensation for her duties as member of the Supervisory Board in 2024, determined in accordance with the 2024 compensation policy for the members of the Supervisory Board described in the 2023 Universal Registration Document (section 3.3.3) and approved by the Annual Shareholders Meeting of May 17, 2024 (7th resolution, adopted by a 99.77% majority of the votes cast); ■ for €350,000.00, as compensation for her duties as Chair of the Supervisory Board in 2025, determined in accordance with the 2025 compensation policy for the members of the Supervisory Board described in the 2024 Universal Registration Document (section 2.3.3) and approved by the Annual Shareholders Meeting of May 16, 2025 (7th resolution, adopted by a 97.85% majority of the votes cast). **The amount awarded in respect of 2025:** was determined in accordance with the 2025 compensation policy for the members of the Supervisory Board, as described in the 2024 Universal Registration Document (section 2.3.3) and approved by the Annual Shareholders Meeting of May 16, 2025 (7th resolution, adopted by a 97.85% majority of the votes cast). It breaks down as: ■ €350,000.00 due as compensation for her duties as Chair of the Supervisory Board in 2025, paid in 2025; ■ €50,000.00 due as compensation for her duties as member of the Supervisory Board in 2025, payable in 2026.
Annual variable compensation	N/A	N/A	N/A
Deferred variable compensation	N/A	N/A	N/A

Compensation components put to the vote	Amounts paid in 2025	Amounts awarded in respect of 2025	Presentation
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

(1) N/A: Not applicable.

At the Ordinary Shareholders Meeting of May 22, 2026, 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, 2025

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, 2025 or awarded in respect of that year to Barbara Dalibard, Chair of the Supervisory Board, as set out in section 2.5.1 of the Company's 2025 Universal Registration Document.

2.5.2 VOTE BY SHAREHOLDERS AT THE ORDINARY SHAREHOLDERS MEETING OF MAY 22, 2026 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 2025 in his capacity as Managing Chairman.

Compensation components put to the vote	Amounts paid in 2025	Amounts awarded in respect of 2025 OR Value OR Simulation	Presentation
Fixed compensation	€1,100,000.00	€1,100,000.00	The annual fixed compensation amount for 2025 was determined in accordance with the 2024 compensation policy described in the 2024 Universal Registration Document (page 109) and approved by the Annual Shareholders Meeting of May 16, 2025 (6th resolution, adopted by a 96.48% majority of the votes cast).
Annual variable compensation	€1,158,700.00	€1,176,235.00 (Amount that may be awarded in respect of 2025 in application of the 2025 compensation policy, payable in 2026)	**The amount paid in 2025:** ■ was due for 2024 and was determined in accordance with the 2024 compensation policy, as described in the 2023 Universal Registration Document (pages 115 to 117) and approved by the Ordinary Shareholders Meeting of May 16, 2025 (9th resolution, adopted by an 97.82% majority of the votes cast); ■ is the subject of detailed disclosures in section 2.4.3.2 of the 2024 Universal Registration Document. **The amount awarded in respect of 2025:** ■ was determined in accordance with the 2025 compensation policy, as described in the 2024 Universal Registration Document (pages 109 to 112) and approved by the Ordinary Shareholders Meeting of May 16, 2025 (6th resolution, adopted by a 96.48% majority of the votes cast); ■ is the subject of detailed disclosures in section 2.4.3.2 of the 2025 Universal Registration Document.
Deferred variable compensation	N/A	N/A	**No compensation awarded or paid**
Exceptional compensation	N/A	N/A	N/A
Stock options, performance shares and other long-term compensation (stock warrants, etc.)	N/A	€930,131.44 (value at December 31, 2025 of the 66,083 performance share rights awarded in November 2025)	This award was made in application of: ■ the 2025 compensation policy, as described in the 2024 Universal Registration Document (pages 113 and 114) and approved by the Ordinary Shareholders Meeting of May 16, 2025 (6th resolution, adopted by a 96.48% majority of the votes cast); ■ the 14th resolution of the Annual Shareholders Meeting of May 12, 2023 (see pages 455 *et seq.* of the 2022 Universal Registration Document), adopted by an 87.04% majority of the votes cast.
Compensation as a Director/Supervisory Board member	N/A	N/A	N/A

Compensation components put to the vote	Amounts paid in 2025	Amounts awarded in respect of 2025 OR Value OR Simulation	Presentation
Fringe benefits	€9,531.96	€9,531.96	Company car (accounting value)
Compensation for loss of office	No compensation paid	No compensation awarded	This component: ■ is an integral part of the 2025 compensation policy, as described in the 2024 Universal Registration Document (page 115) and approved by the Annual Shareholders Meeting of May 16, 2025 (6th resolution, adopted by a 96.48% majority of the votes cast); ■ is the subject of detailed disclosures in section 2.4.3.6 of the 2025 Universal Registration Document.
Non-compete indemnity	No indemnity paid	No indemnity awarded	This component: ■ is an integral part of the 2025 compensation policy, as described in the 2024 Universal Registration Document (page 115) and approved by the Annual Shareholders Meeting of May 16, 2025 (6th resolution, adopted by a 96.48% majority of the votes cast); ■ is the subject of detailed disclosures in section 2.4.3.7 of the 2024 Universal Registration Document.
Supplementary pension benefits	No benefits paid	No benefits awarded	This component: ■ is an integral part of the 2025 compensation policy, as described in the 2024 Universal Registration Document (page 114) and approved by the Annual Shareholders Meeting of May 16, 2025 (6th resolution, adopted by a 96.48% majority of the votes cast); ■ is the subject of detailed disclosures in section 2.4.3.5 of the 2025 Universal Registration Document.

(1) N/A: Not applicable.

At the Ordinary Shareholders Meeting of May 22, 2026, 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, 2025

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, 2025 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 2.5.2 of the Company's 2025 Universal Registration Document.

2.5.3 VOTE BY SHAREHOLDERS AT THE ORDINARY SHAREHOLDERS MEETING OF MAY 22, 2026 ON THE COMPENSATION PACKAGE OF YVES CHAPOT, GENERAL MANAGER

This section presents the components of the compensation paid or awarded to Yves Chapot for 2025 in his capacity as General Manager.

Compensation components put to the vote	Amounts paid in 2025	Amounts awarded in respect of 2025 OR Value OR Simulation	Presentation
Fixed compensation	€770,000.00	€770,000.00	The annual fixed compensation amount for 2025 was determined in accordance with the 2024 compensation policy described in the 2024 Universal Registration Document (page 109) and approved by the Annual Shareholders Meeting of May 16, 2025 (6th resolution, adopted by a 96.48% majority of the votes cast).
Annual variable compensation	€579,828.48	€543,812.50 (Amount that may be awarded in respect of 2025 in application of the 2025 compensation policy, payable in 2026)	**The amount paid in 2025:** ■ was due for 2024 and was determined in accordance with the 2024 compensation policy, as described in the 2023 Universal Registration Document (pages 115 to 118) and approved by the Ordinary Shareholders Meeting of May 16, 2025 (10th resolution, adopted by an 99.05% majority of the votes cast); ■ is the subject of detailed disclosures in section 2.4.4.2 of the 2024 Universal Registration Document. **The amount awarded in respect of 2025:** ■ was determined in accordance with the 2025 compensation policy, as described in the 2024 Universal Registration Document (pages 109 to 112) and approved by the Ordinary Shareholders Meeting of May 16, 2025 (6th resolution, adopted by a 96.48% majority of the votes cast); ■ is the subject of detailed disclosures in section 2.4.4.2 of the 2025 Universal Registration Document.
Deferred variable compensation	N/A	N/A	**No compensation awarded or paid**
Exceptional compensation	N/A	N/A	N/A
Stock options, performance shares and other long-term compensation (stock warrants, etc.)	N/A	€558,081.68 (value at December 31, 2024 of the 39,650 performance share rights awarded in November 2025)	This award was made in application of: ■ the 2025 compensation policy, as described in the 2024 Universal Registration Document (pages 113 and 114) and approved by the Ordinary Shareholders Meeting of May 16, 2025 (6th resolution, adopted by a 96.48% majority of the votes cast); ■ the 14th resolution of the Annual Shareholders Meeting of May 12, 2023 (see pages 455 et seq. of the 2022 Universal Registration Document), adopted by an 87.04% majority of the votes cast.

Compensation components put to the vote	Amounts paid in 2025	Amounts awarded in respect of 2025 OR Value OR Simulation	Presentation
Compensation as a Director/Supervisory Board member	N/A	N/A	N/A
Fringe benefits	€9,359.80	€9,359.80	Company car (accounting value)
Compensation for loss of office	No compensation paid	No compensation awarded	This component: ■ is an integral part of the 2025 compensation policy, as described in the 2024 Universal Registration Document (page 115) and approved by the Annual Shareholders Meeting of May 16, 2025 (6th resolution, adopted by a 96.48% majority of the votes cast); ■ is the subject of detailed disclosures in section 2.4.4.6 of the 2025 Universal Registration Document.
Non-compete indemnity	No indemnity paid	No indemnity awarded	This component: ■ is an integral part of the 2025 compensation policy, as described in the 2024 Universal Registration Document (page 115) and approved by the Annual Shareholders Meeting of May 16, 2025 (6th resolution, adopted by a 96.48% majority of the votes cast); ■ is the subject of detailed disclosures in section 2.4.4.7 of the 2025 Universal Registration Document.
Supplementary pension benefits	No benefits paid	No benefits awarded	This component: ■ is an integral part of the 2025 compensation policy, as described in the 2024 Universal Registration Document (page 114) and approved by the Annual Shareholders Meeting of May 16, 2025 (6th resolution, adopted by a 96.48% majority of the votes cast); ■ is the subject of detailed disclosures in section 2.4.4.5 of the 2025 Universal Registration Document.

(1) N/A: Not applicable.

At the Ordinary Shareholders Meeting of May 22, 2026, 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, 2025

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, 2025 or awarded in respect of that year to Yves Chapot, General Manager, as presented in the Corporate Governance Report set out in section 2.5.3 of the Company's 2025 Universal Registration Document.

2.6 OTHER INFORMATION ABOUT COMPENSATION OF THE EXECUTIVE OFFICERS

2.6.1 SUMMARY INFORMATION CONCERNING THE EXECUTIVE OFFICERS

The data and tables in this section:

- present the compensation of the Managers and the Chair of the Supervisory Board;
- have been prepared in accordance with the AFEP/MEDEF Code (December 2022);
- 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".

2.6.1.1 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	**2025**	**2024**
Compensation awarded for the year	2,285,766.96	2,268,246.95
Value of stock options granted during the year	0	0
Value of performance shares granted during the year	930,131.44[(1)]	991,715.49
Value of other long-term compensation plans	0	0
TOTAL	**3,215,898.40**	**3,259,962.44**
Reference CGEM consolidated net income	1,663,967,976.93	1,890,031,258.47

(1) Value at December 31, 2025 of the performance share award described in section 2.4.3.3 of this 2025 Universal Registration Document.

Yves Chapot, General Manager	**2025**	**2024**
Compensation awarded for the year	1,323,172.30	1,358,422.95
Value of stock options granted during the year	0	0
Value of performance shares granted during the year	558,081.68[(1)]	595,032.71
Value of other long-term compensation plans	0	0
TOTAL	**1,881,253.98**	**1,953,455.66**

(1) Value at December 31, 2025 of the performance share award described in section 2.4.4.3 of this 2025 Universal Registration Document.

2.6.1.2 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	2025		2024	
	Awarded	Paid	Awarded	Paid
Fixed compensation[1]	1,100,000.00	1,100,000.00	1,100,000.00	1,100,000.00
Annual variable compensation	1,176,235.00[2]	1,158,700.00	1,158,700.00	1,650,000.00
Exceptional compensation	0	0	0	0
Compensation as a Director/Supervisory Board member	0	0	0	0
Fringe benefit (car)	9,531.96	9,531.96	9,546.95	9,546.95
TOTAL	**2,285,766.96**	**2,268,231.96**	**2,268,246.95**	**2,759,546.95**
Reference CGEM consolidated net income	1,663,967,976.93	1,890,031,258.47	1,890,031,258.47	1,982,603,493.01

(1) Compensation paid by Manufacture Française des Pneumatiques Michelin (MFPM), a controlled entity, in consideration of his role as Chairman of the Company.
(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 22, 2026 (see section 2.4.3).

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

Yves Chapot, General Manager	2025		2024	
	Awarded	Paid	Awarded	Paid
Fixed compensation	770,000.00	770,000.00	770,000.00	770,000.00
Annual variable compensation	543,812.50[1]	579,828.48	579,828.48	945,907.24
Exceptional compensation	0	0	0	0
Compensation as a Director/Supervisory Board member	0	0	0	0
Fringe benefit (car)	9,359.80	9,359.80	8,594.47	8,594.47
TOTAL	**1,323,172.30**	**1,359,188.28**	**1,358,422.95**	**1,724,501.71**

(1) 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 22, 2026 (see section 2.4.4).

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

See the table in section 2.4.1.

2.6.1.5 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	-	-

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

No stock options have been exercised by the Company's executive officers since 2021, when the exercise period for the last plan expired.

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

2.6.1.7 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)

105,733 of the 3,260,649 share grants given on November 13 and November 14, 2025 pursuant to the authorization given at the May 12, 2023 Annual Shareholders Meeting were granted to the Managers.

	Plan no. and date	Number of performance share rights granted during the year	Value of the performance share rights	Vesting date	End of lock-up period	Performance conditions
Florent Menegaux	Plan 26 of November 14, 2025	66,083	€930,131.44	November 14, 2029	November 14, 2029	Detailed information is provided in section 6.5.4.c) "Interim fulfillment of performance conditions under the November 14, 2025 performance share plan"
Yves Chapot	Plan 26 of November 14, 2025	39,650	€558,081.68	November 14, 2029	November 14, 2029	Detailed information is provided in section 6.5.4.c) "Interim fulfillment of performance conditions under the November 14, 2025 performance share plan"

2.6.1.8 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)

Of the 55,980 performance share rights awarded on November 17, 2021 to the Managers of the Company, 34,708 rights vested in 2025.

	Plan no. and date	Number of performance shares for which the lock-up period ended during the year	Vesting conditions
Florent Menegaux	Plan 15 – November 17, 2021	20,825	Detailed information is provided in section 6.5.4.c) "Fulfillment of performance conditions under the November 17, 2021 performance share plan"
Yves Chapot	Plan 15 – November 17, 2021	13,883	Detailed information is provided in section 6.5.4.c) "Fulfillment of performance conditions under the November 17, 2021 performance share plan"

2.6.1.9 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.a below.

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

See section 6.5.4 (past awards, achievement rates for the performance share plan criteria).

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

See the table in section 2.6.2 below.

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

	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	
Executive officer	**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 2.4.3.5 and 2.4.4.5. 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 2.3.2.7).

(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 2.3.2.8).

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 2.3.2.8).

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.

2.6.2 APPLICABLE LONG-TERM INCENTIVE BONUSES AWARDED TO EXECUTIVE OFFICERS IN RESPECT OF PERIODS PRIOR TO 2025

None.

2.7 TOTAL COMPENSATION AWARDED TO THE GROUP EXECUTIVE COMMITTEE

In 2025, the members of the Group Executive Committee (excluding the Managers) received aggregate gross compensation of €6,954,403 (including €2,120,120 corresponding to the variable component for 2024 paid during the first half of 2025). In 2024, the aggregate gross compensation received by Group Executive Committee members totaled €10,174,286 (including €4,013,969 corresponding to the variable component for 2023 paid during the first half of 2024). The Group Executive Committee members do not receive any compensation as members of the Boards of any Group companies.

ADDITIONAL INFORMATION

2.8 TRADING IN MICHELIN SHARES BY THE CORPORATE OFFICERS AND THEIR CLOSE RELATIVES IN 2025

Management

Florent Menegaux

20,825 performance share rights awarded under the 2021 plan vested on November 17, 2025 (vesting price per share: €28.40).

Sale, on April 2, 2025, of 6,056 and 9,000 shares acquired under the May 12, 2010 stock option plan.

Yves Chapot

13,883 performance share rights awarded under the 2021 plan vested on November 17, 2025 (vesting price per share: €28.40).

Supervisory Board

Jean-Christophe Laourde

46 shares acquired at an issue price of €22.19 on October 28, 2025 under the Bib Action 2025 Group savings plan.

Delphine Roussy

407 performance share rights awarded under the 2021 plan vested on November 17, 2025 (vesting price per share: €28.40).

70 shares acquired at an issue price of €22.19 on October 28, 2025 under the Bib Action 2025 Group savings plan.

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

2.9 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.

2.10 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).

2.10.1 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 2.1.2).

2.10.2 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, 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.

2.10.3 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.

2.10.4 FISCAL YEAR (ARTICLE 29 OF THE BYLAWS)

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

2.10.5 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 amount attributable to the Managing General Partner(s) in respect of his or her 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.

2.10.6 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

As of the date of this report, the Bylaws do not require shareholders to disclose their interests to the Company when certain shareholding thresholds are exceeded.

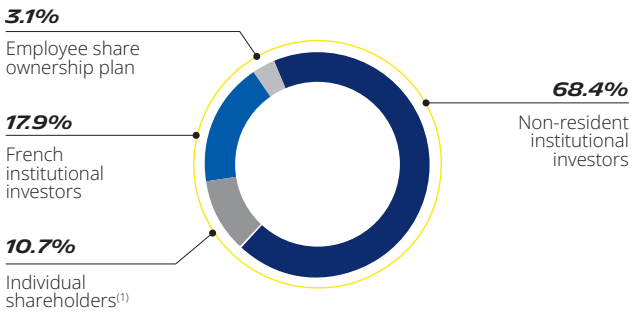
Further information is provided on the Company's website www.michelin.com.

2.11 OWNERSHIP STRUCTURE AND VOTING RIGHTS

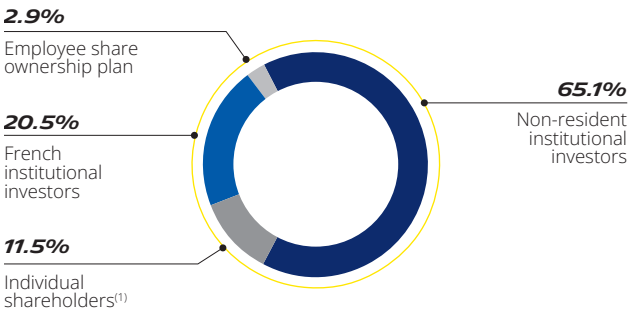
At December 31, 2025:

- share capital: €343,798,120;
- shares outstanding: 687,596,240 all fully paid up;
- voting rights outstanding: 1,002,098,920

SHARE OWNERSHIP
(at December 31, 2025)*



VOTING RIGHTS
(at December 31, 2025)*



(1) At December 31, 2025, the percentage of shares held by individual shareholders included **1.3% held by former employees**.

**Percentages rounded to the nearest tenth.*

At December 31, 2025, 687,596,240 shares were held by the public, for which theoretical voting rights were identical to exercisable rights.

As of December 31, 2025, to the best of the Company's knowledge:

- BlackRock Inc. held 6.12% of the share capital and less than 5% of the voting rights;
- Capital Group Companies, Inc. held 5.07% of the share capital and 3.48% of the voting rights;
- Mage Invest held 4.41% of the share capital and 6.03% of the voting rights;
- no other shareholder directly or indirectly holds more than 5% of the share capital and voting rights;
- there are no shareholders' agreements or pacts.

Significant changes since January 1, 2026

The following main legal or statutory disclosure threshold has been crossed since January 1, 2026:

Capital Group Companies, Inc., acting on behalf of its clients and the funds it manages, has made several disclosures that it has crossed the legal threshold of 5% of the share capital and 5% of the voting rights. Most recently, it disclosed on March 18, 2026 that on March 17, 2026, it had crossed the threshold of 10% of the share capital and held, on that date, on behalf of the said clients and funds, 68,976,811 shares representing the same number of voting rights, i.e., 10.03% of the Company's share capital and 6.93% of its voting rights (AMF notice ref. 226C0343).

There has been no material change in the Company's ownership structure over the last three years.

2.12 FINANCIAL AUTHORIZATIONS

The information presented in the following tables, in particular the number of shares, the share price and the maximum purchase price, has been adjusted to take into account the four-for-one stock split and reduction in the par value of Michelin shares from €2 to €0.50, decided on May 16, 2022 and effective on June 16, 2022.

2.12.1 GRANTED BY THE ANNUAL SHAREHOLDERS MEETING OF MAY 12, 2023

Employee share issues and/or issue of shares to the Managers and the Chair of the Supervisory Board

Corporate action	Resolution	Duration (expiration date)	Comments	Utilization during the year
Share grants and performance share plans	14th	38 months (July 2026)	■ Performance conditions over three years ■ Capped at 1% of issued capital	Issuance of 3,260,649 rights(1)

(1) See section 6.5.4.

2.12.2 GRANTED BY THE ANNUAL SHAREHOLDERS MEETING OF MAY 17, 2024

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 €28(1) *(in €)*	Maximum aggregate par value of shares *(in €)*	Utilization during the year
Issuance of shares and/or securities carrying rights to shares	17th	26 months (July 2026)	■ €6.7 billion (ordinary shares) ■ €2.50 billion(4) (securities carrying rights to shares)	€125 million(2)(3) (less than 35% of issued capital)	None
Issuance of new shares by capitalizing reserves	22nd	26 months (July 2026)	€4.4 billion	€80 million	None

(1) CGEM share price at December 31, 2025, 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 €125 million, excluding any shares issued under the 22nd and 24th resolutions (25th resolution).
(3) This amount may be raised by up to 15% if the issue is oversubscribed, subject to the ceilings set respectively in the 17th, 18th, 19th and 20th resolutions (21st resolution).
(4) With the aggregate nominal amount of all debt securities, with or without rights to shares, authorized by the 17th, 18th, 19th, and 20th resolutions not to exceed €2.5 billion (25th 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 €28[1] *(in €)*	Maximum aggregate par value of shares *(in €)*	Utilization during the year
Issuance of shares and/or securities carrying rights to shares	18th	26 months (July 2026)	■ €1.9 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 (*Code monétaire et financier*)	19th	26 months (July 2026)	■ €1.9 billion (ordinary shares) ■ €2.50 billion[4] (securities carrying rights to shares)	€35 million[2][3][5] (less than 10% of issued capital)	None
Determination of the issue price	20th	26 months (July 2026)	■ €1.9 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	23rd	26 months (July 2026)	€1.9 billion	€35 million[5]	None

(1) CGEM share price at December 31, 2025, 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 €125 million, excluding any shares issued under the 22nd and 24th resolutions (25th resolution).
(3) This amount may be raised by up to 15% if the issue is oversubscribed, subject to the ceilings set respectively in the 17th, 18th, 19th and 20th resolutions (21st resolution).
(4) With the aggregate nominal amount of all debt securities, with or without rights to shares, authorized by the 17th, 18th, 19th and 20th resolutions not to exceed €2.5 billion (25th resolution).
(5) Amount to be included in the maximum total capital increase authorized under the 18th resolution.

Employee share issues and/or issue of shares to the Managers and the Chair of the Supervisory Board

Corporate action	Resolution	Duration (expiration date)	Comments	Utilization during the year
Issuance of new ordinary shares	24th	26 months (July 2026)	Less than 2% of issued capital	Issuance of 4,039,620 shares[1]

(1) See section 6.5.5.

Share buyback program

Corporate action	Resolution	Duration (expiration date)	Limitations	Utilization during the year
Share buyback program	5th	18 months (November 2025)	■ Statutory limit of 10% of issued capital ■ Maximum purchase price: €55	N/A
Share cancellations	26th	24 months (May 2026)	10% of the current capital	N/A

(1) See section 6.5.6.

2.12.3 GRANTED BY THE ANNUAL SHAREHOLDERS MEETING OF MAY 16, 2025

Share buyback program

Corporate action	Resolution	Duration (expiration date)	Limitations	Utilization during the year
Share buyback program	5th	18 months (November 2026)	■ Statutory limit of 10% of issued capital ■ Maximum purchase price: €55	Buyback of 22,955,073 shares(1)
Share cancellations	14th	24 months (May 2027)	10% of the current capital	Cancellation of 22,919,400 shares (1)

(1) See section 6.5.6.

2.13 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.

2.14 MAIN CHARACTERISTICS OF INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS RELATING TO THE PREPARATION AND PROCESSING OF ACCOUNTING AND FINANCIAL AND NON-FINANCIAL INFORMATION

The Managers are responsible for disclosing reliable accounting, financial and non-financial information. They are supported in this by various operational teams that report to the Managers (including the accounting, consolidation and budget control teams, the corporate teams responsible for producing non-financial information and the financial communication team). The accounting teams generally report to the heads of the Regions and Shared Service Centers, while the budget controllers analyze the Group's performance based on its reporting segments.

The team responsible for internal controls over accounting and financial and non-financial risks reports to the Group's Corporate Finance Department, which is responsible for leading financial and non-financial internal control work. This department defines the internal control procedures and standards needed for the production of reliable accounting and non-financial information, and coordinates the related information systems and day-to-day management procedures. These procedures are set up at central and local level.

Additional information about the internal control process relating to the preparation of accounting and financial and non-financial information is provided in section 3.3 of this Universal Registration Document.

STATUTORY AUDITORS' REPORT

2.15 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.


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CHAPTER 03

RISK MANAGEMENT

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3.1 RISK MANAGEMENT SYSTEM

In today's constantly evolving environment, the ability to foresee, manage and track risks is a core component in Michelin's corporate strategy. The Group's geographic footprint, its position as the world's leading manufacturer of life-changing composites and experiences, and the diversity of its business base all mean that it is exposed to a variety of risks, both endogenous and exogenous. Strategic, product safety, financial, industrial, commercial, environmental and people-related risks have been clearly identified and are being managed in ways that minimize their occurrence and impact. The crisis management process and the full range of prevention and protection measures have been put to the test in recent years, confirming the Group's confidence in its ability to deal with multiple crises on an ongoing basis.

To support the disciplined management of its risks and impacts, the Group has deployed a holistic, cross-functional management system that complies with the most exacting international professional standards, such as those of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and the reference framework of the European Securities Market Regulator (ESMA) and the French securities regulator (AMF). The Group's system is continuously upgraded to reflect the latest regulatory changes and risk management best practices.

Definitions and method

For Michelin, risks or impacts correspond to the possible occurrence of an event whose consequences could affect either:

- its ability to meet its objectives, its financial situation or its reputation (risks);
- or its stakeholders, i.e., events or practices that could have an impact on people, the planet or society (impacts). Note that certain impacts may also boomerang and, in return, create a risk for the Group.



The Group manages and assesses 250 risks and impacts, organized into 14 families, that reflect both stakeholder expectations and the risks deemed critical to the Group and its sustainability.

Risks and impacts are assessed on both a gross and a net basis.

The gross or inherent effect of risks and impacts is measured using worst-case risk/impact scenarios. The net or residual effect is equal to:

- the gross or inherent effect; and
- less the impact of management levers, i.e., all the risk and impact mitigation measures deployed by the Group, including prevention, alert detection, protection, mitigation, crisis management, risk transfer, and risk/impact governance systems. Management levers are regularly audited and assessed by the Internal Audit Department.

Gross and net risk/impact assessments are based on two impact scales:

- a financial and reputational impact scale for risks;
- an accountability scale for environmental, human, social and governance Impacts.

Accountability, as defined in the ISO 26000 standard, means that an organization must be answerable for its impacts on stakeholders. The divisions on the accountability scale are determined by the amount of impact and the organization's degree of influence on the impacted ecosystem.

Governance

Each risk/impact family is managed by a cross-functional Governance Committee comprising the Chief Executive of the business unit concerned and chaired or co-chaired by a member of the Group Executive Committee or Management Committee. These Committees are:

- tasked with defining their family's risk management policies, vetting the family's risk/impact map, and prioritizing or deciding on initiatives to address the mapped risks and impacts;
- responsible for delivering the risk/impact management targets defined in their policies;
- supported by an Operational Committee responsible for tracking the implementation of risk/impact management action plans.

The Corporate Department for Internal Audit, Risk Management, Internal Control and Quality is responsible for assessing the quality of action plans drawn up by entities to address internal audit recommendations. This responsibility also includes liaising with operating committees and participating in meetings of each Governance Committee.

The risk/impact management process encompasses a holistic set of resources, procedures and initiatives aligned with the characteristics of each of the Group's businesses, which together help to maintain net risk effects at tolerable levels and net impact effects in line with accountability targets. The main components of this process are presented in detail below.

3.1.1 SYNCHRONIZATION BETWEEN INTERNAL AUDIT, RISK MANAGEMENT AND INTERNAL CONTROL

Internal Audit, Risk Management, Internal Control and Quality activities have been brought together within a single Corporate Department, which provides a shared vision of the priority risks and challenges facing the Group. It also supports efficient follow-up and drives improvement synergies between the second (Risk Management and Internal Control) and third (Internal Audit) lines of defense across every timeframe and every Group unit.

3.1.2 RISK MANAGEMENT SYSTEM

To secure and implement the Group's risk/impact management strategy, Risk Managers have been appointed in the Business Lines, Operational and Corporate Departments, Regional Organizations and other units. These Risk Managers have two main missions:

- helping to instill a risk culture in their unit;
- leading, deploying and overseeing the risk management process in their unit.

The Risk Manager network is led by the corporate Risk Management team in the Corporate Internal Audit, Risk Management, Internal Control and Quality Department. In addition, the corporate team is responsible for tracking risks, maintaining alignment between the Group and Regional risk maps, and managing the Group's risk/impact portfolio and the associated risk/impact policy. Group risk maps are informed solely by the assessments performed by the Corporate Internal Audit Department.

As part of the CSRD[1] project, the corporate Risk Management team has ensured that the portfolio of risks and impacts tracked by the Group as part of its risk management process is properly aligned with the double materiality matrix prepared for CSRD compliance. In 2025, Deforestation was added to the portfolio of tracked risks and impacts.

3.1.3 INTERNAL CONTROL PROCESS

Objectives of the internal control process

The Group's internal control process has the following core objectives:

- application of the instructions and guidelines issued by the Managers and the Group Executive Committee;
- compliance with laws and regulations;
- the proper functioning of internal processes, particularly those relating to the protection of corporate assets;
- ensuring the reliability of financial and non-financial information.

It comprises a set of resources, procedures, practices and actions aligned with the characteristics of the Group's businesses, which:

- contribute to the control over its activities, the efficiency of its operations and the efficient utilization of its resources;
- enable the Group to assess all of its material operational, financial and legal risks appropriately.

In general, the risk management process has been designed to encourage informed, shared risk-taking in accordance with the Group's values of responsibility, integrity and ethical behavior.

Michelin intends for Internal Control to be a tool for managing both its operations and the performance of line personnel, so that it can enjoy the benefits of efficient governance and the reasonable assurance that its risks are under control.

(1) Corporate Sustainability Reporting Directive, see section 4.1 of this Universal Registration Document.

Scope of the internal control process

The Group ensures that the internal control process is implemented in every unit:

- The system covers all the Group's operations, including every operating region and every business unit (manufacturing, sales and dealership networks) In the event of an acquisition, a dedicated internal control system is deployed in the new unit, in alignment with its business and risks. The scope of internal control is broad and extensive, covering every potential area of major risk.
- In extending the internal control process, the Group has updated and broadened it to address risks relating to the reporting of non-financial information. It will cover all the activities involved in collecting data and metrics, and in consolidating and publishing information as part of the non-financial reporting process.
- To manage this system in a cross-functional and consistent manner across all Group activities, the Internal Control Department has been integrated into the Corporate Internal Audit, Risk Management, Internal Control and Quality Department. An Internal Control network is organized and led through the Quality Network, with training and collaborative spaces made available to all the employees who participate in the network.

A detailed description of the internal control process covering the preparation of accounting and financial information is provided in section 3.3.

3.1.4 INTERNAL AUDIT DEPARTMENT

The Internal Audit Department assesses both gross and net risks and impacts through a multi-year audit plan, whose periodic audits support the ongoing control exercised by the Internal Control Department. Like the Internal Control Department, the Internal Audit Department's remit covers the entire Group.

The Internal Audit Department assesses the robustness of risk/impact management levers to measure the residual (net) risks and impacts. If any resulting net risk/impact exceeds the standards set by the family's Governance Committee, the Internal Audit Department issues recommendations. Each internal audit assignment is championed by a sponsor with the authority to undertake action plans to implement the recommendations and bring the net effect back in line with risk policy standards. Audit findings are also used to define avenues to improvement, making the Internal Audit Department a key enabler in the Group's continuous improvement process.

In addition to risk/impact audits, the Internal Audit Department also performs the following assignments:

- post-acquisition audits;
- internal control audits;
- financial and compliance audits of Group companies;
- ad hoc audits, undertaken at the request of members of the Group Management Committee;
- follow-up audits of action plans to implement internal audit recommendations.

3.1.5 CRISIS MANAGEMENT PROCESS

The Group has also deployed a cross-functional process to manage crisis situations, which regularly emerge in the course of its business operations. Given its size, the nature of its manufacturing and commercial activities and its environmental and social responsibility, Michelin is exposed to the risk of crises that could affect its business, its employees and their families, its customers, its suppliers, the environment and its reputation. To plan for and effectively respond to any such events, limit its impacts, and return to a tolerable level of operation, a crisis management process is in place and led jointly by the Corporate Internal Audit, Risk Management, Internal Control and Quality Department and the Corporate Anticipation, Prevention and Protection Department.

The system's underlying processes are regularly updated to ensure maximum effectiveness and responsiveness. At the end of 2024, the system was overhauled to improve its resilience, with the drafting of a formal crisis management policy supported by an updated reference framework and guidelines to help entities establish, maintain and continuously improve their crisis management capability. The entire system has been deployed among the Group's various management teams and at corporate level through an appropriate training process consisting of three successive modules: theory, tabletop exercises and simulations.

The system, which was amply stress-tested during recent crises, is supported by a network of trained crisis managers at every level of the organization, providing dense coverage in units across the entire Group.

3.1.6 GROUP COMPLIANCE TEAM AND NETWORK

The Group pays particular attention to risks arising from ethics violations or failures to comply with laws and regulations, which are governed by the Ethics Committee, chaired by the General Manager.

Ethics and compliance-related internal control audits are performed by the Compliance Support Group (within the Group's Corporate Legal Department) and led by the Chief Compliance Officer. The role of the Chief Compliance Officer and the organization of the Compliance Support Group and Compliance network are presented in the Sustainability Statement (see section 4.11.1 of this Universal Registration Document).

Internal controls to detect and prevent fraud account for around 40% of total internal control assignments, which cover information systems and technology, accounting, finance and legal & social processes and are conducted in every Group company.

Compliance-focused internal control activities mainly address the following issues:

- combating corruption and influence peddling: deployment of the Code of Ethics and the Anti-Corruption Code of Practice, training for all exposed employees and other stakeholders, tracking the third-party due diligence system, gifts and invitations, and regular internal audits of systems in place;
- compliance with competition rules: deployment of the dedicated competition compliance program;
- protection of personal data: deployment of the Group protection of personal data directive, compliance with the Binding Corporate Rules concerning the transfer of personal data and the processing of health data;
- processing Ethics Hotline alerts. In this case, the audits cover employee awareness and deployment of the various channels in the Group's whistleblowing system, compliance with the internal procedure for reporting alleged incidents, the processing of cases of demonstrated non-compliance and implementation of the related action plans (particularly as concerns the application of disciplinary measures).

Tests are performed by the network of internal controllers, alongside those conducted by members of the Compliance Support Group.

3.1.7 INSURANCE COVERAGE

Some risks can be transferred to insurance companies in line with the Group's insurance strategy, with different solutions used depending on the frequency of the risks concerned.

To cover high-frequency risks, integrated global insurance programs have been arranged, to the extent possible, in the insurance and reinsurance markets. These mainly concern property & casualty/business interruption, liability, accidental pollution and cyber risk insurance:

- the property & casualty/business interruption insurance program provides a combined total coverage of €1.5 billion, except for machinery insurance (€750 million) and natural disaster insurance, for which the coverage limit may be lower depending on the country;
- the liability insurance program comprises three key coverage areas:
  - product liability for the manufacturing companies,
  - business liability for the marketing and services companies,
  - general business liability, offering direct coverage in European Union countries and countries where the Group operates manufacturing facilities, and umbrella coverage in excess of local cover in all other countries;
- a pollution program providing environmental liability coverage;
- a cyber risk insurance program covering damages (including additional operating costs) as well as damages to third parties, with a combined limit of €180 million per year.

These programs cover all Group subsidiaries. The joint ventures are covered by separate insurance programs that are independent from those of their shareholders. For companies in which the Group has a non-controlling interest, the majority shareholder is responsible for purchasing appropriate insurance cover. For joint ventures and non-controlling interests, the safeguard clauses included in the Group's insurance programs protect its interests up to the amount of its investment.

The Group's insurance process includes the use of a captive insurance and reinsurance company, which oversees insurance policy management and reduces costs by pooling risks across the Group.

3.2 RISK FACTORS SPECIFIC TO MICHELIN, DESCRIPTION AND RELATED MANAGEMENT SYSTEMS

In accordance with the requirements of Regulation (EU) 2017/1129, Article 16, the following twelve risk and impact factors have been identified as being specific to and having the greatest net impact on the Group. In compliance with the guidance issued by ESMA and the AMF on the risk factors to be discussed pursuant to the European prospectus regulation, only the main risk and impact factors specific to the Group are discussed in this chapter. Other non-specific financial and non-financial risks and impacts are discussed in Chapters 4 and 5, below.

The following twelve risk and impact factors are aggregates of the risks and impacts tracked in the Group's portfolio. They are presented:

1. **by category;**
2. **ranked from the highest to the lowest net effect.** Financial risks are ranked on the basis of their potential financial effects on annual consolidated operating income, as follows:
   - "High" = more than €450 million in annual net effect,
   - "Medium" = between €150 million and €450 million in annual net effect,
   - "Low" = less than €150 million in annual net effect.

Risk and impact categories	Risk and impact factors	Net impact
Risks and Impacts related to Michelin's strategy, organization and governance	3 - Environmental transition risks and environmental impacts from our operations	High*
	8 - Mergers and acquisitions	Medium
	9 - Lack of employer attractiveness/employee retention	Medium
	10 - MICHELIN brands and reputation	Medium
Risks and impacts related to the Group's operations	1 - Physical effects of climate change	High*
	2 - Supply chain	High
	4 - Manufacturing business interruption	Medium
	5 - Cyber attack	Medium
	6 - Knowledge retention	Medium
	7 - Environmental impacts from the use of our products	Medium
	12 - Tire product safety	Low
Financial risks	11 - Pension and other defined benefit plans	Medium

* *Projected medium- to long-term consequences.*
NB: risks are numbered based on their residual effect, from highest to lowest.

All the identified risks and impacts are specific to Michelin and have a low probability of occurring, with the exception of the risk of the physical effects of climate change, which is non-specific and certain to occur. Note, however, that managing this risk includes measures dedicated to climate change adaptation, which are specific to the Group and its geographical locations.

Risk 1 - Physical effects of climate change

Risk factors

As a global industrial player, the Michelin Group has significant interactions with the natural environment throughout the life cycle of its products and services. These risks expose it to physical risks related to climate change, i.e., to both acute and chronic risks as defined by the Task Force on Climate-Related Financial Disclosures (TCFD).

Specific nature of the risk

The global footprint of the Michelin Group's production base and supply chain exposes it to the effects of climate change, which may, however, vary in degree, variety and duration depending on the geographic location. In light of the diverse range of suppliers and the many interdependent factors necessarily involved in the manufacture of its products (infrastructure, energy, availability of labor, transportation systems, etc.), the effects of climate change may be qualified as systemic. This means that they include external events that are not taken into account in the supply chain or manufacturing business interruption risks already addressed elsewhere (see risks 2 and 4). Such effects could become systemic, for example, if employees are unable to reach their workplace due to

floods, heat waves or other extreme climate events; if major infrastructure, such as production facilities, roads, ports and power, gas and co-generation grids, becomes unusable, or if demand suddenly collapses. The Group is also particularly sensitive to the issue of renewable materials. It is the world's largest purchaser of natural rubber and has set the objective of raising the proportion of recycled and renewable materials in its tires to 40% by 2030. The drive to meet this objective has increased the need for biosourced products that are sensitive to the chronic effects of climate change, such as drought and changes in growing conditions.

For more information, see section 4.2 of the Sustainability Statement, in this Universal Registration Document.

Governance and risk management response

An Environmental Governance Committee has been set up to provide assurance that environmental risks are understood, tracked and addressed by appropriate action plans. The Committee is co-chaired by the Executive Vice President, Manufacturing and the Executive Vice President, Research and Development, who are both members of the Group Executive Committee. It is led by the Corporate Sustainable Development and Impact Department.

An internal audit of the risk in 2021 resulted in the deployment in 2022 of a multi-year action plan addressing the main management levers, which is expected to improve knowledge of the major risks by the end of 2030. Its main deliverables in 2025 were:

- an analysis of the exposure to physical climate risks over the periods to 2030 and 2050 of several thousand Michelin sites or sites of interest to Michelin (including key customer sites and key transportation infrastructure);
- a formal method for quantitatively assessing the climate change vulnerability of Michelin sites and identifying any necessary adaptation measures;
- a catalog of behavioral, organizational and technical adaptation solutions.

Risks concerning natural rubber supplies are covered by a resilience plan, whose main levers continued to be implemented in 2025. Further progress will be driven in the years ahead with initiatives to diversify supply sources and varietal selection and improvement programs, encourage highly resilient agricultural practices, monitor changes in climate and public health conditions in production areas, and use the most efficient materials in our products and services and reduce the carbon footprint of our operations relating to natural rubber production.

More generally, risks arising from the physical impacts of climate change are managed with the support of:

- a Business Continuity Plan that effectively addresses all the short-term risks of business interruption and supply chain disruption, whether climate-related or not;
- a robust, regularly stress-tested crisis management process;
- a roadmap to define the necessary adaptation plans.

Risk 2 - Supply chain

Risk factors

Every year, Michelin purchases some €15 billion worth of goods and services from around 35,000 different suppliers. These purchases may be broken down into three families:

- raw materials;
- production inputs;
- business services.

The Group is exposed to a certain number of supply chain-related risk factors:

- geopolitical tensions;
- environment-related and other disruptions to raw materials and energy supply chains;
- imbalances between supply and demand;
- environment-related and other shortages of certain components;
- certain regulatory requirements;
- supplier failure or closure;
- supply chain cyber attacks.

Specific nature of the risk

A tire is made from around 200 different products and components, a number of which are highly specific. This means that their availability is business-critical.

The risk of supplies being interrupted is particularly acute for Michelin, whose products are highly technical and whose customers expect them to perform to consistently high standards throughout their useful lives. This is why Group procedures ban any substitute supplies unless the impact on finished product performance has been tested.

Governance and risk management response

The Governance Committee tasked with managing supply chain risk is the Materials Steering Committee, which is co-chaired by the Executive Vice President, Manufacturing and the Executive Vice President, Research & Development, who are both members of the Group Executive Committee. Its meetings are also attended by representatives of the Purchasing Department.

To more effectively anticipate and prevent supply continuity risks, procedures and measures have been introduced to manage purchasing across the Group at the most pertinent level, i.e., local, regional or global. These include promoting a clear understanding of supply risks and upstream supply chains, ensuring that Tier 1 suppliers understand their responsibility for their own supply chains, conducting audits of critical suppliers' business continuity plans, signing multi-year contracts with the main suppliers, looking for new suppliers, maintaining strategic buffer inventory for critical products and seeking substitute products when certain commodities become scarce.

Risk 3 - Environmental transition risks and environmental impacts from our operations

Risk factors

This risk concerns the possible repercussions for the Group if the environmental transition is inadequately managed, including the policy, regulatory, legal, technology, market and reputational aspects defined in the Task Force on Climate Related Financial Disclosures (TCFD) nomenclature. It also covers certain environmental impacts, potentially from our operations, such as pollution, resource depletion, biodiversity loss and impacts on water resources.

See sections 4.2 to 4.6 of the Sustainability Statement (Environmental Matters).

Specific nature of the risk

Mobility, which is the Group's main market, is a sector that has a significant impact on the environment and climate change. As a result, it is heavily regulated at both local and international levels, and is also shaped by the continuous fast pace of technical and social change. Recognizing the high expectations of stakeholders and the Group's leadership position, Michelin is firmly committed to protecting the environment. Environmental transition risks could arise, in particular, from:

- the failure or inability to comply with environmental regulations;
- failure to prepare for scientific and social changes;
- non-compliance with the Group's environmental commitments;
- third-party challenges to the Group on environmental issues.

Governance and risk management response

A governance structure is in place to address this risk factor - the Environmental Governance Committee (see Risk 1).

The main levers already in place for managing these risks may be summarized as follows:

- the definition of a holistic environmental policy, certain aspects of which have been shared with third-party organizations;
- policy deployment, including in new business operations, and progress towards its targets are being managed using appropriate indicators reviewed by the Environmental Governance Committee;
- a structured regulatory watch has been deployed to provide assurance that current and emerging regulations are identified and applied;
- long-term technological and social changes are addressed through the foresight projects carried out by the Group;
- a continuous and structured process of contact with external stakeholders (NGOs, customers, suppliers, investors) exists through the Stakeholders Committee and the systematic consideration of issues or controversies facing the Group.

Risk 4 - Manufacturing business interruption

Risk factors

This risk is primarily related to tire production, which involves two main stages. First, semi-finished products are manufactured for use as components, which are then processed and assembled to produce the finished products corresponding to the different types of tires sold by the Group. Consequently, the risk of business interruption at a semi-finished product facility could be significant, given that its output may be used by several different finished product plants.

In either type of production facility, operations could be interrupted by a variety of factors, both external (natural disasters, the impact of climate change or new legislation, geopolitical events) and internal (fires, IT outages, technical failures).

Specific nature of the risk

Business interruption risk is especially acute in the semi-finished product facilities due to Michelin's historical manufacturing model, under which semi-finished production is concentrated in certain plants that sometimes supply several different finished product facilities.

Governance and risk management response

The Materials Steering Committee described in Risk 2, the Corporate Manufacturing Department, the Corporate Planning, Prevention and Protection Department and the Supply Chain Operational Department all participate in the four-point plan covering:

- strategic plant location selection, to limit the probability of the risk occurring;
- prevention, with fire safety programs and technical inspections performed by trained personnel;
- protection, by applying preventive and corrective maintenance policies, multi-sourcing the production of finished and semi-finished products, and striking the right balance between component insourcing and outsourcing;
- preparing teams to manage crisis situations requiring the deployment of disaster recovery and business continuity plans.

Risk 5 - Cyber attack

Risk factors

Michelin's business relies on systems and technologies

Michelin's business relies on state-of-the-art information technology, systems and infrastructure (datacenters, servers, networks and cloud solutions).

Like any organization using information technology, the Group is exposed to the risk of cyber attacks, which are becoming increasingly sophisticated and a source of constant danger. Recent years have seen a sharp upsurge in the number of attacks, especially ransomware and advanced persistent threat (APT) cyber-espionage attacks. Sabotage attacks and destabilizing threats are also becoming more common, generally with the goal of disrupting operations or tarnishing the Group's image. Changing work practices, including the growing trend towards working from home, are also heightening risk exposure.

The potential consequences of a cyber attack include business interruption, threats to personal safety, theft of confidential information, breaches of employee privacy, ransom demands and reputational harm.

Specific nature of the risk

Over the past ten years, the Group has extensively overhauled its information technology and systems, building on both legacy assets and those of the successive companies acquired. Its broad geographic footprint and highly diverse business base, product ranges and procedures all make for a complex environment, with the result that its information system has several thousand applications, a thousand or so main servers and around 100 datacenters.

The Group's exposure to digital risks is increasing, due in particular to recent acquisitions, the emerging use of connected technologies and objects by production operators, the swift migration to cloud-based solutions and bring-your-own-device practices in certain countries, as well as the rapid adoption of artificial intelligence.

Governance and risk management response

The cyber attack risk factor is managed by the Data, Digital, IT Governance body, which is chaired by the Group's General Manager and facilitated by the Group Chief Cyber Security Officer.

To deal with the above-described information technology and systems risks, multi-year action plans have been prepared with a focus on the following measures: (i) closely tracking contractual terms and conditions to be able to respond in the event of service provider default, (ii) reinforcing the physical and logical security of IT systems, (iii) systematically reviewing IT continuity needs and putting in place IT recovery plans, and (iv) replacing obsolete components and continuously upgrading information security systems.

Penetration tests are very frequently conducted to confirm the security of the Group's IT solutions and data protection systems. In addition, the Group's Computer Emergency Response Team (CERT) stands ready to intervene at all times across all continents.

Lastly, training programs and awareness campaigns are regularly conducted for all Group employees and, in a more targeted manner, for the categories of employees the most exposed to this risk. The Group is striving to instill a "security by design" culture in its IT projects by addressing security issues across an application's life cycle, from initial design to operation and end-of-life.

The Group has also undertaken the process to earn Trusted Information Security Assessment Exchange (TISAX) certification, the gold standard for cyber security in the automotive industry, for some of its plants and product development units. By the end of 2025, 38 Michelin facilities had already been certified. TISAX certification is the final step in the process to ensure the highest level of data protection throughout the Group's value chain.

Risk 6 - Knowledge retention

Risk factors

One of Michelin's competitive advantages stems from the ability to sharply differentiate its products and services thanks to continuous, sustained innovation. Consequently, protecting its knowledge and expertise is a key factor in maintaining its leadership and driving its future growth. This culture of protecting knowledge and know-how is part of the Group's DNA.

Specific nature of the risk

Because Michelin invests heavily in innovation and the development of new growth businesses, protecting knowledge and expertise is essential to maintaining its technological leadership.

Sensitive information largely concerns products, services, materials, procedures and equipment, as well as techniques, methods, design, testing and manufacturing data alongside the related databases. However, information about production, research, marketing and other business strategies, as well as consumer and supplier databases, also risk being lost or stolen.

The Group is exposed to risks in its cooperation with external stakeholders, including consumers, suppliers, partners, subcontractors and academic institutions.

Likewise, it is dependent on the information systems used to store and share sensitive information. In addition, Michelin must also address the growing use of social media, the development of artificial intelligence solutions and the resulting risk of information leakage.

Governance and risk management response

A Governance Committee is in place for this risk factor, chaired by the Executive Vice President, Group Research and Development, and co-chaired by the Executive Vice President, Manufacturing.

To prevent the risk of Michelin know-how and/or expertise being disclosed or lost:

- projects, processes and data are classified according to their sensitivity, with each classification protected by appropriate safeguards and practices. For example, cloud computing solutions are no longer used for certain categories of data and encryption levels have been raised for certain other categories;
- intellectual property is protected through our policy of obtaining patents wherever this is possible or desirable based on a broad vision of the secrets to be protected. Operating markets are monitored to ensure that our intellectual property rights are not infringed;
- sensitive information, tangible assets and intangible assets are also protected by physical security systems;
- a dedicated, purpose-designed information systems architecture is in place to securely store and share sensitive information;
- every employee is a protection enabler, with a deeply instilled security culture informed by the Group Security Charter;
- experts within the Group who have the skills that are critical for our operations are identified and afforded the recognition needed to retain their talent.

Patents and other industrial property rights are fully integrated into the system for controlling and managing knowledge retention risk. Since our products are assemblies of components incorporating a large number of patents and each patent may be used across multiple product ranges, the Group's exposure to this risk is limited.

Impact 7 - Environmental impacts from the use of our products

Impact factors

Through its potentially negative environmental externalities, Michelin could possibly have an impact on the planet and on its own stakeholders. Michelin is committed to acting as a leading enabler of sustainable development and mobility. This means clearly identifying and effectively managing the environmental impacts inherent in its business operations, including the impact of products and services during the in-use phase.

The main impact factors are:

- Scope 3 CO_2 emissions from the use of sold products (see section 4.2 of the Sustainability Statement);
- the generation of tire and road wear particles (TRWP). (See section 4.3 of the Sustainability Statement);
- the impact of end-of-life treatment of sold products (see section 4.6 of the Sustainability Statement);
- tire rolling noise (see section 4.10 of the Sustainability Statement).

Today, societal expectations regarding climate change are rising and regulatory frameworks are tightening, particularly as concerns pollution, where, in the case of TRWPs, the scientific contours are still incomplete. In this environment, the above impact factors can translate into risk factors both for the Group and for the tire industry as a whole.

Specific nature of the impact

Environmental impacts are inherent to the tire itself, particularly during the in-use and end-of-life phases.

Governance and impact management response

The Environmental Governance Committee is tasked with managing environmental risks and impacts, including the effects of using our products (see Risk 1 above).

As a tire manufacturer that assesses the environmental impact of its products throughout their life cycles, from raw materials to end-of-life, Michelin carefully analyzes any potential impacts from its tires during the in-use phase, in full alignment with its All Sustainable vision, correlated with its Michelin in Motion strategic plan.

The main levers used by the Group to manage these impacts are:

- reducing tire rolling resistance during the design phase, which helps to improve vehicle fuel efficiency, which in turn reduces carbon emissions during the in-use phase. This process is supported by the systematic use of life cycle assessments, performed product by product, and the deployment of eco-design practices;
- reducing abrasion, by leveraging the Group's materials expertise and a long-standing design strategy focused on optimizing materials use. Moreover, by funding both in-house and external research programs, the Group is helping to deepen its understanding of the potential impacts of TRWPs, so as to develop new technologies capable of attenuating them;
- organizing the collection and treatment of end-of-life tires. The Group is exercising its leverage with public and private-sector stakeholders (i) to support the efficient operation of nationwide collection and resource recovery systems; and (ii) to encourage, wherever possible, local systems to focus on materials recovery, which optimizes the reuse of tire components as secondary raw materials and offers a generally smaller carbon footprint than energy recovery. In addition, the Group itself is developing end-of-life tire recycling solutions with other market participants;
- developing services and solutions that optimize the use and management of vehicle fleets, while improving their fuel/energy efficiency.

Risk 8 - Mergers and acquisitions

Risk factors

The main risk factors inherent in the Group's merger and acquisition (M&A) activities are as follows:

- risk of overestimating the value of the target;
- pre-existing risks at the target company, such as ethical, tax, environmental, legal, product liability and cyber risks;
- risk that expected growth may not be achieved;
- risk that expected synergies may not be achieved;
- risk of losing key employees;
- risk of strategic misalignment with a joint venture partner.

Specific nature of the risk

The Group has defined a strategic model built on its core tire manufacturing business and expertise in polymer-based composites, and supported by the accelerating pace of digitalization. Successfully pursuing this strategy depends in part on external growth. Our ability to meet our goals depends on the success of these acquisitions and alliances.

Governance and risk management response

A Governance structure is in place to manage the entire portfolio of M&A and disposal projects, along with separate governance committees dedicated to each project, under the responsibility of the Managers and supported by the Mergers and Acquisitions (M&A) Department. The M&A process was significantly overhauled in 2021, with full effect from 2022. Internal audits were carried out in 2025 to verify the relevance, consistency and maturity of the integration processes for acquired companies.

For each project, the risk of overestimating the value of the target is attenuated by using a variety of valuation methods (EBITDA multiples, discounted cash flow, ratios on similar deals) and comparing their results, sometimes with the support of an advisory bank.

M&A projects exceeding €50 million in enterprise value are submitted to the Supervisory Board for comment before a binding offer is submitted.

Each acquisition is subject to thorough due diligence, including an analysis of the climate change vulnerabilities of the target's footprint, with the support of internal and/or external specialists, so as to identify all the risks in the acquired company. Post-acquisition internal audits are performed for all material acquisitions.

An integration plan led by an integration project manager is designed and implemented under the supervision of a member of the Group Executive Committee. In the case of acquisitions exceeding €50 million in value, the results are reported using an appropriate procedure and are communicated to the Supervisory Board twice a year.

Risk 9 - Lack of employer attractiveness/employee retention

Risk factors

Employees are the primary driver of our success and play a critical role in fulfilling our ambitions. At a time of shifting attitudes to work, particularly in the manufacturing industry, this risk could be manifested in hiring difficulties, high employee turnover, a lack of experience in certain key positions, and the possible loss of knowledge or skills over the longer term.

Specific nature of the risk

The Group's tire manufacturing business is highly capital-intensive. As a result, the production plants are often in operation 24/7, giving rise to workplace constraints that may reduce both the appeal of these jobs and the retention of employees trained in them in certain mature regions or markets where the Group has sited its production operations, and in certain local labor markets. In addition, the creation of shared services centers, particularly for administrative and digital technology processes, may expose the Group to a competitive talent war.

Governance and risk management response

This risk factor is overseen by the Governance Committee for the "Managing people and social cohesion" risk family, which is chaired by the Executive Vice President, Personnel, a member of the Group Executive Committee. It also comprises the management team of the Corporate Personnel Department and representatives of the Manufacturing Department and the Corporate Sustainable Development and Impact Department.

All seven personnel management policies are helping to improve the Group's employer appeal and employee retention For further details, see section 4.8 of the Sustainability Statement in this document.

More specifically, a number of levers have been or are being deployed to reduce the Group's exposure to this risk:

- highly agile compensation policies aligned with local conditions. At the same time, Michelin pays close attention to ensuring fairness among its country organizations by offering every employee profit-sharing initiatives and compensation components linked to its worldwide performance (Group bonus, employee share ownership plan);
- a network to share best practices covering, for example, the onboarding and training process during an employee's first year on the job;
- a proactive approach to an adequate wage and a universal social protection floor, which is also helping to strengthen the employer brand and employee pride in working for the Group;
- specifically, in the Manufacturing Department, a dedicated team has been tasked since 2023 with defining and rolling out the vision and strategy for the People component (talent development, expertise and skills, diversity and inclusion, team engagement, improving the employee experience). It is supported by a network of relay officers in the operating regions, close to the ground, to gain greater understanding of local conditions and listen more attentively to employee needs. This issue is one of the Manufacturing Department's six priorities.

Risk 10 - MICHELIN brands and reputation

Risk factors

Michelin has an excellent reputation, both in terms of its products and services and as a company. However, like any other well-known multinational corporation, it is exposed to potential damage to its reputation and brands. In addition, the constantly growing influence of social media and instances of malicious use of artificial intelligence mean that the Group is exposed to online reputational risk, at a time when actual or fake information is openly and rapidly circulated.

Specific nature of the risk

In light of the Michelin brand's image and reputation (the Michelin brand power score is nearly two times higher than that of its nearest competitor), an attack on the Michelin brand and reputation would have a serious adverse effect on the Group. It is vital to safeguard the Group's brand and reputational equity, which is one of its major assets.

Governance and risk management response

Michelin Brands and Reputation Risk Governance is the responsibility of the Corporate Engagement and Brands Department and the Lifestyle Business Line. With the support of the Corporate Internal Audit, Risk Management, Internal Control and Quality Department, and the Group's Legal Department together with its Intellectual Property Office, the above Governance Committee manages a full array of initiatives to safeguard the Group's reputation and brands. Among these efficient measures is a systematic, ongoing intelligence process that analyzes online, social and other media to identify any initiatives or comments that could spiral out of control and cause long-term damage to the Group's reputation. In addition, guidelines for the proper use of social media have been issued for all Group employees, with an update in 2022. They describe the simple rules and best practices to follow to attenuate the risks involved in using social media.

The crisis management process also helps control reputational risk.

Risk 11 - Pension and other defined benefit plans

Risk factors

In certain countries, employee benefit obligations include unfunded, partially funded or fully funded pension and other defined benefit plans that represent a long-term benefit payment obligation for the Group. The main factors impacting the amount of the obligation are returns on plan assets for the funded plans, actuarial assumptions (including the discount rate), experience adjustments, changes in legislation and plan amendments. An adverse change in one or more of these factors could increase the amount of the net obligation and consequently could require the Group to make additional contributions to make up for the funding shortfall or increase future benefit payments. The Group's main pension plans in English-speaking countries are funded and have policies in place to hedge any discount rate risk or have been outsourced to insurers.

Specific nature of the risk

The Group's pension and other defined benefit plans mainly concern North America and Europe. The total obligation for pensions and other employee benefits amounted to €6.6 billion at December 31, 2025. At the same date, the related plan assets totaled €4.3 billion.

Governance and risk management response

Governance for this risk factor is provided by the Global Employee Benefit Board (GEBB), which is co-chaired by the Deputy Chief Financial Officer and the Executive Vice President, Personnel.

For details on provisions for employee benefit obligations and the measurement and treatment of defined benefit plan risks, see note 8 to the consolidated financial statements. Note that in September 2024, all UK pension plans completed a buy-in transaction (including an insurance policy covering a range of longevity, inflation and investment risks), thereby significantly reducing the net obligation risk (see note 8 and section 16 of Chapter 5).

Impact 12 - Product safety

Impact factors

Most of the gross safety risk in the product portfolio stems from tires, which remain Michelin's traditional core business. It holds robust leadership positions around the world and across all three operating segments: automotive, road transportation and specialty markets.

Like all tiremakers, if defects appear in its products during their use or if they fail to comply with the applicable regulations, the Group could be faced with liability claims or be required to recall the products. This impact therefore entails material reputational and financial risks for the Group.

Specific nature of the impact

Michelin's focus on customer needs and the quality of its products and services has built confidence in the Michelin brand and contributed to the Group's performance. Updated in 2021, the Quality Statement emphasizes that "Quality remains critical to the safety of our products and services and to their compliance with applicable requirements."

Thanks to a very robust process for tracking product performance in every market, Michelin has always been able to quickly and proactively issue recalls in response to any risks that could potentially impact the safety of its customers. This is also one of the promises made in the Group's Quality Policy. The results of these measures for 2025 are presented in section 4.10.1.1. In addition, product improvement measures are regularly deployed.

Governance and impact management response

Product performance impact is governed by the Product Performance Monitoring Board, chaired by the Corporate Internal Audit, Risk Management, Internal Control and Quality Director.

All Group employees, at every point in the value chain, are involved in managing these impacts:

- product design and development projects are managed in accordance with detailed project management procedures. Products and services are described in specifications that cover customer requirements and expressed needs, the potential impact of the particular or extreme conditions of use in a given region and all of the applicable standards and regulations. The Research, Development, Process Engineering and Quality functions are responsible for performing robust simulations and tests on new products to ensure that they comply fully with the design specifications;
- the entire production process is subject to quality assurance procedures designed to guarantee that the products comply with Michelin's safety and performance standards;

- advice and support in the proper use of products and services is provided throughout their life cycles with technical brochures and training, including an ongoing, Michelin-led program of customer training courses;
- a network of in-field technical advisors is helping to support customers and identify changing usage practices;
- a product/service performance monitoring process based on customer experience and satisfaction ensures that even the slightest signs of a problem are detected. This process now uses artificial intelligence, forecasting and alert systems to minimize the time needed to detect a potential problem.

The current processes have been certified by independent organizations.

The Group has taken out specific insurance cover against the risk of product recalls and liability claims. The Group's insurance program is described in section 3.1.7.

3.3 INTERNAL CONTROL PROCESS RELATING TO THE PREPARATION OF ACCOUNTING AND FINANCIAL INFORMATION

Among the various objectives of the risk management and internal control system, this section focuses on the control activities related to the process of preparing accounting and financial information. The control activities related to the process of reporting non-financial data are described in Chapter 4 below.

PREPARATION AND PROCESSING OF ACCOUNTING AND FINANCIAL INFORMATION

The Managers are responsible for disclosing reliable financial and accounting information. The Accounting, Management Control and Investor Relations Departments all contribute to the process of producing this information.

The Group's accounting teams generally report to the heads of the Regions and Shared Service Centers, while its budget controllers analyze the Group's performance based on its reporting segments.

Consolidated financial reports are prepared monthly according to the same overall process as for the annual financial statements. The internal control procedures required to produce reliable accounting information are defined at Group level and implemented locally. These include a physical inventory of both fixed assets and inventories, segregation of tasks and reconciliation with independent sources of information.

The Accounting Department is in charge of aligning accounting policies throughout the Group, monitoring changes in applicable financial reporting standards, updating accounting manuals for all the subsidiaries and dealing with any issues they may raise.

Statutory and management accounting data are reported simultaneously by the subsidiaries, and programmed controls verify that the main indicators – such as revenue and operating income – are consistent between the two sets of data. Statutory accounting data received from the subsidiaries are checked for consistency and then consolidated to produce the Group's financial statements.

Monthly changes generated based on consolidated data are systematically analyzed. Differences between forecast and actual management accounting data are reviewed in detail every month by the Business Units as well as by the Group Budget Control Office, which prepares a monthly report for the Managers and the Executive Committee.

At every interim and annual closing, the Regional Directors and their Finance Managers certify in writing that, to the best of their knowledge, the separate accounts submitted by the companies in their Region provide a true and fair view of the results of their operations. This representation letter specifically covers a number of issues that could significantly affect the financial statements in the event of non-compliance (e.g., applicable laws and regulations and contractual provisions) or occurrence (e.g., disputes or fraud). For entities that are not included in a specific Region, the representation letter described above is signed by the Business Unit's Director and Finance Manager.

The Investor Relations Department, which forms an integral part of the Corporate Finance Department, is responsible for preparing and disclosing all of the Group's financial information to the investing community. Financial information is disclosed in three main forms:

- the Universal Registration Document;
- financial press releases;
- presentations to analysts and investors.

The design and preparation of the Universal Registration Document are coordinated by the Investor Relations Department and approved by the Managers, with significant input from the Corporate Legal Department and the Corporate Sustainable Development and Impact Department. The document contains extensive, high-quality information drawn from contributions by a range of specialists in the Group's main fields of operations.

Financial press releases are prepared by the Head of Investor Relations; those that announce earnings are also reviewed by the Audit Committee as well as the Supervisory Board.

Presentations to analysts and investors are directly prepared by the Investor Relations Department.

MANAGEMENT OF ACCOUNTING AND FINANCE INTERNAL CONTROL

Group managers can detect any weaknesses in their internal control processes through the systems used to manage their operations. In addition, internal reviews are performed in the units by their specialized experts. Information generated by the management systems is analyzed by the budget control teams and reported to the managers concerned for inclusion in the scorecards used to manage their operations. A management scorecard is also prepared for the Group Executive Committee, enabling it to track the Group's business month by month. On a quarterly basis, similar reports are presented in an appropriate format to the Supervisory Board. The Corporate Finance Department is responsible for ensuring the relevance and consistency of this management data.

The Operational Information Processing Department is in charge of overseeing information system policies and resources. The internal control procedures include rules relating to data access and protection, the development of applications, and structuring and segregating development, process engineering and production tasks.

RECURRING ASSESSMENTS OF THE ACCOUNTING AND FINANCIAL INFORMATION PREPARATION PROCESS

Self-assessments

To ensure that the work carried out to comply with France's Financial Security Act delivers lasting improvements, the Accounting and Financial Internal Control Department reports to the Corporate Finance Department. It is responsible for managing internal control processes and for overseeing work on financial internal control, with a view to providing reasonable assurance that the Group's financial information is reliable and that its assets are safeguarded.

It defines internal control standards, coordinates and sets up internal control information systems and day-to-day management procedures in coordination with the Corporate Internal Audit, Risk Management, Internal Control and Quality Department.

It also assists the network of internal controllers in the Regions and main areas of operation in implementing these systems and procedures.

Its role includes:

- standardizing internal control best practices and training regional correspondents in their use;
- regularly updating key risks by process;
- defining key controls in conjunction with the owners of the processes concerned;
- drafting control guidelines and manuals and preparing internal control tests;
- mapping the issues for which controls are applied in the different Group organizations;
- overseeing the regional managers and managers of operational areas concerned;
- structuring the internal control network;
- interfacing with the other stakeholders in the relevant processes, such as process owners, risk managers and internal and external auditors;
- advising on the implementation of transformation projects and programs.

Post-acquisition audits are performed for newly acquired companies and sub-groups that are fully consolidated and an internal control process deployment plan is prepared based on their respective characteristics (manufacturing, sales or financial services business, information system, geographic location, organization and governance, materiality in Michelin's consolidated financial statements, control environment and culture).

An initial internal control self-assessment exercise is carried out with the new teams, in order to meet their needs and help them understand what the Group expects from their internal control process. Action plans are drawn up with the teams concerned in order to help them take ownership of the approach and related tools.

The financial self-assessment system potentially encompasses the following 16 processes:

- purchasing, from ordering to supplier payment;
- sales, from customer order to payment;
- customer credit management;
- management of inventories (raw materials, semi-finished and finished products, and spare parts);
- inventory valuations;
- financing and financial risk management;
- management of intra-Group transactions (transfer pricing and elimination of intra-Group balances);
- information systems management and administration (general IT testing);
- accounts closing;
- project and fixed asset management;
- taxes;
- people management (pay, benefits and travel expenses);
- consolidation;
- investor relations;
- mergers/acquisitions/divestments and their integration into the Group;
- management of customs affairs, including the Group's customs management processes, import/export management, supervising freight forwarders, organizing delegations of authority, customs documentation, etc.

At every company covered by the system, the key internal control activities for each process are self-assessed and improved by the line personnel concerned every year.

Internal Controller reviews

The key controls for every process are tested in every facility at least once every four years or more often if necessary, depending on the degree of risk. The results of tests conducted by internal controllers are shared with the external auditors of the Group's companies, so that they can capitalize on the findings and strengthen their own external audit procedures.

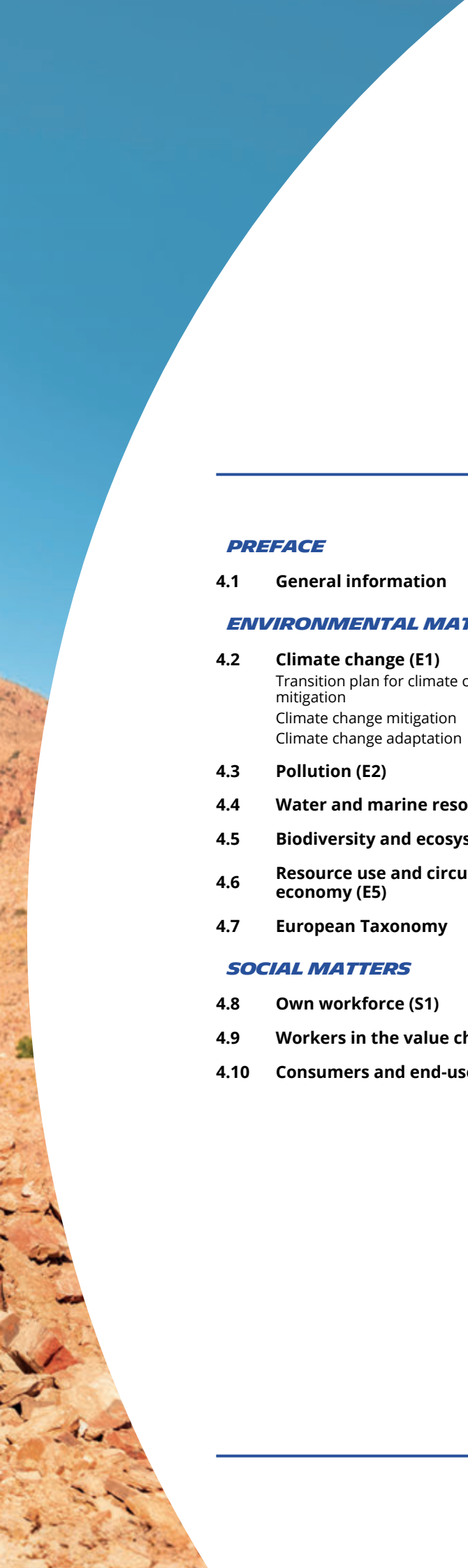
Action plans

In each company, action plans are prepared to address the identified areas for improvement and are implemented by line personnel. More generally, this approach is integrated into the continuous improvement process, which is also supported by the findings of the external and internal auditors. In addition, this self-assessment and testing system is applied to the five integrated components of the internal control process, as defined by the Committee of Sponsoring Organizations of the Treadway Commission (COSO): control environment, risk assessment, control activities, information and communication, and monitoring activities.

Action plans are generally scheduled for completion within two years for a large majority of compliance shortfalls, excluding information system issues, which take longer to resolve and require more resources. Countermeasures have been implemented to mitigate risk exposure in the interim.

04





CHAPTER 04

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PREFACE



THREE QUESTIONS FOR YVES CHAPOT, GENERAL MANAGER AND CHIEF FINANCIAL OFFICER

This is Michelin's second Sustainability Statement issued in compliance with the European Union's Corporate Sustainability Reporting Directive (CSRD). What were the lessons from the first edition?

Applying the CSRD has increased the Michelin Sustainability Statement's impact and visibility. The selective approach to the most significant issues enables us to highlight our performance in an orderly, quantified way. In addition, the CSRD ensures that data are collected for the entire reporting scope with a focus on our core policies and actions, and all the information is audited by our Statutory Auditors.

Nevertheless, the first-year reporting exercise was both complicated and time-consuming for our teams. The ESRS are complex and difficult to interpret, creating a risk of diluting the important messages linked to our sustainability strategy and initiatives. In the current environment, it is critical to preserve a fair level playing field between companies, so as not to penalize those required to apply the CSRD. That's why we support the Omnibus simplification process underway at European Union level, which aims to reconcile ambitious objectives with the imperatives of competitiveness.

What we need to remember is that our 2024 Sustainability Statement attracted considerable positive feedback from our stakeholders, especially investors and non-governmental organizations. Our stakeholders welcomed the wealth of high quality reported data, attesting to the Group's level of maturity on material issues.

For you, what are the benefits of complying with these new sustainability disclosure regulations?

The CSRD's contribution to improving data transparency is positive and welcome. By introducing rules for the collection and presentation of sustainability data and requiring the data to be audited by an external third-party, the directive ensures that investors and all other stakeholders are provided with relevant, comparable and reliable information. Improvements in this area have also supported the objective of aligning non-financial and financial information, contributing to a consolidated understanding of company performance and, ultimately, to tighter management of our activities.

This being said, we observed some discrepancies in the directive's first-year application, either on the part of companies or due to the failure of certain European Union countries to transpose the CSRD into their national legislation. It is essential that this publication should eventually enable our sustainability performance to be measured objectively against that of other comparable industry players.

What are the key takeaways from the 2025 Sustainability Statement?

The 2025 Statement highlights our differentiating factors and ongoing progress. Michelin has made advances on the environmental front (with a 12% reduction in water withdrawals compared with 2024) and also on the social front (in the shape of ongoing collaboration with the Fair Wage Network and improved internal promotion rates). The work of Michelin's teams around the world has been recognized by the triple A-rating awarded by the Carbon Disclosure Project. New products combining durability, energy efficiency and unrivaled abrasion performance also contribute to this performance.

I would like to emphasize one last point: it is our deep belief that companies must play a role in society to provide collective responses to today's challenges. This Statement highlights the Group's actions in favor not only of its employees but of all its stakeholders.

4.1 GENERAL INFORMATION

4.1.1 GENERAL BASIS FOR THE PREPARATION OF THE SUSTAINABILITY STATEMENT

Background

The following Sustainability Statement has been prepared based on the scope of consolidated financial reporting of Compagnie Générale des Etablissements Michelin (CGEM; hereinafter, the "Group" or "Michelin"). This annual Sustainability Statement covers the period from January 1 to December 31, 2025. After a review by the Supervisory Board, the Statement was authorized for issue by the Managers on February 11, 2026.

It has been prepared in compliance with the European Corporate Sustainability Reporting Directive (CSRD) requiring companies to disclose sustainability information, as transposed into French law by Government Order 2023-1142 of December 6, 2023, and in accordance with the final French language version of the European Sustainability Reporting Standards (ESRS), issued in December 2023.

Scope of reporting of the Sustainability Statement

The Sustainability Statement's reporting scope is based on the scope of the Group's consolidated financial reporting. Quantitative metrics cover fully consolidated companies, unless otherwise stated in the topic-specific sections of this Sustainability Statement.

Companies accounted for by the equity method are not included in the scope of reporting, in as much as the Group does not exercise exclusive operational control over them. Nevertheless, in accordance with the GHG Protocol, CO_2e emissions from these companies are included in the Group's Scope 3 emissions (Category 15).

The Statement covers the Group's upstream and downstream value chain, including suppliers, dealerships and other own operations, employees and customers (see section 4.1.3.1 below for a presentation of the Statement's coverage of the value chain).

Calculation methodology used for the metrics and main estimates

Main estimates

The quantitative metrics disclosed in this Sustainability Statement are calculated on the basis of actual data, except for the following, which are a composite of actual and/or estimated data:

- water consumption: this metric corresponds to actual withdrawals less actual water discharges or estimated discharges in cases where water meters have not yet been installed (see section 4.4.4.3);
- CO_2e, Scope 3: these metrics are calculated in accordance with GHG Protocol Corporate Standard recommendations, based on actual data and estimates derived from primary data from suppliers and customers, as well as from external databases. This method is inherently somewhat uncertain.

Methodological changes, 2025 vs. 2024

- water consumption: the gradual installation of water discharge meters is making published values more reliable. The relevant values for 2024 have been recalculated accordingly (see section 4.4.4.3);
- renewable energy: the calculation methodology has changed for 2025 and the relevant values for 2024 have been recalculated accordingly (see section 4.2.9.5);
- Scope 3 category 3 CO_2e emissions: new emission factors for oil industry-linked products have been taken into account in 2025. The relevant values for 2019 (baseline), 2023 and 2024 have been recalculated accordingly (see section 4.2.9.6);
- Scope 3 category 11 CO_2e emissions: the calculation methodology has changed for 2025 and the relevant value for 2024 has been recalculated accordingly (see section 4.2.9.6).

Evolving sustainability reporting environment

As well as preparing the ESRS-based Sustainability Statement, the Group is attentive to emerging international sustainability reporting standards and stakeholder expectations (notably the GRI reporting standards, IFRS Sustainability Disclosure Standards S1[1] and S2[2], and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) incorporated into ISSB standards).

The 2025 Sustainability Statement has been prepared in a more unstable regulatory environment than in 2024.

As of December 31, 2025, a process to simplify the ESRS was underway and the entry into force was pending of a new taxonomy delegated act published in July 2025.

In this uncertain environment and bearing in mind that the ESRS are in the process of being simplified, the Group has prepared this Sustainability Statement in accordance with the ESRS currently in force, based on the same legal taxonomy framework as that applicable in 2024 (see section 4.7.1 below).

4.1.2 GOVERNANCE OF SUSTAINABILITY MATTERS

4.1.2.1 Composition and role of the administrative, management and supervisory bodies

Details of CGEM's administrative, management and supervisory bodies (including their composition and responsibilities, and the expertise, training and skills of their members) are described in the Corporate Governance Report (see Chapter 2, sections 2.1 and 2.2 of this document).

The Supervisory Board has set up an Audit Committee and a Corporate Social Responsibility (CSR) Committee, both chaired by independent Supervisory Board members.

The Supervisory Board has 11 members, all of whom are non-executive. The information below is based on its composition at December 31 of the reporting year, as presented in the aforementioned Corporate Governance Report and reflecting the decisions taken by the relevant CGEM governance bodies (Supervisory Board, Annual Meeting of Shareholders). They concern the percentage of CGEM Supervisory Board members by gender and nationality. The latter corresponds to another aspect of diversity tracked by CGEM:

ESRS 2 GOV-1 Supervisory Board	2024	2025
Total number of Supervisory Board members	11	11
Number of executive members of the Supervisory Board	0	0
Number of non-executive members of the Supervisory Board	11	11
Number of women Supervisory Board members[1]	5	5
Percentage of women Supervisory Board members[1]	45.5%	45.5%
Number of Supervisory Board members representing other aspects of diversity[2]	3	3
Percentage of Supervisory Board members representing other aspects of diversity[2]	27.3%	27.3%
Number of independent members of the Supervisory Board[3]	8	8
Percentage of independent members of the Supervisory Board[3]	72.7%	72.7%

(1) The percentage of women is calculated by dividing the number of women members by the total number of Supervisory Board members. This method differs from the one used to calculate the ratio presented in the Supervisory Board's Corporate Governance Report, pursuant to Articles L. 22-10-74 and L. 226-4-1 of the French Commercial Code, which does not take employee representatives on the Board into account.
(2) Based on the diversity of nationalities, whose ratio is calculated by dividing the number of non-French members by the total number of Supervisory Board members.
(3) The disclosure requirement concerns the percentage of independent members on the CGEM Supervisory Board, which is calculated by dividing the number of independent members by the total number of Supervisory Board members. This method differs from the one used to calculate the ratio presented in the Supervisory Board's Corporate Governance Report, which is based on the Corporate Governance Code for listed companies published by the AFEP and MEDEF and does not take employee representatives on the Board into account.

(1) IFRS Sustainability Disclosure Standard S1 – General Requirements for Disclosure of Sustainability-related Financial Information.
(2) IFRS Sustainability Disclosure Standard S2 – Climate-related Disclosures.

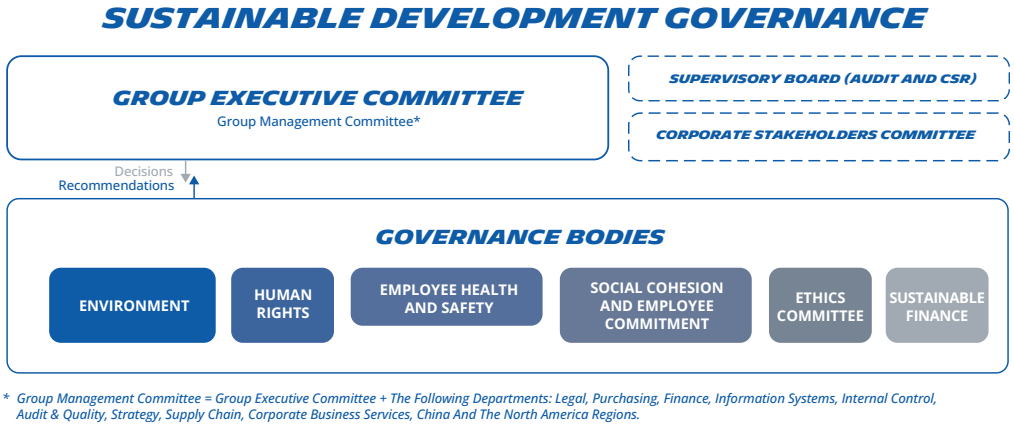
4.1.2.2 The key role of the administrative, management and supervisory bodies

The sustainability remits of the Supervisory Board's Audit Committee and CSR Committee are defined in their respective internal rules and described in sections 2.2.1, 2.2.9 and 2.2.11 of Chapter 2 of this document. The initiatives undertaken by these Committees during the reporting year are presented in these same sections.

The Supervisory Board's CSR Committee plays an oversight role on sustainability issues[1]. Every four months, the Committee reviews the Group's sustainability strategy, objectives, policies and commitments. During this exercise, it coordinates with the Audit Committee to ensure that the Group conducts a double materiality assessment (DMA) of the impacts, risks and opportunities (IROs) impacting either its operations or its environment and society as a whole.

In 2025, the following topics were addressed by the Supervisory Board's CSR Committee: CSR regulations and competitiveness, climate plan, corporate citizenship strategy, water strategy, AI ethics, circular economy and social dialogue. In addition, the minutes of the annual meeting with the Corporate Stakeholders Committee has been shared with the CSR Committee.

The Group has deployed a dedicated sustainable development organization to track risks and drive progress on the sustainability matters identified in the double materiality assessment. It is based on the interaction between four governance bodies: the Group Executive Committee, the Group Management Committee, the Environmental and Social Governance bodies, and the Thematic or Operational Committees within the Group.



* *Group Management Committee = Group Executive Committee + The Following Departments: Legal, Purchasing, Finance, Information Systems, Internal Control, Audit & Quality, Strategy, Supply Chain, Corporate Business Services, China And The North America Regions.*

The management of sustainability matters – strategy, policy and objectives, commitments, roadmaps, targets and metrics – is structured around six themes and their related governance mechanisms: Environment, Human Rights, Employee Health & Safety, Social Cohesion and Employee Commitment, Sustainable Finance and Ethics. The organization is overseen and managed by the four governance bodies, as follows.

The Group Executive Committee, including the two Managers:

- guides and impels the Group's "All Sustainable" approach, providing it with a big-picture vision of sustainability matters;
- reviews and approves the objectives addressing these matters;
- is informed of the overviews presented to the Group Management Committee by the Governance bodies and the Group Ethics Committee, which support its review of the Group's sustainability vision, policies, commitments and objectives;
- is informed by the Chairs of the Governance bodies and the Group Ethics Committee of any difficulties encountered in implementing action plans following internal audits.

In 2024, the Group Executive Committee approved the double materiality matrix.

The Group Management Committee, including the Group Executive Committee:

- annually reviews an overview of the Governance bodies and the Group Ethics Committee prepared by the Vice President, Sustainable Development and Impact. The overview also discusses any shortfalls in deploying post-audit action plans and delays in implementing roadmaps;
- as part of this process, the Group Management Committee determines the allocation of any resources needed by the Governance bodies and the Group Ethics Committee to perform their tasks. It also ensures that transformation project objectives are fully aligned with the Group's "All Sustainable" vision.

(1) See section 4.1.3.2 on the advisory role of the Corporate Stakeholders Committee.

The Governance bodies and the Group Ethics Committee, which meet on a regular basis[1]:

- determine the issues to put forward for approval to the Group Executive Committee, in particular the Group's vision and objectives, significant commitments and emerging strategic issues;
- review and approve prioritized strategic objectives, policies and commitments recommended by the Thematic Committees (in the case of Environmental Governance bodies) or the Operational Committees (in the case of the other Governance bodies);
- ensure the ability to lead roadmaps, with deliverables, milestones, appropriate resources and outcomes;
- alert the Managers to any shortfalls in action plans deployed following audits and delays in implementing roadmaps, and recommend appropriate corrective measures as needed. This information is included in the overview submitted to the Group Management Committee.

Thematic and Operational Committees:

- recommend Group objectives, policies and commitments to the Governance bodies and the Group Ethics Committee;
- recommend prioritized strategic objectives, policies and commitments, and submit them to the Governance bodies or the Group Ethics Committee for approval;
- own and lead deployment of post-audit roadmaps and action plans, particularly concerning the impacts, risks and opportunities (IROs), and present them to the Governance bodies or the Group Ethics Committee;
- ensure that major projects and initiatives are aligned with the Group's objectives, policies and commitments;
- identify the new capabilities needed to deploy the roadmaps;
- track emerging sustainability standards and best practices.

Lastly, to enhance and adjust objectives as needed, the Group regularly engages with stakeholders.

The issues arising from the impacts, risks and opportunities identified in the double materiality assessment are all addressed by appropriate governance bodies. Ultimately, the Group intends to gradually transfer the leadership of its sustainability metrics to line managers, who already manage its operational and financial metrics.

4.1.2.3 Integration of sustainability-related performance in incentive mechanisms

For several years and as in 2024, to align the interests of the Managers more closely with the Group's sustainability performance, their 2025 short-term (annual) and long-term (multi-year) variable compensation was subject to ESG criteria, based on the following values:

Annual variable compensation

20% of this compensation depends on meeting ESG performance targets, two of which concern People (accidentology rate and gender balance) and one that relates to the Planet (Scope 1 and 2 CO_2e emissions). The accidentology and CO_2e emissions targets also apply to all Group employees eligible for variable annual compensation via the Group Bonus.

Deferred variable compensation

40% of this compensation, which is awarded in the form of performance shares, depends on meeting ESG performance targets. One target, accounting for 20%, concerns the Planet (improvement in Rolling Resistance (RR) and the Renewable and Recycled Materials Rate (RRMR)) and the other, also accounting for 20%, concerns People (employee engagement rate). Both criteria apply to every Group employee eligible for the performance share plan.

Sustainability-related incentive schemes are an integral part of the compensation policies for members of the administrative, management and supervisory bodies.

The criteria determining the Manager's variable compensation are defined by the Supervisory Board.

They are based on the information about the Managers' compensation for the reporting year, presented in the Supervisory Board's Corporate Governance Report.

(1) Quarterly for the Environmental and Sustainable Finance Governance bodies and the Ethics Committee; twice a year for the Employee Health & Safety, Human Rights, and Social Cohesion & People Management Governance bodies.

4.1.2.4 Statement on due diligence

In 2025, and in every other year since 2017, Michelin met the requirements of French Act No. 2017-399 of March 27, 2017 by preparing a Duty of Care Plan[1] describing its commitments to stakeholders in terms of sustainability[2]. The Plan identifies the risks faced by the Group and its value chain, and describes the measures taken to prevent and mitigate serious adverse impacts on the environment, health and safety, and human rights.

The Duty of Care Plan is also an opportunity to deepen, year after year, its due diligence with subcontractors as part of a continuous improvement process. It incorporates a double materiality assessment, including a discussion of risks below the materiality threshold.

The Duty of Care Plan is organized around the policies underpinning the Group's sustainability commitment. These include the Code of Ethics, the Purchasing Principles, the Supplier Relations Code of Conduct, and the Health, Environment, Employee Relations, Diversity & Inclusion and Human Rights policies.

Core elements of due diligence	Challenges	Sections in the Sustainability Statement	Sections in the Duty of Care Plan
a) Embedding due diligence in governance, strategy and business model		4.1 General information, 4.1.3 Strategy	Introduction: General – Duty of Care Plan governance
b) Engaging with affected stakeholders in all key steps of the due diligence process		4.1 General information, 4.1.3 Strategy	Introduction: General – Stakeholder Dialogue
c) Identifying and assessing adverse impacts **d) Taking action to address those adverse impacts** **e) Tracking the effectiveness of these efforts and communicating**		4.1.4 Double materiality assessment	Introduction: General – Duty of care Risk-mapping methodology
	ESRS E1 Climate change	4.2 Climate change	Overall impact on climate change and transition plan Impact of our operations on climate change (Scopes 1 & 2) Impact of Scope 3 on climate change
	ESRS E2 – Pollution (including tire and road wear particles)	4.3 Pollution	Risk of air and water pollution
	ESRS E3 – Water resources	4.4 Water and marine resources	Water consumption
	ESRS E4 Biodiversity and ecosystems	4.5 Biodiversity and ecosystems	Risk of harm to biodiversity (including Michelin's Act4Nature International commitments through 2030)
	ESRS E5 - Resource use and circular economy	4.6 Resource use and circular economy	Resource depletion Reducing and recovering waste Resource use
	ESRS S1 – Own workforce (including staff training)	4.8 Own workforce	Discrimination and harassment Freedom of association Personal Data Protection Living wage and social protection Occupational accidents Exposure to chemicals Psychosocial issues at work Risk to employee safety
		4.9 Workers in the value chain	Human rights violations by our suppliers Risks linked to suppliers' CSR practices
		4.11 Business conduct	Whistleblowing and alert mechanisms

(1) https://www.michelin.com/en/investors/regulatory-information.

(2) In 2025, as in 2024, preparation and tracking of the Plan was coordinated by the Corporate Sustainable Development and Impact Department, which leads a Duty of Care Committee comprising representatives of the Risk Management, Internal Audit, Purchasing, Health & Safety, Human Resources, Legal and Compliance departments.

4.1.2.5 Risk management and internal controls over sustainability reporting

Non-financial reporting has been an integral part of the Group's risk management system since 2022 (see Chapter 3 on risk management in this document). The main milestones in the integration process were as follows:

- creation in 2022 of a Sustainable Finance Governance body, chaired by the General Manager;
- two internal audits commissioned by the General Manager and performed in 2022 and 2023 to assess the reliability of the non-financial reporting process, which led to the roll-out of two action plans;
- addition of the risk "inaccurate or unfair reporting of non-financial data" to the Group's risk database in 2023, making it an integral part of the risk management system;
- deployment in 2024 of an internal control system for the downstream phases in the non-financial reporting exercise.

The generic risk assessment and prioritization method applied by the Group is described in Chapter 3. Concerning the specific risk of inaccurate or unfair reporting of non-financial data, a method was defined during the above-mentioned audits based on an assessment and prioritization matrix for non-financial indicators covering two areas: (i) the challenges and (ii) the vulnerabilities at every stage of the reporting process (definition, scope, capture, collection, control, consolidation and publication).

To mitigate the risks identified in the internal audits, a variety of action plans were undertaken to provide quality assurance for the reporting of quantitative and qualitative metrics, zero-base and re-equip the reporting process, inventory and identify materiality in every subsidiary, and design the internal control process. Successful implementation of these action plans will be the subject of a follow-up audit in 2026.

The fundamentals and control of sustainability data are now an integral part of the Group's internal control exercise. As described in Chapter 3 of this document, internal control is performed through self-assessments (first line of defense) and testing (second line of defense), which may identify cases of non-compliance. If so, within three months, corrective action plans are deployed under the leadership of line managers, with their alignment and outcomes validated by the Internal Control teams. Their effectiveness is measured the following year, using the internal control action plan performance metric.

Every year, the preceding year's internal control results and outcomes of the related action plans are presented to the Audit Committee in April.

Lastly, note that the material matters identified in the 2024 double materiality assessment have been analyzed to identify gaps with the portfolio of risks and impacts tracked in the Group risk management system, thereby guaranteeing the comprehensive, seamless alignment between the two processes.

4.1.3 STRATEGY

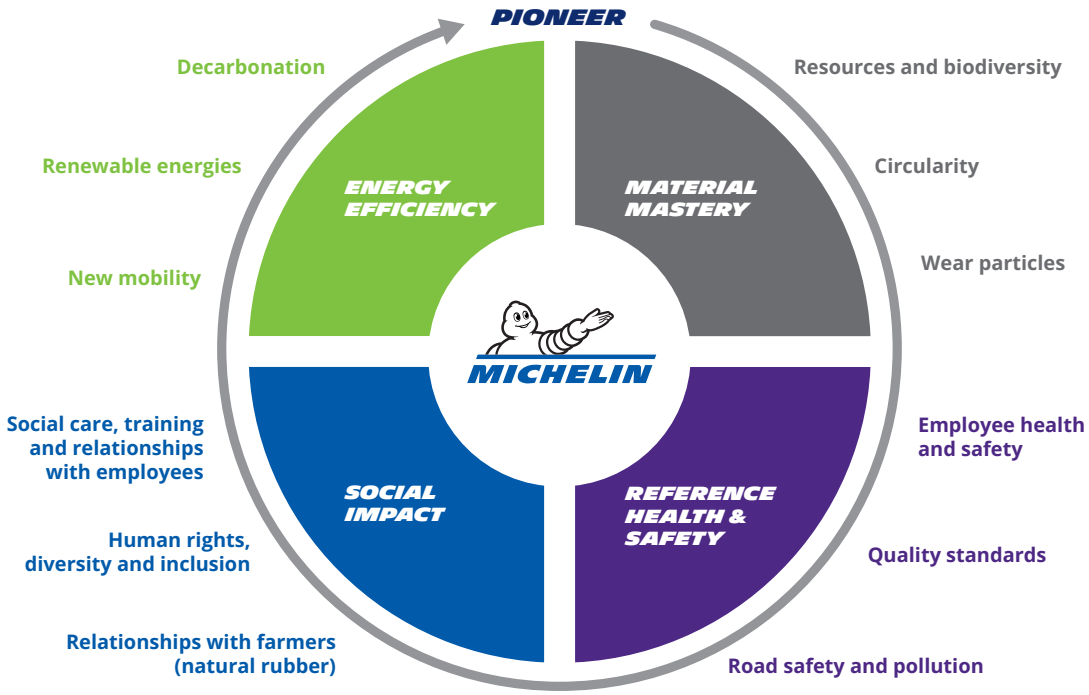
4.1.3.1 Michelin's sustainability-driven strategy, business model and value chain [1]

For 130 years, the Group's powerful innovation drive has made it one of the world's foremost tire manufacturers. Its proficient materials expertise and its ability to combine materials to create composite solutions make Michelin a global leader that contributes significantly to human progress and a more sustainable world.

In 2021, Michelin launched its Michelin in Motion strategic plan, which sets out a roadmap for 2030 and a clear vision for 2050 in support of the Group's belief that tomorrow, everything will be sustainable at Michelin. This vision of the future, deeply rooted in our history, already informs all our decisions aimed at striking the right balance between People, Profit and the Planet.



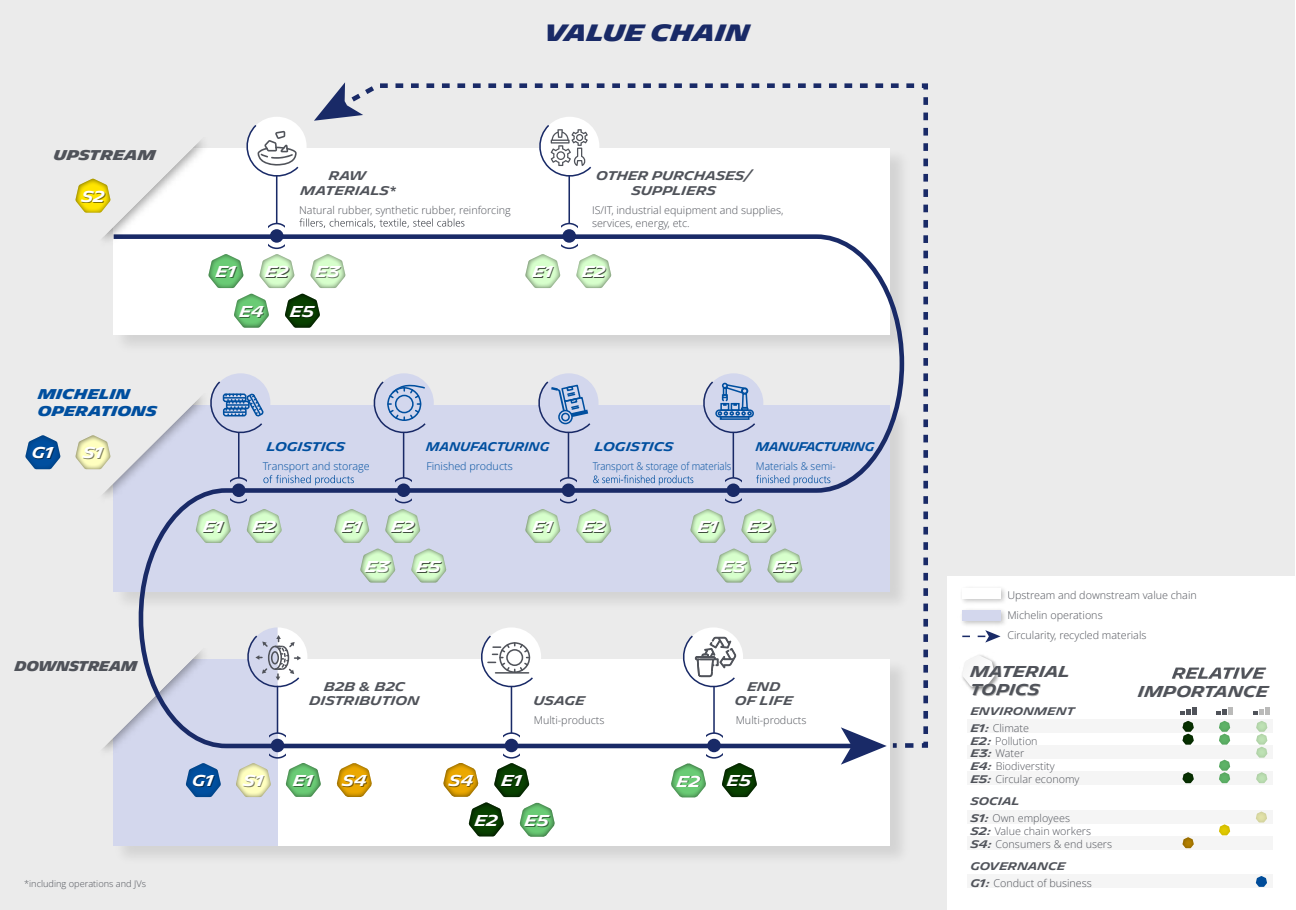
In 2025, Michelin worked with its stakeholders to define the sustainability issues that are specific to the Group and on which it has a strong positive impact. Four hallmarks were selected: **energy efficiency, materials management, social innovation and excellence in employee health and safety.** Rooted in the Group's history, these hallmarks have been integrated into its roadmap to guide strategic decisions.



(1) See Chapter 1 above for a presentation of Michelin's strategy and business model.

The Michelin value chain

This "All-Sustainable" strategy is being deployed across a globalized value chain extending from the purchase of raw materials and services to the distribution, use and disposal of products. Each of these stages has been assessed based on double materiality criteria for sustainability reporting purposes. The following diagram ranks matters according to their materiality across the Group's value chain:

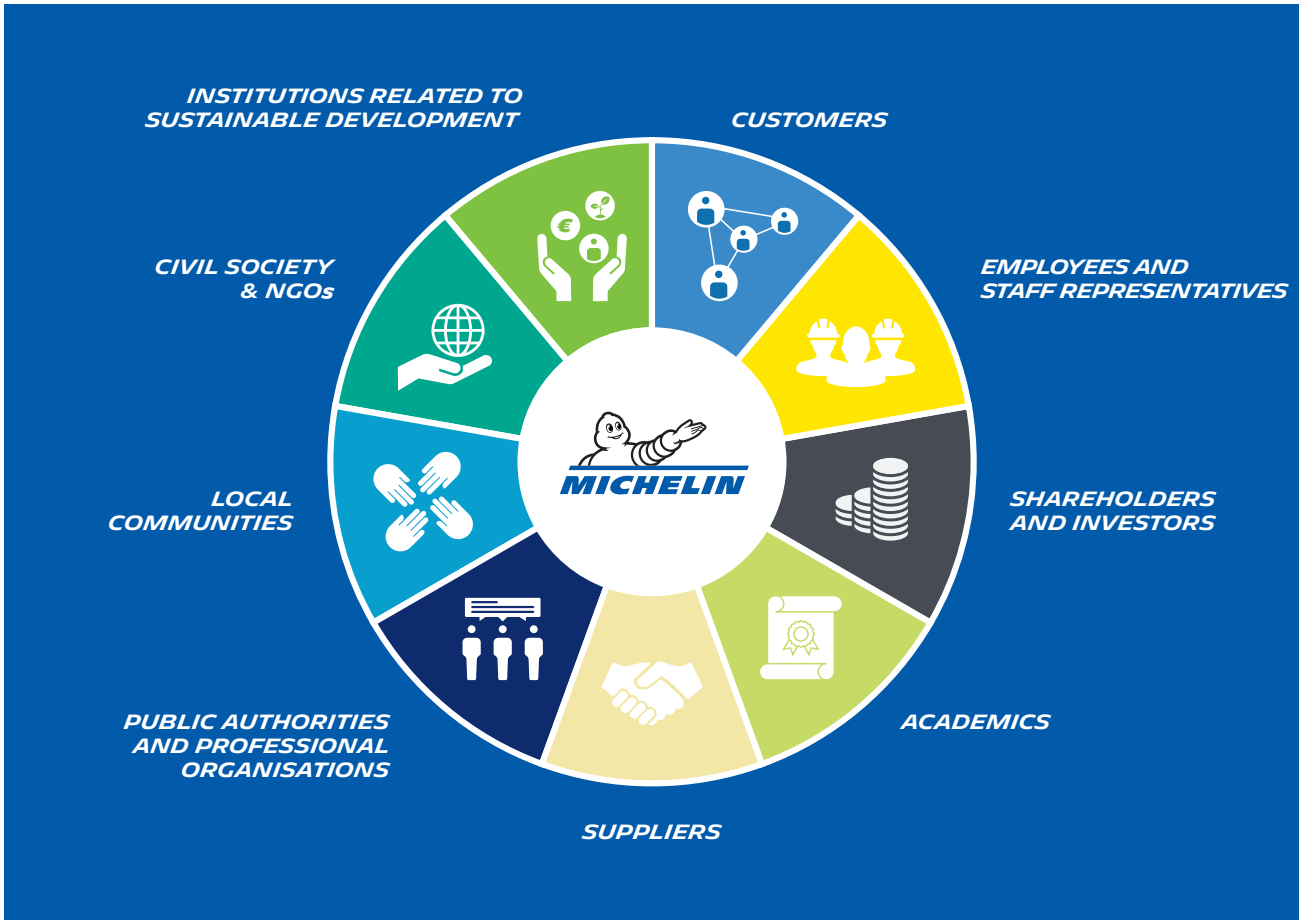


4.1.3.2 Constant, careful attention to the interests and views of stakeholders on sustainability

By stakeholders, Michelin means the people or groups of people who are impacted by its business or who may impact it in return, to ensure that its corporate strategy is always mindful of their needs and expectations.

Building trust-based relationships with stakeholders is an opportunity for the Group to improve its ability to plan and align its sustainability commitments and initiatives, while strengthening its duty of care process.

The following diagram illustrates Michelin's stakeholder ecosystem:



Michelin has long nurtured sustained dialogue with all its stakeholders (see illustration), with dedicated, regularly scheduled meetings organized every year for each stakeholder group by the Group's corporate and local departments.

With regard to employee representatives and sustainability reporting in particular, Michelin consulted the European Works Council on the subject on October 21, 2025.

The following table presents Michelin's activities with its many stakeholders in 2025:

Why and with whom is the Group engaged?	How and on which issues?	2025 initiatives addressing the interests and views of stakeholders
CORPORATE STAKEHOLDERS COMMITTEE		
Since 2016, the Corporate Stakeholders Committee has had a reflection of civil society that acts as a think tank for the Group and its senior management. It is enhancing Michelin's "All-Sustainable" vision by supporting the over-the-horizon perception of emerging societal challenges, in particular by factoring stakeholder opinions and recommendations into Group policies and actions. For the first time in 2025, regional stakeholder engagement meetings were held in China and Mexico.	■ Annual meeting organized between the Group Executive Committee and the Stakeholder Committee (1.5 days); ■ Special-purpose sessions dedicated to specific issues of strategic importance to the Group. **Key topics:** impact, sustainable performance, recycled and renewable materials, adequate wages, biodiversity, employee mental health, and other environmental and social issues.	In 2025, the Group organized two events: ■ a physical meeting on October 6 and 7, focusing on biodiversity and mental health in the workplace; ■ a webinar on sustainable product performance.
CIVIL SOCIETY AND NGOS		
Michelin has a unit in charge of relations with civil society. The Group engages in ongoing dialogue with numerous social and environmental NGOs (FIDH, Oxfam, Transport et Environnement, WWF), to keep them informed and seek their advice. This dialogue provides ongoing input for the Group's sustainable development policies and actions.	■ Ongoing dialogue, with appropriate discussion meetings on an issue-by-issue basis; ■ The Natural Rubber Stakeholder Committee, which has met every two years since 2015, with the latest meeting held in Jakarta in February 2025; ■ Regional, country and site-level discussions. **Leading issues:** human rights, anti-corruption, the value chain, natural rubber, climate change, biodiversity and the circular economy.	In 2025, the Group consulted NGOs on several technical issues linked to the decarbonization plan for its industrial activities, biomaterials, deforestation, tire and road wear particles (TRWP) and the mass balance method.
CUSTOMERS		
Customers play a central role in implementing the Group's strategy and meeting its objectives. Extensive engagement with its customers enables it to understand their needs and foresee emerging market trends. Michelin protects its customers by guaranteeing product quality and safety and complying with applicable laws, regulations and policies, while offering ever more innovative products and services to meet their expectations. The Group continues to deploy and improve the maturity of its Customer Promise Guarantee to meet their needs more effectively.	■ Responses to customer requests on CSR issues; ■ Audits; ■ Capturing of customer requests and responses that fulfill the customer promise; ■ Market monitoring to measure product performance in use; ■ Independent assessments of the maturity of the customer promise, supporting a robust end-to-end customer experience. **Leading issues:** safety, longevity, rolling resistance, braking, climate change, energy, water, human rights, responsible purchasing, EU taxonomy, and service satisfaction.	In 2025, the Group continued to: ■ measure customer satisfaction; ■ build long-term relationships with key customers and partners; ■ nurture its Customer Centricity approach, including in Michelin's host regions and countries; ■ build strategic partnerships with key B2B customers.
EMPLOYEES AND EMPLOYEE REPRESENTATIVES		
Michelin's identity and philosophy have always impelled the Group to engage in an assertive social dialogue process, which it sees as a driver of sustainable performance.	■ The European Works Council (CEEM) and Michelin Global Works Council (MWC); ■ Member of the Global Deal initiative; ■ Annual employee engagement survey. **Leading issues:** working conditions, personal development, social protection, etc.	The CEEM met on October 21 and 22, 2025, and the MWC on October 23, 2025. CEEM and MWC elections will be held in 2026.

Why and with whom is the Group engaged?	How and on which issues?	2025 initiatives addressing the interests and views of stakeholders
SHAREHOLDERS AND INVESTORS		
The Investor Relations team nurtures ongoing communication and dialogue with Group shareholders to keep them as well informed as possible about the Group's strategy and its financial and non-financial performance.	■ Physical and digital roadshows; ■ General-interest, automotive and ESG conferences; ■ Shareholder events; ■ Rating agency questionnaires; ■ Shareholders Committee. **Leading issues:** the "All Sustainable" vision, materials and composites, technological leadership, risk management.	In 2025, the Group organized a number of events for shareholders and investors, including: ■ Annual General Meeting in May; ■ an individual shareholder day in October; ■ an ESG roadshow in June and a governance roadshow in October.
SUPPLIERS		
The Purchasing Department engages regularly with suppliers, Supplier Relationship Management (SRM) reviews are conducted, addressing the sustainability issues impacting each purchasing category and supplier. These reviews serve as the basis for developing joint improvement plans.	■ Supplier segmentation reviewed annually; ■ Key supplier relationships tracked through regularly scheduled reviews; ■ Strategic relationships with certain suppliers, in particular to support the CO_2e roadmap and the development of new renewable or recycled materials; ■ A dedicated natural rubber roadmap; ■ CSR assessment for key suppliers. **Leading issues:** the "All Sustainable" vision, responsible purchasing, natural rubber, raw materials, climate, CO_2e & energy, human rights, health & safety.	■ 4th stakeholder consultation organized in February 2025, dedicated to natural rubber; ■ Responsible Supplier Relations and Purchasing label renewed, along with ISO 20400 maturity certification (Responsible Purchasing); ■ Nature questionnaire trialled for raw materials other than natural rubber.
PUBLIC AUTHORITIES AND TRADE ORGANIZATIONS		
Through its Public Affairs (PA) department, the Group maintains regular dialogue with public authorities, trade associations and non-governmental organizations (NGOs). The objectives of this dialogue are to: ■ contribute to the quality of public debate and decision-making; ■ participate in promoting, developing and defending the Group's interests; ■ capture as early as possible any positive or negative developments likely to affect the Group; ■ anticipate potential crises. Our lobbying activities aim to ensure that the industry remains competitive, promote fair international trade rules, and help develop regulatory frameworks favoring the circular economy and greater consideration of tires' environmental performance.	Lobbying activities are carried out: ■ directly by Michelin; ■ indirectly, through the trade associations of which Michelin is a member, whether they be tire industry associations (e.g., Tyres Europe, USTMA) or cross-industry associations. The Public Affairs teams keep an up-to-date list of these associations. **Leading issues:** international trade, product regulations, the circular economy, our manufacturing footprint, the value chain, the non-financial reporting process and sustainability standards.	Among the positions defended by the Group in 2025 were: ■ the introduction of minimum tire abrasion standards in the Euro 7 Regulation to reduce tire and road wear particle emissions; ■ implementation of the European Union Deforestation Regulation (EUDR) at end-2025; ■ removal of the legal status of end-of-life tire waste materials, to speed the transition to greater circularity in Europe; ■ support for the definition of principles guiding the definition of tire ecodesign criteria in the Ecodesign for Sustainable Products Regulation; ■ implementation of Extended Producer Responsibility (EPR) policies for the treatment of end-of-life tires in the countries concerned. The positions taken by Michelin's public affairs teams are seamlessly aligned with its climate strategy and consistent with the Paris Agreements.

Why and with whom is the Group engaged?	How and on which issues?	2025 initiatives addressing the interests and views of stakeholders
ACADEMIA		
The Group nurtures a wide variety of relationships with academia to enlighten and enrich its strategy and initiatives, particularly as part of its R&D commitment or with regard to certain impact matters such as sustainable mobility or materials. These relationships also help to improve our ability to understand and explore emerging issues and developments.	■ Partnership agreements (CIRAIG, International Transport Forum, etc.); ■ Dedicated dialogue programs to explore certain sustainability matters (Carbone 4, Institut des Sciences Politiques, HEC, World Resources Institute, etc.). **Leading issues:** life cycle assessments, natural rubber, sustainable mobility, materials, measuring our social footprint, value sharing, technical decarbonization levers, biodiversity, water, pollution and Tire and Road Wear Particles (TRWP).	In 2025, the Group worked with academia on a wide range of issues, including: ■ biomaterials, avoided emissions, resilience analysis or social footprint measurement; ■ understanding the latest trends in sustainable mobility during the Corporate Business Partnership (CBP) with researchers from the OECD's International Transport Forum.
SUSTAINABLE DEVELOPMENT INSTITUTIONS		
Michelin also addresses sustainable development issues by working closely with its extended ecosystem, comprised of a wide range of both national and international institutions, associations and NGOs. These collaborations are designed to drive continuous improvement in every aspect of sustainability, including business models, climate, biodiversity and human rights, by acquiring expertise and sharing best practices. Each host region's organization has forged close ties with one or more institutions, with a focus on the UN's Global Compact's national networks.	■ Sharing best practices among companies, globally (the World Business Council for Sustainable Development - WBCSD; the International Chamber of Commerce - ICC), at the European level (Treillis) and nationally (Entreprises pour l'Environnement - EpE; Entreprises pour les droits humains - EDH, Orée, the French Sustainable Development Executives Association - C3D); ■ Lobbying for sustainability (WBCSD and the Global Compact), including efforts to drive the tire industry's alignment on sustainability issues (the Tire Industry Project - TIP as part of the WBCSD). **Leading issues:** the full range of ESG issues.	In 2025, the Group actively participated in work on sustainability issues through its networks, including: ■ within the Global Compact, by chairing the France network; ■ participating in various events leading up to Climate Week in New York, including the Private Sector Forum's celebration of 10 years of the Paris Climate Agreement, in collaboration with the Global Compact networks in France, Brazil and Spain; ■ COP 30-related events through SLOCAT, WBCSD, the Global Compact; ■ actively contributing to the Entreprises pour l'Environnement working groups (climate, biodiversity, etc).
LOCAL COMMUNITIES		
Michelin is committed to operating harmoniously with all of its host local communities and respecting their rights, as a positive presence. Particular attention is paid to the most vulnerable populations. To ensure that this harmony is preserved over time, site managers are encouraged to maintain regular direct relations with potentially affected communities around the Group's sites and further afield if necessary.	Each Group site or establishment is encouraged to: ■ get to know local and indigenous communities in their area of influence and beyond if necessary; ■ talk to them; ■ ensure that these communities can contact the Group with any requests or complaints, so that the necessary corrective action can be taken; ■ set up initiatives that directly benefit these communities, such as volunteering and sponsoring programs. **Leading issues:** training, sport, biodiversity, social inclusion, etc.	In 2025, the Group: ■ drafted a formal Position Paper; ■ set up a tool to track volunteering programs and the hours worked; ■ worked with the Global Compact on a practical guide for affected communities; ■ organized a local communities day (September 23, 2025), to promote awareness of these communities' importance in the life of the Group.

4.1.4 DOUBLE MATERIALITY ASSESSMENT

Throughout its history, Michelin has always upheld mobility as a fundamental right and source of human progress. The Group is committed to helping to shape a more attractive future by promoting a business growth model that strikes an appropriate balance between financial performance, human development and respect for the environment. For the Group, the success of any growth strategy depends on considering the limits of our planet and genuinely acting responsibly towards employees and society. Michelin believes that no transformation is possible without a concomitant creation of value.

To this end, the Group is contributing to the UN's 2030 Agenda for Sustainable Development, by integrating its interactions with leading stakeholders and its commitments to each of the Sustainable Development Goals (SDGs), as illustrated below:



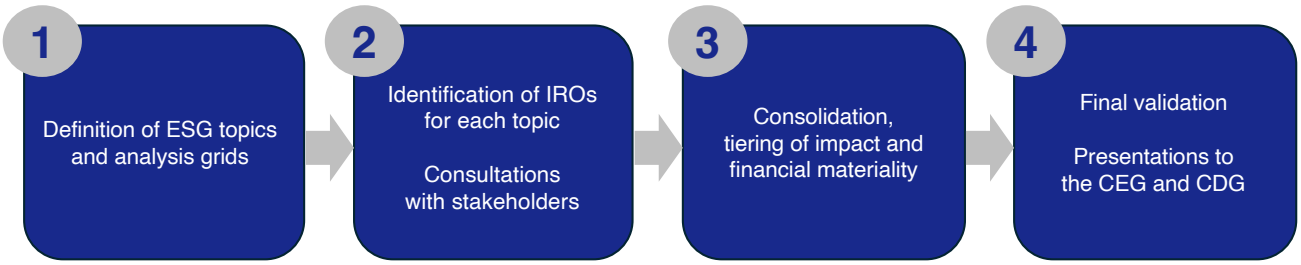
4.1.4.1 Double materiality assessment methodology

As part of its environmental and social responsibility commitment, the Michelin Group has plotted a **double materiality matrix.** The methodology used is based on the ESRS, especially ESRS 1, Chapter 3. The materiality matrix was approved and a materiality threshold defined by the Group Executive Committee in April 2024.

The assessment was carried out across the entirety of the Group's value chain and worldwide business base, including the operations of recently acquired entities. When assessing materiality, the location of each impact was identified in either the upstream or downstream value chain.

In 2025, no major event or material change concerning the Group's scope of consolidation or business model, and no material change of strategy was identified as being likely to modify the sustainability matters arising from the double materiality assessment conducted in 2024. The Sustainable Finance Governance body therefore decided to roll over the double materiality assessment to the 2025 fiscal year.

The assessment was performed with the support of a third party with the expertise needed to ensure that the methodology was meaningful and reliable. The assessment process comprised four steps:



Stakeholder consultations

The stakeholders consulted to assess each impact's materiality were considered as representative of the stakeholders in Michelin's business operations:

- **internal stakeholders:** a large number of internal stakeholders were consulted to provide input, analyze and elaborate on the outcomes as needed. They included members of Management and of the Investor Relations, Finance, Human Resources, Purchasing, Legal and Compliance, Risk Management and Strategy departments;
- **the Corporate Stakeholders Committee.**

Materiality assessment

Impacts, risks and opportunities (IROs) were first identified and assessed for probability and severity, and then consolidated in the double materiality matrix. To position each matter, the Group used the following assessment grids:

- **financial materiality**, which assesses the likelihood of occurrence and the potential severity of the financial effects of financial risks and opportunities on a scale of 1 to 5 (from less than €50 million to more than €900 million);
- **impact materiality**, which assesses the negative and positive impacts, as follows:
  - assessing negative impacts:
    - for actual impacts: materiality depends on their severity, i.e., their magnitude, extent and irremediability,
    - for potential impacts: materiality is determined by severity and probability. In the case of a potentially negative human rights impact, the severity of the impact takes precedence over its likelihood;
  - assessing positive impacts:
    - for actual impacts: materiality depends on the scale and scope of the impact,
    - for potential impacts: materiality depends on the impact's scale and scope and its probability of occurrence.

To finalize the matrix, the Group devised a scenario for each IRO identified, based on selected criteria. This approach prompted Michelin to reason in terms of "gross" risk (before the impact of mitigation initiatives) over the following time horizons: short term (less than a year), medium term (between one and five years) and long term (more than five years).

Materiality threshold

To determine the materiality of sustainability matters, the Group symmetrically defined a threshold for both financial and impact materiality above which the matter is deemed to be material. In other words, any IRO whose score exceeds the defined threshold is considered to be material. The threshold was validated by the Group Executive Committee in April 2024, enabling the most material matters to be prioritized.

Michelin concluded that the affected communities matter (ESRS S3) is below the materiality threshold. Nevertheless, given its global footprint, the Group engages with all the people who live or work near its production and office sites, as well as with communities around its upstream or downstream value chain.

Other matters fell short of the materiality threshold, in particular the IROs related to diversity, equity and inclusion issues and the social dialogue process. These matters, which are core values of the Group and an integral part of its social responsibility commitment, are discussed qualitatively elsewhere in this Statement.

The IROs resulting from the double materiality assessment were reviewed against the Group's risk map. Going forward, a similar comparison between the risk map and the double materiality assessment will be performed every time the latter is updated.

Sources used in the analysis

A wide range of data was used to establish the IROs, including existing regulations for the tire and automotive industries, reports from international organizations and industry associations (e.g., the Tire Industry Project globally and Tyres Europe in Europe) and the latest available scientific knowledge and in-house expertise, particularly in the field of materials. All these sources are available and duly explained below.

Finally, a list of the ESRS addressed by this Sustainability Statement is provided in Appendix D below.

4.1.4.2 The relationship between the double materiality assessment and the Group's business model

The most material matters resulting from the double materiality assessment have been fundamentally integrated into the Group's business model. In 2025, as in 2024, the double materiality matrix comprised twenty-six impacts, risks and opportunities (IROs) deemed to be material to the Group.

The following matrix presents the materiality of the matters according to the most significant IROs for each one. It is followed by a table detailing the twenty-six underlying material IROs, each with a description of the scenario, its positioning in Michelin's value chain and its time horizon.

These impacts, risks and opportunities mesh with the sustainability matters already identified by the Group, either through the previous materiality assessment and the accountability-based[1] risk mapping exercise, or through the systems used to assess the impact of our products.

SUSTAINABILITY STAKES FROM THE DOUBLE MATERIALITY ASSESSMENT



(1) Accountability, as defined in the ISO 26000 standard, means that an organization must be answerable for its impacts on stakeholders. The divisions on the accountability scale are determined by the amount of impact and the organization's degree of influence on the impacted ecosystem.

Impacts, Risks and Opportunities (IROs)	Brief description
Upstream value chain · Downstream value chain · OP Own operations · Short-term · Medium-term · Long-term	
E1 - CLIMATE CHANGE	
Climate change mitigation	
Higher energy performance standards for tires Downstream · Short-term **Opportunity**	Standards are being raised both by market demand and through regulations. Tires account for 15% to 30% of an internal combustion vehicle's fuel consumption. As mobility goes electric, the focus is expected to shift to certain products or components that are harder to decarbonize, such as tires. Original equipment manufacturers are looking for tires with low rolling resistance, while fleets prefer long-lasting, high-mileage products. Urbanization and the emergence of new mobility solutions will heighten the role of fleets. Regulatory standards governing rolling resistance and other energy performance factors are tending to become stricter around the world, along the lines of European Union legislation.
Rising demand for a wider range of electric vehicles Downstream · Short-term **Opportunity**	Michelin is positioned as a leading manufacturer of high-performance, long-lasting, energy-efficient tires that play a critical role in optimizing the EV experience. According to the International Transport Forum, an estimated 40% of new vehicles will be electric in 2027, representing a tripling of their market share in just five years and offering the Group new opportunities.
Contributing to climate change through direct and indirect greenhouse gas emissions (Scopes 1 and 2) Upstream · OP · Short-term **Negative impact**	Michelin is a global manufacturer with a broad industrial footprint. Greenhouse gases are emitted by its own operations and by the energy used in its production and other sites. The impact covers Scope 1 and 2 emissions.
Contributing to climate change through direct and indirect greenhouse gas emissions and land use change (Scope 3) Downstream · Upstream · Short-term **Negative impact**	Scope 3 emissions comprise two main categories: ■ GHG Protocol required Scope 3 emissions, which come from purchased raw materials, upstream logistics activities, upstream purchased energy and a variety of other sources. This category is significantly larger than Scope 1 and 2 emissions; ■ Scope 3 emissions from the use of sold products, which in the case of Michelin corresponds to the 15% to 30% of a vehicle's fuel or electricity used to overcome tire rolling resistance. This makes their contribution critically important, with Scope 3 use-phase emissions representing about 90% of Michelin's carbon footprint (125 million tonnes of CO_2e in 2025). Michelin is a leader in rolling resistance performance.
Facilitating greater energy efficiency by offering services to optimize the use and management of vehicle fleets and accelerating the transition to zero-emission mobility OP · Short-term **Positive impact**	Michelin is a leading sustainable mobility enabler. In addition to tires, the Group offers solutions to optimize fleet management and support hydrogen-powered and other forms of zero-emission mobility. The Group promotes sustainable mobility, in particular through international forums and networks such as Movin'On and the World Bank's Sum4All initiative.
Climate change adaptation	
Impact of physical climate risks on business activities, assets, employees, raw materials, delays and logistics costs Downstream · Upstream · OP · Short-term **Risk**	Michelin has operations around the world that could be impacted by the increased frequency of adverse climate events, such as storms, floods, droughts and other risks. In light of the diverse range of suppliers and the many interdependent factors necessarily involved in the manufacture of its products (infrastructure, energy, availability of labor, transportation systems, etc.), the effects of climate change may be qualified as systemic.

Impacts, Risks and Opportunities (IROs)	Brief description
Upstream value chain · Downstream value chain · OP Own operations · Short-term · Medium-term · Long-term	
E2 - POLLUTION	
Water, soil, air and noise pollution	
Tightening standards limiting the impact on water, soil and air pollution from microplastics (tire and road wear particles) and substances (e.g., 6PPD) Downstream · Risk	More stringent pollution regulatory standards could lead to lower maximum tire abrasion limits and stricter regulation of particles (TRWP) and substances (6PPD) and other substances, as well as to impacts on Michelin services. Insofar as Michelin tires are well known for their superior abrasion performance compared to their tested competitors, this could represent an opportunity for the Group.
Water, soil and air pollution from the use of tires (TRWP) Downstream · Negative impact	Friction between tires and the road generates wear particles (TRWP), influenced by a variety of factors. Since 2010, certain studies have demonstrated their presence in the environment and their potential impact. However, scientific knowledge of the impact and behavior of these tire and road wear particles (TRWP) needs to be improved. Michelin and the entire industry, through the Tire Industry Project (TIP) have engaged a proactive approach to TRWP.
Water, soil and air pollution from upstream activities Upstream · Negative impact	Pollution in the upstream value chain primarily stems from the production of bio-sourced and other raw materials. Given its size, the natural rubber value chain can result in pollution, particularly soil contamination from pesticides and fertilizers.
Water and air pollution from direct operations, including substances of very high concern and VOCs OP · Negative impact	Water and air pollution from the Group's indoor and outdoor operations may include: ■ wastewater discharge from its own manufacturing operations; ■ substances of concern and very high concern; ■ air pollution, including volatile organic compound (VOC) emissions, both indoors and outdoors, from rubber product, rubber-compound product and tire manufacturing processes.
Pollution from the end-of-life treatment of sold tires Downstream · Negative impact	Used tires can be collected and disposed of in different ways, albeit with a focus on recovering and reusing their component resources. Research shows that this could result in a number of varying environmental impacts, which could include ozone depletion, acidification, abiotic resource depletion, the formation of photochemical ozone and environmental load from the concentration of materials.
E3 - WATER RESOURCES	
Water management	
Water consumption Upstream · OP · Negative impact	Climate change and human water use are disrupting the water cycle and, in particular, may be contributing to the depletion of local water resources (e.g., the drying up of aquifers).
E4 - BIODIVERSITY AND ECOSYSTEMS	
Ecosystems and biodiversity	
Actual and potential deforestation from the expansion of rubber tree farms, the production of bio-based materials and the extraction of other materials Upstream · Negative impact	Growing demand for natural rubber could potentially cause deforestation as forests are converted to rubber plantations. The Group's natural rubber purchases represent around 5% of world demand.
Contributing to the loss of habitat and land degradation, soil erosion and biodiversity loss Upstream · OP · Negative impact	Single-crop natural rubber farming and the production of other biosourced raw materials could harm natural habitats and contribute to biodiversity loss. The use of process water, the discharge of wastewater and the mismanagement of end-of-life tires could worsen soil degradation and negatively impact the biosphere.
Contributing to eutrophication through the use of fertilizers in rubber tree farming Upstream · OP · Negative impact	Eutrophication occurs when nutrients accumulate in a soil or aquatic environment or habitat. Among the leading causes is runoff from nitrogen fertilizers used in the cultivation of rubber trees and other crops.

Impacts, Risks and Opportunities (IROs)	Brief description
Upstream value chain · Downstream value chain · OP Own operations · Short-term · Medium-term · Long-term	
E5 - RESOURCE USE AND CIRCULAR ECONOMY	
Resources and waste	
Helping to develop industry-wide recycled and renewable material sourcing capabilities Upstream · OP · Downstream · Short-term **Positive impact**	Renewable and recycled materials require the development of new value chains. They reduce supply risks and encourage local economic activity. The Group is aiming to raise the proportion of renewable and recycled materials in its tires from 31% in 2024 to 40% in 2030, while reducing the CO_2e emitted during the production process by 30%.
Resource inflows and their contribution to resource depletion Upstream · Medium-term **Negative impact**	Tire manufacturing involves the use of large quantities and a wide variety of resources, which must be managed with care to avoid their depletion.
Waste produced from end-of-life tires (ELT) Downstream · Medium-term **Negative impact**	One billion end-of-life tires are generated worldwide every year and four billion are currently held in landfill. This could lead to environmental impacts through illegal dumping, land occupation and destruction of natural habitats, and to air, water and soil pollution from fires.
Human health impacts from the mismanagement of end-of-life tires (ELT) Downstream · Medium-term **Negative impact**	Inappropriate disposal of end-of-life tires (illegal dumping, landfill sites, etc.) can attract rodents carrying zoonotic pathogens and create breeding grounds for mosquitoes, forming stagnant pools and increasing the spread of vector-borne diseases. They can also cause pollution in the event of fire.
S1 - OWN WORKFORCE	
Attracting and retaining talent	
Deterioration of the employer brand and talent turnover; shortage of talent on the market OP · Medium-term **Risk**	Talent turnover issues may arise due to the nature of the industry (many production plants operate 24/7) and to the geographical location of Michelin facilities.
Employee health, safety and well being	
Deaths, disabilities and injuries OP · Short-term **Negative impact**	In all the Group's office, production, research, logistics and retail facilities, employees may be exposed to the risk of accidents involving mechanical or electrical installations, materials and finished products handling, chemicals, tooling and shopfloor movements. These risks could result in injuries of varying degrees of severity. Traffic accidents during business travel have also been identified as risks.
Occupational illnesses caused by exposure to chemicals and harmful substances, including substances of concern and very high concern OP · Short-term **Negative impact**	The tire industry uses a number of potentially hazardous compounds, as well as substances of concern or very high concern. Employees working in research or manufacturing operations are at risk of exposure to chemicals that, if unmitigated, could ultimately lead to illness. This may concern certain products and substances used to make tires, as well as certain compounds that may be found in process fumes.
Social protection	
An adequate wage and a social protection floor OP · Short-term **Positive impact**	Adequate wages and social protection benefits for Michelin employees around the world.
S2 - WORKERS IN THE VALUE CHAIN	
Human rights	
Violation of the rights of workers in the value chain, including child labor, forced labor and illegal labor practices Upstream · Medium-term **Negative impact**	Forced labor, child labor and illegal labor practices are risks in agricultural supply chains, including in the natural rubber industry.

Impacts, Risks and Opportunities (IROs)	Brief description
Upstream value chain · Downstream value chain · OP Own operations · Short-term · Medium-term · Long-term	
S4 - CONSUMERS AND END-USERS	
Quality and safety of products and services	
Improving the safety of drivers and other road users, including by improving tire industry quality and safety standards Downstream · Positive impact	Since its creation, Michelin has nurtured a culture of quality, which is critical to improving the mobility of people and goods. Every employee at every link in the value chain is trained and committed to ensuring the quality and safety of our products and services. This engagement reinforces personal safety.
G1 - BUSINESS CONDUCT	
Business ethics and corporate culture	
Fines, litigation and reputational damage due to unethical business practices OP · Risk	Potential unethical business practices include corruption, fraud, bribery, environmental violations and exploitive conditions in the supply chain.

4.1.4.3 Financial effects of the Group's material risks and opportunities

The current financial effects of the Group's material risks and opportunities are presented in their respective sections below. All 2025 figures are aligned with the amounts shown in the consolidated financial statements.

Material capital expenditure, both current and budgeted over the next five years, is presented below and in the relevant sections of this document. The capital expenditure portfolio has been analytically segmented and aligned with the various material sustainability matters, enabling the Group to manage its contribution to each lever in the "All-Sustainable" strategy. **In 2025, 21% of the Group's total capital expenditure was committed to sustainability matters (18% in 2024).**

Financial resources allocated to sustainability matters *(in € millions)*	**2024 Reporting year**	**2024 Next 5 years [1]**	**2025 Reporting year**	**2025 Next 5 years [2]**
E1 - Climate change	**226**	**> 1,000**	**237**	***>900***
Climate change mitigation (Scopes 1 and 2)	107	*> 400*	*86*	*>300*
Climate change mitigation (Scope 3)	119	> 600	*151*	*>600*
E5 - Resource use and circular economy	**12**	**> 200**	**34**	***>250***
S1 - Own workforce	**133**	**> 450**	**112**	***>450***
Employee attraction and retention	76	*> 300*	*66*	*>300*
Employee health and safety (OP)	56	> 150	*46*	*>150*
Financial resources (non-material) allocated to other sustainability matters	**24**	**> 100**	**21**	***>100***
TOTAL	**395**	**> 1,850**	**404**	***>1,800***

OpEx allocated to action plans

As in 2024, information about OpEx allocated to action plans is provided in the notes to the consolidated financial statements. However, the expenditure is not broken down by CSRD matter, as the outlays are directly tied to the operation of the Group's business sites.

(1) Future CapEx identified during the 2024 reporting exercise for the years 2025-2029. These CapEx figures are updated in the *2025 Next 5 years* column, for the period 2026-2030.
(2) The material changes in future projections are mainly linked to decarbonization projects completed in 2025.

4.1.5 HOLISTIC IMPACT, RISK AND OPPORTUNITY MANAGEMENT

4.1.5.1 Summary of key policies

4.1.5.1.1. Environmental matters

The Group's **Environmental Policy** is described in a publicly available reference document (www.michelin.com) issued in 2021. To support its operational implementation, the Policy is organized into several different chapters and covers the Group's main matters at each phase of the life cycle approach which includes product (and service) design, raw material sourcing (suppliers), production sites and other sites (R&D centers and offices), logistics/supply chain and end-of-life tires.

Certain chapters of the Policy were updated in 2025.

The Environmental Policy is designed to reduce the Group's environmental footprint and manage pollution risks to the point of impact neutrality, by prioritizing its action levers according to the following hierarchy:



The Policy sets out Michelin's 2030 Commitments, its vision for the years beyond 2050 (2050+ vision), and the 2050 objectives which include reaching net-zero emissions and making tires entirely from renewable or recycled materials.

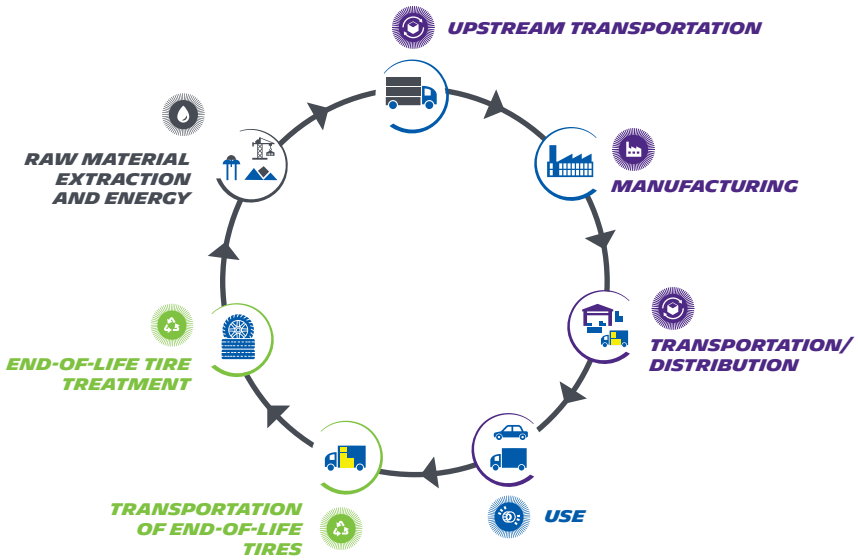
Life cycle assessments (LCA)

The Environmental Policy is informed by the product life cycle assessment (LCA) process, which is helping to identify and prioritize impacts and drive cross-cutting improvements.

The Group's primary source of data, LCAs provide measurable, multi-criteria assessments of the impact of human activity on the environment. In particular, they offer the advantage of assessing several types of impact at each stage in the life cycle of a product or service. This makes them a decision-support tool presenting a comprehensive, holistic view of the impacts from a given product or service, whose findings can be used, for example, as part of an eco-design process. These assessments support the mapping of 16 environmental impacts across every stage in the product life cycle, from the extraction and processing of raw materials to product use and end-of-life recycling.

Stages in the life cycle

The "cradle to grave" LCA carried out by the Group covers the entire life cycle, from raw material extraction through to end-of-life collection and treatment, taking into account manufacturing, the different transportation stages and product use along the way.



LCAs are being increasingly used across the Group, in particular for each new product range and service line, to improve their environmental ratings. Impacts are assessed using the EF 3.0 method developed by the European Commission.

The SMEP Environmental and Risk Prevention Management System in tire production plants

Deployed in every production plant, the SMEP is a proprietary system that assesses environmental risks in compliance with ISO 14001 standards. As such, it plays a key role in addressing a number of environmental matters, including climate change, pollution and water resources. It is structured around five processes:

- comply with applicable standards;
- analyze risks and assess their management;
- implement operational management procedures and test emergency plans;
- respond to anomalies;
- inform, communicate and consult.

4.1.5.1.2. Social matters

In 2022, a **Master Policy on Human Rights** was issued and distributed across the Group and was updated in 2025. It can be found on the Michelin website (www.michelin.com).

Covering both the Group's own operations and its value chain, the Policy is an integral part of the duty of care commitment and sets out the Group's expectations regarding human rights.

Its principles are directly guided by the Group's values, Code of Ethics and international law, particularly the fundamental conventions of the International Labour Organization (ILO), the UN Guiding Principles on Business and Human Rights and the Universal Declaration of Human Rights. They have also been shaped by input from the many working sessions held with the United Nations Global Compact and other organizations dedicated to these issues.

4.1.5.1.3. Governance matters

The Group's ethical standards are expressed in the Michelin **Code of Ethics**, which applies to all Group employees and people working on Group sites or on behalf of a Group entity (see section 4.11 *Business conduct* (G1), below).

4.1.5.1.4. Concerning suppliers and the upstream value chain

In June 2024, the Group updated its **Sustainable Purchasing Policy**, which defines the main responsible sourcing guidelines and commitments in such areas as the environment, human rights and ethics[1]. The Policy is built on three of the Michelin Purchasing Department's fundamental reference documents:

Michelin Purchasing Principles *Issued in 2012 and revised in 2020*	**Supplier Relations Code of Conduct** *Issued in 2021*	**Sustainable Natural Rubber Policy** *Updated in 2021*
Specifies the Group's environmental, social and ethical standards and expected performance.	Concerns all Group employees involved in supplier relations.	Focuses on natural rubber and covers Michelin's own operations, joint ventures and its entire upstream supply chain.
Included in every Group procurement contract and the general terms and conditions of purchase.	An integral part of the Group's Code of Ethics.	Informs decision-making processes, systems and performance metrics.

(1) It may be downloaded from https://purchasing.michelin.com/en/sustainable-purchasing/.

4.1.5.2 Cross-reference table of IROs, policies and initiatives

ESRS	Impact, risk or opportunity	Framework policies	Specific policies	Actions/initiatives
THE ENVIRONMENT				
E1	Higher energy performance standards for tires	**Environmental Policy (by life cycle stage)** **Responsible and Sustainable Purchasing Policy**	Eco-design policy (RDI)	Transition plan
	Rising demand for a wider range of electric vehicles			
	Contributing to climate change through direct and indirect greenhouse gas emissions (Scopes 1 and 2)			
	Contributing to climate change through direct and indirect greenhouse gas emissions and land use change (Scope 3)			
	Facilitating greater energy efficiency by offering services to optimize the use and management of vehicle fleets and accelerating the transition to zero-emission mobility			
	Impact of physical climate risks on business activities, assets, employees, raw materials, delays and logistics costs		Physical climate risk adaptation policy (TCFD)	Adaptation plan
E2	Tightening standards limiting the impact on water, soil and air pollution from microplastics (tire and road wear particles) and substances (e.g., 6PPD)			The TRWP Program
	Water, soil and air pollution from the use of tires (TRWP)			
	Water, soil and air pollution from upstream activities		Sustainable Natural Rubber Policy	The VOC Program
	Water and air pollution from direct operations, including substances of very high concern and VOCs		Chemical risk management policy	
E3	Water consumption		Physical climate risk adaptation policy Sustainable Natural Rubber Policy	Water program The 2020-2030 Water Roadmap The LEAN Water process
E4	Actual and potential deforestation from the expansion of rubber tree farms and the extraction of bio-based and other materials		Sustainable Natural Rubber Policy	Supporting the zero-deforestation commitment Rubber tree farming conservation and restoration plan Reducing pesticide and fertilizer use on the natural rubber plantations Pesticide-free groundskeeping program and biodiversity management plans for the production sites
	Contributing to the loss of habitat and land degradation, soil erosion and biodiversity loss			
	Contributing to eutrophication through the use of fertilizers in rubber tree farming			
E5	Helping to develop industry-wide sustainable material sourcing capabilities		Eco-design policy and recycled and renewable materials Sustainable Natural Rubber Policy	RRMR roadmap Collaborations and partnerships (BIOBUTTERFLY, EMPREINTE and other projects) Retread offers
	Resource inflows and their contribution to resource depletion			
	Waste produced from end-of-life tires (ELT)		End-of-life tires (ELT) section in the Environmental Policy	Contribution to developing ELT collection and resource recovery systems (through eco-organizations)
	Human health impacts from the mismanagement of end-of-life tires (ELT)			

ESRS	Impact, risk or opportunity	Framework policies	Specific policies	Actions/initiatives
SOCIAL				
S1	Deterioration of the employer brand and talent turnover; shortage of talent on the market	**Master Policy on Human Rights**	See table in section 4.8.2	Action Plan Talent planning Employee share ownership The "Talent Campus"
	Deaths, disabilities and injuries		See table in section 4.8.2	Health and Safety Statement Life Saving Rules
	Occupational illnesses caused by exposure to chemicals and harmful substances, including substances of concern and very high concern		See table in section 4.8.2	Health and Safety Statement Life Saving Rules
	An adequate wage and a social protection floor		See table in section 4.8.2	Fair Wage Network certificate Michelin One Care program
S2	Violation of the rights of workers in the value chain, including child labor, forced labor and illegal labor practices		Sustainable Natural Rubber Policy	Risk map/RubberWay Global Platform for Sustainable Natural Rubber (GPSNR) EcoVadis ratings Projects to develop the skills of village smallholders
S4	Improving the safety of drivers and other road users, including by improving tire industry quality and safety standards	**Quality Policy**	Quality Statement	Tire performance monitoring system *Customer Promise Guarantee* approach Commitment to supporting international regulations
GOVERNANCE				
G1	Fines, litigation and reputational damage due to unethical business practices	**Code of Ethics**	Anti-Corruption Code of Conduct Anti-Corruption Compliance Program (ACCP)	Alert mechanisms and procedures Ethics training

List of EU legislation datapoints

The list of datapoints in cross-cutting and topical standards that derive from other EU legislation may be found in Appendix B below.

ENVIRONMENTAL MATTERS

4.2 CLIMATE CHANGE (E1)



THREE QUESTIONS FOR PIERRE-MARTIN HUET, VICE PRESIDENT, SUSTAINABLE DEVELOPMENT AND IMPACT

"In terms of impact and corporate strategy, the climate transition and the adaptation to physical risks constitute the Group's core challenges."

What can you say about 2025 with regard to your climate commitments?

After obtaining SBTi validation of our new 1.5°C-aligned decarbonization targets in 2024, we continued to implement our decarbonization roadmaps in 2025. We are talking about several roadmaps, because while we have been acting to lower our own emissions (Scopes 1 and 2) and those of our logistics operations (Scope 3) for many years now, in 2025 we have completed our decarbonization roadmap for raw materials purchases (Scope 3) to bring our actions into line with our ambitions. The results are in, with 2025 going down as an exceptional year in terms of reducing emissions from our industrial activities thanks to strong structural advances. We are now very confident that we will achieve our 2030 targets across all our scopes, before tackling the challenges of 2050. These achievements are the result of close cooperation between all our business units (manufacturing, purchasing, supply chain, etc.), which lead the drive to achieve our objectives at the operational level.

Beyond the Group's own operations, how are you helping to decarbonize the transport industry?

We play a major role. Just imagine, if all passenger car owners in Europe(1) drove on MICHELIN tires, this would reduce the quantity of greenhouse gas emitted into the atmosphere every year by 13MtCO_2e(2). From an energy point of view, if all these cars were powered by internal combustion engines, this would reduce European oil imports by 25 million barrels(3).

We're making a real difference by leveraging our unrivaled expertise in composite materials to supply the market with products that significantly improve our customers' energy efficiency and reduce their carbon footprint. We're also continuing to innovate to meet our 2030 target of delivering a further 10% improvement in energy efficiency(4). The transport industry accounts for a quarter of all global emissions, this means that Michelin is making a major contribution to the planet.

And how is the Group adapting to climate change?

While reducing greenhouse gas emissions is the main thrust of our strategy, we're also taking a proactive approach to adapting to climate change. After analyzing the exposure of several thousand sites, of both Michelin and its value chain, to adverse climate events, the Group has developed its own methodology for assessing the vulnerability of its sites to these events (droughts, heatwaves, floods, etc.). Starting in 2026, we will be stepping up our drive where necessary to prevent risks and protect people by implementing the first adaptation measures. Further measures may then be implemented in the years to come, following vulnerability assessments.

(1) Compared with the Michelin Group's current estimated share of this market per kilometer of around 15%.
(2) Michelin internal calculation, using two convergent methodologies based on 2024 market assumptions, LCA data, S&P reports and European Commission data.
(3) Assuming that, one day, the entire fleet consists of electric vehicles, this would save the equivalent of 18 TWh, equivalent to the output of two to three nuclear reactors.
(4) Compared with 2020.

Introduction

In line with the Task Force on Climate-Related Financial Disclosures (TCFD), the Michelin Group's climate strategy is organized around two core components: (i) a transition plan comprising both initiatives to decarbonize direct and indirect activities in the value chain (Scopes 1, 2 and 3) and a resilient strategic plan to move towards a low-carbon economy; and (ii) an adaptation plan to prepare for the physical impacts of climate change.

TRANSITION PLAN FOR CLIMATE CHANGE MITIGATION

Michelin has been part of the "Race to Zero" campaign since July 2021, answering the call to action by the international consortium comprising the Science Based Targets initiative (SBTi), the United Nations Global Compact and We Mean Business. The Group's transition plan is designed to achieve net-zero emissions by 2050 in Scopes 1, 2 and required Scope 3 (i.e., excluding use-phase emissions[1]). It also includes interim commitments to reduce CO_2e emissions by 2030 (vs. the 2019 baseline):

- from the entire production base;
- from upstream purchased energy supplied to Group sites;
- from the supply chain with raw materials suppliers;
- from logistics operations.

In addition to its own operations, Michelin is helping to foster the low-carbon mobility of goods and people.

4.2.1 DECARBONIZATION TARGETS

4.2.1.1 Achieve net-zero emissions

The transition plan is designed to enable an understanding of the Group's past, present and future mitigation efforts, to ensure that its strategy and business model are compatible with the transition to a low-carbon economy. Over and above the debates on decarbonization pathways at the scale of an undertaking, Michelin chose to submit its targets to the Science-Based Targets initiative (SBTi), which in 2024 approved them as consistent, according to its definition, with a pathway limiting global warming to 1.5°C in line with the Paris agreements[2].

Scope of application	Short term: 2030 (vs. 2019[1])	Long term: 2050 (vs. 2019)
Scopes 1 and 2	-47.2%	-90%
Required Scope 3 (excluding use-phase emissions)	-27.5% in the purchased raw materials, logistics and upstream purchased energy categories	- 90% across the entire required Scope 3

(1) Because 2020 was not a representative year, due to the Covid health crisis, the baseline for the SBTi-approved targets is 2019.

For Michelin, setting course to net zero means:

- reducing CO_2e emissions from its own operations and the operations of its value chain by 90% by 2050;
- preparing longer term solutions to capture and store enough CO_2e to offset each year's residual emissions.

This is aligned with the Corporate Net Zero Standard defined by SBTi in October 2021.

4.2.1.2 Designing energy-efficient products

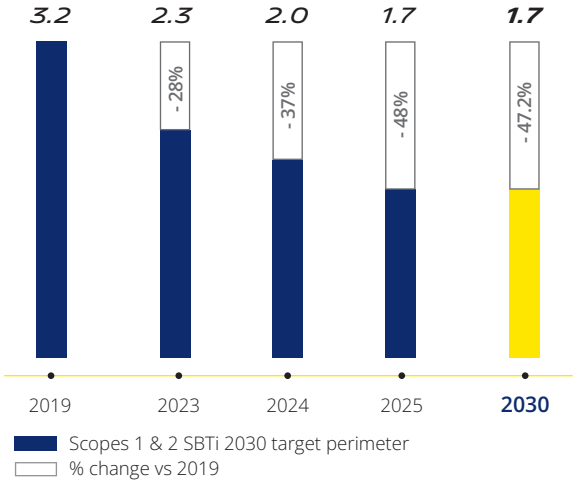
Using a tire on an internal combustion vehicle requires additional energy that entails the burning of fuel and therefore the release of greenhouse gases[3]. After reducing the rolling resistance of its tires by 50% between 1992 and 2020, Michelin's objective now is to further reduce it by 10% in 2030 compared with 2020. **As of end-2025, rolling resistance had been improved by 5.8%, in line with the target.**

(1) In line with the GHG Protocol Corporate Standard, the benchmark for corporate carbon accounting, two types of Scope 3 CO_2e emissions are calculated for tires: emissions generated while the tires are in use (Scope 3 In-Use), and emissions generated over the rest of the value chain (Scope 3 Required). This distinction has been confirmed by the SBTi, which has set emission reduction targets that only cover Scope 3 Required because tires in use only have an indirect impact on vehicle fuel efficiency. Nevertheless, every year Michelin records the quantity of Scope 3 In-Use emissions, in order to track the progress made in designing highly energy-efficient products. By convention, we therefore report Scope 3 Required emissions (for which we have set SBTi-validated improvement targets) separately from Scope 3 In-Use emissions.
(2) Based on the cross-sector method, version 5.1 updated in April 2023.
(3) See "Focus on Scope 3 In-Use emissions" in section 4.2.9.6.

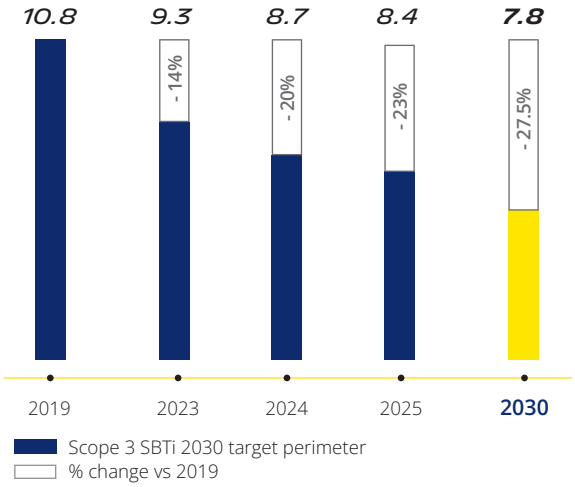
4.2.2 DECARBONIZATION LEVERS

The charts below describe the levers that Michelin is activating to meet its 2030 SBTi-approved decarbonization targets.

CHANGES IN SCOPE 1 AND 2 CO_2 EMISSIONS
(millions of tonnes of CO_2e)



CHANGES IN SCOPE 3 CO_2 EMISSIONS
(millions of tonnes of CO_2e)



			2019	2023	2024	2025
Scopes 1 and 2		Michelin emissions ($MtCO_2e$, Scopes 1 & 2)	3.2	2.3	2.0	1.7
		Reduction vs. 2019		-28%	-37%	-48%
Scope 3	Raw material procurement	Michelin emissions *($MtCO_2e$, Scope 3: 85% cat. 1)*	8.8	7.7	7.2	7.0
		Reduction vs. 2019		-13%	-18%	-21%
	Transportation and distribution	Michelin emissions *($MtCO_2e$, Scope 3: 29% cat. 4 + 100% cat. 9)*	1.4	1.0	1.0	0.9
		Reduction vs. 2019		-25%	-26%	-33%
	Upstream purchased energy	Michelin emissions *($MtCO_2e$, Scope 3 cat. 3)*	0.67	0.55	0.50	0.46
		Reduction vs. 2019		-18%	-26%	-31%

4.2.2.1 Scopes 1 and 2: Energy sufficiency and the energy transition

Michelin is pursuing its decarbonization strategy with the goal of reducing Scopes 1 and 2 CO_2e emissions from the operations of its production plants.

The strategy is based on the prioritizing hierarchy of levers, which represents a fundamental principle shaping every aspect of the Group's Environmental Policy, including the climate strategy.



- **Scrutinize the need** (design and size).
- Instill an **"energy-efficient" culture.**

Energy efficiency levers

- Reduce by doing more with less. *Use insulation, automation, and more energy-efficient equipment.*
- Reuse by closing heat transfer loops.
- Recycle by capturing heat for another application. *Install dual-flow ventilation and heat pump systems.*

Emission factor levers

- Use of renewable energies.

The principle translates into:

- consuming less, to encourage energy sufficiency;
- consuming better, to pursue efforts to further the energy transition.

The first practice is being instilled through an energy sufficiency plan designed to optimize energy efficiency in the production plants by applying best practices and deploying such technical solutions as challenging needs in the project design phase, tightening fluid leakage controls and managing production shutdowns and restarts.

The second practice combines two types of action levers:

- technical levers, which involve upgrading heating and cooling infrastructure to use less carbon-intensive energies. For example, boilers burning coal, natural gas or other fossil fuels are being replaced with installations using renewable energies, such as biomass-fired boilers or electric boilers powered by renewable electricity;
- market levers, which involve purchasing less carbon-intensive energies. The Group is exploring a wide array of sustainable solutions to use renewable sources to generate both electricity and heat and cooling.

In addition to these levers, a process electrification program is underway to replace tire curing presses powered by steam generated mainly by gas-fired boilers with electric presses. This considerably reduces energy use by making the curing process six to eight times more efficient, while also supporting the energy transition by purchasing electricity from certified renewable sources.

4.2.2.2 Required Scope 3: Optimizing the purchased raw materials, transportation and upstream purchased energy action plans

In the case of Scope 3, Michelin is focusing on reducing emissions from purchased raw materials, transportation and the purchased energy used in its production plants.

Reducing emissions from purchased raw materials

The Group has taken a proactive approach to identifying the purchasing categories and suppliers representing the largest sources of GHG emissions. The resulting initiatives are primarily aimed at raw material suppliers, inasmuch as they represent approximately 85% of the emissions from the Group's purchased goods and services. These suppliers are encouraged to initiate, step up or accelerate their commitment to reducing their GHG emissions.

The Group has assessed the maturity of its main suppliers' policies, actions, indicators and publications relating to greenhouse gas emissions. The assessment was carried out between 2018 and 2024 using the CDP's Supply Chain Program questionnaire. Since 2024, an EcoVadis questionnaire has been used, supported by a Group-specific assessment. The change has simplified the process for both suppliers and buyers, and enabled us to reach a much larger number of suppliers.

The Group also encourages its suppliers to reduce their emissions. Lastly, to measure its emissions more granularly and to further engage its raw material suppliers, the Group asks the latter to provide either life cycle assessment data or carbon footprint data (in tCO_2e/t) for products purchased by the Group. In 2025, 76% of total emissions were calculated from supplier data.

To shrink the carbon footprint of its purchased raw materials, Michelin and its suppliers are activating the following levers:

- increasing the percentage of renewable or recycled materials used in production;
- increasing the percentage of low-carbon energy used to produce raw materials;
- preparing dedicated decarbonization roadmaps for each supplier, to support energy efficiency, waste reduction, internal recycling and process optimization;
- focusing procurement on low-carbon suppliers or products;
- developing new low-carbon technologies for the production of raw materials.

In 2024, the CDP recognized the Michelin Group's ability to engage its suppliers in reducing CO_2e emissions with a 2023 CDP Supplier Engagement Leader award.

Reducing emissions from Michelin's transportation operations

This commitment concerns logistics operations under Michelin's direct control, from the inflow of raw materials to the delivery of finished products.

The Group's strategy is structured around three levers:

- **transporting less, a fundamental lever** that consists of reducing freight volumes through:
  - the ongoing quest for operational excellence to ensure that the right products are available in the right place,
  - the promotion of direct shipments from our production sites to customers, which reduces the volumes transiting via logistics warehouses;

- **transporting better, an operational lever** that consists of reducing emissions per tonne transported through:
  - the ongoing quest for operational excellence, based on optimized logistics networks and maximized vehicle load factors,
  - the analytics guide the siting of production units, with a preference for local facilities to limit the transfer of finished products between producing and consuming regions,
  - the preference given to low-carbon transportation methods, mainly by limiting air freight (in 2025, thanks to advances in operational excellence, no unplanned use of air freight was made, saving 7 kt CO_2e compared with 2024) and shifting transportation modes (in the North America region, the share of modal shift to rail rose sharply from 25% in 2024 to 29% in 2025);
- **transporting differently, an innovation lever** that consists of implementing new solutions based on two main approaches:
  - cooperation with other organizations: Michelin is continuing to play a leading role in a number of organizations, such as France Supply Chain, the New Energy Coalition and Movin'On, etc. Our proactive involvement is helping to identify actionable levers, while laying the foundations for collaborative work on innovative solutions supporting decarbonized transportation (for example, the France Supply Chain initiative to promote modal shift by pooling shippers' needs),
  - innovating to deploy more environmentally-friendly technologies and practices (for example, Michelin is participating in the Zéphyr & Borée sailing container ship project).

Reducing emissions from the purchased energy used in our production plants (upstream purchased energy)

As with Scope 1 and 2 emissions, reducing energy consumption and using renewable energies are also the main ways of cutting upstream energy-related emissions, which are lower, on average, than for electricity from fossil fuels.

4.2.2.3 Scope 3 emissions from the use of products

NB: It is difficult to demonstrate a direct link between a tire's rolling resistance and a vehicle's CO_2e emissions, which depend on many other factors, such as its weight, horsepower, powertrain and conditions of use (driving practices, type of roads, tire inflation and wear, etc.).

The Group's levers essentially correspond to the improvements we deliver in reducing tire rolling resistance, without being able to demonstrate any quantifiable correlation between them and a reduction in emissions.

Reducing a tire's rolling resistance helps to improve a vehicle's fuel efficiency, which in turn reduces both CO_2e emissions during use and ambient air pollutants, such as NO_x and SO_x. Lower rolling resistance also increases the range of electric vehicles. Over the past 30 years or more, Michelin has reduced the rolling resistance of its tires by half, without ever compromising on other performance factors. These gains will continue apace between now and 2030, in particular through eco-design practices.

Numerous product ranges already demonstrate the Michelin Group's commitment to longevity (down to the last millimeter of legal wear) and fuel efficiency:

- In the **Passenger Car and Light Truck tire segment**, the progress made in rolling resistance has cut across the entire portfolio. Since January 2025, Michelin has brought to market two new ranges, MICHELIN Primacy 5 Energy and MICHELIN Pilot Sport 5 Energy, designed for thermal, hybrid and electric vehicles, which combine high performance and optimized fuel efficiency. For example, the MICHELIN Primacy 5 Energy is aimed at drivers looking for safety, longevity and comfort, combined with optimal fuel efficiency. It offers the best wet braking performance according to the European label, is the leader in longevity[(1)] among premium competitors and is the first MICHELIN tire to obtain the AAA rating[(2)] for wet braking, fuel efficiency and noise. Its promise: "*Drive safe, drive far, save energy*".

(1) Longevity – External tests conducted by DEKRA TEST CENTRE, on Michelin's request, in Aug-Oct 2025, on dimension 215/55R18 99V, on VW ID3 comparing MICHELIN Primacy 5 energy (100%) versus BRIDGESTONE Turanza 6 (71%); CONTINENTAL PremiumContact 7 (72%); GOODYEAR Efficient Grip Performance 2 (60%). PIRELLI Cinturato P7C3 (61%). Actual results may vary in real life conditions/depending on the type of road and/or weather conditions.

(2) AAA stands for Excellence in all EU label categories – rolling resistance (fuel efficiency), wet grip and external noise. Over 80% of tires on the replacement market are rated AAA. Branded tires developed by Michelin according to OEM specifications are excluded. For more information about the branded tires developed by MICHELIN, see https://www.michelin.co.uk/auto/advice/choose-tyres/marked-tyres.

- In **truck tires**, a myriad of technological advances is delivering not only improvements in fuel efficiency and concomitant reductions in CO_2e emissions, but also the ability to run the tire down to the last millimeter of the legal wear limit thanks to remarkably long tread life. The Group continued to innovate in 2025, launching the MICHELIN X® LINE GRIP D tire featuring the first chevron tread pattern for truck tires and improving the grip/life/rolling resistance trade-off for even greater performance. To further the environmental transition in the road transportation industry, Michelin is supporting the deployment of **future zero-emission vehicles** (ZEV) by forging partnerships with its OEM customers.
- Michelin also innovated in the **specialty tires segment**. For example, crane trucks equipped with MICHELIN X-Crane 2 tires offer fuel savings of around 15% compared with the main competitor, representing over 8 liters of fuel per 100km (measurement validated by Dekra).
- The **Michelin services and solutions that optimize the use and management of vehicle fleets** make a significant contribution to the functional economy. They consist of supplying, together with the product:
  - a tire monitoring and maintenance service, to optimize tire performance (particularly in terms of fuel efficiency), or
  - a stand-alone service that helps to streamline fleet operations (e.g., by digitizing tire inspections) and makes driving more efficient, safer and greener.

  Today, the Michelin Connected Solutions business line is designing, developing and prototyping new, data-enabled solutions that help fleets to optimize their management and improve their safety performance and margins, while reducing their carbon footprint.

4.2.3 FINANCIAL RESOURCES ALLOCATED

While the Michelin Group's carbon footprint reduction targets are stated in absolute terms, in line with the 1.5°C objective, and are therefore not impacted by output volumes, the related action plans are adjusted each year according to market realities. Consequently, the following financial resources are designed to secure the Group's ability to meet these targets, in alignment with its corporate strategy.

For Scopes 1 and 2, capital expenditure committed across the Group to the plan to decarbonize the production plants amounted to €86 million in 2025 (€107 million in 2024) and is budgeted at more than €300 million over the next five years in the strategic plan. The budgeted capital expenditure will be spent as follows:

- half on the deployment of best energy efficiency practices;
- a quarter on converting boilers to less carbon-intensive energy sources; and
- a quarter on the electrification of our processes.

The required financial resources have been estimated using information provided by the energy performance experts based on the projects identified in each site's roadmap. The strategic plan is reviewed and validated annually, on the basis of a prioritization matrix, by the industrial performance manager. The capital expenditure budgets do not include the renewable energy purchasing plan, which is managed by the Group's energy purchasing strategy team.

For the Scope 3 use of sold products category, €151 million was invested in 2025 (€119 million in 2024) to support the deployment of technologies to improve the rolling resistance of tires, and more than €600 million has been budgeted over the next five years (as in 2024).

4.2.4 GOVERNANCE AND MONITORING OF THE TRANSITION PLAN

Michelin's climate strategy is overseen by the Managers with the support of the Group Executive Committee (CEG). The Environmental Governance body, comprising members of the Group Executive Committee and representatives of various departments, makes the decisions needed to meet decarbonization targets and manage climate change risks. Climate change-related transition issues are identified in the strategic planning process and the resulting priorities are then defined in the business line strategic plans.

The annual transition plan is presented for approval to the CSR Committee of the Supervisory Board, which then reports on it to the Annual Shareholders Meeting.

A portion of the variable pay paid both to the Managers and to every Group employee is tied to the achievement of Scope 1 and 2 CO_2e emission reduction targets.

4.2.5 ALIGNMENT OF THE TRANSITION PLAN WITH THE GROUP'S BUSINESS STRATEGY

As a global manufacturer, Michelin has a significant impact throughout the life cycle of its products and services. The main climate change impact factors identified by the materiality assessment concern the CO_2e emissions from the Group's direct operations (Scopes 1 and 2) and from its transportation operations, the operations of its suppliers and the use of its products (Scope 3 use-phase).

In this regard, offering efficient solutions without compromising on safety is the very heart of Michelin's past, present and future positioning, as expressed in products and services that lead the market in energy efficiency, CO_2e emissions abatement and long-lasting performance. As part of its strategic plan, the Group is continuing to innovate to nurture the transition to low-carbon mobility for people and goods and to demonstrate its leadership in high-tech materials, in particular by:

- designing products that are ultra-energy efficient throughout their life cycle, from production and use to end-of-life recycling;
- developing services and solutions that optimize the use and management of vehicle fleets, while improving their fuel/energy efficiency;
- driving the emergence of new mobility solutions, led by the development of ecosystem-driven innovations.

In addition, the physical consequences of climate change on its business, and the possible impacts from the inadequate management of the environmental transition, have also been identified as risk factors by the Group's risk management system. Lastly, the policies, objectives, levers for action and metrics in place to mitigate these risks have been integrated into the Transition Plan and the Adaptation Plan, in line with TCFD recommendations.

4.2.6 RESILIENCE OF THE STRATEGY

The Group has prepared four climate change/societal scenarios for how its business environment could evolve under the impact of climate change and the policies likely to emerge as a result. Each scenario is described by:

- a qualitative narrative built around both planetary boundaries and a range of desirable and undesirable, complex and paradoxical factors, covering political, technological, socio-economic and legal/regulatory issues;
- quantitative Kaya identity metrics[(1)] and a set of public metrics representative of each scenario that enable identifying their implications and assessing their materiality over time;
- forward-looking scenarios mapped against IPCC warming scenarios, from the best to the worst case;
- a global map displaying the scenario or blend of scenarios deemed most likely for each key country.

In recent years, the scenarios have been used by the business lines and operating units for strategic planning and/or innovation purposes. In 2021, the Group Executive Committee reassessed the resilience of the Group's strategy in light of the four scenarios and came to the following conclusions:

- strategic fundamentals are validated in every scenario;
- regardless of the scenario, connectivity and outside partnerships will play an important role;
- trends in vehicle fleets, urban mobility, micro-mobility and intermobility will have a favorable impact;
- environmental degradation will have adverse knock-on effects. For example, climate change may harm biodiversity, which in turn could pose a risk to rubber tree farming, which could then have an impact on Michelin's natural rubber procurement;
- there are several innovation priorities, such as the development of offers that reduce the materials footprint of our products and services, including end-of-life tire management solutions and the adaptation of products to higher temperatures;
- there are benefits in continuing to develop CO_2e emissions reduction solutions for the Group's customers and upgrade operations across the value chain to manage physical and transition risks more effectively.

In order to mobilize Group units around the impacts of each scenario, various shocks (social, environmental, legislative, resource depletion) have been simulated.

The simulations help to:

- identify the risks and opportunities for the Group in each scenario and to design proactive responses;
- envisage non-linear trajectories based on concrete events;
- stimulate systemic thinking to identify strategic blind spots and put ourselves in a position to anticipate and act.

(1) For a discussion of the Kaya identity in French, see enseignementsup-recherche.gouv.fr | Ressource pédagogique : 8. L'équation de Kaya.

CLIMATE CHANGE MITIGATION

Impacts, Risks and Opportunities (IROs)	Brief description
Upstream value chain · Downstream value chain · OP Own operations · Short-term · Medium-term · Long-term	
E1 - CLIMATE CHANGE	
Climate change mitigation	
Higher energy performance standards for tires Opportunity	Standards are being raised both by market demand and through regulations. Tires account for 15% to 30% of an internal combustion vehicle's fuel consumption. As mobility goes electric, the focus is expected to shift to certain products or components that are harder to decarbonize, such as tires. Original equipment manufacturers are looking for tires with low rolling resistance, while fleets prefer long-lasting, high-mileage products. Urbanization and the emergence of new mobility solutions will heighten the role of fleets. Regulatory standards governing rolling resistance and other energy performance factors are tending to become stricter around the world, along the lines of European Union legislation.
Rising demand for a wider range of electric vehicles Opportunity	Michelin is positioned as a leading manufacturer of high-performance, long-lasting, energy-efficient tires that play a critical role in optimizing the EV experience. According to the International Transport Forum, an estimated 40% of new vehicles will be electric in 2027, representing a tripling of their market share in just five years and offering the Group new opportunities.
Contributing to climate change through direct and indirect greenhouse gas emissions (Scopes 1 and 2) Negative impact	Michelin is a global manufacturer with a broad industrial footprint. Greenhouse gases are emitted by its own operations and by the energy used in its production and other sites. The impact covers Scope 1 and 2 emissions.
Contributing to climate change through direct and indirect greenhouse gas emissions and land use change (Scope 3) Negative impact	Scope 3 emissions comprise two main categories: ■ GHG Protocol required Scope 3 emissions, which come from purchased raw *materials, upstream logistics* activities, upstream purchased energy and a variety of other sources. This category is significantly larger than Scope 1 and 2 emissions; ■ Scope 3 emissions from the use of sold products, which in the case of Michelin corresponds to the 15% to 30% of a vehicle's fuel or electricity used to overcome tire rolling resistance. This makes their contribution critically important, with Scope 3 use-phase emissions representing about 90% of Michelin's carbon footprint (125 million tonnes of CO_2e in 2025). Michelin is a leader in rolling resistance performance.
Facilitating greater energy efficiency by offering services to optimize the use and management of vehicle fleets and accelerating the transition to zero-emission mobility Positive impact	Michelin is a leading sustainable mobility enabler. In addition to tires, the Group offers solutions to optimize fleet management and support hydrogen-powered and other forms of zero-emission mobility. The Group promotes sustainable mobility, in particular through international forums and networks such as Movin'On and the World Bank's Sum4All initiative.

Introduction

Determining Michelin's impact on climate change begins by measuring its carbon footprint based on the GHG Protocol - a practice initiated several dozen years ago. Transition risks are assessed using scenarios prepared by the Group's Strategic Anticipation Department, while business strategy is assessed against the best and worst-case warming scenarios.

To address the impacts and opportunities identified in the double materiality assessment, the Group's climate strategy is organized around two core components:

- a transition plan comprising initiatives to decarbonize direct and indirect activities in the value chain (Scopes 1, 2 and 3) and a strategic plan to build resilience and foster a low-carbon economy;
- an adaptation plan to prepare for the physical impacts of climate change, which is governed by a dedicated policy in place since March 2024.

The Group's climate strategy is informed by three principles addressing impacts, risks and opportunities:

- achieve net-zero emissions by 2050 by fulfilling our external emission reduction commitments by 2030;
- identify risks and opportunities for our business models and operations, based on climate change scenarios;
- transparently disclose the information expected by our external stakeholders.

4.2.7 CLIMATE CHANGE MITIGATION POLICIES

4.2.7.1 Environmental and Climate Policy

The Group's Environmental Policy is described in a publicly available reference document (www.michelin.com) issued in 2021. To support its operational implementation, the Policy is organized into several different chapters and covers the Group's main matters at each phase of the life cycle approach.

The "Production and R&D sites" chapter defines the procedures for reducing CO_2e emissions from the production plants' operations (Scope 1 and 2 emissions).

4.2.7.2 Decarbonization plan

The decarbonization plan is designed to meet the 2030 and 2050 targets approved by the SBTi in 2024 for the entire scope of reporting. In accordance with GHG Protocol guidelines, Scope 1, 2 and 3 inventory is calculated for an overall base corresponding to the Group's consolidated financial reporting.

In alignment with the scope of the SBTi targets, the reporting process covers at least 95% of total Group emissions, based on an inventory covering all the companies in the consolidated scope. For 2025:

- excluded Scope 1 and 2 emissions accounted for an estimated 2.7% of the Group total[(1)];
- excluded required Scope 3 emissions (i.e., other than use phase) accounted for an estimated 2.2% of the Group total[(2)].

4.2.8 MITIGATION ACTIONS AND RESOURCES EMBEDDED IN OUR BUSINESS MODEL

4.2.8.1 Rolling resistance, a key differentiating factor at a time of higher tire energy performance standards

Using a tire on an internal combustion or electric vehicle requires additional energy that entails either the burning of fuel (and therefore the release of greenhouse gases) or the use of the car's engine battery. Customer expectations for an effective response are growing year by year, with tenders from original equipment manufacturers (OEM) and fleet managers now including specifications in this regard. To meet them, the main lever for action is to reduce tire rolling resistance.

4.2.8.2 Expanding the line-up of EV tires

Michelin fully supports the development of electric vehicles, whose weight, engine torque and mission-critical range requirements make them much more demanding on tires. These features heighten the role played by tires in an EV's overall performance, enabling Michelin to demonstrate once again its technological leadership and exceptionally proficient understanding of usage parameters. All the MICHELIN-brand tire lines may be fitted on EVs, with their Total Performance technology offering owners the longest tread life and highest performance regardless of vehicle type, thanks to the Group's long years of innovation, investment and cooperation with all the world's leading carmakers.

To seize these two opportunities (see IROs *"Higher energy performance standards for tires"* and "*Rising demand for a wider range of electric vehicles*"), Michelin is focusing on the same response: solutions that improve the fuel efficiency of tires and their longevity, either through their design or through services to optimize their use.

(1) Scope 1 and 2 exclusions include emissions from (i) wholesale and retail operations other than Euromaster; (ii) the operations of the Michelin transportation company; (iii) test runs and trials on Group-owned vehicles; (iv) other GHGs such as methane (CH_4 and nitrous oxide (N_2O); (v) logistics hubs owned by the Group or for which it has operational control; and (vi) certain offices, R&D and other non-industrial sites owned by the Group or for which it has operational control.

(2) Scope 3 exclusions concern emissions from the Allopneus, Masternaut, Ihle and Sascar subsidiaries, as well as from all the subsidiaries involved in digital operations.

4.2.8.3 A key contribution to climate change through direct and indirect GHG emissions

The amount of released CO_2e is consolidated and tracked separately, in absolute terms, at the highest corporate level.

In accordance with Group guidelines, the reduction levers are based on two major pathways to improvement: energy sufficiency and energy transition:

- **Energy sufficiency -** Consume less: each site tracks its energy performance using a metric measuring energy used per tonne of product.
- **Energy transition -** Consume better: using energy more efficiently and activating market levers. To do this, the Group is assertively developing fossil fuel substitution projects while increasing its renewable energy purchases (for heating, cooling and electricity). The manufacturing process electrification program introduced in the Transition Plan and illustrated in the graph in section 4.2.9.3 below, is a practical example of this approach.

As of end-2025, the majority of production plants, representing more than three-quarters of Scope 1 and 2 CO_2e emissions, had prepared or updated their 2050 Net-Zero Emissions roadmaps combining purpose-designed energy efficiency and transition levers capable of enabling each site to contribute to meeting the Group's targets.

The related projects and initiatives are being led by each plant's technical advisor, assisted by a network of corporate experts who coordinate issues in their remit. The plan, launched in 2024 to upskill and increase the workforce to deal with water and energy issues, was continued in 2025.

In all, the Group continued to reduce its energy use and CO_2e emissions in 2025 through CapEx projects totaling over €86 million (€107 million in 2024). Examples include the following projects:

- **Asia zone**: electrification of presses, optimization of heating, ventilation and air-conditioning (HVAC) installations, installation of magnetic chillers and energy efficient air compressors. Systematic implementation of water and energy shutdown management systems also helped reduce fixed consumption. This practice of better controlling machine shutdowns and restarts will be extended to the Group's other sites in the near future;
- **Americas zone**: optimization and automation of chillers and air compressors in Brazil. In addition, best practices have been adopted more widely in line with an emphasis on change management, particularly in North America;
- **Europe zone**: coal phase-out at the Olsztyn site (subject to the Emissions Trading Scheme[(1)] - ETS1) as from early 2025, leading to a significant drop in the zone's CO_2 emissions.

Over €300 million in capital expenditure is budgeted for the next five years (vs. a budget of over €400 million announced in 2024).

One of the Group's core decarbonization initiatives is to eliminate coal as a primary energy source by 2030, with a dedicated roadmap being pursued at the remaining four production sites concerned[(2)].

Coal only accounted for 326,000 MWh or around 3% of the Group's total energy consumption in 2025. Progress is being tracked and led by an internal metric measuring the percentage of residual coal in produced or purchased heat and cooling.

In 2025, the Group pursued its strategy of purchasing renewable electricity to meet part of the energy needs of certain sites, mainly in the United States. In all, these contracts represented more than 3,084,000 MWh, for which the corresponding 2025 EACs were duly canceled, and covered more than 68% of electric power consumed during the year. Since 2017, all of the Group's production plants in the European Union use electricity from renewable sources, mainly through direct purchases of electricity with guarantees of origin as defined by Directive (EU) 2018/2001 but also, to a lesser extent, through the purchase of unbundled guarantees of origin. In addition, the Group has pursued its purchases of electricity with energy attribute certificates (EACs) in Brazil, Serbia and China (since 2021), Thailand (since 2022), Mexico, India, the USA and Indonesia (since 2024).

This sustainable procurement approach also applies to heat and cooling purchases, currently to a lesser extent but with increased purchases on the cards in future periods, because the commercial supply of sustainably produced biogas and biomass is not growing as quickly as the supply of electricity from guaranteed renewable sources.

(1) The European Union Emissions Trading Scheme (EU ETS) is a regulatory mechanism designed to reduce greenhouse gas (GHG) emissions.
(2) These sites are located in Pirot, Bassens, Louisville, and Shenyang. With the exception of Shenyang, which purchases coal-fired steam, they all burn coal directly in their own boilers.

4.2.8.4 Scope 3 action levers - reducing emissions from purchased raw materials and components

See the "Transition plan for climate change mitigation" in section 4.2 Climate change (E1), above.

4.2.8.5 Scope 3 action levers - reducing emissions from Michelin's transportation operations

See the "Transition plan for climate change mitigation" in section 4.2 Climate change (E1), above.

4.2.8.6 Michelin, an organization committed to accelerating the transition to low-carbon mobility

The development of services and solutions that optimize the use and management of vehicle fleets is a significant Michelin contribution to the functional economy, which is helping to drive the transition to a low-carbon economy. The solutions consist of creating a package comprising the product and tire monitoring and maintenance services to optimize tire performance, particularly in terms of fuel efficiency.

In addition to tire performance improvement services, Michelin also provides fleet route optimization services through Michelin Connected Fleet, which helps to reduce empty kilometers to optimize fleet operations and vehicle use. It also offers an innovative CO_2e dashboard that improves energy efficiency and reduces the carbon footprint.

Looking further ahead, as a pioneer in hydrogen fuel cells, Michelin remains convinced that hydrogen will play a role in the energy mix of the future. Disruptive technologies always take a long time to develop and become established. The Group recognizes this and intends to continue its involvement in the development of hydrogen-related technologies[1].

Michelin is also pursuing its R&D efforts to develop membranes, a key component in water electrolysis technologies for the production of carbon-free hydrogen for industrial applications (steel production, energy transport, etc.) and hydrogen fuel cells, thereby helping to combat CO_2e emissions and air pollution.

Finally, Michelin is continuing to develop Wisamo, an inflatable wing technology that helps reduce CO_2e emissions and air pollution caused by shipping.

4.2.9 METRICS AND TARGETS

In response to the "*higher energy performance standards for tires*" opportunity, the Group is committed to improving the rolling resistance of its tires by 10% over the 2020-2030 period. As of end-2025, rolling resistance had been improved by 5.8%, in line with the target.

Concerning the opportunity "*Rising demand for a wider range of electric vehicles*", as of 2025, all tires were designed to be fitted on both internal combustion and electric vehicles.

With regard to the positive impact of "*facilitating greater energy efficiency by offering services to optimize the use and management of vehicle fleets and accelerating the transition to zero-emission mobility*", the Group has not yet identified a target.

To mitigate the negative impact of "*contributing to climate change through direct and indirect greenhouse gas emissions (Scopes 1, 2 and 3)*" Michelin has defined emissions reduction targets, which were validated by the SBTi in 2024. These targets are consistent with the 1.5°C global warming scenario.

4.2.9.1 Short-to-medium term (according to the SBTi)

The short-term Scope 1 and 2 target is a 47.2% reduction in absolute terms over the 2019-2030 period.

To meet it, the Group is pursuing since 2019 three ambitious objectives for 2030:

- improve production plant energy efficiency by 24% versus 2019 (metric: MWh used per tonne produced);
- eliminate the use of coal to generate own or purchased heat or cooling (metric: percentage of coal in our heat and cooling sources);
- increase renewable energy use.

The required Scope 3 (excluding use-phase emissions) target is a 27.5% reduction in absolute terms over the 2019-2030 period. It covers the three categories - purchased raw materials, upstream and downstream transportation, and upstream purchased energy - that accounted for more than 70% of required Scope 3 emissions in 2019.

(1) Since Stellantis announced on July 16, 2025 that it would be discontinuing its hydrogen vehicles, Symbio has structured a new roadmap to ensure the company's continuity and sustainability, with the support of Michelin, Forvia and the public authorities.

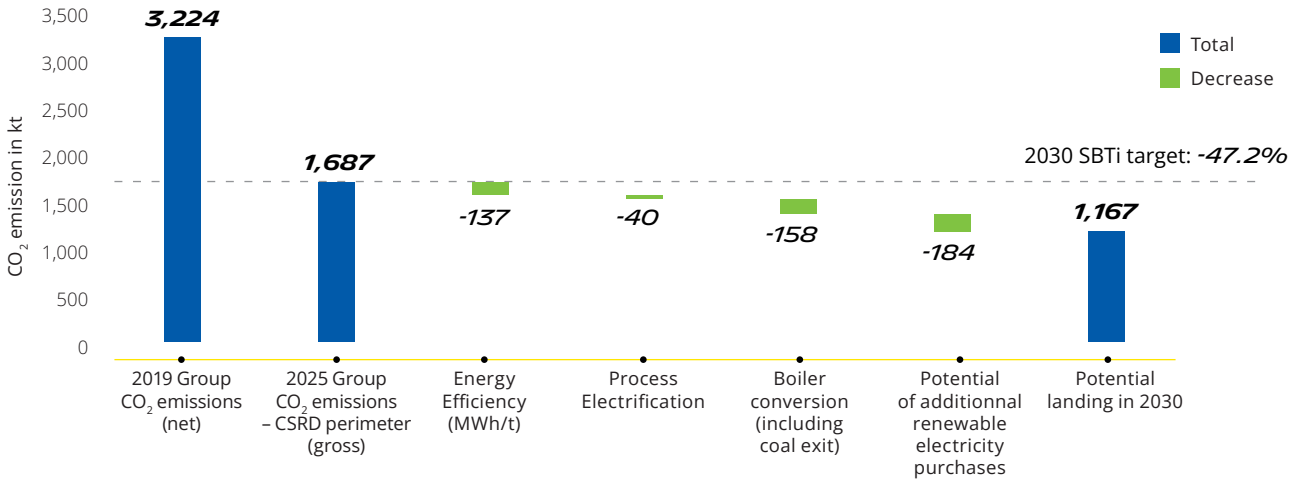
4.2.9.2 Long term

The long-term Scopes 1 and 2, and required Scope 3 (excluding use-phase emissions) target is a 90% reduction in absolute terms over the 2019-2050 period. It applies to the entire Group, whose overarching goal is to achieve net-zero CO_2e emissions by 2050.

4.2.9.3 Targets and quantitative contributions by lever over the 2019-2030 period (Scopes 1 and 2)

The following chart shows the reduction in CO_2e emissions in absolute value between 2019 and 2025. It also states the projected reduction in these CO_2e emissions over the 2026-2030 period[(1)]. The reduction is based on the levers identified in the Group's roadmap which is periodically reviewed. Each lever's quantitative contribution is stated in kilotonnes.

ROADMAP FOR REDUCING SCOPE 1 AND 2 CO_2E EMISSIONS - 2019-2030



The chart presents the total contributions of levers that can be activated over the 2026-2030 period, assuming constant sales volumes. Note that renewable energy purchases remain an adjustment variable.

CO_2e emission reduction actions have been organized into four levers:

- "Energy efficiency" refers to the legacy energy technical levers and best practices deployed in the production sites;
- "Process electrification" refers to projects to convert steam-powered curing presses to electricity;
- "Boiler conversion" corresponds to projects to transition utilities to the use of less carbon-intensive energies; e.g., the transition away from coal or the transition to biomass. As an example, a project to install a boiler fuelled by sustainably sourced solid biomass began in 2025 at the Blanzy site (France);
- "Renewable energy purchasing" refers to the potential for purchasing additional renewable electricity duly backed by EACs.

Together, all the Group's projects and initiatives ensured that the SBTi target was met in 2025. These efforts will be pursued by deploying the levers identified in the strategic plan, allowing us to absorb, at the very least, the increase in emissions linked to growth in production volumes. The potential 2030 outcome indicated above should not therefore be interpreted as a new target.

(1) The data in this graph are stated as net values, with the slight difference between gross and net figures (less than 0.5% in 2025) corresponding to the energy resold by the Group.

4.2.9.4 Projected levers for the 2050 time horizon

Residual emissions

Internal projections indicate that heat and cooling will still account for a significant proportion of total energy use in 2050, which could represent a residual source of Scope 1 and 2 CO_2e emissions. This reflects the complexity of electrifying certain processes, as well as uncertainties concerning the sustainable availability of renewable sources, such as biomass or biogas.

All the levers capable of enabling the Group to meet its net-zero emissions target and their technical feasibility are currently being identified and assessed. As part of this process, for example, the Group is defining project families based on mature technologies (such as geothermal energy) or emerging technologies (such as high-temperature heat pumps) and is also participating in ecosystems in certain industrial basins (e.g., the Low Carbon Industrial Zone in the Bordeaux region (France)).

The climate strategy is being executed without using any carbon credits to offset CO_2 emissions from the Group's direct or indirect activities, in line with SBTi standards. In line with the prioritizing hierarchy of levers, actions are geared exclusively towards reducing CO_2e emissions.

Locked-in emissions

The Michelin Group owns a number of potentially CO_2e emitting assets whose useful lives can exceed several decades (e.g., a gas-fired boiler used to supply heat in a production plant). However, their ownership does not compromise the Group's ability to meet its 2030 decarbonization targets.

Beyond 2030, the identification of new technology families is expected to enable the Group to upgrade these assets to meet its 2050 targets. Indeed, the energy transition strategy to phase out the use of coal by 2030 illustrates the Group's ability to proactively address these transformations.

4.2.9.5 Energy consumption and mix

Methodology

Group production plants use mainly three types of energy: (i) fuel burned to generate steam, hot water or electricity on-site; (ii) purchased steam or hot water; and (iii) electricity.

Basic energy consumption data are measured by each production site in a proprietary format and then by a centralized IT system, and then consolidated and analyzed at Group level using this automated system.

Periodic reviews conducted at different levels of the Group help to ensure that reported data are consistent.

Energy consumption and mix

Energy consumption and mix	2024[1]	2025
Fuel consumption from coal and coal products (E1-5-38a)	620,827 MWh	326,235 MWh
Fuel consumption from crude oil and petroleum products (E1-5-38b)	44,211 MWh	68,051 MWh
Fuel consumption from natural gas (E1-5-38c)	3,452,706 MWh	3,332,081 MWh
Fuel consumption from other fossil sources (E1-5-38d)	- MWh	- MWh
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (E1-5-38e)	2,763,222 MWh	2,446,251 MWh
TOTAL ENERGY CONSUMPTION FROM FOSSIL SOURCES (E1-5-37A)	**6,880,965 MWH**	**6,172,619 MWH**
Share of fossil sources in total energy consumption *(%)*	*66%*	*63%*
TOTAL ENERGY CONSUMPTION FROM NUCLEAR SOURCES (E1-5-37B)	**484,300 MWH**	**396,264 MWH**
Share of consumption from nuclear sources in total energy consumption (%)	*5%*	*4%*
Fuel consumption from renewable sources (E1-5-37c (i))	305,375 MWh	105,019 MWh
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (E1-5-37c (ii))	2,738,524 MWh	3,076,219 MWh
Consumption of self-generated non-fuel renewable energy (E1-5-37c (iii))	- MWh	- MWh
TOTAL ENERGY CONSUMPTION FROM RENEWABLE SOURCES (E1-5-37C)	**3,043,899 MWH**	**3,181,237 MWH**
Share of consumption from renewable sources in total energy consumption (%)[3]	*29%*	*33%*
TOTAL ENERGY CONSUMPTION RELATED TO OWN OPERATIONS (E1-5-37)	**10,409,164 MWH**	**9,750,121 MWH**
Energy intensity based on net revenue (E1-5-40)	**383 MWh/€m**	**375 MWh/€m**
Energy intensity, based on net revenue, associated with activities in high climate impact sectors[2] (E1-5-40)	**383 MWh/€m**	**375 MWh/€m**

(1) Values updated in 2025 following the change of method for quantifying renewable energies in Market Based accounting.
(2) All the Group's manufacturing activities are associated with NACE codes A to H, with a majority corresponding to NACE code C22.11 (manufacture of rubber tires and tubes, retreading and rebuilding of rubber tires).
(3) The share of renewable energy rose from 29% to 33% between 2024 and 2025, primarily reflecting the increase in renewable electricity purchase from 61% to 68%.

The data in this table are stated as gross values.

Reducing production plant energy use is the leading energy sufficiency lever presented in the prioritizing hierarchy of levers. In absolute terms, energy consumption declined by 6.3% year on year in 2025. Taking into account the impact of lower production output, this translated into a 1.1% improvement in energy performance in 2025 (consumption in MWh relative to production volume).

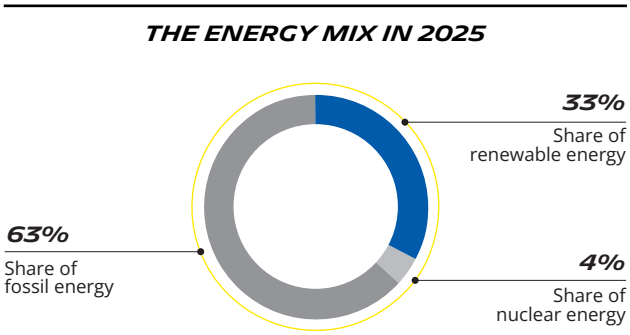
The improvement between 2019 and 2025 stood at 4% compared to the improvement target for plant energy efficiency of 24% for the period 2019-2030. The underperformance stemmed primarily from fixed energy use, as volatile production volumes led to unscheduled production facility shutdowns and restarts. Managing these shutdowns represents a genuine challenge.

Despite the significant gap between this result and the trajectory, the Group is holding firm to its target and has launched an acceleration program for the next two years. The dedicated initiatives and resources are based on several levers:

- controlling fixed consumption at thirty priority sites;
- prioritizing best practices and technical levers by type of activity;
- supporting change and skills development, with a particular focus on behavioral skills;
- optimizing plant energy performance through digitization and process control monitoring.

The feasibility of this approach is confirmed by the results obtained at several Group sites, which succeeded in improving their energy efficiency in 2025 against a backdrop of falling production.

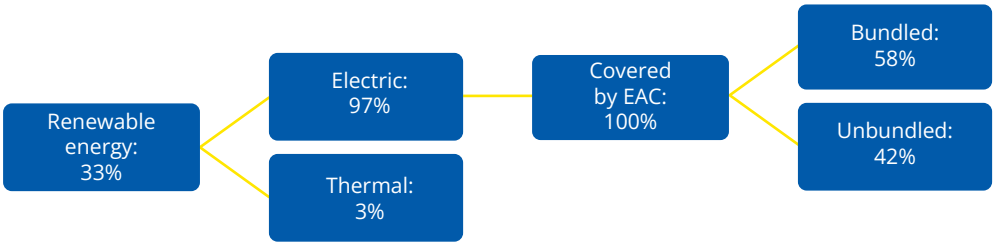
Energy mix



The proportion of total energy consumption derived from renewable sources continues to rise. According to the following diagram, in 2025, renewable energy accounted for more than a third (33%) of the Group's total energy mix (compared with 29%[1] in 2024).

The 63% of fossil energy in the mix corresponds to the fossil fuels burned either on-site to supply heat and cooling to the production units or off-site to generate the electricity purchased from the grid. Its percentage is trending downward as (i) production plant boilers are steadily converted through 2030 to less carbon-intensive fuels and (ii) the Group pursues its strategy of purchasing EAC-backed renewable electricity.

The share of nuclear energy in the mix stems solely from the electricity purchased from the grid.



Electricity accounts for most of the renewable energy used (more than 97% in 2025). In line with the market-based method, purchased electricity is considered to be of renewable origin and CO_2e emissions-free only if each MWh is covered by a bundled or unbundled[2] energy attribute certificate (EAC) attesting to a renewable source. The proportion of renewable heat and cooling in renewable energy use was 3.8% in 2024 and 3% in 2025.

4.2.9.6 Gross Scope 1, 2, 3 and Total GHG emissions

Scope 1 and 2 methodology

In accordance with GHG Protocol guidelines, Scope 1 and 2 CO_2e emissions are calculated using raw energy data (see ESRS E1-5) and recognized emission factors. They are calculated automatically, in an IT application, by multiplying the energy consumed by the related emission factor.

Scope 1 and 2 CO_2e emissions from Michelin-managed sites are presented, by default, according to the market-based method, which expresses the progress made in reducing CO_2e emissions driven by the Group's commitment to the energy transition (the "Renew" lever in the Environmental Policy).

The 2025 scope included CO_2e emissions from the Group's industrial and R&D sites, representing over 97% of total emissions (see section 4.2.7.2).

(1) Calculation updated in 2025 following the change of method for quantifying renewable energies in Market Based accounting.
(2) The term bundled means that the MWh of energy and its related EAC were purchased from the same supplier. 58% of renewable electricity purchases were backed by bundled EACs, in the form of Guarantees of Origin (GOs) or International Renewable Energy Certificates (I-RECs). Unbundled means that the electricity was first purchased from one supplier and then the EAC from another. This system represented 42% of all EACs, in the form of GOs, I-RECs and green electricity certificates (GECs).

	Retrospective data					Reduction milestones and targets		
Total GHG emissions	**Baseline 2019** *(tCO_2e)*	**2023** *(tCO_2e)*	**2024** *(tCO_2e)*	**2025** *(tCO_2e)*	**% change 2025/ 2024**	**2030 vs. 2019**	**Annual milestone over the 2019-2030 period (%)**	**2050 vs. 2019**
SCOPE 1 GHG EMISSIONS								
Gross Scope 1 GHG emissions (E1-6-48a and E1-6-50a)	1,725,839	1,049,930	956,909	826,304	-13.6%			
Scope 1 GHG emissions from regulated emission trading schemes (E1-6-48b)	808,242	445,211	343,448	303,314				
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (E1-6-48b)	46.8%	42.6%	35.9%	36.7%				
SCOPE 2 GHG EMISSIONS								
Gross location-based Scope 2 GHG emissions (E1-6-49a and E1-6-50a)	2,044,611	2,035,084	1,972,949	1,873,962	-5.0%			
Gross market-based Scope 2 GHG emissions (E1-6-49b and E1-6-50a)	1,713,199	1,271,594	1,069,582	860,289	-19.6%			
SCOPE 1 AND 2 GHG EMISSIONS								
Gross location-based Scope 1 and 2 GHG emissions	3,770,450	3,085,014	2,929,858	2,700,266	-7.8%			
Gross market-based Scope 1 and 2 GHG emissions	3,439,038	2,321,524	2,026,491	1,686,593	-16.8%	-47.2%	-4.2%	-90%
SCOPE 3 REQUIRED + IN-USE GHG EMISSIONS (E1-6-51)								
Gross Scope 3 Required GHG emissions[1]	15,029,349	13,617,627	12,724,408	12,096,228	-4.9%			-90%
Gross Scope 3 In-Use GHG emissions[2]			131,000,000	125,000,000				
TOTAL LOCATION-BASED SCOPES 1, 2 AND REQUIRED SCOPE 3 GHG EMISSIONS[1] (E1-6-52A)	**18,799,799**	**16,702,641**	**15,654,266**	**14,796,494**	**-5.5%**			
TOTAL MARKET-BASED SCOPES 1, 2 AND REQUIRED SCOPE 3 GHG EMISSIONS[1] (E1-6-52B)	**18,468,387**	**15,939,151**	**14,750,899**	**13,782,821**	**-6.6%**			

(1) Scope 3 values for 2019, 2023 and 2024 have been recalculated following the increase in oil industry emission factors.
(2) The 2024 value has been recalculated following a methodological adjustment: see "Focus on Scope 3 In-Use emissions" below.

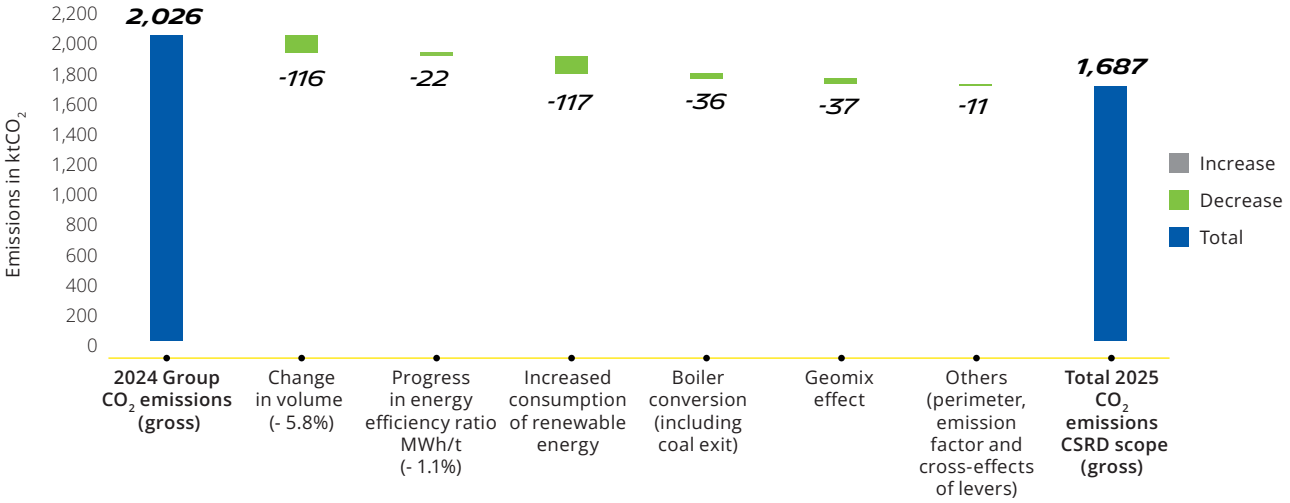
GHG emissions intensity based on net revenue	**2023**	**2024**	**2025**	**% change 2025/2024**
Location-based GHG emissions intensity (E1-6-53)	589 tCO_2e/€m	576 tCO_2e/€m	569 tCO_2e/€m	-1.1%
Market-based GHG emissions intensity (E1-6-53)	562 tCO_2e/€m	542 tCO_2e/€m	530 tCO_2e/€m	-2.2%

CO_2e emissions from the Group's manufacturing sites declined by 16.8% year on year in 2025.

Over the period 2019-2025, the overall reduction in Scope 1 & 2 CO_2e emissions was 47.7%. The Group therefore met its SBTi target of 47.2% by 2030 five years ahead of schedule[1]. This result was attributable primarily to the energy sufficiency process described in section 4.2.8.3, the production environment and the additional purchases of EAC-backed renewable electricity described in section 4.2.9.3. Encouraged by this performance, the Group intends to continue cutting its CO_2e emissions, by deploying the levers included in its strategic plan over the period to 2030 (see graph tracking the reduction in CO_2e emissions between 2019 and 2030 in section 4.2.9.3).

QUANTITATIVE CONTRIBUTION OF EACH LEVER TO THE YEAR-ON-YEAR IMPROVEMENT IN 2025

Reduction in Scope 1 and 2 CO_2e emissions year on year in 2025



Biogenic emissions

In 2025, the Group decided to amend its contracts with renewable electricity suppliers by phasing out the use of biomass as a primary energy source for renewable electricity generation. This decision was based on the desire to give priority to biomass uses that are considered more relevant, such as supplying thermal energy or incorporating biomass into the share of biosourced products. It also aimed to avoid potentially uncontrolled impact transfers, notably on biodiversity, and the biogenic CO_2 emissions associated with Scope 2.

Reported biogenic emissions therefore mainly comprise Scope 1 and 2 emissions from internal or external biomass power plants, dedicated to meeting thermal energy supply needs.

In 2025, biogenic CO_2e emissions from the combustion of biomass to generate heat or cooling represented around 12,500 tonnes (21,400 tonnes in 2024) in Scope 1 and some 36,000 tonnes (41,200 tonnes in 2024) in Scope 2[2]. As in 2024, the Group is not aware of any biogenic CO_2e emissions from its Scope 3 categories.

(1) The target and trend have been calculated by reference to a 2019 baseline (net basis), in line with our SBTi commitment.
(2) These biogenic CO_2e emissions are disclosed separately from fossil emissions, in compliance with current accounting rules.

SCOPE 3 EMISSIONS

	Retrospective data					Reduction milestones and targets		
Scope 3 GHG emissions by category	**Baseline 2019** *(tCO_2e)*	**2023** *(tCO_2e)*	**2024** *(tCO_2e)*	**2025** *(tCO_2e)*	**% change 2025/ 2024**	**2030 vs. 2019**	**Annual milestone over the 2019-2030 period (%)**	**2050 vs. 2019**
SIGNIFICANT REQUIRED DISCLOSURE SCOPE 3 GHG EMISSIONS BY CATEGORY								
Category 1: Purchased goods and services (E1-6-51)	**10,507,887**	**9,474,812**	**9,015,849**	**8,580,264**	**-4.8%**			
Category 2: Capital goods (E1-6-51)	564,142	569,102	549,634	478,193	-13.0%			
Category 3: Fuel and energy-related activities (not included in Scope 1 or 2) (E1-6-51)[1]	**670,364**	**547,088**	**498,176**	**460,812**	**-7.5%**			
Category 4: Upstream transportation and distribution (E1-6-51)	**1,291,871**	**1,189,177**	**874,072**	**888,270**	**1.6%**			
Category 5: Waste generated in operations (E1-6-51)	61,708	118,672	108,140	150,389	39.1%			
Category 6: Business travel (E1-6-51)	43,327	30,570	38,656	29,759	-23.0%			
Category 7: Employee commuting (E1-6-51)	213,483	224,134	223,512	210,439	-5.8%			**-90%**
Category 8: Upstream leased assets (E1-6-51)	40,238	41,237	40,257	35,958	-10.7%			
Category 9: Downstream transportation and distribution (E1-6-51)	**981,722**	**737,473**	**720,445**	**661,835**	**-8.1%**			
Category 12: End-of-life treatment of sold products (E1-6-51)	270,820	247,043	239,797	222,664	-7.1%			
Category 14: Franchises (E1-6-51)	233,588	250,584	260,746	217,787	-16.5%			
Category 15: Investments (E1-6-51)	150,199	187,735	155,124	159,858	3.1%			
TOTAL REQUIRED DISCLOSURE SCOPE 3 EMISSIONS[1]	**15,029,349**	**13,617,627**	**12,724,408**	**12,096,228**	**-4.9%**			
CO_2 EMISSIONS FROM THE SBTI 2030 TARGET SCOPE[1][2]	**10,863,650**	**9,283,576**	**8,732,411**	**8,391,657**	**-3.9%**	**-27.5%**	**-2.5%**	
MATERIAL SCOPE 3 IN-USE GHG EMISSIONS								
Category 10: Processing of sold products (E1-6-51)	Not applicable to Michelin							
Category 11: Use of sold products (E1-6-51)[3]			131,000,000	125,000,000				
Category 13: Downstream leased assets (E1-6-51)	Not applicable to Michelin							

(1) Following the increase in oil industry emission factors, category 3 values for the years 2019, 2023 & 2024 have been recalculated, leading to an adjustment of the affected totals

(2) The scope of the SBTi 2030 target is the sum of the following Scope 3 emissions: Category 1 emissions linked to raw materials purchases, all category 3 emissions (energy-related activities), category 4 emissions linked to transportation activities operated by Michelin, all category 9 emissions.

(3) The 2024 value has been recalculated following a methodological adjustment: see "Focus on Scope 3 In-Use emissions" below.

Scope 3 methodology and performance assessment

In accordance with GHG Protocol guidelines, Scope 3 CO_2 emissions are calculated for each category as follows:

	Category description and boundary	Analysis of main changes in 2025 versus 2024
Category 1	Category 1 comprises all purchases of goods and services, with raw materials accounting for the lion's share. The 2030 SBTi target concerns only raw materials, i.e., 85% of emissions of the category in 2019. Purchasing data are taken from internal databases, while emission factors are provided by suppliers or, by default, taken from recognized external databases.	The change is mainly due to two trends: higher emission factors for oil industry products and lower Group production volumes. Emissions from raw materials purchases declined from 8.8 $MtCO_2e$ in 2019 (the baseline year) to 7.0 $MtCO_2e$ in 2025, a 21% improvement that was in line with the SBTi target.
Category 2	Category 2 includes all equipment purchases (CapEx). Purchasing data are taken from internal databases, while emission factors are taken from recognized external databases.	This category tracks Group-level CapEx; the year-on-year decline in 2025 was not material.
Category 3	Category 3 comprises emissions from the purchased energy used on the Group's sites (upstream purchased energy). Emissions in this category are therefore calculated using the cradle-to-gate method. The 2030 SBTi target concerns 100% of this category.	The significant rise in oil industry emission factors had a major impact on the calculation of this category. Emissions for the baseline year and subsequent years have therefore been recalculated using the new parameters. Emissions from purchased energy declined from 0.67 $MtCO_2e$ in 2019 (the baseline year) to 0.46 $MtCO_2e$ in 2025, representing a 31% improvement, in line with the SBTi target.
Category 4	Category 4 includes all emissions from the upstream transportation of raw materials and semi-finished products. In 2019, 71% of these emissions came from sources operated by raw materials suppliers and 29% from sources controlled by Michelin (natural rubber and semi-finished products). The 2030 SBTi target only concerns transportation controlled by Michelin.	Emissions from Michelin-controlled upstream transportation declined from 0.40 $MtCO_2e$ in 2019 (the baseline year) to 0.27 $MtCO_2e$ in 2025, representing a 33% improvement, in line with the SBTi target.
Category 5	According to the GHG Protocol cut-off method, category 5 includes emissions from all waste generated in manufacturing operations and from pre-recovery treatment of the waste.	There was little change between 2024 and 2025.
Category 6	Category 6 comprises CO_2e emissions from business travel by air, rail and rental car. Emissions from hotel rooms are not calculated due to a lack of data.	The downward change stemmed from the rigorous management of intercontinental travel. The Group met its target of a 30% improvement between 2019 and 2025.
Category 7	Category 7 emissions include commuting emissions estimated for each employee, with emission factors by country.	The change reflected the reduction in the Group's workforce over the year.
Category 8	Category 8 includes emissions from upstream leased cars, real estate, IT equipment and handling equipment.	There was little change between 2024 and 2025.
Category 9	Category 9 includes emissions from transportation and distribution operations downstream from the production plants, excluding warehouse emissions (already included in Scopes 1 and 2). The 2030 SBTi target concerns 100% of this category.	Two-thirds of the change was due to lower sales volumes, and one-third to structural advances. Emissions linked to downstream transportation fell from 0.98 $MtCO_2e$ in 2019 (the baseline year) to 0.66 $MtCO_2e$ in 2025, representing a 33% improvement, in line with the SBTi target.
Category 11	See "Focus on Scope 3 In-Use emissions", below.	

	Category description and boundary	Analysis of main changes in 2025 versus 2024
Category 12	Category 12 includes emissions from the collection of end-of-life tires, using the cut-off method.	The change primarily reflected the decline in volumes sold over the year.
Category 14	Category 14 includes emissions from franchised tire and vehicle service centers, estimated from a representative sample of Euromaster outlets.	The change was led by a decrease in the number of franchised service centers.
Category 15	Category 15 includes emissions from investments in equity-accounted companies. For these investments, the Group measures emissions from their energy use and, in the case of natural rubber companies, from rubber tree farms. Land use change is not calculated, in accordance with the SBTi.	There was little change between 2024 and 2025.

Categories 10 and 13 are not material to Michelin.

In line with the GHG Protocol Corporate Standard, the benchmark for corporate carbon accounting, two types of Scope 3 CO_2e emissions are calculated for tires: emissions generated while the tires are in use (Scope 3 In-Use), and emissions generated over the rest of the value chain (Scope 3 Required). This distinction has been confirmed by the SBTi, which has set emission reduction targets that only cover Scope 3 Required because tires in use only have an indirect impact on vehicle fuel efficiency. Nevertheless, every year Michelin records the quantity of Scope 3 In-Use emissions, in order to track the progress made in designing highly energy-efficient products. By convention, we therefore report Scope 3 Required emissions (for which we have set SBTi-validated improvement targets) separately from Scope 3 In-Use emissions.

Focus on Scope 3 In-Use emissions.

Category 11 Scope 3 emissions are particularly difficult to estimate due to the wide variety of vehicle (and therefore tire) usage scenarios and the relative lack of actual usage data. Nevertheless, Michelin has made progress since 2024, both in estimating emissions from each type of tire in use and in increasing the number of products in the scope of reporting.

Scope of reporting

Data are reported for emissions from the use of (i) all sold tires (Passenger car, Two-wheel, Light truck and Truck tires); (ii) specialty tires (Mining, Aircraft, Agricultural and Construction), and (iii) tires from other manufacturers sold through Euromaster.

Calculation methodology

Use-phase emissions of each tire range are calculated based on:

- usage data from life cycle assessments;
- average mileage assumptions based on Michelin statistics (taking into account premature replacement practices and the possibility of reselling the used tires);
- powertrain assumptions (internal combustion versus electric).

In accordance with the GHG Protocol, and contrary to LCA practices, use-phase emissions are calculated on a tank-to-wheel (TTW) basis, rather than well-to-wheel (WTW). This means that CO_2e emissions from the upstream vehicle energy phases are not included.

NB: There is no standard, industry-wide methodology for calculating category 11 Scope 3 CO_2e emissions from the use of sold products.

Only the Japan Automobile Tyre Manufacturers Association Inc. (JATMA) has issued a methodology. However, while it is interesting as a calculation method, JATMA's proposed parameters do not seem to reflect actual conditions of use. For example, the mileage lifespan parameter is much lower than the actual useful lives measured by Michelin.

Consequently, for the sake of plausibility, Michelin has since 2024 used parameters based on its own usage statistics.

Had the JATMA parameters been used instead, Scope 3 CO_2e emissions from the use of sold products would have been approximately 30% to 40% lower than those disclosed below.

Outcomes

In 2025, Scope 3 usage emissions were calculated at 125 $MtCO_2e$. The calculation methodology was adjusted to include emissions linked to tires mounted on electric vehicles (emissions linked to electricity production).

If the new methodology and parameters were applied to 2024 sales volume, Scope 3 usage emissions for 2024 would amount to 131 $MtCO_2e$.

The year-on-year change in 2025 was mainly due to lower sales volumes.

4.2.9.7 CO_2e allowances

The CO_2e Allowance Management Committee tracks legislation governing carbon markets and taxes in all the countries where Group production sites are located. Its role is to define carbon allowance management principles and guidelines, ensure their proper application and conduct the necessary forecasting studies.

GHG removals and GHG mitigation projects financed through carbon credits

The Group's ambitions are compatible with the net-zero emissions target for 2050, which is being pursued without using any carbon credits to offset CO_2e emissions from its direct or indirect activities, in accordance with SBTi standards. As a result, the carbon credits derived from projects undertaken by the Group's investee funds are not set off against the Group's carbon footprint.

Internal carbon pricing

Since 2016, the Group has applied a standard internal carbon price[(1)] to all capital projects likely to have a material positive or negative impact on the Group's Scope 1 and 2 CO_2e emissions, to steer capital expenditure towards low-carbon solutions and prepare for the introduction of a global carbon price.

The price is a factor in two decision-support programs used to:

- calculate the return on investment of projects undertaken by any Group entity. The price simulates the impact of monetizing an investment's carbon credits on its financial rate of return;
- consolidate projects with a major impact on energy efficiency (curing press insulation, lighting upgrades, etc.). This program is applicable to capital projects undertaken by entities in the legacy scope of the tire business, which accounted for 97% of the Group's Scope 1 and 2 emissions in 2025 (97% in 2024).

The internal carbon price is also used by the Scope 3 logistics entities as a baseline for assessing carbon-free solutions.

The price is based on:

- carbon allowance market price trends in Europe and five and ten-year projections;
- an analysis of the carbon price's sensitivity to the ROI of energy and logistics projects;
- an external benchmark based on prices used by other companies[(2)].

It is set by the Managers on the proposition of the Environmental Governance body and periodically revised as needed. For example, from the original €50 per tonne in 2016, it was raised to €100 per tonne in 2021 and to €200 per tonne in 2023.

(1) The internal carbon price is a strategic tool used by companies to integrate the costs of greenhouse gas emissions into their CapEx decisions. Michelin has adopted a standard internal carbon price (known as the shadow price), which is an economic value attributed to CapEx decisions without generating physical financial flows.

(2) Based on replies to the Carbon Disclosure Project (CDP) questionnaire.

CLIMATE CHANGE ADAPTATION

Impacts, Risks and Opportunities (IROs)	Brief description
Upstream value chain · Downstream value chain · OP Own operations · Short-term · Medium-term · Long-term	
E1 - CLIMATE CHANGE	
Climate change adaptation	
Impact of physical climate risks on business activities, assets, employees, raw materials, delays and logistics costs	Michelin has operations around the world that could be impacted by the increased frequency of adverse climate events, such as storms, floods, droughts and other risks. In light of the diverse range of suppliers and the many interdependent factors necessarily involved in the manufacture of its products (infrastructure, energy, availability of labor, transportation systems, etc.), the effects of climate change may be qualified as systemic.
Upstream · Downstream · OP · **Risk**	

Introduction

Climate change impacts are already visible and are expected to worsen over the medium term, according to the Intergovernmental Panel on Climate Change (IPCC). Michelin's approach to managing these impacts is described in detail in Chapter 3 on risk management, above. These risks arise from the following aspects of the Group's operations and value chain:

- the **Group's business activities**, **assets** and **employees:**

  Michelin has operations around the world, any of which could be considerably impacted by the increased frequency or intensity of heat waves, storms and hurricanes, floods, droughts and other natural disasters exacerbated by climate change. Failure to adapt to these conditions could result in business interruptions, property damage and risks to personal health and safety;
- **raw materials:**
  - climate change could increase the cost of extracting and producing raw materials and impact their availability,
  - production infrastructure may be damaged, which could lead to higher costs. Extreme weather events may also cause shortages of raw materials and increase their prices;
- **natural rubber**:

  Climate change is having a major impact on four climate parameters that play a key role in natural rubber production: average temperatures, cumulative rainfall, number of dry months and number of cold months:
  - a 2022 study commissioned by Michelin from Forest AI and the CIRAD (*Cartographie des impacts du changement climatique sur le caoutchouc naturel*) has identified a potentially major, industry-wide impact of global warming on natural rubber production, particularly over the 2050-2100 period. In the IPCC's "middle-of-the-road" shared socioeconomic pathway (SSP2), this impact could reduce the yield potential in all the current producing regions by an average 5-20% and more so in the drier regions,
  - climate change is likely to increase the length of a rubber tree's immature phase by impacting immature growth, as dry seasons are likely to be longer and/or more intense,
  - extreme droughts, heat waves and water shortages, as well as climate change-induced heavy rains and floods, will also tend to increase rubber tree mortality and reduce yields. In Thailand in 2024, for example, heavy rains caused crop losses,
  - changes in climate conditions could also have an impact on where certain pests and diseases affect production regions;
- delivery **delays** and **logistics costs:**
  - extreme weather conditions (heat waves) and water cycle disruptions (water stress) can damage transportation infrastructure and disrupt supply chains, resulting in delivery delays and higher logistics costs, with a potential impact on Michelin's revenue,
  - in addition, Michelin's value chain comprises a myriad of interdependent inputs required to manufacture and distribute its products (infrastructure, energy, labor, transportation systems, etc.). This complexity increases the severity of the risk as well as the number of single points of failure.

4.2.10 A REVIEW OF THE GROUP'S EXPOSURE TO THE PHYSICAL RISKS OF CLIMATE CHANGE

A review of the future physical climate risks likely to impact people and property comprises two steps to assess: (i) their exposure to projected climate-related hazards and (ii) their vulnerability to these hazards. Exposure stems from the geographical location of the people and property, while vulnerability expresses the likelihood, and to what degree, that they may be adversely impacted by future climate hazards.

In 2024 and 2025, the Group analyzed the exposure to the current climate and to future climate conditions in 2030 and 2050 of several thousand industrial, logistics, distribution, administrative, research and other Michelin sites or sites of interest to Michelin, as well as hundreds of sites operated by key raw materials suppliers, and several dozen key customer sites and key transportation infrastructure. The main factors in selecting the Michelin sites for review were the presence of employees and the facility's criticality to business continuity. The main factor in selecting raw materials supplier sites was their importance to business continuity. The assessments were based on two disaggregated IPCC scenarios, SPP2-4.5, which estimates the median global temperature rise at 2.7°C by 2100, and SSP5-8.5, which estimates it at 4.4°C. The climate-related hazards addressed included dry and humid heat, water stress/drought, floods, strong winds and landslides. The sites' exposure to these climate-related hazards, both actual and projected, is consistent with the predicted climate change in each geographic zone.

Based on the review findings, the main climate-related hazards to which these sites are exposed are heat, water stress, wind (tornadoes, typhoons, hurricanes, cyclones, winter storms) and, to a lesser extent, flooding.

4.2.11 PHYSICAL CLIMATE RISKS ADAPTATION POLICY ISSUED IN 2024

Aligned with Michelin's CSR policy, the Physical Climate Risks Adaptation Policy[1] reflects the Group's best efforts to "manage the unavoidable," by improving the value chain's resilience to physical risks.

The Policy applies to every Group entity and covers the entire value chain. It reflects the systemic, societal and multidimensional nature of climate risk impacts, which are prompting the Group, wherever and whenever necessary, to exert leverage or collaborate with stakeholders outside its value chain. Influencing initiatives are designed to spur external stakeholders to engage on the path to adaptation. Collaborative initiatives enable the Group to support adaptation measures already undertaken by external stakeholders.

4.2.12 DEDICATED INITIATIVES AND RESOURCES WITH A STRUCTURED ROADMAP TO 2030

The exposure of all the Group's own sites and other key sites in the value chain was analyzed in 2024 and 2025. An initial roadmap was drawn up in 2025 based on the 2024 exposure analyses, identifying the sites requiring a vulnerability assessment over the period to 2030. The related metrics have been defined and will be tracked by the Group Environmental Governance body and the Adaptation Sector Committee.

Initiatives **undertaken in 2025** included:

- analyzing the exposure to projected climate conditions in 2030 and 2050 of several thousand Michelin sites, several dozen key customer sites and key transportation infrastructure, as well as key end-of-life tire recovery and reuse facilities, based on the criteria set out above;
- developing a method for quantitatively assessing the climate change vulnerability of Michelin sites and identifying any necessary adaptation measures for subsequent implementation at sites where this is required;
- creating and testing a tool on pilot sites for the quantitative assessment of the climate change vulnerability of Michelin sites, which will be made available at the beginning of 2026 to sites called on to perform this type of study;
- preparing a catalogue of behavioral, organizational and technical adaptation solutions, to be applied if necessary once the climate change vulnerability assessment has been completed;

(1) Available on the Michelin Group website, https://www.michelin.com/en/sustainability/company/planet/climate-action.

- developing training modules covering the quantitative assessment of climate change vulnerability for use by the sites;
- prioritizing the quantitative climate change vulnerability reviews to be performed at Michelin sites in the coming years;
- defining initial initiatives to encourage the long-term commitment of major raw materials suppliers to adapting their own sites.

Natural rubber sourcing risks are addressed by an action plan that was pursued in 2025 and will continue in the years ahead with actions to diversify sources, improve varietal selection and encourage highly resilient farming practices.

The following actions are **planned from 2026 onwards,** to enable the necessary adaptation measures to be identified and implemented:

- training of an initial group of Michelin priority sites in quantitative climate change vulnerability assessment;
- quantitative assessments of the climate change vulnerability of this first group of priority Michelin sites, with a view to identifying any necessary adaptation measures;
- more rigorous implementation of preventive and protective health and safety measures, based on behavioral and organizational adaptation initiatives at Michelin sites that require it;
- implementation of initial initiatives to encourage the long-term commitment of major raw materials suppliers to adapting their own sites.

By 2030, Michelin sites requiring a vulnerability assessment, based on the findings of the exposure assessments, will have performed such assessments to the appropriate depth and identified any necessary local adaptation measures. Subsequently, the selected actions will be progressively supported by appropriate adjustments to the capital expenditure and operating expense budgets.

By 2050, depending on the sites' exposure to climate-related hazards at that time, the Group intends to finance and implement the necessary on-site adaptation measures and, if need be, to influence or collaborate with external stakeholders to deploy adaptation measures. All these key actions are supporting the operational implementation of Michelin's adaptation policy.

4.2.13 METRICS AND TARGETS

The main metrics (in addition to those prescribed in ESRS E1-9) and targets for monitoring implementation of the Group's Adaptation policy and plan were defined by the Adaptation Operational Committee in 2025. They will be submitted to the Environmental Governance body for validation. Once completed, the adaptation plan will be integrated into the Group's strategic process and will evolve in the following years. The risk management process offers the guarantee that the commitment is fulfilled, and will ensure that reviews are performed and the adaptation plan is prepared. As part of this process, internal audits will then assess implementation.

4.2.14 ANTICIPATED FINANCIAL EFFECTS: INITIAL ESTIMATES OF THE COST OF ADAPTATION MEASURES

As described above, Michelin intends to carry out by 2030 a vulnerability assessment of the sites requiring it and identify any relevant local adaptation measures. These reviews will also help to estimate the anticipated financial effects of the material physical risks, with trigger points for initiatives to support the preparation of on-site projects, as needed and in line with existing safety and security policies for people and property. The Group is examining the possible financial effects and, from 2026 onwards, will have a more precise estimate of the cost of adaptation measures, compared to the rough estimate determined on the basis of initial studies carried out on pilot sites.

4.3 POLLUTION (E2)



THREE QUESTIONS FOR CYRIL DUPUCH, VICE PRESIDENT, MATERIALS RESEARCH & DEVELOPMENT

"The health, safety and environmental impact of our products and operations is an absolute priority for Michelin."

What does pollution represent for Michelin? In particular, what is the Group's position on the issue of tire and road wear particles released during the use phase?

Our product life cycle analyses show that during tire use, tire and road wear particle (TRWP) emissions are one of the most significant environmental challenges for the Group. Michelin is aware of this challenge and has been working for over 20 years to understand these emissions and their potential impact, and to reduce them. The work of our research and development teams on materials efficiency has resulted in innovations that position Michelin as the undisputed market leader in abrasion performance: according to an independent ADAC study[(1)] conducted in May 2025 on 160 tires, Michelin tires emit on average 27% fewer particles than competitors' products included in the tests.

Michelin also strongly supports the introduction of abrasion regulations based on a reliable method that is representative of real-life conditions, in order to limit TRWP emissions at source. This approach, which has been placed at the top of the prioritizing hierarchy of levers, aims to objectively recognize and distinguish the tires' sustainability performance.

In Europe, for example, the introduction of abrasion regulations for passenger car tires (C1) could reduce emissions by 20 kt/year. If all road tires in Europe matched the abrasion performance of Michelin tires, this could deliver a 70-kt reduction in annual emissions, equivalent to the weight of seven Eiffel Towers. The Group supports the introduction of this type of regulation worldwide.

What are the reasons for including new TRWP metrics in the 2025 report?

TRWP emissions are an important topic, which is why we developed new metrics this year. The reporting system's current level of maturity means that we can now report our values in the 2025 Sustainability Statement and achieve our ambitions by using the metrics to tighten our management of this matter. In particular, we feel it is essential to add a TRWP progress metric to the impact metric, to highlight our trajectory and our differentiation. In addition, the use of TRWP metrics ensures coordinated and balanced progress with the other two key metrics – progress on rolling resistance (see E1) and increase in the proportion of renewable or recycled materials (see E5) – while avoiding any impact transfers. Although it would be unrealistic to expect a linear improvement of these metrics since they depend on the introduction and deployment of different technologies, they nevertheless provide an overall view of the progress made on all our road tires.

Michelin uses chemicals in the manufacture of its products. How is the Group responding to the issue of substances of concern?

Today, the use of chemical substances is essential to ensure the performance and safe use of our products by our customers. For the past 20 years, an in-house observatory has been consolidating developments in scientific knowledge and regulations concerning substances of concern. New elements have been taken into account in a prioritization tool that considers hazard and exposure criteria, and are overseen by a multi-disciplinary team of experts. This ensures that action to control and reduce risks is triggered according to the issues as stake, in particular through the research and development of alternatives to substances of concern. This practice of anticipating and focusing efforts has proved effective, enabling us historically to eliminate or reduce the use of substances of concern while continuing to guarantee the performance and safety of our tires.

(1) ADAC e.V. 2025, Tire abrasion in the environment: *Results from the ADAC tyre test and future legislation,* Munich.

Impacts, Risks and Opportunities (IROs)	Brief description
Upstream value chain · Downstream value chain · OP Own operations · Short-term · Medium-term · Long-term	
E2 - POLLUTION	
Water, soil, air and noise pollution	
Tightening standards limiting the impact on water, soil and air pollution from microplastics (tire and road wear particles) and substances (e.g., 6PPD)	More stringent pollution regulatory standards could lead to lower maximum tire abrasion limits and stricter regulation of particles (TRWP) and substances (6PPD) and other substances, as well as to impacts on Michelin services.
Downstream **Risk**	Insofar as Michelin tires are well known for their superior abrasion performance compared to their tested competitors, this could represent an opportunity for the Group.
Water, soil and air pollution from the use of tires (TRWP)	Friction between tires and the road generates wear particles (TRWP), influenced by a variety of factors. Since 2010, certain studies have demonstrated their presence in the environment and their potential impact. However, scientific knowledge of the impact and behavior of these tire and road wear particles (TRWP) needs to be improved. Michelin and the entire industry, through the Tire Industry Project (TIP) have engaged a proactive approach to TRWP.
Downstream **Negative impact**	
Water, soil and air pollution from upstream activities	Pollution in the upstream value chain primarily stems from the production of bio-sourced and other raw materials. Given its size, the natural rubber value chain can result in pollution, particularly soil contamination from pesticides and fertilizers.
Upstream **Negative impact**	
Water and air pollution from direct operations, including substances of very high concern and VOCs	Water and air pollution from the Group's indoor and outdoor operations may include: ■ wastewater discharge from its own manufacturing operations; ■ substances of concern and very high concern; ■ air pollution, including volatile organic compound (VOC) emissions, both indoors and outdoors, from rubber product, rubber-compound product and tire manufacturing processes.
OP **Negative impact**	
Pollution from the end-of-life treatment of sold tires	Used tires can be collected and disposed of in different ways, albeit with a focus on recovering and reusing their component resources. Research shows that this could result in a number of varying environmental impacts, which could include ozone depletion, acidification, abiotic resource depletion, the formation of photochemical ozone and environmental load from the concentration of materials.
Downstream **Negative impact**	

Introduction

As a manufacturer, the Michelin Group is extremely mindful of the risks of pollution, particularly in its production and other operations. To mitigate these risks, the Group's core response is to reduce pollutants at source, with a process focusing on the riskiest substances and replacing them with substitutes whenever technically and financially feasible. Risks arising from pollution of soil, water or air are effectively controlled through the Group's Environmental and Risk Prevention Management System (SMEP).

In addition, it must be emphasized that Michelin manufactures safety products that are exposed to a wide variety of external aggressions (ozone, UV radiation, temperature and soil variations, etc.), and the Group uses substances that ensure safety when its products are used by its customers.

Lastly, Michelin pays particular attention to the risks of pollution from the use of its products, in sync with prevailing legislation and the rising expectations of civil society. This is particularly true for tire and road wear particles (TRWP), the tire industry's most material pollution matter. A tire's grip is a vitally important factor in safe driving, but one of its consequences is the creation of wear particles from the friction, or abrasion, between the tire and the road surface. As a leader in abrasion performance, the Group is fully committed to capitalizing on its materials expertise to mitigate the emissions and encouraging the introduction of stricter abrasion limits.

4.3.1 IDENTIFYING MATERIAL POLLUTION MATTERS

Material pollution matters were identified using life cycle assessments (see section 4.1.5.1 above) rather than LEAP (locate, evaluate, assess and prepare) assessments. The related impacts, risks and opportunities may be described as follows:

- **the use phase** is the most impactful, partly because of TRWP emissions:
  - TRWP generation is influenced by many factors, including tire and vehicle design, road curviness and surface, driver behavior and weather conditions[1]. Since 2010, studies have demonstrated the presence of these particles in the environment and provided an initial assessment of their impact. 2025 saw the publication of two scientific papers commissioned by the Tire Industry Project (TIP) and written by leading independent scientists – "*Tire emissions during the use phase of tires*" and "*Risk assessment of tire wear in the environment*"[2]. Together, the two papers summarize the findings of over 850 publications, consolidating fragmented knowledge and identifying critical gaps to be addressed through a multidisciplinary, collaborative approach involving academics, industry representatives and decision-makers. In 2026, this state-of-the-art knowledge will be completed with the publication of a third paper on the potential impacts,
  - stricter TRWP emissions standards could lead to an increase in product design and new product development OpEx and perhaps CapEx. This could represent both a risk and an opportunity for an industry leader like Michelin with powerful, recognized innovation capabilities;
- **raw materials** are the second most impactful factor, primarily due to the ecotoxicity of biosourced raw materials stemming from the use of fertilizers and pesticides. Today, the Group's most widely used biosourced raw material is natural rubber;
- **The treatment of end-of-life tires** (ELT) was not covered in the LCAs. However, the Group is aware of the environmental risks associated with ELT recycling channels. Pollution is not addressed specifically, but is integrated into the ELT section of the Group's Environmental Policy, along with the other environmental aspects[3];
- **the production phase** has a more limited impact. However, a preliminary assessment points to a risk of emissions exceeding the indicated threshold for some substances[4]. The following section will discuss air and water emissions from the Group's manufacturing operations, as well as the use of substances of concern and very high concern in certain tire formulations. While the contributions of substances of concern are insufficiently addressed in current LCA applications, they are nevertheless considered material insofar as some of these substances are used in formulations and/or generated by the Group's operations.

4.3.2 GENERAL POLICIES RELATED TO POLLUTION

Impacts, risks and opportunities are closely intertwined and systemically addressed in pollution prevention and control strategy. In particular, they are covered by the Group's Environmental Policy, which identifies and assesses pollution risks, some among them are the subject of specific policies or dedicated programs.

The riskiest substances are identified and assessed by a Chemical Risk Management Policy that seeks to replace them with substitutes wherever technically feasible. The policy is supported by restrictions on substance use and an HSE approval process for new raw materials.

By focusing on eliminating chemical pollution sources in the design stage, Michelin's approach is helping to abate both industrial pollution from its own operations and diffuse pollution from the use of its products.

The section of the Environmental Policy dealing with manufacturing sites provides guidance on how to mitigate impacts by managing the risks of chronic or accidental pollution, in particular through the SMEP Environmental Management and Prevention System[5]. The Policy specifies the following process to manage pollution risks:

- identify the environmental risks;
- attenuate the risks to a tolerable level by reducing them at source or, failing that, treating the pollution (prevention and protection, in normal and faulty operating conditions);
- comply with regulations.

(1) See the TIP white paper on TRWP mitigation, https://tireindustryproject.org/news/tire-industry-project-commitment-to-addressing-tire-and-road-wear-particles/.
(2) Müller, K., Unice, K., Panko, J., & Wagner, S. (2025). *Tire emissions during the use phase of tires – current and future trends*. *Environmental Science: Advances.* Müller, K., Unice, K., Panko, J., Ferrari, B. J. D., Breider, F., & others (2025). *Risk assessment of tire wear in the environment – a literature review*. *Environmental Science: Processes & Impacts*.
(3) See section 4.6.1 below.
(4) There are no chronic releases into the soil from Michelin's own operations, so this issue is considered immaterial.
(5) See section 4.1.5.1.1 above.

The policy pays particular attention to emissions of volatile organic compounds (VOCs), which are the main source of air pollution from the Group's own operations. The Group is committed to ensuring that, by 2050, no organic solvents are used in the production of its tires.

Since 2022, reducing abrasion-related wear particles has been an integral part of our Environmental Policy, in the eco-design section. TRWP ambitions are managed by a dedicated program.

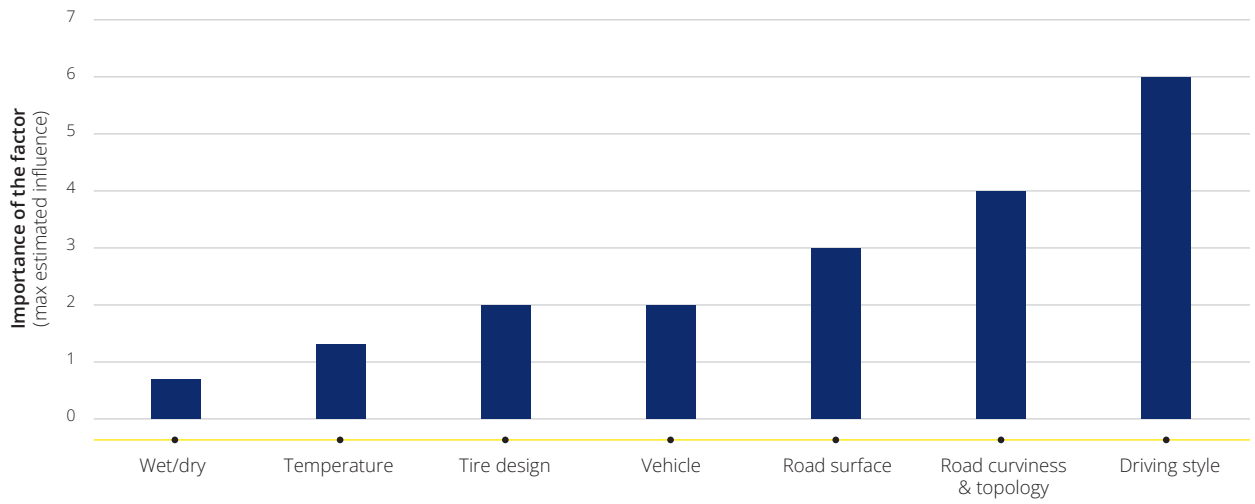
Each pollution-related impact, risk and opportunity is covered in dedicated sections describing the policies, actions and targets for TRWP, air and water pollution in the Group's own operations, chemicals, and pollution in the upstream value chain.

4.3.3 THE GROUP'S LONG-STANDING TRWP OBJECTIVE, BACKED BY DEEPER ENGAGEMENT WITH THE TIRE INDUSTRY AND OTHER SUPPORT RESOURCES

Tire and Road Wear Particles (TRWP) are elongated solid particles generated unintentionally by the friction between the tire and the road, which is necessary to guarantee safety through an appropriate level of grip. These particles are denser than water (~1.8g/cu.m.) and average around 100 µm in size. They are composed of an approximately equivalent mass of degraded tire tread and mineral incrustations from the road surface [(1)].

Various factors influence the generation of these particles, including tire design[(2)]:

RANKING OF FACTORS INFLUENCING TIRE WEAR ON THE ROAD ACCORDING TO THEIR ESTIMATED SIGNIFICANCE



These particles may fall within some of the definitions of microplastics, which is a common generic term. However, their characteristics differ from those of other microplastics (textiles, plastic bottles, etc.), and these fundamental particularities must be taken into account in order to understand their life cycle (emissions, transportation, environmental impact). Michelin and the Tire Industry Project (TIP) have been proactively and rigorously addressing this issue for over 20 years, regardless of the chosen classification.

(1) ISO 22640: 2023 standards: *Rubber - Framework for physical and chemical characterization of tire and road wear particles (TRWP).*
(2) Biesse F. & Oelze, B. How to design a representative tire abrasion rate on-vehicle test method, Tire Tech 2023.

An ambitious TRWP program to step up the pace of action plans

In 2023, Michelin strengthened its historic commitment by launching an ambitious TRWP program. This program clarifies the Group's strategy, in line with its Environmental Policy, and ensures that priority actions are consistent and complete.

The strategic objectives focus on the Group's own initiatives to improve abrasion performance in order to reduce emissions at source (first lever in the list of priority initiatives: "Avoid"), and seek out alternative substances in line with the latest scientific knowledge in this area. Michelin is also actively contributing, on its own and within the Tire Industry Project (TIP), to developing and sharing useful and reliable knowledge for the process of qualifying emissions and assessing both their presence and their transformations in the various environmental compartments.

Michelin is actively committed to addressing the entire life cycle of wear particles, alone and in cooperation with the industry.

Own initiatives in 2025

- The Group developed **SAMPLE, a system** that captures, sorts, counts and characterizes emitted particles very close to the tire in use, with unequaled precision and reproducibility. The latest results were presented at the 2025 Tire Technology Expo and shared with the scientific community. They show that on open roads, 90% of the fine particles (PM10, PM2.5) captured behind a tire are minerals (from the road) and brake particles.
- **BioDLab**, a joint laboratory between Michelin and France's national research institute CNRS created in 2023, pursued its tire rubber degradation and biodegradation research programs, with the goal of understanding this process to reduce its environmental impact. To date, two articles[(1)] resulting from this partnership have been published, one of which shows for the first time that micro-organisms are able to use certain constituents of tire wear particles for their growth. The second highlights the importance of better understanding the interactions between the ultraviolet or thermal aging of elastomers present in particles and their biodegradability. This work contributes to our understanding of the degradation mechanisms of tire wear particles and their constituent elastomers.

Parallel collaborative initiatives within the industry in 2025

- In line with its Environmental Policy, the Group is exploring alternatives to potential substances of concern, based on the latest scientific knowledge. For example, it is already working diligently and closely alongside a variety of tire industry trade associations to develop viable 6PPD replacements. In this regard, at year-end 2020, a study was published alleging that 6PPD-quinone, a 6PPD transformation product, could have an impact on certain fish species under specific conditions in the northwestern United States. No such impacts on aquatic life have been reported in Europe. The issue is the subject of active, regularly evolving research, considering that 6PPD is present in almost all formulations for all tires, and fulfills the essential function of protecting rubber against reactions with ozone and oxygen. As a precautionary measure, in its capacity as a member of the Consortium led by the US Tire Manufacturers Association (USTMA) since 2022, Michelin has been contributing to analyses of various alternative substances through the Alternative Analysis program[(2)]. After an initial preliminary study of sixty candidate substances, five were selected in 2024 for further testing. A formal summary of results is due to be published in mid-2026, to help select the best alternative substance to replace 6PPD.
- Michelin supports the introduction of abrasion threshold legislation that would remove the tires that emit the most particles from the global marketplace. In line with this commitment, the Group is working with other members of Tyres Europe to help define a standardized TRWP emissions testing method as part of the Euro 7 regulation. In 2025, the results of the 2024 testing plan were analyzed, enabling us to propose thresholds for implementation in 2028 on the C1 category. Research is also being carried out on the correlation between the on-road (baseline) method and the on-machine laboratory method. Proposals for upgrades to the on-machine laboratory method have been tested and are currently being analyzed to ensure that the correlation with the baseline method is robust. However, at this stage, the laboratory method cannot be considered reliable, robust or representative of use for a regulatory application.

(1) Calarnou, L., et al. (2024) Study of Sequential Abiotic and Biotic Degradation of Styrene Butadiene Rubber, Science of the Total Environment, 171928. Calarnou, L., et al. (2023) Assessing Biodegradation of Roadway Particles via Complementary Mass Spectrometry and NMR Analyses, Science of The Total Environment, 900, 165698.

(2) Conducted by the California Department of Toxic Substances Control (DTSC).

- *To drive faster progress in scientific research, Michelin joined with nine other tiremakers years ago as founding members of the Tire Industry Project*[1] (TIP). The TIP works with the global scientific community to support independent, peer-reviewed studies aimed at better understanding and reducing the environmental impact of tires, particularly during their "in-use phase", and to provide more robust science and analysis for better-informed decision-making. These studies involve scientific research and the promotion of practical solutions relating to the qualification of tire and road wear particles, their distribution and environmental fate, their behavior and potential impact on the environment, and the assessment of environmental practices and infrastructure. The entire 2026-2027 study plan was developed and prioritized, then validated by the CEOs of the TIP members in October 2025.

TRWP metrics underscoring Michelin's differentiating abrasion performance

Improving abrasion performance has long been a priority for Michelin. Between 2015 and 2020, global TRWP emissions from Group products were reduced by 5%, a historical performance that has provided a solid foundation for further progress, including through the definition of metrics that improve visibility of the Group's achievements in all areas of environmental performance. These metrics are included in this Sustainability Statement. Performances in terms of rolling resistance, abrasion and grip are physically correlated. It is therefore necessary to have an abrasion metric similar to the one used for rolling resistance, in order to guarantee the overall consistency and relevance of reported progress.

A quantitative metric for TRWP emissions has been defined. The chosen metric corresponds to the "potential mass to wear (up to when the wear indicator appears) corresponding to annual sales volumes". It is based on a theoretical estimate of mass loss per product, assuming complete wear up to the legal limit, and therefore represents a high estimate of potential TRWP emissions during use. As it is intrinsically linked to sales volumes, a second metric – the Abrasion Efficiency Index (AEI) – is also calculated, which provides a better indication of technical progress and the tire's environmental performance over time. Abrasion (mg/(t.km)) is defined as the loss of tire mass (mg) per unit of service (tonne transported per km). The AEI is calculated as an annual sales-weighted average (tonnes of tires sold) of the progress made in Abrasion compared to the 2020 baseline.

The Group calculated these metrics in 2025 for all Passenger Car, Light Truck and Heavy Truck road tires (excluding retreads).

For the above reasons, the Group does not publish the "microplastics generated" metric defined in ESRS E2-4, 28(b).

Irrespective of the metrics issue, for over 20 years Michelin has been investing in R&D to understand and reduce tire and road wear particle emissions (TRWP) generated by road abrasion. Thanks to its expertise in materials and a design strategy focused on optimizing the use of raw materials, the Group is the leader in tire longevity. This technological leadership is reflected in its recognized performance, as demonstrated by the ADAC's rigorous tests.

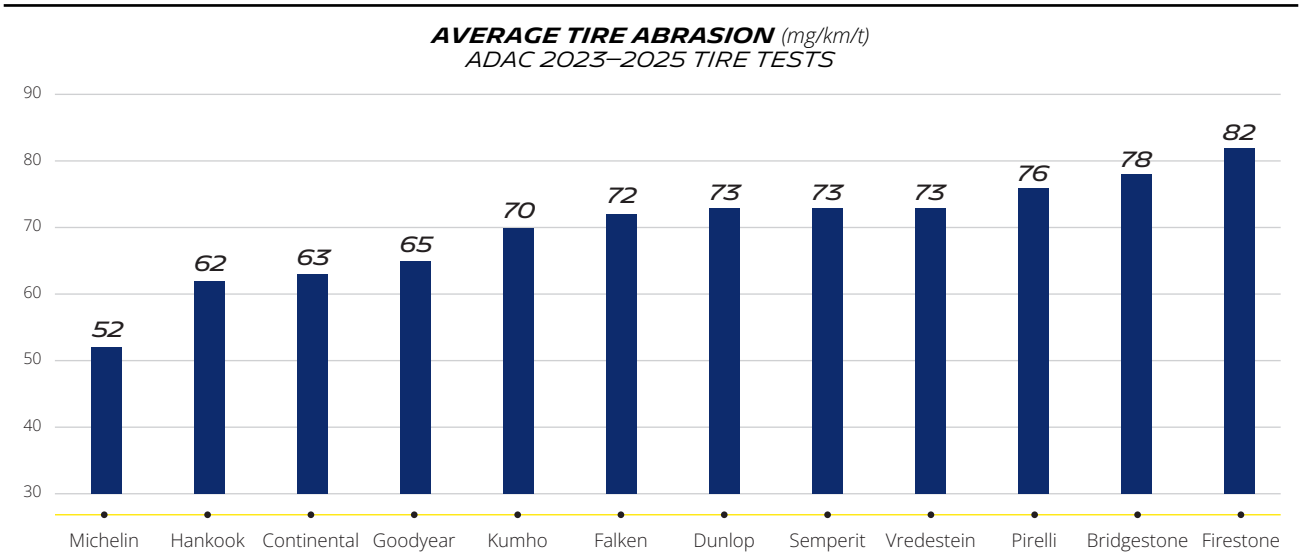
The 2025 ADAC study

In May 2025, the German Automobile Association assessed the abrasion performance of 160 tire models. The tests were carried out under real-life conditions over 15,000 km, with high-precision laser measurements to ensure the most reliable and representative assessment of abrasion and durability.

These tests confirmed that MICHELIN tires emit 27% fewer particles than the average of the competitors' products tested (see graph below). This result correlates a 2021 study, which already pointed to a 28% reduction. The nearest competitor's tires emit 19% more particles per kilometer traveled and per tonne transported [2].

(1) https://tireindustryproject.org/.

(2) ADAC, 2021. *Tire wear particles in the environment* (Allgemeiner Deutscher Automobil-Club, *Tire Abrasion: Wear and Burden on the Environment*/31940 RMU), updated in March 2022 & ADAC e.V. 2025. *Tire abrasion in the environment: Results from the ADAC Tire Test and Future Legislation*. Munich



Average tire wear by manufacturer with at least five tire models included in the ADAC test.

In 2025, the Group's Abrasion Efficiency Index (AEI) stood at 108.4, compared with a baseline of 100 in 2020. The very strong improvement was driven in particular by the introduction of a new generation of treads in passenger car tire ranges over the 2020-2025 period, and by steady progress in abrasion performance for Truck tires.

2025 sales represent potential[1] materials waste estimated at 399 kt.

Based on 2020 baseline abrasion performance and 2025 sales, potential materials waste would have been 437 kt for equivalent service[2]. However, thanks to the improvements made in abrasion performance since 2020, potential materials waste was reduced by 38 kt over the five-year period.

Cumulative potential materials waste avoided for all sales since 2020 thanks to the Group's innovation capabilities amounts to more than 98 kt.

4.3.4 MITIGATING AIR AND WATER POLLUTION FROM GROUP OPERATIONS

The Group is pursuing its strategy of preventing and controlling pollution by managing the resources needed to activate the Group's Environmental Policy's prioritizing hierarchy of levers (Avoid - Reduce - Reuse - Recycle - Renew).

To help Group facilities to embrace this process, a directive has been issued specifying the Policy's principles, objectives and guidelines applicable to their operations, as part of the Group's commitment to safeguarding the environment at every stage in the product life cycle. The directive is being implemented primarily through the SMEP Environmental and Risk Prevention Management System in the legacy production plants and research centers, which is delivering continuous gains in the identification and mitigation of environmental impacts both day-by-day and over the long term. The SMEP is fully compliant with ISO 14001 standards[3].

(1) Over the life of the sold products.
(2) Service rendered = km traveled * load carried.
(3) For more information about the SMEP, see section 4.1.5.1.1 above. It covers prevention and protection procedures, in normal and faulty operating conditions, as well as compliance with local regulations. Group guidelines dictate that every new or upgraded production facility, research center or natural rubber processing plant must earn ISO 14001 certification within five years of start-up.

4.3.4.1 Air pollution: focusing on volatile organic compounds (VOCs)

4.3.4.1.1. A VOC program built around an ambitious objective and a 2030 milestone

The objective for 2050 is to phase out all VOC-generating organic solvents completely from the tire manufacturing processes. The 2030 milestone is to reduce solvent use relative to tire production by 50% compared to 2019. To meet these targets, levers have been defined by a VOC program underway since 2017. The Group sites' Environmental Policy addresses this impact and specifically mentions the program's 2030 milestone.

4.3.4.1.2. Initiatives and resources clearly targeted on VOCs

The VOC program is primarily focused on reducing solvent use to reach the 2030 milestone and on avoiding emissions at source to meet the 2050 objective.

Deploying VOC best practices

Deploying good manufacturing practices to optimize solvent use enables Michelin to meet its objectives by improving process efficiency and mitigating the environmental impact. By tracking quantities used, precisely adjusting the solvent applicators and using just the right amount of solvent, the Group is maintaining its manufacturing performance and the performance of its products, while reducing solvent use and VOC emissions.

In 2025 and beyond, key initiatives in the tire business include:

- the introduction of diagnostic tools in the plants to measure solvent use and relate it to various parameters such as machine type, product size or processes used. Solvent use monitoring is an essential basis for understanding and identifying optimization levers. In combination with other usage tracking mechanisms, it helps to align practices for more efficient solvent use;
- optimizing spray nozzle sizes for more efficient solvent application, which is expected to reduce solvent use by around 20-25%;
- application of the "just necessary" solution, which reduces solvent use with the expected saving estimated at 20%.

Deploying VOC-free technologies

Eliminating VOCs in tire production demands the widespread deployment of new VOC-free technologies, based on solvent replacements, inorganic or non-volatile solutions, or thin rubber films inserted between tire components. Before deployment, these solutions have to be selected and tested on tires to guarantee their performance and safety, a process that can take several years. They are currently in the exploratory or process engineering phase, with deployment governed by a planned development schedule extending beyond 2030.

Deploying VOC treatment technologies

To reduce VOC emissions from the elastomer production plants, the Group has identified the least impactful technologies for recycling and, when necessary, treating process VOCs. A roadmap is planned for their installation by 2028.

Other air pollutants

Measures to reduce NO_x and SO_x emissions have been undertaken in every Group manufacturing site. In particular, Michelin plans to phase out the use of coal by 2030. Apart from that measure, however, the reduction in NO_x and SO_x emissions is a direct result of the initiatives deployed as part of the energy-saving roadmap (energy efficiency, fuel transition, process electrification).

With regard to ammonia (NH_3) emissions, the Group's 2025 purchases represented around 70 tonnes of pure ammonia equivalent. Ammonia is used in diluted, aqueous form and the large proportion that remains in the liquid phase has to be neutralized or denatured before being released into the air. For this reason, and also due to the diversity of industrial uses, it is difficult to accurately estimate atmospheric emissions and the data analyzed in 2025 do not allow us to report reliable metrics at this stage.

For 2026, a structured action plan will be implemented with the sites to make the data more representative and improve the reliability of the methods used to calculate ammonia emissions.

4.3.4.1.3. The 2030 milestone for VOC reduction initiatives

The effectiveness of VOC reduction initiatives depends on the monitoring of two metrics:

- total VOC consumption per site;
- kilograms of solvent used per tonne of finished product.

This dual approach measures both total emissions reduction and process efficiency, allowing us to track progress and prioritize actions.

In 2020, the Group set an ambitious target, accompanied by a roadmap, to limit solvent consumption to 1kg per tonne of finished product by 2030, representing a 50% reduction on the 2019 baseline year. By 2025, it was already more than half way towards meeting this target.

The scope of application covers all the plants producing finished products and synthetic elastomers. For the finished product production plants, each kilogram of VOC solvent used is assumed to evaporate completely; for the synthetic elastomer plants, emissions are measured and the ratios calculated based on actual data.

4.3.4.2 Water pollution: initial approach to understanding the Group's impact

4.3.4.2.1. Actions and resources currently being defined

Water pollution initiatives undertaken in 2025 focused on understanding the potential impact of effluent discharged from the Michelin production plants, with the goal of setting a meaningful mitigation target.

For example, during the year, work was pursued to assess material water pollutants across the Group, with the findings used to deploy a measurement plan for the tire production operations. As well as fulfilling reporting obligations, this method offers the advantage of quantifying the impact of our process effluent more accurately.

In 2024, with a view to understanding the impact of its discharges, the Group carried out a comparative study of two water pollution target-setting methodologies at three production plants on three different continents. The first method is derived from the freshwater "Measure, Set & Disclose" technical guidance issued by the Science-Based Targets Network[1] (SBTN), while the second is inspired by the EU Water Framework Directive's guidelines on "the compatibility of effluent with the receiving environment." Feedback from the 2025 study has been used to define an internal method to help the Group define appropriate effluent quality targets intrinsically shaped by each site's local conditions and exceeding applicable standards or guidelines. This method will be tested over the 2026-2027 period on a selection of prioritized sites.

Lastly, to preserve biodiversity, the Group is combating pollution from the pesticides and herbicides used on its manufacturing sites by deploying a plan to stop the use of such products. The goal is for every Group site to complete the switchover to pesticide and herbicide-free groundskeeping by 2030. Michelin is leveraging the active engagement of its service providers, recommending, for example, the use of low maintenance groundskeeping techniques, mechanical alternatives or burning. By the end of 2025, 61 Group sites were maintaining their grounds without using any pesticides or herbicides, compared with 45 in 2024.

4.3.4.2.2. Defining dedicated targets

Michelin believes that water quality targets can be set only for each watershed in which it operates. It is therefore working on a target definition method compatible with both the Group's international footprint and each site's local and environmental conditions. At the same time, the Group's priority is to ensure a robust measurement plan for the material substances, so that their impact and the effectiveness of the related initiatives can be effectively tracked.

(1) See https://sciencebasedtargetsnetwork.org/.

4.3.5 MANAGING CHEMICAL RISKS

4.3.5.1 A corporate Chemical Risk Management Policy

As part of its Chemical Risk Management Policy, the Group is gradually eliminating substances that pose a potential risk to human health or biodiversity in the manufacturing and use phases. The policy is based on the application of the following fundamental principles:

- plan for emerging risks and avoid introducing risks from new chemicals or processes;
- identify and assess the existing human health and environmental risks of chemicals;
- manage these risks by implementing and maintaining effective practices, with a priority focus on substitution whenever technically feasible, without ever comprising the product's safety and other performance features;
- confirm the application and effectiveness of these management practices.

Risks that may arise from a chemical's reasonably foreseeable conditions of use are addressed across the life cycle of Michelin products, to the extent that such information is available in the Group. Objectives and action plans are prioritized to respond first to the most serious risks, based on the objectives, commitments, perceived stakeholder expectations and feasibility of medium-term initiatives. Depending on the risk, the prioritized order is approved by the Environmental Governance body or the Employee Health and Safety Governance body.

Concerning raw materials used in the manufacture of finished products (tires and tracks), their impurities and/or known transformation products generated during manufacture or use, this policy is associated with three processes describing our management system (monitoring, prioritization and validation).

4.3.5.2 Prioritizing actions and resources

A highly skilled, multi-disciplinary team is in place to actively monitor the latest regulatory and scientific developments related to substances of concern.

This supports an internal and formalised prioritization process that focuses diagnostics, strategic recommendations and the Group's R&D programs on the chemicals with the highest Health, Safety and Environment (HSE) risks.

The Group is stepping up its efforts to find and develop alternatives to prioritized substances. However, the continually changing state of knowledge about the toxicology and ecotoxicology of these substances makes it difficult to set absolute reduction targets.

In 2024, a study was launched to determine the need for digital tools to support the HSE risk prioritization and mitigation process. The necessary resources and timeframes are currently being determined.

The Health, Safety and Environment (HSE) chemical use approval process specifies the ground rules for each chemical's use and management based on its hazard class, including substances of very high concern (SVHC) and substances of concern (SOC).

Since January 1, 2025, this HSE approval process has prohibited by default the introduction on the Group's sites of new chemical substances classified as being of very high concern (the most relevant SVHC and SOC).

4.3.6 A HOLISTIC UNDERSTANDING OF POLLUTION IN THE UPSTREAM VALUE CHAIN

4.3.6.1 Framework policies: Sustainable and responsible purchasing, Natural rubber and Pollution

In the Group's upstream value chain, the Group's responsible and sustainable Purchasing Policy, supported by the Supplier Code of Conduct, specifies a number of prerequisites and recommendations, covering such areas as the preservation of ecosystems, the reduction and management of waste and packaging, and the mandatory disclosure of REACH information and SVHC certificates. The natural rubber policy is more closely focused on the impact of fertilizer and pesticide use in rubber tree farming, with one of its five sections in particular addressing the judicious use of pesticides, chemical fertilizers and other chemicals. Neither of these documents target any pollutants or substances in particular, apart from SVHCs.

4.3.6.2 Initiatives and a target on pesticide use

Michelin has deployed the following resources to measure and mitigate the negative impacts of pollution:

- the RubberWay application[1], used to map risks in the natural rubber supply chain, includes questions concerning the use of pesticides and other chemicals, the management of chemical waste, and the odor-abatement treatment of gaseous effluent from natural rubber processing plants;
- projects undertaken in the natural rubber supply chain to develop the skills of village smallholders include environmental impact training with a focus on pesticides and waste;
- annual or biennial audits of natural rubber processing plants performed as part of quality system assessments address such environmental issues as odors, wastewater treatment and waste management. If the results fall short of compliance, a remedial action plan is requested;
- third-party assessments (usually desktop reviews) of the CSR maturity of the leading Tier 1 suppliers include questions on pollution. If the answers fall short of compliance, action plans are requested;
- on-site audits of raw material suppliers conducted as part of supplier quality system assessments include questions relating to environmental policies, regulations and waste management. If the answers fall short of compliance, remedial action plans are requested.

As part of its Act4nature International commitments, the Group has undertaken to assess the biodiversity policies and practices of its suppliers of raw materials, other than natural rubber, that are likely to have the greatest impact on biodiversity in 2030[2].

The Group is actively curtailing the use of pesticides in its natural rubber farming operations, The voluntary target has been published as part of the Group's Act4Nature International commitments (see section 4.5.5.1 *Biodiversity and ecosystem targets*).

4.3.7 AIR AND WATER POLLUTION METRICS

4.3.7.1 Air pollution

E2-4 Air pollution (E2-4-28a1)		2024	2025
(1)	Non-methane volatile organic compounds (NMVOCs) emitted	3,825 t	3,498 t
(2)	Nitrogen oxides (NO_x/NO_2) emitted	693 t	309 t
(3)	Sulfur oxides (SO_x/SO_2) emitted	610 t	601 t

The above tonnages correspond to the total plant emissions that exceed the applicable threshold values specified in Annex II of Regulation (EC) 166/2006.

(1) VOC data are compiled on the basis of calculated emissions for the synthetic elastomer production plants and actual solvent use for finished product plants. They exclude R&D activities and the remilling operations that process raw latex or cup lumps into bales of natural rubber for the manufacturing industry. The compilation of tire production plant data is based on the assumption that VOC emissions are equal to solvent use, which is a generally unfavorable method for reporting VOC data. Data are not validated by a third party, but by a simple data verification process involving consistency testing at the local and corporate levels using the internal application.

(2) (3) SO_x and NO_x emissions data all relate to the Group's boiler plants, as defined by local regulations. The quantification method: data are taken from actual measurements, or based on emission factors recognized by local authorities, or derived from a mass balance calculation based on laboratory measurements or supplier data (SOx from burning coal). To facilitate data reporting, plants that are not legally required to calculate or measure emissions use the emission factors in the Group's internal standards manual. Plants that do not have any measured or calculated data reported to local authorities used the following emission factors to calculate their emissions based on energy use:

Fuel	Emission factor – NO_x	Emission factor – SO_x
Natural gas	60g/GJ (45g/GJ if the burner is low-NO_x)	1g/GJ
Coal (grate firing)	160g/GJ	1,000g/GJ
Heavy fuel oil	170g/GJ	1,000g/GJ
Heating oil	100g/GJ	50g/GJ

(1) See section 4.9 *Workers in the value chain* (S2) for a presentation of the RubberWay application.
(2) See section 4.5.3.2 *Sustainable Purchasing Policy and biodiversity*.

In accordance with French regulations, including circulars of December 24, 1990 and circular 95-83; *Organisation et Méthodes des Inventaires Nationaux des Emissions Atmosphériques en France* (Ominea), 11th edition, 2014.

Performance assessment

For NOx, the steep fall between 2024 and 2025 (55%) can be explained by two factors: first, the non-recurrence of exceptional items that had artificially increased emissions in 2024, and second, the effects of our coal phase-out roadmap, which resulted in significant reductions of between 30% and 60% at the Group's three historically highest-emitting sites.

For SOx, the very small reduction between 2024 and 2025 (1.4%) masked two opposing developments. On the one hand, one production site had to resort to using back-up power generators to compensate for long power outages. This exceptional generator use increased the site's SOx emissions by a factor of 8, with a corresponding impact on the annual total. On the other hand, recurring SOx emissions were significantly lower in 2025 versus 2024, with the decrease excluding the exceptional event described above estimated at around 50%. This potential performance was based on very significant emissions reductions at the three historically highest-emitting sites, with cuts ranging from 30% to 90%. The reductions reflected a temporary acceleration in the coal phase-out roadmap, which advances in leaps and bounds rather than following a linear trajectory.

For VOCs, the decline in emissions in 2025 (9%) is explained by a general reduction in VOC consumption relative to finished product production, with continuous progress observed since 2020. It is also explained by a decrease in the production of finished products requiring the use of VOCs.

4.3.7.2 Water pollution

In 2024, a materiality assessment was undertaken to determine which substances listed in Annex II of Regulation (EU) No. 166/2006 are likely to generate emissions in excess of the indicated thresholds from the facilities in the tire production scope of operations. The assessment process comprised three steps:

- verification of the absence or presence of the substance in the raw materials used to manufacture a tire;
- if the substance is present, estimation of the quantity emitted annually by the production sites;
- determination of the substance's materiality, based on the results of steps 1 and 2, the Annex II thresholds and Michelin's expertise.

The materiality analysis was continued in 2025 and extended to other activities.

Seven substances were deemed material and included in a measurement plan deployed by independent laboratories in all the tire production sites.

		Operations concerned			
Substance	**All facilities**	**Synthetic elastomers**	**Metal reinforcements**	**Assembly and curing**	**Rubber compound preparation**
Total nitrogen	X				
Total phosphorus	X				
Chemical oxygen demand	X				
Zinc and zinc compounds			X	X	X
Copper and copper compounds					X
Lead and lead compounds			X		
Nickel and nickel compounds			X		

The measurement plan launched in 2024 and continued in 2025 does not yet provide sufficiently exhaustive and robust data to publish reliable water pollution metrics for 2025. Thanks to enhanced site support and in-depth analysis of reported data, the Group expects to produce reliable consolidated annual emissions figures within 2 to 3 years. At that time, the content of the Group's disclosures will be assessed in the light of any changes in regulations.

4.3.7.3 Substances of concern (SOCs) and very high concern (SVHCs)

Substances of concern (SOC)

Michelin is initially focusing on measuring the amounts of SVHCs in its operations. In 2025, an internal study on the feasibility of setting up an SOC reporting system concluded that identifying and quantifying SOCs was neither feasible nor proportionate.

Identifying and quantifying a given substance among all the raw materials used in the Group and the thousands of corresponding safety data sheets would be an extremely complex and resource-intensive exercise, which we could only carry out on a very limited number of substances. SOCs other than SVHCs represent over 4,000 substances[1] and tires are complex composites which may include up to 200 different ingredients from a portfolio of several hundred raw materials.

Similarly, it is not possible to identify or quantify SOCs present in the final product, because tire preparation and curing involve multiple chemical reactions which result in the disappearance of initially introduced substances and the creation of new ones (see the related actions and resources in section 4.3.5.2 above).

For this reason, and as far as the metrics are concerned, the Group is focusing its reporting on SVHCs and is not publishing the E2-5-34 "substances of concern (SOC)" metric for 2025. This position is in line with the REACH regulation and the position of the European Commission, which defines and recognizes SVHCs as the highest priorities.

Substances of very high concern (SVHCs)

To comply with this disclosure requirement, and in line with related European regulations[2], a minimum SVHC content of 0.1% has been set as the threshold in assessing both purchased raw materials and products placed on the market.

An analysis of the raw materials portfolio shows that the SVHC content of some raw materials exceeds 0.1%. The amount of disclosed SVHCs corresponds to the amount of SVHCs in these raw materials. Bear in mind that the Group processes around three million tonnes of raw material every year.

E2-5 Substances of very high concern	2024	2025
Total amount of substances of very high concern procured (E2-5-35)	2,047 t	1,877 t

SVHC content has been calculated based on the raw material safety data sheets and purchasing data for the tire and track operations.

The in-house production of these raw materials accounts for most of the SVHC tonnages used. Michelin has adopted vertically integrated production systems for certain raw materials, notably textile or metal reinforcements and elastomers, to guarantee the best performance from its products. However, because they are consumed during the manufacturing process, none of these SVHCs are present in excess of 0.1% in any finished product. In addition, Michelin does not synthesize any SVHCs. Tires and tracks manufactured by Michelin contain no SVHCs in excess of 0.1%.

The 8% decline in the quantity of SVHCs in 2025 is explained by the overall reduction in the Group's raw materials purchases in the reporting scope.

(1) https://echa.europa.eu/en/information-on-chemicals/cl-inventory-database.

(2) In particular the following: CLP Regulation (EC) 1272/2008 on the classification, labeling and packaging of substances and mixtures; Regulation (EC) 1907/2006 of the European Parliament and of the Council of December 18, 2006 concerning the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH); and Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020 on establishing a framework to facilitate sustainable investments.

4.4 WATER AND MARINE RESOURCES (E3)



THREE QUESTIONS FOR GUILLAUME AYRIGNAC, VICE PRESIDENT, MANUFACTURING PERFORMANCE

"Fair, sustainable water use is an important challenge for our Group, to secure the long-term viability of our operations in water-stressed regions."

What makes the 2050 objective of eliminating all impacts on water availability for local communities such a challenge?

This is indeed a major issue, because it's about focusing on the natural water cycle to attenuate disruptions from our operations, and we know that only 1% of all freshwater on Earth is actually accessible to us.

That's why, to ensure water availability, the major challenge is to translate our objective into precise water withdrawal and quality targets aligned with the watersheds where we operate.

For that, we absolutely need granular knowledge of hydrological conditions in the watershed and its ability to support withdrawals, use and discharges. To do so, we must:

- strengthen our expertise and work in concert with all the stakeholders in each local economic community and water basin to optimize, recycle and equitably share available water resources;
- develop nature-based and regenerative hydrology solutions, enabling us to become impact-neutral in the water basins where we operate;
- deepen our understanding of water availability issues in the value chain, including water-stress risks at our suppliers.

How can water-related risks impact Michelin's production plants?

Water cycle disruptions feed through to alternating risks of droughts, high water and floods. And everywhere in the world, water supply is becoming a major issue that can restrict and sometimes shut down operations.

At Group level, an internal water price, multiplied by the local water-stress coefficient, is a key parameter in our capital spending decisions. This tends to encourage water-saving projects, particularly in the most at-risk regions. We have defined ambitious targets for reducing water withdrawals by our production and R&D sites. We are also deploying a solid, result-oriented roadmap on each site, to support judicious water consumption in the host community and meet the needs expressed by external stakeholders.

How is the Group progressing on its 2030 commitment to reduce water withdrawals by 33% compared with 2019, weighted for each site's water-stress coefficient?

Group-wide, we've already cut water withdrawals by more than 20%, weighted for each site's water stress coefficient, compared with our target of 33% (metric: Stress × cu.m. per tonne of products).

We remain highly confident in our ability to sustain this progress in the years ahead and to hit our target. To do so, we're pursuing a robust, funded Water program, built around a team of experts to support the implementation of projects playing a critical role in meeting our objectives.

We're also continuing to instill best practices in close collaboration with outside partners, developing new solutions based on scholarly and bibliographical studies, and working with local associations and partners to train all our employees and raise their awareness, for example through conferences and local sensitivity campaigns.

Impacts, Risks and Opportunities (IROs)	Brief description
Upstream value chain · Downstream value chain · OP Own operations · Short-term · Medium-term · Long-term	
E3 - WATER RESOURCES	
Water management	
Water consumption	Climate change and human water use are disrupting the water cycle and, in particular, may be contributing to the depletion of local water resources (e.g., the drying up of aquifers).
Upstream · OP · **Negative impact**	

The Group does not have a material impact on marine resources as it does not withdraw or use any seawater in its operations nor derive any of its raw materials from marine resources. For water pollution matters, see section 4.3 above (Pollution (E2)).

Introduction

Although the tire industry is not very water-intensive in relation to other industries like chemicals or agrifoods, it has long paid particular attention to water. Michelin is certainly well aware of the growing scarcity of this vital resource and is pursuing an ambitious strategy in response.

The production plants use water primarily to convey heat and cooling, for example, to cure tires or to cool installations or products. Farther up the value chain, natural rubber plantations and other raw material production plants also use water in their operations. Since 2016, Michelin has responded to the CDP Water Security questionnaire to disclose its water withdrawals by source and by water-stress area (in line with GRI-303-3). The Group received a score of A- in 2025.

Since 2020, the annual valuation of the Group's environmental impacts has included the total cubic meters of water withdrawn, both used and discharged, underscoring the importance of this issue to the Group.

4.4.1 IDENTIFYING ISSUES USING A VARIETY OF LOCALIZED APPLICATIONS

In addition to the risk assessment procedure, the impact of Michelin's own operations and those of its main suppliers on water resources has been identified by:

- applying the international Science-Based Targets Network (SBTN) guidance[(1)];
- assessing water stress (low/medium/high) at every Group production site using the WRI Aqueduct (Baseline Water Stress[(2)]) tool, the World Wildlife Fund (WWF) Water Risk Filter (water depletion[(3)]), and an internal questionnaire regarding local water resources risks;
- applying the internal SMEP Environmental and Risk Prevention Management System [(4)];
- identifying the raw material suppliers' production sites (other than natural rubber plantations) that are most exposed to water resource risks[(5)].

A site-level SMEP process is also in place to identify the interests of each site's stakeholders. Step 3 of the SBTN method in pilot mode included mapping local stakeholders affected by water issues and consulting the most relevant ones. Ultimately, the goal is to ensure that any conflicts of interest concerning water resources are addressed at the watershed level. Such conflicts will then be analyzed to determine how water resources can be managed in harmony with nature and with local communities and other users.

(1) Michelin tested the first two stages of this method in 2021 and 2022 to identify its dependencies and biodiversity impacts, before moving to the third stage (Setting freshwater quantity targets) on three pilot sites in 2023 and 2024 (see https://sciencebasedtargetsnetwork.org/).
(2) See https://www.wri.org/aqueduct.
(3) See https://riskfilter.org/water/home.
(4) See section 4.1.5.1.1 above.
(5) Specific study in 2022 using WRF and Aqueduct tools, and from 2024, detailed study using the Altitude tool (Axa Climate), covering key suppliers and potential suppliers.

4.4.2 TARGETED WATER RESOURCE POLICIES

4.4.2.1 The Group's Environmental Policy and water matters

Material water matters are addressed in the Group's Environmental Policy. In managing these matters, the Environmental Governance body is supported by the Water Committee, one of its five committees.

Underscoring the importance of these matters, the Environment Policy specifically affirms the 2050 water objective that Michelin aims to not have any impact on water availability in local communities. The policy is organized by life-cycle stage, with water-related impacts, risks and opportunities covered in two sections:

- a section on sustainable purchasing addresses matters related to raw materials and the upstream value chain;
- a section on production plants, research and development centers, offices and other operating sites. This section attests to the Group's determination to conduct its business in a sustainable manner, while preserving the environment on and around its sites:
  - each site's performance is managed through an Environmental and Risk Prevention Management System (SMEP)[1] and tracked by a composite indicator that includes a water withdrawal metric,
  - the own operations section also specifies the Group's 2030 water impact target, i.e., a 33% reduction in water withdrawals versus 2019, weighted for each site's water-stress coefficient (metric: Stress × cu.m. per tonne of products). This metric ensures that efforts are prioritized on the sites most exposed to water stress.

Managing water consumption in our operations

Water consumption is managed by the Water Program, supported by a multi-disciplinary team of experts. Note that the Environmental Policy prohibits any newly built site from withdrawing water from non-renewable underground sources. For every site, the Environmental Policy is grounded in its prioritizing hierarchy of levers (Avoid - Reduce - Reuse - Recycle - Renew).

The Group implements best practices while transforming its industrial facilities according to the following levers, which are more specific to the reduction of water withdrawals:

- reducing and eliminating water leaks;
- reducing steam consumption;
- reducing evaporation;
- closing open loops;
- using water-saving systems;
- optimizing recycling and/or reuse.

And, in parallel:

- measuring and controlling water consumption;
- raising people's awareness of water issues.

While the Environmental Policy stipulates that water sufficiency is the priority pathway to a more sustainable sourcing of water, water treatment technologies are also needed to meet our objectives.

During the product and service design phase, Michelin activates a number of levers to reduce each one's environmental impacts, including life cycle assessments (see section 4.1.5 *Holistic management of the Group's impacts, risks and opportunities*) and eco-design processes[2].

4.4.2.2 Addressing water matters in the Physical Climate Risks Adaptation Policy

The 2024 Physical Climate Risks Adaptation Policy covers the risk of water stress and is applicable to all the fully consolidated subsidiaries (see section 4.2 *Climate change* (E1)).

(1) See section 4.1.5.1.1 above.
(2) Eco-design provides a framework for innovation that helps to reduce the environmental footprint of new solutions by improving our knowledge of life cycle impacts and our ability to manage them.

4.4.2.3 The growing problem of water in the value chain and the policies in place to address it

In addition to the policies governing the Group's own operations, the following policies address water-related risks in the upstream value chain, particularly natural rubber sourcing:

- the Sustainable Purchasing Policy, which addresses such water-related issues as complying with ruling environmental regulations, deploying an Environmental and Risk Prevention Management System, and safeguarding water resources and ecosystems;
- the Sustainable Natural Rubber Policy includes a section on environmental protection and, more specifically, the preservation of surface and groundwater. The policy calls for preventing water contamination from chemicals, treating wastewater from the first stage in rubber processing, maximizing water recycling in production processes and, when necessary, implementing plans to ease water intensity.

Through these policies, the Group is undertaking to assess the sustainability performance of its suppliers and reserves the right to reduce sourced volumes or curtail business relations with suppliers who refuse to respond or to implement the requested action plans.

4.4.3 AN ARRAY OF ACTIONS AND RESOURCES COMMITTED TO WATER RESOURCES

4.4.3.1 Tighter management in our own operations

4.4.3.1.1. Key initiatives

The Group's 2030 objective is to reduce water withdrawals, weighted for each site's water-stress coefficient, by 33% compared to 2019 (metric: water stress multiplied by cubic meters of water withdrawn per tonne of semi-finished and finished product).

To meet it, gains are being driven by initiatives reflecting a changing attitude to water resources and a greater awareness of conservation practices. They are backed by purpose-designed levers to reduce water withdrawals and optimize water recycling and/or reuse. At every site, Michelin expects to use less freshwater and more recycled water for cooling and heating, particularly in water-stressed areas.

To identify the most effective solutions, the Group has developed a number of applications for the units in the tire production scope of operations:

- The Group Transformations Program[(1)]:
  - water issues have become an integral focus of the environmental transformation process, with the extension of our Energy experts' remit to include water through the creation in 2025 of the new position of Energy Water Site Leader (EWSL);
- The LEAN Water process:
  - created in 2022 , this process provides a methodological foundation for continuous improvement to help us achieve our 2030 ambitions,
  - the tools created since 2023 (basic best practices, metering handbook, mapping and sharing of equipment performance) have been rolled out in all the tire production plants,
  - in 2025, the different site configurations with regard to water discharge were described and formal guidelines were issued to improve volume metering. As of end-2025, each site had been informed of its configuration and the necessary meters had been installed or the related budgets had been set aside;
- The 2020-2030 Water Roadmap:
  - in 2020, a Group-level 2020-2030 Water Roadmap was drawn up by consolidating the tire production plants' individual roadmaps,
  - since 2024, a prioritization matrix has been used for water projects costing more than €1 million, with the amount of water stress as one of the key criteria;
- The Group Water Program:
  - best practices are shared via a network led by twenty players and experts,
  - the Program, which is supported by the LEAN Water tools and methods, helps to track and update the Roadmap.

(1) The Group's six transformations are: Capturing and mining data, Accelerating innovation, Agile Michelin, All in Action for the Environment, I am Michelin and Customer Focus. They engage every internal stakeholder and support the management of sustainability matters by the Group's governance mechanisms.

Water consumption by the non-tire industrial operations is consolidated at Group level. These operations account for less than 3% of total water withdrawals and less than 1% of the Group's water consumption.

4.4.3.1.2. Examples of significant projects

Major water-saving projects were deployed in 2025, including detection and replacement of damaged water pipes, closure of once-through open cooling circuits, and replacement or optimization of open cooling towers. Water treatment systems have been installed to limit the need for deconcentration purges on cooling circuits, and also to recycle waste water.

In addition, further reductions in water withdrawals have been achieved at many sites by renovating equipment and repairing leaks, in application of the Avoid lever, which is at the top of the prioritizing hierarchy of levers: "Avoid". The following examples illustrate how levers have been activated to support the Group's strategy:

Site	Lever	Reduction in water withdrawals, in cu.m.
Shenyang, China	Wastewater treatment and reuse (installation of ultrafiltration units and a new reverse osmosis system).	40,000 cu.m. in 2025
Roanne, France	Replacement of open-circuit cooling tower with closed-circuit cooling towers.	19,200 cu.m. in 2025. The project also saved 900 MWh/year
Resende, Brazil	Improvement of production machines' water efficiency, enhanced application of good Water practices, increased staff awareness.	72,000 cu.m. in 2025.

4.4.3.1.3. Resources

Beyond 2025, the Water program includes a 5-year CapEx plan to finance the projects and activate the levers that will enable us to reach the 2030 target[1].

High water-stress sites are particularly addressed in the Water program and the Roadmap through two mechanisms:

- weighting water withdrawals by a site's water-stress coefficient. In this way, one cubic meter of water withdrawn from a high water-stress site impacts the metric as if the site had withdrawn 1.5 cubic meters;
- applying an internal water price of €5 per cubic meter, to support water-saving projects. The price is multiplied by the project site's water-stress coefficient, to give priority to capital investments in high water-stress areas.

Michelin encourages its stakeholders - universities, research institutes and NGOs - to collaborate with other users of its water basins in practicing sustainable water management. The Group is helping to develop tools (i) to identify the main pressures exerted by business activities on biodiversity, including pressures on water resources (quantitative and qualitative impacts and dependencies across its value chain), and (ii) to share its experience with other companies. In particular, Michelin consulted the World Wildlife Fund (WWF) during the pilot SBTN Step 3 study conducted on three of its host watersheds in the United States, Romania and Thailand.

4.4.3.2 Increasing attention to water matters in the upstream value chain

The following initiatives have been deployed to mitigate water risks in the upstream value chain:

- **identifying the production sites of raw material suppliers** (except natural rubber) deemed most at water-related risk during a dedicated review performed in 2022 using the Water Risk Filter and Aqueduct applications. The findings were updated in 2024 as part of the mapping of sites exposed to physical climate risk (especially the Water risk map: water stress and flooding), which includes both our own operations and the main production plants of our raw materials suppliers (see section 4.2 *Climate change* (E1)). Projects to approve new raw material suppliers or new raw material supplier sites include an assessment of the above-mentioned physical climate risks during the opportunity phase;
- **risk mapping of the natural rubber supply chain** with RubberWay. The application includes water-related questions, which go into greater depth for the processing plants (see sections 4.5 *Biodiversity and ecosystems* (E4) and 4.9 *Workers in the value chain* (S2));

(1) See table in section 4.1.4.3 Financial resources (non-material) allocated to other sustainability matters.

- **assessing the CSR maturity of the leading Tier 1 suppliers**. These audits, which are generally desktop reviews, are conducted by a third-party, Ecovadis, and suppliers are expected to earn a minimum overall compliance score. The audits also address water-related issues. If supplier answers fall short of compliance, action plans are requested. These assessments apply to all types of inputs and are prioritized according to the sourcing country's level of risk and the category and value of the purchases;
- on-site audits of raw material suppliers conducted as part of supplier quality system assessments include questions relating to environmental policies, regulations and the use of water consumption and other metrics;
- annual or biennial audits of natural rubber processing plants performed as part of quality system assessments address environmental issues, with a particular focus on water treatment. If the findings fall short of compliance, remedial action plans are requested;
- in addition, in 2025, the Group sent out a "nature" questionnaire (biodiversity, water, pollution, etc.) to its main suppliers of raw materials other than natural rubber. The document includes a series of water-related queries that will help to gauge the assessed supplier's water maturity. As of end-2025, the response rate was 70%. The questionnaire will be rolled out more widely in 2026;
- resources primarily concern the time spent by purchasing teams, Group CSR experts and on-site auditors, as well as the costs associated with CSR assessment platforms. Note that the initiatives cut across several CSR issues and are not specific to water resources.

4.4.4 WATER METRICS AND TARGETS

4.4.4.1 Water resource targets

Michelin has defined a target for reducing water withdrawals in all its production sites. It is based on withdrawals because the tire industry is not a particularly heavy user of water compared to other industries.

The Group's 2030 target is to reduce withdrawals, weighted for each site's water-stress coefficient, by 33% compared to 2019 (metric: water stress multiplied by cubic meters of water per tonne of product). It is aligned with the Group's commitment to having "zero impact on water availability for local communities" by 2050, as affirmed in the Group's Environmental Policy.

The target, which exceeds prevailing local standards, is part of an assertive initiative, with the plants enjoined to comply, at the very least, with the requirements of their operating permits.

The target has been set internally, as an initial milestone towards the Group's 2050 objective. For the time being, there are no plans to change targets between now and 2030. The Group's annual reductions in water withdrawals indicate that it is on track to reach this milestone.

4.4.4.2 Water-related targets in the upstream value chain

Water consumption targets have not yet been set for the upstream value chain. The Group must first review the findings of the assessments of the suppliers of raw materials other than natural rubber and the data in the RubberWay application (see section 4.4.3.2 above).

4.4.4.3 Water consumption metric (own operations)

	Water consumption	2024[1]	2025[2]
(a)	Total water consumption (E3-4-28a)	9,504,159 cu.m	8,324,642 cu.m
	Amount of water withdrawn	22,468,460 cu.m	19,675,879 cu.m
(b)	Water consumption in high water-stress areas (E3-4-28b)	964,822 cu.m	887,009 cu.m
(c)	Water intensity based on net revenue (E3-4-29)	350 cu.m/€m	320 cu.m/€m

(1) In 2024, the Group's water consumption was estimated by applying an average rate to the total volume withdrawn. For greater comparability, total 2024 consumption was adjusted in 2025 by applying the 2025 rate, which takes into account changes in the number of meters. The methodology is currently being stabilized and the data are being made more reliable.

(2) For water discharges, a more precise calculation methodology was used in 2025 compared to 2024, see (a) below.

(a) Total water consumption, in cu.m.

Water consumption corresponds to the proportion of withdrawn water that is not discharged and is calculated in part on the basis of estimates[1]. It is determined by subtracting the volumes discharged, excluding mixed rainwater, from the volumes withdrawn.

- Volumes withdrawn are determined on the basis of invoices or meters whose reliability has been verified.
- A large number of discharge meters were installed in 2025, with 39% of sites are now equipped, enabling more than half of all discharges to be measured during the year. Sites not equipped with meters make estimates based on Group guidelines. The Measures step in the LEAN process envisages the continued installation of meters to improve data reliability.
- For all sites where rainwater is mixed with discharged industrial and sanitary wastewater, rainwater volume is estimated on the basis of local rainfall, the impervious surfaces concerned and average runoff coefficients for these surfaces (with 0.8 adopted by the Group as the default value).

(b) *Total water consumption in water-stressed areas, in cubic* meters

Water consumption in water-stressed areas is calculated as the sum of water consumption by the sites located in areas assessed by Michelin as being exposed to high levels of water stress[2].

Each site's water stress is determined on the basis of:

- recognized external tools, such as Aqueduct (Baseline Water Stress) from the World Resources Institute (WRI) and the Water Risk Filter from the World Wildlife Fund (WWF);
- on-site knowledge of local water resources and availability-related risks.

(c) *Water intensity*

- Water intensity corresponds to total water consumption in cubic meters per million euros of sales.

Concerning total water stored and changes in storage, Michelin's operations do not require any pumping of water during high-water periods for storage and later use during low-water periods. As a result, this metric is not relevant for Michelin.

Water reuse and recycling

One way to preserve Water resources is through water reuse and recycling. The decision to launch a water reuse or recycling project is made on the basis of the expected reduction in water withdrawals, which is the main metric used to manage the drive to meet the Group's 2030 objective. The Group-level water recycling/reuse rate is not relevant in terms of meeting the objective.

Performance improvement in 2025 vs. 2024

The Group's Water performance (metric and target) focuses on water withdrawals.

For tire production sites, water withdrawal performance is managed using the Stress × cu.m. per tonne of product metric (see section 4.4.2.1). This ratio was reduced by 6.9%, in line with the 2030 target. One-third of the change in this ratio was attributable to lower production volumes, and two-thirds to project-driven gains, deployment of best practices, and the increase in skills and the number of dedicated people on site.

Water withdrawals by Polymer Composite Solutions sites were reduced by 9.5%, due for the most part to efficiency savings by the most water-intensive sites.

For the Group as a whole, water withdrawal volumes were reduced by around 12% year on year in 2025.

This performance mirrored the decrease in the Group's total water consumption.

Water consumption at sites located in areas of high water stress was reduced by around 8%, thanks to significant progress in improving water reuse and recycling rates.

(1) In 2024, the Group's water consumption was estimated by applying an average rate to the total volume withdrawn. For greater comparability, total 2024 consumption was adjusted in 2025 by applying the 2025 rate, which takes into account changes in the number of meters.

(2) For water consumption in water-stressed situations, the same approach was followed as for total consumption in 2024. For greater comparability, total 2024 consumption was adjusted in 2025 by applying the 2025 rate for water-stressed sites, which takes into account changes in the number of meters and the sites' specific characteristics.

4.5 BIODIVERSITY AND ECOSYSTEMS (E4)



THREE QUESTIONS FOR ANTOINE SAUTENET, CHIEF SUSTAINABILITY OFFICER

"Biodiversity is a major issue for the natural rubber industry: for several years now, we have been exercising our duty of care in this area, with the aim of integrating the lessons learned by key stakeholders and actively involving them, regardless of regulations."

What are Michelin's commitments on such a complex subject as biodiversity and why is it important to include stakeholders?

Biodiversity is indeed a complex subject, due to the importance of simultaneously taking into account both local impacts and the entire value chain. With this in mind, the Group has made a commitment, in particular through the Act4Nature International initiative [(1)], to reduce the pressure our activities place on biodiversity, with targets covering research and development, production and research sites, and raw materials purchases. To pursue these objectives over the long term, it is essential that we closely involve stakeholders, particularly at local site level, to gain a better understanding of the pressures on local flora and fauna and take the necessary action. We have set two major 2030 targets for all the manufacturing sites: to eliminate the use of pesticides and herbicides in groundskeeping and to implement biodiversity management plans.

In 2025, the Michelin Corporate Stakeholder Committee was consulted to obtain feedback and deepen the Group's approach in alignment with the objectives defined by the Kunming Global Biodiversity Framework in Montreal (COP15). The aim was to explore just transition and other strategies, along with best practices, in particular to scale up technical assistance projects for village smallholders and affected communities. Michelin also has a strategic partnership with WWF, which has enabled us to launch and scale up actions to protect biodiversity.

Do you maintain a special dialogue with stakeholders in the natural rubber sector?

Yes, we set up a special Natural Rubber Stakeholders' Committee very early on, in 2015. As you may know, this sustainable and renewable raw material, which accounts for around 24% of the raw materials consumed by the Group, represents our greatest challenge in terms of dependence and impact on biodiversity. The Committee's members include representatives of NGOs and academics who help to strengthen our transparency and deepen our expertise. It meets every two years. The most recent meeting, which was held in early 2025 at the Group's Royal Lestari Utama (RLU) plantation in Indonesia, featured presentations of conservation and restoration projects.

RLU has also set up an Environmental and Social Advisory Committee, which met for the first time in June 2025. The meeting included a presentation of the company's program of engagement with indigenous communities, covering such issues as good agricultural practices and concession management, biodiversity issues and the management of human-elephant conflict. Furthermore, the Group has undertaken to preserve and restore a further 15,000 hectares of plantations over the next 20 years, backed by a dedicated budget. On a global level, the Group plays a leadership role, notably through its contribution to the Global Platform for Sustainable Natural Rubber (GPSNR).

What are the Group's commitments in terms of deforestation and how does it apply its duty of care?

As one of the world's leading purchasers of natural rubber, Michelin is well aware that growing global demand can lead to bad practices. That's why it has long been engaged in supporting an equitable, eco-responsible, ultimately deforestation-free supply chain. The Group's Sustainable Natural Rubber Policy issued in 2015, and updated in 2021, addresses both social and environmental matters, with a particular focus on improving farming practices and safeguarding forests.

Our approach is rooted in the principle of accountability, in other words the requirement for us to answer for our actions in the value chain according to the scale of the impact and Michelin's level of influence on the ecosystem concerned. In the natural rubber sector, for example, well before the European regulation on deforestation (EUDR) was debated, we developed initiatives to map the main CSR risks and provide training for village smallholders. The Group also invested heavily to comply with European regulations as early as 2024 (geolocation, traceability, administrative burden, etc.), while alerting the authorities to the need to considerably simplify the regulations in order to ensure their proper application.

(1) See the initiative's website, at https://www.act4nature.com/.

Impacts, Risks and Opportunities (IROs)	Brief description
Upstream value chain · Downstream value chain · OP Own operations · Short-term · Medium-term · Long-term	
E4 - BIODIVERSITY AND ECOSYSTEMS	
Ecosystems and biodiversity	
Actual and potential deforestation from the expansion of rubber tree farms, the production of bio-based materials and the extraction of other materials Upstream · **Negative impact**	Growing demand for natural rubber could potentially cause deforestation as forests are converted to rubber plantations. The Group's natural rubber purchases represent around 5% of world demand.
Contributing to the loss of habitat and land degradation, soil erosion and biodiversity loss Upstream · OP · **Negative impact**	Single-crop natural rubber farming and the production of other biosourced raw materials could harm natural habitats and contribute to biodiversity loss. The use of process water, the discharge of wastewater and the mismanagement of end-of-life tires could worsen soil degradation and negatively impact the biosphere.
Contributing to eutrophication through the use of fertilizers in rubber tree farming Upstream · OP · **Negative impact**	Eutrophication occurs when nutrients accumulate in a soil or aquatic environment or habitat. Among the leading causes is runoff from nitrogen fertilizers used in the cultivation of rubber trees and other crops.

Introduction

The double materiality assessment identified rubber tree farming as the source of the main factors shaping Michelin's impact on biodiversity and ecosystems. Grown primarily by our suppliers, rubber trees underpin the production of natural rubber, a critical raw material used in the manufacture of tires. Natural rubber accounts for around 24% of the raw materials used by the Group and is not currently replaceable in industrial quantities.

The majority of the Group's natural rubber inputs are sourced from village smallholders in the tropical regions of Asia (Thailand, Indonesia, Malaysia, Vietnam and Sri Lanka), Africa (Côte d'Ivoire, Ghana, Nigeria and Guinea-Conakry) and South America (Brazil). Michelin also directly operates two rubber plantations, in Brazil and Indonesia.

This section focuses exclusively on the identified impacts and risks of rubber tree farming, including deforestation, eutrophication and habitat degradation[1].

4.5.1 STRATEGY: ADDRESSING BIODIVERSITY IN THE TRANSITION PLAN AND THE BUSINESS MODEL

Michelin is well aware of its dependency on ecosystem services and the need to preserve natural resources and restore biodiversity in order to conduct its business sustainably. As such, it has been engaged with the Act4nature International initiative since 2018, in a commitment to easing the pressure on biodiversity from its operations across the value chain by setting 2030 targets for research and development, natural rubber and other raw material sourcing, and its production and research sites.

(1) Impact factors contributing to the degradation of natural habitats, such as water consumption in water-stressed areas, water pollution linked to industrial activity, tire wear particles or the management of end-of-life tires, are discussed in the relevant sections (Pollution, Water Resources and Circular Economy).

The Group's biodiversity strategy, policies, vision, commitments, roadmaps, targets and metrics are all defined and managed by the Biodiversity Sector Committee as part of the Group's Environmental Governance body[1]. The assessment of the resilience of the Group's strategy and business model and its findings are presented in section 4.2.6 Resilience of the strategy for climate change mitigation. In 2025, the scenarios were assessed to ensure their consistency with IPBES biodiversity scenarios. The analysis of the strategy's Shock resilience[2] was subsequently enhanced by adding new biodiversity-related shocks. For example, natural rubber supply risks arising from climate change pressures on biodiversity in tropical regions are covered by the adaptation action plan described in section 4.2.12.

Although most natural rubber is sourced from suppliers, Michelin directly owns two rubber plantations in Brazil and Indonesia.

Activity	Site	Sensitive areas	Impacts	Dependencies	Negative impacts
Rubber tree farming	Plantações Michelin da Bahia, Brazil.	Atlantic Forest/ Michelin Ecological Reserve, Brazil.	■ Land-use change. ■ Natural habitat degradation. ■ Eutrophication.	■ Soil quality. ■ Freshwater supply. ■ Pollination.	b) Land-use change and habitat degradation due to farming. c) Threatened species (IUCN Red List) identified in the activity area.
	Lestari Asri Jaya and Wanamukti Wisesa, Jambi, Indonesia.	Bukit Tigapuluh National Park.			
	Multi Kusuma Cemerlang, East Kalimantan, Indonesia.	Bukit Panjang - Bukit Siguntang. Kutai National Park.			

Excluding the natural rubber plantations, the impact of the Group's manufacturing and research sites on ecosystems has not been identified as material. However, the Group is mindful of the biodiversity sensitivity of its sites which, since 2013, have inventoried their surrounding areas classified as protected under supranational, national or local legislation. These inventories are updated every five years. The latest, performed in 2023, shows that a number of production or research sites are located in or close to one or more protected areas. In addition to these inventories, in 2025 the Group mapped its sensitive host ecological zones, using reference tools such as Globio, ENCORE, IUCN Red list and KBA.

In addition, each site's environmental risk assessment[3] addresses biodiversity through two criteria:

- the presence of protected natural areas;
- the presence of plant or animal species classified by the International Union for the Conservation of Nature (IUCN).

For sites located in or near biodiversity-sensitive areas, biodiversity risks are rated higher and the most likely are covered by mitigation action plans. Each new on-site project is also subject to an environmental risk analysis, with the findings incorporated into the site's overall environmental risk assessment during the regular update performed in compliance with ISO 14001.

These assessments are part of the following processes:

- Michelin's engagement with the Act4nature International initiative;
- ISO 14001 certification of the production sites and the continuous upgrades in Group standards, aimed at ensuring the proper application of the Group's Environmental Policy.

(1) See section 4.1.2 *Governance of sustainability matters*.
(2) See section 4.2.6 *Resilience of the strategy*.
(3) Using the process defined by the SMEP Environmental and Risk Prevention Management System, see section 4.1.5.1.1 above.

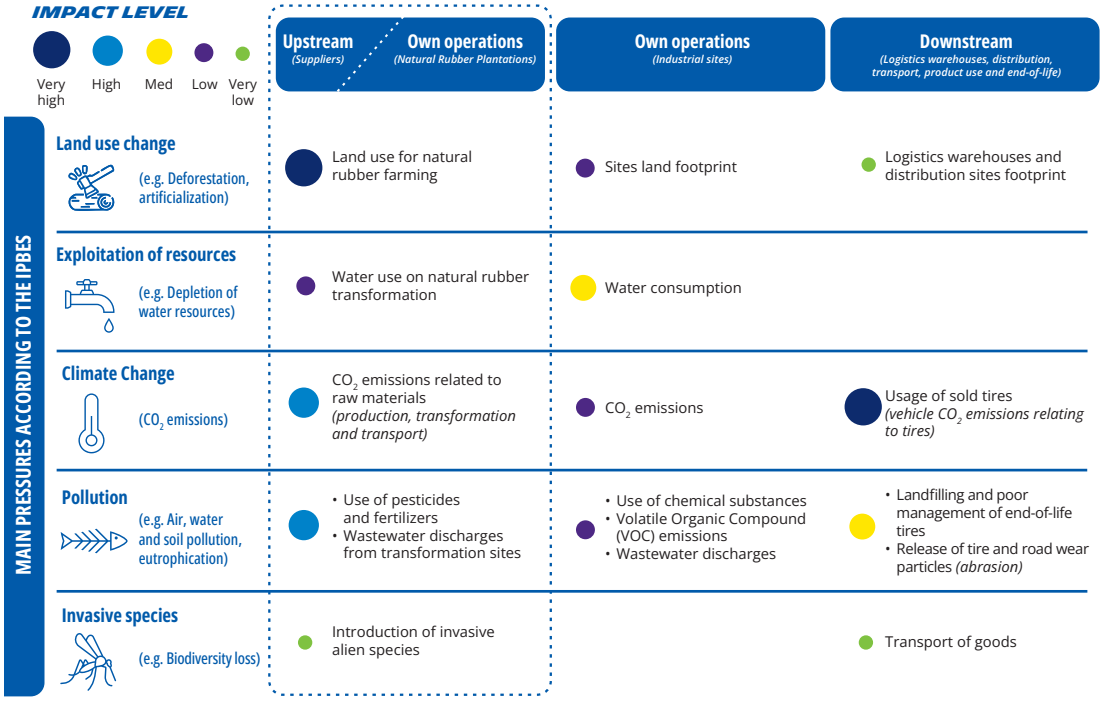
4.5.2 IDENTIFYING BIODIVERSITY AND ECOSYSTEM ISSUES: THE CRITICAL ROLE OF NATURAL RUBBER

To identify the material impacts, risks and dependencies of its operations, Michelin has carried out the first two steps in the Science-Based Targets for Nature (SBTN) guidance: 1. Assess and 2. Interpret & Prioritize. The criteria used were frequency, time interval and impact severity or degree of dependency. The assessment reflected conditions in local ecosystems, e.g., the amount of forest conversion in Michelin's primary natural rubber sourcing countries or water stress levels in its production plants' host communities.

Tools such as ENCORE, Altitude Axa-Climate and the WWF Biodiversity Risk Filter, as well as life cycle assessments and IUCN databases were used to carry out the following steps:

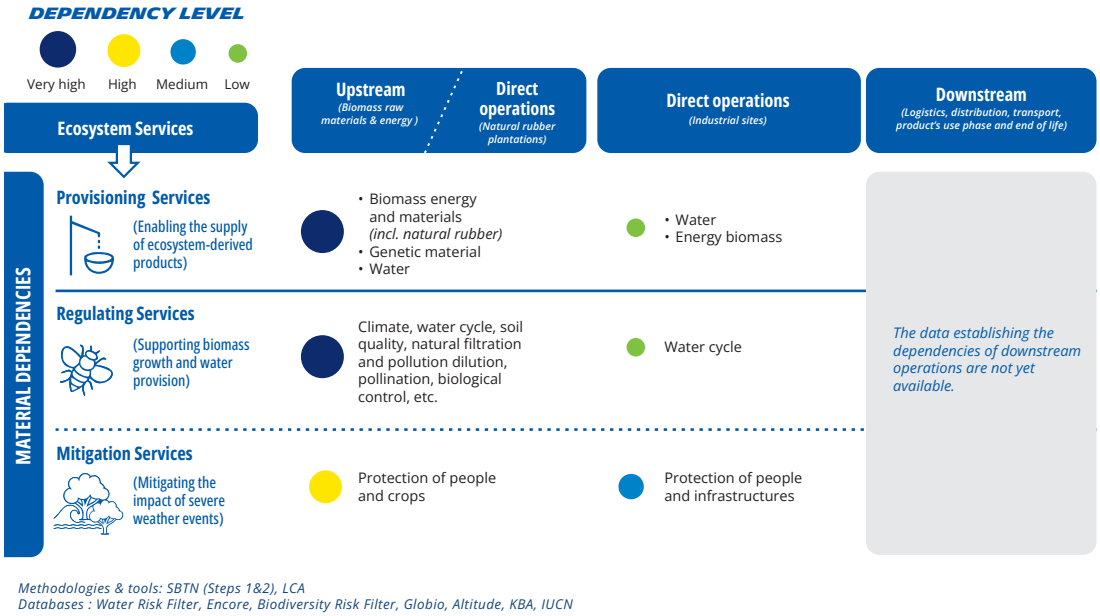
- geographically locating operations, both own and in the value chain, that interface with nature, along with the biodiversity-sensitive areas they impact. In addition to the above-mentioned tools, this step uses the inventories carried out by the sites since 2013 of areas located within a five-kilometer radius that are classified as protected under supranational, national or local legislation;
- identifying and assessing dependencies and impacts using the above-mentioned methodologies.

The current and potential impacts of Michelin's operations on biodiversity are presented in the following chart:



Methodologies & tools: LCA, SBTN (Steps 1&2)
Databases : Water Risk Filter, Encore, Biodiversity Risk Filter, Globio, Altitude, KBA, IUCN

The dependencies of Michelin's operations on ecosystem services are presented in the following chart:



The table above is a non-exhaustive illustration that does not reflect weak dependencies.

In order to meet the Group's commitment to the Taskforce on Nature-related Financial Disclosures (TNFD), the issues were mapped and prioritized using the LEAP method in 2025. A detailed mapping exercise, which takes into account the importance of biodiversity on and around the site, the integrity of ecosystems and the impacts, has enabled us to target priority sites for action to preserve biodiversity and reduce the related impacts.

At Group level, the double materiality of biodiversity and ecosystem-related impacts, risks and opportunities has been identified and assessed[1].

Material negative impacts and physical risks identified in the Group's upstream value chain and rubber tree farming operations:

- **actual and potential deforestation from the expansion of rubber tree farms, the production of bio-based materials and the extraction of other materials:** Land-use change to create new cropland is one of the main drivers of deforestation in rubber-producing countries, such as Indonesia, China, Thailand, Brazil and certain West African countries.

  Most natural rubber farms have expanded in or around tropical forests, which are biodiversity-rich ecosystems.

  Deforestation can degrade natural habitats, cause biodiversity loss and disrupt essential ecosystems, such as water cycles, disease regulation and soil carbon sequestration. These impacts directly affect neighboring communities, which depend on such ecosystems for their social and economic stability.

  The extraction of mining raw materials is also a contributing factor in deforestation;
- **contributing to the loss of habitat and land degradation, soil erosion and biodiversity loss:** rubber trees are primarily single-cropped, a practice that tends to homogenize the environment, which causes biodiversity loss and increases the risk of disease outbreaks, in turn leading to the greater use of pesticides;
- **contributing to eutrophication through the use of fertilizers in rubber tree farming and the production of other biomass-derived materials:** generally, fertilizer use is one of the main causes of eutrophication in soil and aquatic ecosystems. Although rubber trees can grow on impoverished soils, fertilizers may be used, in particular during a plantation's initial development phase, to promote tree growth and optimize plot yield.

(1) See section 4.1.4. The following transition risks are not considered as material: implementation of regulations limiting access to or increasing the price of biosourced raw materials, litigation and/or fines in the event of a negative impact on biodiversity, stigmatization of the sector or inability of the Group to fulfill stakeholder expectations.

Systemic risk

The destruction or degradation of tropical forests causes a significant loss of local biodiversity, which weakens ecosystems and makes them less resilient. Critical ecosystem services, such as carbon sequestration and the water cycle, are being degraded, with worsening consequences for global warming. This phenomenon is changing the conditions required for agricultural production, both of food and raw materials.

Rubber cultivation may be affected by the emergence of new diseases and pests resulting from these systemic changes, with a significant impact on yields. This situation has a direct impact on the income of village smallholders, worsening their living conditions and damaging the economy of local communities.

Declining output may lead to tensions between natural rubber supply and demand, which may drive up prices and further exacerbate the difficulties faced by players in the value chain.

Consultation and involvement of stakeholders and affected communities

Agricultural operations on the Group's natural rubber production sites could affect its host communities by adversely impacting wildlife, plant life and surface and groundwater resources. In response, Michelin is committed to proactively reaching out and consulting with its stakeholders and the leading civil society organizations involved in these issues. The Group also regularly partners with local NGOs, researchers, academics and government agencies to assess and mitigate the impact of its operations on the environment and affected communities.

To enable stakeholders and affected communities to independently report their grievances, in 2021 an easily accessible grievance mechanism[(1)] was set up that complies with United Nations Development Program criteria and OECD guidelines.

A Sustainable Natural Rubber Stakeholders Committee was set up by the Group in 2015 to provide a forum for open and constructive dialogue with civil society organizations, as well as other value chain players from diverse backgrounds. These exchanges enable us to identify societal expectations and explore new ways of transforming the value chain towards more sustainable practices. Formal in-person meetings are held at least every two years.

The most recent meeting was held in Indonesia in 2025, with the participation of representatives of ten international NGOs, twelve local NGOs, two research centers, the Indonesian Rubber Planters Association, the Global Platform for Sustainable Natural Rubber (GPSNR), and several institutions.

The meeting's main objective was to discuss rubber cultivation-related CSR issues in detail, in a spirit of consultation and co-construction. In addition, half the participants took part in a week-long study and exchange trip to our RLU plantation. This program was an opportunity for direct immersion in our operating practices and for interaction with local communities and village smallholders.

In connection with its rubber-growing operations, the Group has worked with local communities to preserve and restore fauna, flora, wetlands and watercourses. Initiatives have included the deployment of forest rangers, the creation of riparian buffers and action among employees and villager smallholders to raise their awareness of the need to protect biodiversity and resolve human-wildlife conflicts. In addition, a roadmap to curtail pesticide use by 2030 has been deployed in both the Group's direct operations and in its joint ventures.

In 2025, Group subsidiary Royal Lestari Utama (RLU) organized a consultation meeting with local civil society organizations. The aim of the meeting was to strengthen dialogue around key issues: conservation actions, development of an integrated landscaping approach, involvement of indigenous communities and the reduction of human-elephant conflict, which is a major challenge in the region.

(1) See the dedicated website, https://purchasing.michelin.com/en/.

4.5.3 CORE BIODIVERSITY AND ECOSYSTEM POLICIES

To manage the environmental impact of its operations across the value chain, Michelin applies the general framework defined in the Group Environmental Policy[1]. Cross-cutting biodiversity-related issues are dealt with in the various sections of the Policy.

The material issues specific to farming, harvesting and processing of natural rubber, such as deforestation and habitat degradation, are addressed by the Sustainable Natural Rubber Policy, which applies to both the Group's own operations and its natural rubber suppliers[2].

In addition, the Sustainable Purchasing Policy is designed to attenuate the environmental impact of suppliers in general, including suppliers of other raw materials.

4.5.3.1 Biodiversity, a key component of the Sustainable Natural Rubber Policy

Drafted with input from environmental and human rights NGOs and other stakeholders, the Sustainable Natural Rubber Policy sets out in detail the environmental, social and human rights conditions in which natural rubber is produced and marketed. The Policy refers to compliance with the principles set out in international agreements and reference frameworks.

It covers the Group's direct rubber tree farming operations, including farms in or near biodiversity-sensitive areas, and is the contractual reference document for Group suppliers. The Policy is appended to all the Group's natural rubber supply contracts.

Accompanied by a roadmap describing the actions and objectives guiding its implementation, it complies with the framework defined by the Global Platform for Sustainable Natural Rubber (GPSNR) and was validated by its members in 2020.

Suppliers are encouraged to cascade the Policy down their respective supply chains and publicly disclose the resulting impacts and improvements. The Group Purchasing Department is responsible for ensuring the Policy's application, assessing suppliers and approving any action plans.

The Sustainable Natural Rubber Policy is published on the Group's website and is accessible to all stakeholders[3].

To manage the potential impact of rubber tree farming and natural rubber processing on biodiversity and natural ecosystems, the Policy includes a zero-deforestation commitment, whereby Group sites, joint ventures and suppliers agree to (i) ensure compliance with national forest protection laws; (ii) protect and preserve primary forests, high conservation value (HCV) areas[4] and high carbon stock (HCS) areas[5]; and (iii) ensure that natural ecosystems are not converted.

In identifying these areas using participatory mapping and defining suitable management methods, the concerned local and indigenous communities, national civil society organizations and international stakeholders are to be consulted to ensure that economic, social and environmental needs are addressed and that the proposed farming practices are socially and environmentally acceptable.

It also mandates practices to (i) preserve surface and groundwater resources and create environmental buffer zones around bodies of water; (ii) make judicious use of pesticides and fertilizers; (iii) responsibly manage waste; and (iv) avoid the introduction of potentially invasive alien species.

(1) See section 4.1.5.1.1 on the Group's Environmental Policy.
(2) See section 4.1.5.1.4 on cross-cutting policies concerning suppliers and the upstream value chain.
(3) See https://natural-rubber.michelin.com/fr/committments-and-transparency/overall-approach.
(4) As defined by the HCV Resource Network (HCVRN) https://www.hcvnetwork.org/.
(5) As defined by the HCS Approach Steering Group http://highcarbonstock.org/.

In applying the Policy, Michelin is committed to:

- protecting plant and animal life, including rare, threatened, endangered and critically endangered species; restoring or supporting the restoration of landscapes previously deforested and degraded by rubber tree farming; and promoting biodiversity conservation by raising the awareness of local communities and stakeholders;
- implementing, sharing and supporting sustainable farming practices, by broadening the technical knowledge of village smallholders, to improve working conditions, reduce production costs, diversify livelihoods and increase yields per hectare without adding more cropland. This helps to reduce the risk of deforestation by easing land pressure on forest areas and cropland, while attenuating the land-use impacts of natural rubber production.

As part of the Group's duty of care, the Policy supports the development of natural rubber traceability at every level of the upstream supply chain: from village smallholders and brokers to large estates and processing plants, and at an appropriate jurisdictional level[(1)]. In this way, the geographical origin of the purchased materials can be identified, the related social and environmental risks (deforestation, use of pesticides, degradation of biodiversity, etc.) determined and any necessary mitigation measures implemented.

Progress on the metrics measuring biodiversity conditions in the directly owned operations, such as the contribution to the conservation of environmentally, biologically and culturally important areas and the reduction in pesticide use, is regularly tracked and disclosed annually in the results report of the Sustainable Natural Rubber Roadmap 2020-2025, downloadable from the Michelin Purchasing website[(2)]. Michelin also discloses its progress through its annual report to the Global Platform for Sustainable Natural Rubber[(3)] and its replies to the CDP Forest and SPOTT questionnaires[(4)].

To avoid any adverse social or economic impacts on local or indigenous communities dependent on natural resources or forests, the Policy asserts the Group's commitment that it will not engage in any land grabbing or contribute directly or indirectly to actions that could lead to the illegitimate appropriation of land, forests or natural resources, to the detriment of local or indigenous communities. Michelin has also undertaken to address grievances expressed by the impacted communities through a readily accessible grievance mechanism and to remedy any adverse outcomes caused by its natural rubber production or supply operations.

Given the issue's lack of materiality, the Group has not defined a policy concerning the preservation of oceans and seas.

4.5.3.2 The Sustainable Purchasing Policy and biodiversity

Addressing raw materials purchases in general and Tier 1 suppliers in particular, the Sustainable Purchasing Policy's purpose is to define the Group's main sustainable purchasing principles and commitments, including those relating to environmental stewardship.

As part of its Act4nature International commitments, the Group has undertaken to assess the biodiversity policies and practices of its suppliers of raw materials, other than natural rubber, that are likely to have the greatest impact on biodiversity in 2030. A questionnaire covering "nature" issues (biodiversity, water, pollution, etc.) was sent to a sample of pilot suppliers covering the relevant purchasing categories. As of end-2025, the response rate was 70%. The questionnaire will be rolled out more widely in 2026.

(1) Jurisdictions correspond to the administrative regions in each country (approximately 100 km x 100 km), as defined by GPSNR.
(2) See https://purchasing.michelin.com/en/roadmap-2020-2025/.
(3) See https://sustainablenaturalrubber.org/gpsnr-reporting-requirements/.
(4) See https://www.spott.org/natural-rubber/.

4.5.4 BIODIVERSITY AND ECOSYSTEM INITIATIVES

Michelin did not use any biodiversity offsets in its action plans in 2025. Key initiatives undertaken to prevent, mitigate and remediate identified negative impacts and to meet the Group's objectives and targets are as follows:

4.5.4.1 Actions undertaken in the Group's direct operations

4.5.4.1.1. Supporting the zero-deforestation commitment

Michelin was the first tire manufacturer to publish a zero deforestation commitment in 2015.

4.5.4.1.2. Conserving and restoring biodiversity sensitive areas

The Michelin Ecological Reserve (REM) in Bahia, Brazil

Created in 2004, the 3,950-hectare Michelin Ecological Reserve is located in the Bahia Center of Endemism, in the heart of the Atlantic Forest. It is one of the world's most species-rich yet most endangered biotopes, as well as a key biodiversity ecosystem.

An action plan has been defined and undertaken to protect the area from deforestation and reduce hunting pressure by more than 85%. This has helped to spur an almost 117% increase in the wildlife population over the past 20 years, including certain species classified as critically endangered by the International Union for the Conservation of Nature (IUCN). More than 110,000 trees spanning some 340 species have been planted to restore 300 hectares of degraded land. These programs have resulted in a survival rate of close to 70%, while recreating environmental corridors to reconnect the various forest areas, thereby strengthening the ecosystem's resilience and seamlessness.

Royal Lestari Utama (RLU)

A wholly owned Michelin Group subsidiary since 2022, RLU is committed to fostering sustainable natural rubber production on 88,000 hectares of concessions (70,000 hectares in the province of Jambi, Sumatra and 18,000 hectares in the province of East Kalimantan, Borneo), which had been severely degraded and deforested prior to Michelin's involvement in 2015.

The Group is assertively developing deforestation-free natural rubber production on the concessions. It has also undertaken to preserve and restore more than 15,000 hectares, including around 3,000 prioritized for active restoration, over the next 20 years with a dedicated roadmap and budget.

The pilot active restoration project was launched in 2018 with the first phase focused on performing forest trials, collecting seeds and creating nurseries. To date, more than 15,000 trees have been planted over an area of around 100 hectares, with a more than 70% survival rate.

4.5.4.1.3. Reducing pesticide and fertilizer use on the plantations

Compared with other crops, rubber trees do not require the intensive use of pesticides. However, such use may sometimes be necessary, in particular to treat certain plant diseases.

In its own operations, the Group prohibits the use of pesticides that have been banned by the Stockholm and Rotterdam Conventions and the Montreal Protocol, including in countries where these conventions and protocols have not yet been adopted. It also bans the use of WHO Class Ia (extremely dangerous) and Ib (very dangerous) products and paraquat – including in countries where these products are not yet banned under local regulations – and ensures that the risks of contaminating water resources are carefully controlled.

The Group has set a per hectare-based target of abating Class II and III pesticide use in its own operations and those of its joint ventures by 2030 compared with 2019[1].

Rubber trees do not require rich soils to grow and are fairly well adapted to degraded soils. Michelin cooperates with industry stakeholders through the French Rubber Institute to support the reduction in fertilizer use.

(1) See section 4.5.5.1 *Biodiversity and ecosystem targets*.

4.5.4.2 Actions undertaken in the Group's supply chain

4.5.4.2.1. Combating deforestation

Since 2017, as part of its duty of care commitment, Michelin has worked with its suppliers to map the social and environmental risks in its natural rubber supply chain, including the risk of deforestation, with the RubberWay application, whose collected data is used to map at-risk jurisdictions. The application has been deployed in every Michelin source country (Thailand, Indonesia, Malaysia, Vietnam, Sri Lanka, Côte d'Ivoire, Ghana, Nigeria, Guinea-Conakry and Brazil).

The results are shared with direct Michelin suppliers and can be used to prepare improvement plans or deploy mutually designed risk mitigation projects.

Since 2023, Michelin has worked with its natural rubber network and suppliers to geolocate all the smallholder rubber farms across its supply chain, in line with the European Union Regulation on Deforestation-free Products. The farms have been assessed with the Global Forest Watch Pro (GFW Pro) satellite monitoring system to confirm their compliance with EUDR requirements concerning plot geolocation, demonstrating the absence of any deforestation after January 1, 2020 and compliance with local regulations.

To drive faster progress, in 2018, Michelin worked with a diverse group of stakeholders to launch the multi-stakeholder Global Platform for Sustainable Natural Rubber (GPSNR)[(1)]. Today, the platform is leading improvements in the environmental and socio-economic performance of the entire natural rubber industry. GPSNR brings together stakeholders from across the natural rubber value chain, including farmers, processors and brokers, tiremakers and other users, automakers and civil society, with the participation of a large number of NGOs.

4.5.4.2.2. Promoting more sustainable, environmentally friendly farming practices

Under the aegis of the French Rubber Institute, of which it is a founding member, Michelin has long been involved in international research programs aimed at developing new technologies for more sustainable rubber cultivation. These technologies help to drive up productivity per hectare and reduce the quantity of arable land given over to rubber cultivation; they cover a number of different areas including varietal selection, disease susceptibility and soil fertility. The technologies are shared with the entire industry via scientific publications.

Furthermore, Michelin, its joint ventures and its leading natural rubber suppliers are all working together with local associations to encourage farmers to embrace more sustainable farming practices. Awareness-building programs on agroforestry techniques – including reducing pesticide and fertilizer use, preserving biodiversity and reducing deforestation – and experimental farming systems, are being deployed in natural rubber sourcing regions in Southeast Asia, West Africa and Brazil[(2)].

(1) https://sustainablenaturalrubber.org/.
(2) https://purchasing.michelin.com/wp-content/uploads/2024/08/Sustainable-Natural-Rubber-Roadmap-2020-2025-2023-Results-V1.3_20240917.pdf.

4.5.5 METRICS AND TARGETS

4.5.5.1 Biodiversity and ecosystem targets

To mitigate its material biodiversity and ecosystem impacts in line with the Sustainable Natural Rubber Policy's objectives of zero deforestation and reduced pesticide use in the natural rubber operations, as well as to progress toward the objectives of the Kunming-Montreal Global Biodiversity Framework, in 2024 Michelin renewed its existing Act4nature International commitments and added the following two new undertakings:

Impact/Risk	Commitment	Scope of application	Geographic scope	2024 performance	2025 performance	2030 target
Deforestation	Natural rubber volumes used by the Group assessed as deforestation-free[1]	Direct operations and natural rubber suppliers	Thailand, Sri Lanka, Indonesia, Malaysia, Vietnam, Côte d'Ivoire, Ghana, Nigeria, Guinea Conakry and Brazil	98%	98%[2]	100%[3]
Pollution from pesticide use	Reduction in pesticide use per hectare (2019 baseline)[4]	Direct operations: natural rubber plantations owned by the Group and its joint ventures[5]	Brazil, Indonesia, Côte d'Ivoire, Ghana, and Nigeria	-52%	-69%	-70%[6]

(1) According to the definitions and requirements of the European Union Deforestation-free Regulation (EUDR) or other means of proof concerning plot geolocation, demonstrating the absence of any deforestation and compliance with local regulations.
(2) The remaining 2% of volumes comes from non-deforested plots for which the assessment is currently being finalized. Certain Polymer Composite Solutions activities are excluded from this metric.
(3) Excluding changes in the scope of consolidation.
(4) In 2019, the quantity of active ingredients was 1.59 kg per hectare.
(5) Bahia, Brazil and PT Royal Lestari Utama, Indonesia. Joint venture: SIPH, West Africa, in which Michelin owns a minority interest.
(6) The 70% reduction target takes into account the constraints associated with the treatment needed to combat rubber tree diseases.

Targets, roadmaps and associated metrics are defined and monitored in conjunction with internal stakeholders within the Biodiversity Sector Committee, which forms part of the Group's governance mechanism (see section 4.1.2 *Governance of sustainability matters*).

The targets were approved by the Act4Nature International Steering Committee after a cross-review between Michelin and the initiative's committee of partner organizations, comprising at least one business network, an NGO and a scientific body, tasked with assessing the SMART nature of the commitments[1].

4.5.5.2 Impact metrics related to biodiversity and ecosystems change

Material owned, leased or managed sites in or near biodiversity sensitive areas where they are having a negative impact:

- Plantações Michelin da Bahia, Brazil.
  - number of sites: 1,
  - total surface area: 4,578 hectares, of which a 3,950-hectare wildlife conservation area and 626 hectares planted with rubber trees,
  - *Conversion over time of land cover:*
    No land cover has been converted to farming or deforested in the last five years. Around 400 hectares of rubber trees were fallowed during this period and converted into permanent protected areas. Title to the former cropland is currently being transferred to the conservation area,
  - Over the past five years, 20 hectares of fallowed rubber tree cropland have been reforested;
- PT Royal Lestari Utama, Indonesia:
  - number of sites: 2,
  - total surface area: 88,645 hectares, of which more than 15,000 are dedicated to biodiversity preservation or restoration,
  - *Conversion over time of land cover:*
    No land cover has been deforested by RLU in the last five years. The rubber trees were planted on plots that had been deforested or degraded prior to Michelin's involvement in 2015. Since 2022, 1,100 hectares have been added to the conservation or restoration areas.

(1) SMART commitments are Specific, Measurable, Additional, Realistic and Time-bound.

4.6 RESOURCE USE AND CIRCULAR ECONOMY (E5)



THREE QUESTIONS FOR FABIEN GABORIAUD, SENIOR VICE PRESIDENT, SOLUTIONS FOR MATERIALS CIRCULARITY

"Circular materials are a powerful lever for reducing our environmental footprint and supporting a sustainable economy."

How is the development of new renewable or recycled materials a challenge for the Group?

It's a huge challenge, but it's also our responsibility to reduce our environmental footprint while limiting the use of natural resources. In our industry, this means replacing two-thirds of the materials used today, which are derived from fossil or non-renewable sources. However, most of these new materials are not yet available in industrial quantities. That's why we need to structure and support their emergence in existing value chains, as well as in new value chains involving other industries.

This is also a collective challenge, because cross-industry synergies and coalitions have to be identified, and that's the role Michelin wants to play.

In practice, how is the Group integrating the circular economy into its business model?

We're activating four action levers at different stages in the tire life cycle as part of the Michelin Avoid+4R process: Avoid, Reduce, Reuse, Recycle and Renew. Their outcomes are measured through our eco-design processes and systematic life-cycle assessments.

To successfully meet our collective challenge, the Group has created a new operating unit tasked with orchestrating the transition to circularity with other Group units and outside ecosystems. Specifically, it is supporting the emergence of value chains based on end-of-life tire recycling, such as *Infiniteria*, the Enviro/Antin/Michelin joint venture, or on renewable resources like ethanol, with the BioButterfly project.

What is Michelin doing for the treatment of end-of-life tires?

The Group has been addressing this issue for many years through the Tire Industry Project (TIP), other trade associations and the various eco-organizations set up in certain countries to ensure the collection and treatment of end-of-life tires. TIP estimates that between 57% and 88% of tires are collected and recovered, making it one of the most efficient collection channels [(1)].

Of course, we have to further increase this percentage, but the next challenge will be to prioritize the recovery of end-of-life tires for use as secondary raw materials, particularly in closed loop recycling systems that typically have a smaller carbon footprint than if they are burnt as fuel to recover heat and power. What's more, the metal, textile and rubber materials produced by tire recycling represent a valuable resource for materials recovery.

(1) Source: 2019 TIP study covering 45 countries. Study currently being updated.

Impacts, Risks and Opportunities (IROs)	Brief description
Upstream value chain · Downstream value chain · OP Own operations · Short-term · Medium-term · Long-term	
E5 - RESOURCE USE AND CIRCULAR ECONOMY	
Resources and waste	
Helping to develop industry-wide recycled and renewable material sourcing capabilities Upstream · OP · Downstream · Positive impact	Renewable and recycled materials require the development of new value chains. They reduce supply risks and encourage local economic activity. The Group is aiming to raise the proportion of renewable and recycled materials in its tires from 31% in 2024 to 40% in 2030, while reducing the CO_2e emitted during the production process by 30%.
Resource inflows and their contribution to resource depletion Upstream · Negative impact	Tire manufacturing involves the use of large quantities and a wide variety of resources, which must be managed with care to avoid their depletion.
Waste produced from end-of-life tires (ELT) Downstream · Negative impact	One billion end-of-life tires are generated worldwide every year and four billion are currently held in landfill. This could lead to environmental impacts through illegal dumping, land occupation and destruction of natural habitats, and to air, water and soil pollution from fires.
Human health impacts from the mismanagement of end-of-life tires (ELT) Downstream · Negative impact	Inappropriate disposal of end-of-life tires (illegal dumping, landfill sites, etc.) can attract rodents carrying zoonotic pathogens and create breeding grounds for mosquitoes, forming stagnant pools and increasing the spread of vector-borne diseases. They can also cause pollution in the event of fire.

Introduction

With its manufacturing operations requiring around three million tonnes of raw materials a year, Michelin is confronted with the major issue of resource depletion. This environmental challenge calls both for a significant transformation of manufacturing practices across the entire product value chain and for continuous, agile realignment to address environmental matters.

In response, the Group is deploying strategies that use as few resources as possible and incorporate an increasing proportion of renewable and recycled materials, while optimizing tire design. Thanks to this commitment, Michelin tires deliver longer-lasting performance while requiring less material to manufacture, thereby contributing to the more sustainable use of available resources.

- Renewable materials are biosourced resources whose stocks are constantly replenished through natural growth or other recurring processes consistent with the pace of their depletion or use. In other words, they are replenished or regrown faster than they are harvested or extracted.
- Recycled materials are materials that have been reprocessed, either before or after use, from recovered or reclaimed materials and transformed by a manufacturing process into a final product or component for reuse in a new product.

These definitions are aligned with the ones validated by the global tire industry in 2025, via the Tire Industry Project (TIP).

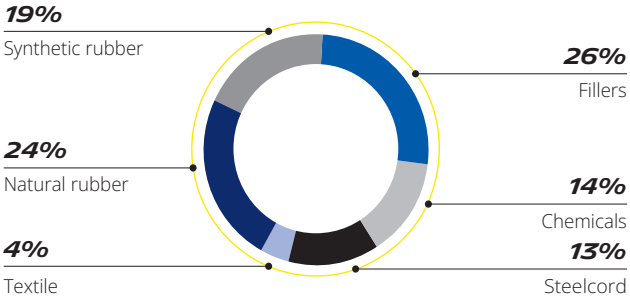
The circular economy model is both a strategic challenge and a growth driver for the Group. Circular practices address the twin imperatives of responding to the environmental emergency and securing the sustainability of the Group's business operations. The application of this model, which Michelin calls Avoid+4R, for Avoid, Reduce, Reuse, Recycle and Renew, is also helping to make its products, services and solutions more sustainable. It involves eco-designing solutions that address environmental impacts over the entire life cycle and using recycled and renewable materials, with a vision of achieving full circularity in Michelin products by 2050.

Mindful of the environmental and health impacts of end-of-life tires, Michelin also pays careful attention to their management and disposal. In many countries around the world, for example, the Group is involved in tire collection operations and is actively supporting the development of recycling value chains. Michelin is working with partners to invest in and also develop extremely innovative, disruptive technologies capable of transforming end-of-life tires or tire waste into secondary raw materials.

4.6.1 WIDELY IDENTIFYING MATERIAL CIRCULARITY IMPACTS, RISKS AND OPPORTUNITIES

Michelin has in recent years steadily assessed and addressed the environmental impact of its operations across the entire value chain, primarily based on data from life cycle assessments (LCAs). This process was completed in 2024, with the result that the materiality of impacts related to the use of resources and their circularity has been assessed across the Group and its entire value chain. The material resources used by the Group, other than energy and water, are the raw materials used in the manufacture of its products, which may be categorized as follows:

BREAKDOWN OF RAW MATERIALS USED IN 2025 BY WEIGHT (TOTAL: 2.9 MT)



Maintaining a linear economy entails a number of important material impacts and risks, including (i) the significant environmental impacts from the depletion of natural resources due to overharvesting (ii) economic risks that can jeopardize business continuity (iii) the accumulation of waste and adverse social impacts, such as the deterioration in living conditions.

The circular economy, on the other hand, offers a wide array of opportunities. A core aspect is innovation, which drives the development of new, more sustainable ways of producing products and using resources, while extending product lifetimes. Circularity also helps to develop industrial-scale capacity to supply sustainable materials, fostering a more responsible, environmentally friendly future.

The transition to a circular economy can carry risks, including high initial investments and questionable profitability. The lack of a regulatory framework could also hold back the take-up of these practices, while in the supply chain, companies must make complex adjustments. Lastly, environmental and social issues, as well as resistance to change, represent major challenges to be overcome.

Mismanagement of end-of-life tires can pose significant environmental and health risks. Unauthorized dumping encourages the proliferation of disease-carrying insects and can block waterways, increasing the risk of flooding. Landfill sites take up a considerable amount of space and represent a permanent fire hazard, emitting toxic waste that pollutes the air, soil and water. With regard to the risks posed by leachate from end-of-life tires stored in landfills or unauthorized dumps, robust scientific studies on the impact of chemical compounds in tires have yet to be carried out.

4.6.2 AMBITIOUS RESOURCE USE AND CIRCULAR ECONOMY POLICIES

Michelin has defined several policies to address the issues of resource depletion, the circular economy and end-of-life tire management. By deploying a sustainable, responsible sourcing model, eco-designing products and incorporating recycled and renewable materials, Michelin is assertively engaged in the circular economy. These initiatives are part of a holistic strategy designed to meet the rising expectations of stakeholders for more sustainability.

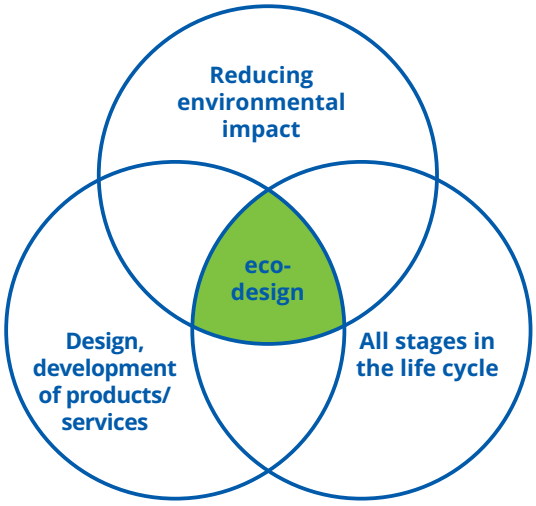
4.6.2.1 The Group Environmental Policy and the circular economy

The Group's Environmental Policy represents the framework that underpins all the other policies related to environmental matters, including the circular economy. In this regard, it incorporates the Michelin Avoid+4R process, which encompasses all the actions undertaken to avoid, reduce, reuse, recycle and renew resources in response to the challenges of the circular economy and the preservation of resources. All these issues are addressed throughout the product life cycle.



4.6.2.2 The Eco-design Policy

The Eco-design Policy is embedded in the heart of Michelin's commitment to making more sustainable use of resources and enhancing the circularity of its products. It requires a systemic, methodical focus on attenuating environmental impacts throughout the product life cycle, without transferring any impacts from one stage to another or from one type of impact to another.



Applicable across the Group, the Policy defines key eco-design principles, based on the ISO 14006: 2020 and NF X30-264: 2013 standards and the use of life cycle assessments. The LCA application used by the Group was developed in close collaboration with the International Reference Center for Life Cycle Assessment and Sustainable Transition (Ciraig) and is consistent with ISO 14040 and the European Commission's PEF 3.1 methodology.

For tires, eco-design means improving mass efficiency, so that products can be designed and manufactured with less material, while maintaining or improving their performance and durability. This not only optimizes the use of resources, it also reflects a circular economy vision, where waste reduction and sustainable resource management are paramount.

Eco-design principles are described in a set of guidelines and have been applied since the end of 2022 by all R&D teams at all Group companies that market pneumatic tires, solid tires, tracks and other products in contact with the ground, from Premium to Tier 3, including majority-owned subsidiaries. R&D teams are being trained in recycled and renewable materials, LCAs and the eco-design process, with more than 90% of employees trained by the end of 2025.

4.6.2.3 Objectives of the Recycled and Renewable Materials commitment

The Recycled and Renewable Materials commitment supports the Group's Eco-design Policy and the circular economy process by focusing on increasing the use of secondary resources while also reducing the CO_2 emissions generated during the manufacture of these new materials. It formally expresses Michelin's dedication to acting effectively to preserve natural resources by phasing out the use of non-renewable natural resources and increasing the percentage of recycled and renewable materials in its purchased manufacturing inputs.

4.6.2.4 The Sustainable Purchasing Policy and the Sustainable Natural Rubber Policy

These two Policies[1] are designed to ensure that Michelin sources its raw materials in an ethical, sustainable manner, by mandating compliance with materials traceability standards.

(1) See section 4.1.5 Holistic management of the Group's impacts, risks and opportunities.

4.6.2.5 End-of-life tire management in the Environmental Policy

The management of end-of-life tires is a priority for Michelin, which has created an internal section in its environmental policy to ensure that its products are sustainably managed at the end of their useful lives. This component promotes the "Lansink's Ladder" hierarchy[1] of waste management options, with a priority focus on prevention, reuse, materials recovery (recycling) and energy recovery rather than incineration, landfill or other forms of disposal. By encouraging materials recovery and reuse, Michelin is helping to reduce waste and foster a circular economy, while attenuating the environmental impacts from new tire production. Note, however, that burning end-of-life tires to recover heat and power can be beneficial in some cases, to avoid the use of fossil fuels.

The Environmental Policy is in the process of being revised and a new section on End-of-life tires is being added.

4.6.3 TOWARDS A PARADIGM SHIFT: SIGNIFICANT CIRCULARITY INITIATIVES AND RESOURCES

4.6.3.1 Resource depletion

Michelin takes a proactive approach to the issue of using resources sustainably (for specific initiatives to mitigate the depletion of natural rubber resources, see the Biodiversity section).

The use of biosourced materials, in particular, is a complex issue from both environmental and social points of view. For this reason, in 2025, the Group defined a set of decision-making aids to guide biosourced materials purchases towards ethical and sustainable choices. These aids will be deployed from 2026.

Michelin's "Tire as a Service" model is another example of how the tire industry is being transformed by promoting use rather than ownership, thereby reducing waste and resource consumption. By charging by the kilometer, Michelin extends tire life – to up to one million kilometers for trucks – through retreading and regrooving, while cutting fuel costs by 11% and customers' overall expenses by a third. Regular, automated measurement of mileage and tire wear reduces the need for tire replacement, thereby minimizing the use of raw materials. For a fleet of 100 trucks and 100 trailers that travel 90,000 km per year, this would translate into a saving of 14 tonnes of raw materials, or the equivalent of 200 truck tires.

4.6.3.2 Resource circularity

The Group is making a significant contribution to the circular economy and sustainable resource use through a number of innovative projects advancing its renewable or recycled materials roadmap. This is updated every year to ensure that the 2030 milestone will be met and that the Group is on track for 2050.

The Group invested €34 million in resource circularity projects in 2025 (€12 million in 2024) and plans to spend over €250 million more over the next five years (up from the €200 million published in 2024).

The leading resource circularity actions and projects are as follows:

4.6.3.2.1. Retreading

The "Reuse" phase of the "Avoid+4R" process is being supported by solutions such as repairing, regrooving and retreading tires, which help to conserve raw materials by extending a casing's useful life and using less raw material than manufacturing a new tire. It is primarily used and appropriate for truck and aircraft tires.

MICHELIN-brand truck tires are designed to be retreaded or regrooved, thereby further extending their useful lives. For example, a truck tire with a theoretical lifespan of 100,000 km can last another 25,000 km with regrooving and then a further 100,000 km with subsequent retreading, all while using only a quarter of the amount of material as a new tire. Moreover, depending on the tire's condition, it can be regrooved and retreaded several times. In all, these technologies enable a truck tire to last 2.5 times longer than a new tire with only around 30% additional material.

(1) For more on Lansink's Ladder, see "Challenging Changes – Connecting Waste Hierarchy and Circular Economy", October 2018, Waste Management & Research, 36 (10), p. 872.

In 2025, the Michelin Group's worldwide truck retreading business reused more than 210 kt of casings. That corresponds to around 7% of the total weight of materials used by the Group in all its operations over the year.

Compared with a single-life, non-retreadable, non-regroovable tire, the solution offers benefits that are (i) economic, by lowering cost per kilometer; (ii) environmental, by significantly reducing raw materials use; and (iii) social, by stimulating the local economy with new retreading/regrooving-related services (collection, inspection, maintenance, sales, etc.).

4.6.3.2.2. The BioButterfly Project

The BioButterfly project launched in 2013 with Axens and IFPEN, as part of the "Renew" phase of Michelin's Avoid+4R process, is seeking to produce butadiene using ethanol derived from plant biomass to replace butadiene made from petrochemical feedstocks currently used in tire manufacture. This innovation is essential to the development of low-carbon synthetic rubbers that conserve natural resources.

In 2025, biosourced butadiene produced at the industrial-scale pilot unit inaugurated at the Michelin plant in Bassens the previous year was used in the manufacture of tire demonstrators. Since then, Michelin has been working actively with Axens (who will sell the technology license) to identify partners interested in operating and financing the first industrial-scale biobutadiene unit, and multi-sector customers interested in purchasing this new product.

4.6.3.2.3. The Empreinte Project

Launched by Michelin at the end of 2020 with the support of ADEME, the Empreinte project aims to reduce the environmental footprint of tires, while delivering performance aligned with the expectations for new vehicles. It explores innovative solutions for recycling or biosourcing materials and eco-designing products. The project contract will expire in 2026.

In 2025, major advances led to the development of a tire demonstrator for passenger cars. The demonstrator, which has a 75% renewable or recycled materials content (observed percentage certified by an independent external third party), offers the same level of performance as the MICHELIN premium tires currently on the market.



4.6.3.2.4. The BlackCycle Project

Various strategic partnerships have been set up to develop disruptive material sourcing and recycling technologies. For its part, Michelin played a pioneering role in coordinating the BlackCycle project to develop a European ecosystem for recycling end-of-life tire feedstock in new tire applications. This project, which has now been completed, marked the starting point for a deep-rooted transformation of the sector. The resulting technologies now form an essential springboard for industrial scale-up and the Group is continuing to invest in their deployment by identifying key partners.

4.6.3.2.5. The WhiteCycle Project

Following on from the BlackCycle project, a second project called WhiteCycle, coordinated by Michelin and co-funded by Horizon Europe, aims to transform complex textiles-based plastics (including end-of-life tires containing textiles) into high value-added materials. This ongoing project has a budget of €9.6 million and 16 partners. Its primary objective is to recycle more than two million tonnes of waste textile fiber a year by 2030, in ways that reduce its environmental impact. This is seamlessly aligned with the "Recycle" phase of the Avoid+4R process, and contributes to Michelin's ambition to use 100% renewable or recycled materials in its tires by 2050.

4.6.3.2.6. Partnership with Enviro

Another example of a recycling project is the partnership with Swedish company Enviro, formed in 2020 to develop and mass produce a pyrolysis technology capable of recovering high-quality products like recycled carbon black, pyrolysis oil, steel and gas.

In 2023, Enviro set up a joint venture named Infiniteria with the Antin investment fund, and Michelin to build several end-of-life tire recycling plants in Europe. The first plant is scheduled to come on stream in Sweden in 2026, with an annual recycling capacity of 35 kt. The joint venture subsequently plans to build plants throughout Europe, reaching an annual recycling capacity of one million tonnes of end-of-life tires post-2030.

4.6.3.2.7. ResiCare

Created in 2016, ResiCare is accelerating the development of its high-performance, non-toxic resin offerings for tire manufacturers. In May 2025, the Group announced that, going forward, it would be investing €60 million to develop a biosourced, non-toxic molecule (5-Hydroxymethylfurfural, 5-HMF) that can replace fossil-based ingredients in a wide variety of industrial fields[(1)]. This molecule is already used in Michelin ResiCare resins, and it is estimated that its availability on an industrial scale will open up a potential market of over 40 kt by 2030 through the creation of a European supply chain.

4.6.3.3 End-of-Life Tires (ELTs)

As in previous years, during 2025 Michelin continued to work with various trade associations, such as the Tire Industry Project (TIP), Tyres Europe, USTMA and JATMA, to ensure that end-of-life tires are properly collected and processed. The Group supports the concept of extended producer responsibility and is exercising its influence to encourage materials recovery, which generally offers a smaller carbon footprint than energy recovery.

At the same time, Michelin is involved in a number of projects enabling end-of-life tires to be recovered in a closed loop, helping to secure a sustainable supply of secondary raw materials.

In this regard, one of the highlights of 2025 was the inauguration of Michelin's first mining tire recycling plant in Antofagasta, Chile, called Michelin Specialty Materials Recovery (MSMR). The plant will transform the giant 63-inch tires used in the mining industry into micronized rubber powder for the manufacture of new tires and other products. In line with the industrial recycling law in force in Chile since 2023, this initiative creates a mining tire recycling ecosystem in the country. The plant, which will eventually have an annual capacity of 30 kt (i.e. 2,200 tires), will contribute to the sustainable development of the local economy by creating 20 direct jobs and 100 indirect jobs.

Michelin is also working to professionalize and digitize the end-of-life tire industry, a prerequisite for the implementation of a circular supply chain. As a founding member of the Global Data Service Organization for tires (GDSO) and a member of the European CIRPASS2 project, the Group is investing in the creation of a Digital Product Passport (DPP) for tires by 2027. By centralizing essential information on the products' life cycle, the DPP is a major tool for the circular economy.

In addition, deployment of RFID technology in Michelin tires and an associated data-sharing infrastructure facilitates the exchange of product life-cycle information between all players. This traceability is essential to optimize the management of end-of-life tires, ensure that they are recycled and extend their useful life.

(1) See press release of May 23, 2025: "Michelin announces the construction of an industrial demonstrator".

4.6.4 METRICS AND TARGETS

4.6.4.1 Resource inflows

The Group's material resource inflows are the seven categories of raw materials used to manufacture products based on rubber compounds or rubber-coated fabrics with metal or textile reinforcements: synthetic rubber, natural rubber, textile reinforcements, metal reinforcements, reinforcing agents, chemicals and oils and resins. "Critical materials" are defined by the Group[1] by reference to the SASB. Rare earths and packaging disclosures are not material.

E5-4 Resource inflows		2024	2025
(a)	Overall total weight of products and technical and biological materials used during the reporting period (E5-4-31a)	3,077,541 t	2,867,429 t
(b)	Overall total weight of products and technical and biological materials used during the reporting period (E5-4-31a)	800,791 t	737,072 t
	Percentage of biological materials used to manufacture the undertaking's products and services that is sustainably sourced (E5-4-31b)	26%	26%
(c)	Weight of the secondary reused or recycled components, secondary intermediary products and secondary materials used to manufacture the undertaking's products and services (E5-4-31c)	152,690 t	172,003 t
	Percentage of secondary reused or recycled components, secondary intermediary products and secondary materials used to manufacture the undertaking's products and services (E5-4-31c)	5%	6%
	RENEWABLE OR RECYCLED MATERIALS RATIO (RRMR)	**31%**	**32%**

The above metrics are calculated for the tire manufacturing scope of reporting, as follows:

(a) The total weight of raw materials received over the period (January 1 to December 31);

(b) Weight and percentage of **renewable** material over the same period, calculated for all raw materials received as the sum of the weight of renewable material contained in each raw material. For each raw material, the value of the percentage of renewable material is self-reported by the supplier and is traceable in a written document that is verified and validated internally;

(c) Weight and percentage of material **recycled** over the same period, calculated for all raw materials received as the sum of the weight of recycled material contained in each raw material. For each raw material, the value of the percentage of recycled material is self-reported by the supplier and is traceable in a written document that is verified and validated internally.

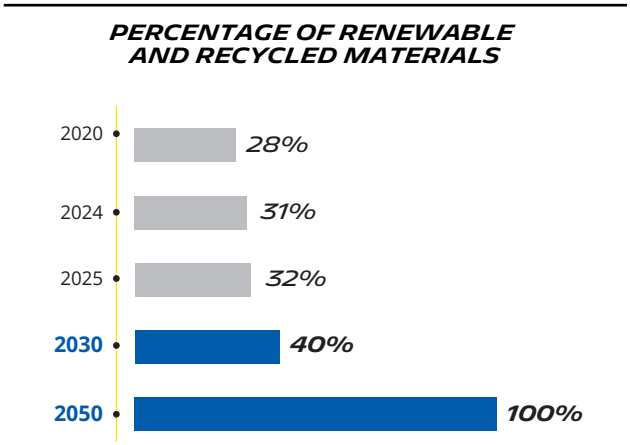
The definitions used by the Group for renewable and recycled materials are aligned with ISO 14021-2016.

The Group intends to prioritise the inclusion of renewable or recycled materials in batches of purchased raw materials. For this reason, wherever possible purchasing departments use segregated or controlled blending traceability chains, as described in ISO 22095-2020.

Based on these metrics, the Group is committed to using 100% renewable or recycled materials in its tires by 2050, building on a milestone of 40% by 2030.

(1) SASB TR-AP-440a.1: "The term critical material – defined as any substance whose use is highly necessary but whose supply is subject to risk – generally refers to certain ores and rare earths. Very few are used in tire manufacturing. At Michelin, they are managed in accordance with the system in place to manage supply risk."

Progress towards these goals is measured by the **Renewable or Recycled Materials Ratio (RRMR)**, calculated for the tire production scope of reporting by dividing the weight of renewable and recycled materials received by the total weight of raw materials received. In this way, it tracks the reduction in the use of primary materials and the increase in materials circularity. Since its introduction, the RRMR may be analyzed as follows:



The renewable and recycled materials rate rose by one percentage point year on year in 2025, to 32%. Compared to 2024, the mix effect was almost neutral (with a similar percentage of natural rubber in our raw materials purchases), while the performance effect lifted the rate by one point (increase in the percentage of renewable or recycled materials other than natural rubber). The RRMR is continuing to improve in line with the roadmap and the Group remains confident in its ability to meet its objective of using 40% renewable and recycled materials by 2030. The gradual structuring of the market for these materials and its increasing maturity are helping to drive the expected momentum and secure the Group's trajectory.

The Group's second target concerns eco-design. Since 2024, all new tire radial ranges from Premium to Tier 3 have been eco-designed based on life cycle assessments. The objective represented a milestone towards the Group's 2030 target of eco-designing all its products and solutions. These targets are voluntary.

4.6.4.2 Resource outflows

Product durability

For many years, Michelin has been designing products based on circular economy principles. Its regrooving and retreading solutions, for example, help to extend the useful lives of tire casings, while reducing the quantity of raw material inputs[1].

MICHELIN tires are designed to deliver guaranteed optimum performance from the first to the last mile, a fundamental source of product safety and durability. In 2019, the Group demonstrated its commitment to road safety by actively supporting a European initiative to introduce minimum safety performance standards for tires in worn condition (see section 4.10.3.2).

Product repairability

Tire repairability depends on a number of factors, including the location and severity of the damage and the overall condition of the tire. At present, there is no particular rating system in place to assess tire repairability.

The rates of recyclable content in products and their packaging

Tires are made up of rubber aggregate, metal cables and textile fibers. It is a well-known fact that tires and their components are recyclable, an affirmation confirmed by academic and scientific sources, and by the assumptions underpinning international standards and regulations[2] governing the recyclability of vehicles and their components. The European BlackCycle and WhiteCycle projects demonstrate this. The BlackCycle project[3] looked at closed-loop recycling of rubber aggregate to make new tires, while WhiteCycle[4] is exploring innovative solutions for textile recycling. The metal components have long been reused in traditional metallurgical processes. On this basis, as in 2024, the Group publishes a 100% rate of recyclable content in its tires.

The amount of packaging is not material and the rate of recyclable packaging content is therefore not applicable.

(1) See section 4.6.3.2.1 *Retreading*, in this Universal Registration Document.
(2) See Directive 2005/64/EC - Annex I (point 6): "For the purposes of calculations, tires shall be considered as recyclable," using ISO 22628: 2002 to calculate reusability, recyclability and recoverability rates; UNECE Regulation 133: harmonized Reusability, Recyclability, Recoverability (3R) requirements and ISO 22628 for the calculations; and ISO 22628: 2002 at the pre-treatment stage (see § 5.3.1 of the standard), representing the point at which tires are included among the component parts and materials considered as reusable or recyclable for regulatory purposes.
(3) See section 4.6.3.2.4 *The BlackCycle* Project, and the Cordis database – EU reports on the Horizon 2020 research program's BlackCycle project, including the CBA report on the BlackCycle value chain.
(4) See section 4.6.3.2.5 *The WhiteCycle Project*, and the Cordis database – EU reports on the Horizon 2020 research program's WhiteCycle project.

4.7 EUROPEAN TAXONOMY

4.7.1 INTRODUCTION AND METHODOLOGY

When the 2025 EU Taxonomy disclosures were being prepared, the European Commission's new delegated act of July 4, 2025, aimed at simplifying the related reporting templates, was still in the process of being adopted. The Group has therefore applied the same legal framework for 2025 as for 2024[(1)]. The Taxonomy Regulation establishes a framework to encourage investment in sustainable economic activities, by requiring companies to disclose the proportion of their sales, capital expenditure and operating expenditure that contributes substantially to the following environmental objectives:

- climate change mitigation (CCM);
- climate change adaptation (CCA);
- sustainable use and protection of water and marine resources (WTR);
- transition to a circular economy (CE);
- pollution prevention and control (PPC);
- protection and restoration of biodiversity and ecosystems (BIO).

To assess the contribution of its activities to the environmental objectives, the Group has followed a four-step process:



4.7.2 ASSESSING ELIGIBILITY

4.7.2.1 2025 scope of reporting

Companies are required to disclose the proportion of their economic activities deemed to be eligible for Taxonomy assessment and the proportion deemed to be aligned with the Taxonomy's six environmental objectives, as listed above. The Group performed a multi-objective assessment of its tire manufacturing activities in relation to the climate change mitigation (CCM) and climate change adaptation (CCA) objectives.

The sales, capital expenditure and operating expenses reviewed for the purpose of this report concern all the Group's worldwide operations, corresponding to the scope of consolidated financial reporting for the year, in accordance with the provisions of the Delegated Act. The reported data covers the 12 months from January 1 to December 31, 2025.

Because disclosures must be aligned with IFRS financial statements, companies in which the Group exercises joint control or significant influence are excluded from the calculation of the KPIs defined by the Delegated Act of the Taxonomy Regulation. As a result, only fully consolidated subsidiaries of the Michelin Group are included in the calculation of the sales, capital expenditure and operating expense indicators (concerning the scope of consolidation, see the corresponding note to the financial statements in Chapter 5 below).

(1) This framework is based on Regulation (EU) 2020/852 (the Taxonomy Regulation) and its delegated acts (Climate: Regulations (EU) 2021/2139 and 2023/2485; Environment: Regulation (EU) 2023/2486).

4.7.2.2 Identifying eligible activities in 2025

CCM and CCA activity 3.6 - Manufacture of other low-carbon technologies

As noted in previous years, the "manufacture of rubber tyres and tubes, retreading and rebuilding of rubber tyres" (NACE Code C2211) is not one of the economic activities listed in the Taxonomy with specific screening criteria, even though the tire industry could participate in meeting the transport industry's greenhouse gas emission reduction targets.

Michelin has therefore selected the economic activity "3.6 Manufacture of other low-carbon technologies" as corresponding to its tire manufacturing activities. This reflects the fact that activity 3.6 comprises the "manufacture of technologies aimed at substantial GHG emission reductions in other sectors of the economy". These economic activities "could be associated with several NACE Codes, in particular from C22 (...) in accordance with the statistical classification of economic activities established by Regulation (EC) 1893/2006." Michelin's tire manufacturing activity contributes to both the CCM and CCA environmental objectives.

Rolling resistance, a factor in reducing greenhouse gas emissions

Pending clarification from the European Commission, and based on recital (10) of Delegated Regulation (EU) 2023/2485, the Group is using tire **rolling resistance** as the **technical screening criterion** for activity 3.6.

European tire-labeling regulation EU 2020/740 provides for the objective measurement of tire rolling resistance using an EU-validated process, comprising testing methods and laboratory alignment procedures. Measurement results are registered in the European Commission's EPREL energy labeling database. The vast majority of tires sold outside Europe are also measured for rolling resistance, which means that the proportion of these sales meeting the screening criteria can be included in the totals. As in prior years, passenger car, light truck and truck tires in the first four rolling resistance classes [A, B, C and D] are considered as eligible for activity 3.6 with regards to the objective of contributing to climate change mitigation. Tires with the lowest class E rolling resistance rating are excluded from eligibility.

The Group has reviewed the climate change adaptation objective in relation to activity 3.6. It found that CapEx contributing specifically to climate change adaptation was eligible, but deemed that it was still immaterial at the present time (see, however, section 4.2 *Climate change* (E1)). This outcome did not have any impact on the key performance indicators.

CE activity 5.1 - Repair, refurbishment and remanufacturing

Truck tire retreading services and other activities, excluding retreading activities licensed (e.g., Recamic in Europe) or franchised (e.g., Michelin Retread Technologies in North America) by the Group[(1)], are considered eligible for the transition to a circular economy objective, as they meet the definition of the Delegated Regulation C(2023)3851 of June 27, 2023 on the environmental objectives.

CCM activity 8.2 - Data-driven solutions for GHG emission reductions

The Connected Services activities comprise the Masternaut, Sascar and Nextraq companies. These connected solutions businesses focus on lowering their customers' fuel bills, for example by offering solutions to optimize routes or driving practices. As a result, they are eligible as contributing to the climate change mitigation objective.

CCM and CCA activity 7.2 - Renovation of existing buildings

Although renovation work on office buildings to make them more energy efficient is eligible as contributing to the climate change mitigation objective, it is immaterial in the Group's CapEx budget.

(1) Because in these cases, Michelin does not sell the retreaded tires.

4.7.2.3 Conclusion concerning eligible activities in 2025

The following table shows all the Group activities identified as eligible (excluding the activities of joint ventures and associates), presented by impacted environmental objective[1]:

European Taxonomy	Substantial contribution to one of the environmental objectives			Reported KPIs		
Economic activity	Mitigation	Adaptation	Circular economy	Net sales	Absolute CapEx	OpEx
3.6 Manufacture of other low-carbon technologies	X			X	X	
		X			X[1]	
8.2 Data-driven solutions for GHG emission reductions	X			X	X	
5.1 Repair, refurbishment and remanufacturing			X	X	X	
7.2 Renovation of existing buildings	X	X			X[1]	

(1) This activity is immaterial and therefore has not been included in the figures in Appendix C of the Sustainability Statement.

Analysis of Taxonomy-non-eligible Group activities

Based on Michelin's understanding of the current Regulation, some of the Group's activities do not meet the eligibility screening criteria even though they have a potentially positive impact on the environment:

- process electrification capital projects to support the Group's decarbonization plan;
- manufacturing of certain tire categories (agricultural, mining, aircraft and two-wheel tires), which are not covered by a labeling regulation;
- Tire-as-a-Service activities: fleet management and other services and solutions that optimize the use and management of vehicle fleets, while improving their fuel/energy efficiency. This activity is not deemed Taxonomy–eligible under CE activity 5.5 because it does not meet the criterion of the service provider retaining ownership of the product.

Michelin has not identified any activities eligible for the other three Taxonomy objectives, i.e. the sustainable use and protection of water and marine resources, the prevention and control of pollution, and the protection and restoration of biodiversity and ecosystems.

4.7.2.4 Change in reported Taxonomy-eligible activities, 2024-2025

Based on the 2024 scope of taxonomy reporting (activities 3.6, 5.1 and 8.2), in 2025:

- 53% of Group sales were Taxonomy-eligible (53% in 2024);
- 62% of Group CapEx was Taxonomy-eligible (55% in 2024).

The Group has not published any OpEx indicator for 2025, as the amounts involved are not material and therefore qualify for the exemption provided for in article 8 of the Taxonomy regulation.

(1) The detailed tables of these indicators, which comply with Delegated Regulation (EU) 2021/2178 rules concerning the content and presentation of Taxonomy-related disclosures, are presented in Appendix C below.

4.7.3 ASSESSING ALIGNMENT

Michelin has assessed the alignment of its activities in 2025, according to the following procedures. Information concerning minimum safeguards is presented in the Sustainability Statement sections dealing with human rights, business ethics and preventing corruption.

CCM and CCA activity 3.6 "Manufacture of other low-carbon technologies" and CE activity 5.1 "Repair, refurbishment and remanufacturing"

The Michelin Group pays particular attention to the issue of pollution, especially pollution generated by its operations and production activities (see chapter Pollution E2 of the Sustainability Statement).

The chemicals-related Do No Significant Harm (DNSH) principle applies to the CCM & CCA 3.6 and CE 5.1 activities (see Annex C of Delegated Regulation (EU) 2021/2139). For this criterion, an analysis is required of the chemical substances referred to in Article 57 of Regulation (EC) 1907/2006, as listed in the Classification & Labelling Inventory database. Michelin is unable to provide a realistic and reliable assessment of compliance with this criterion, which has major limitations including a number of substances that is deemed disproportionate, an unusable and constantly changing Classification & Labelling Inventory and references to both harmonized and non-harmonized classifications. As a result, like in 2024, Michelin cannot validate compliance with the DNSH criterion concerning chemical substances for 2025.

According to the Taxonomy principle, an activity's alignment is based on compliance with three fundamental conditions: substantial contribution to the environmental objective, compliance with DNSH criteria and compliance with minimum social safeguards. **Given that the DNSH criteria cannot be met, none of CCM and CCA activity 3.6 or CE activity 5.1 was aligned in 2025.**

CCM activity 8.2 - Data-driven solutions for GHG emission reductions

As in the prior year, the Group has not disclosed the aligned proportion because (i) the activity is not deemed sufficiently material (less than 3% of sales); and (ii) there is a lack of data to demonstrate alignment with the criterion defined by the European Taxonomy[(1)].

(1) Concerning materiality, see the answer to question 13 in Commission notice C/2023/305 of October 20, 2023.

4.7.4 CALCULATION PRINCIPLES AND TABLES

The following paragraphs present in detail the principles used to calculate the three key performance indicators required by the European Taxonomy Regulations.

4.7.4.1 Sales KPI

For CCM activity 3.6, the percentage of eligible sales is determined by dividing the sales of passenger car, light truck and truck tires in rolling resistance classes A to D by total consolidated sales, as shown in the consolidated financial statements (see the consolidated income statement in Chapter 5 of this document).

For CE activity 5.1, the percentage of eligible sales is determined by dividing the sales of truck tire retreading services (as defined in section 4.7.2.2 above) by total consolidated sales for the year. Similarly, the percentage of eligible sales of CCM activity 8.2 is calculated by dividing the sales of Masternaut, Sascar and Nextraq (see section 4.7.2.2 above) by total consolidated sales for the year.

4.7.4.2 CapEx KPI

The European Taxonomy defines the methods for calculating alignment ratios. By analogy, the Group reports its eligible capital expenditure, which may be:

- associated with the activity's eligible sales;
- associated with a capital plan to expand eligible activities or to transform eligible activities into aligned activities within five years, or up to ten years if warranted by the features of the activity in question;
- individual capital outlays that are not associated with an activity intended to be marketed by the Group.

Some of the Group's capital expenditure is directly allocated to each activity (e.g. outlays committed to introduce technologies that improve tire rolling resistance). For other capital expenditure (in infrastructure shared by several activities, for example, or in semi-finished goods production units serving several activities), the Group uses an allocation method based on each activity's use of the assets concerned. The capital expenditure reported for a given activity is therefore all of the capital expenditure directly committed to it plus the indirect capital expenditure allocated to it, less capital expenditure on corporate projects. In the case where some capital expenditure is associated with an activity that is not marketed by the Group, these outlays are reported separately to avoid double counting.

4.7.4.3 OpEx KPI

In 2025, OpEx (direct non-capitalized costs) include costs relating to research and development, building renovations, maintenance and repair, short-term leases and other direct costs related to the day-to-day servicing of property, plant and equipment assets. These eligible OpEx represent 8% of the Group's total operating expenses (see 5.2 Consolidated financial statements). Given the OpEx KPI's lack of materiality, the Group claims exemption from the OpEx reporting obligation, as provided for in article 8 of the Taxonomy regulation.

The tables presenting Taxonomy disclosures (sales, CapEx, OpEx) may be found in Appendix C at the end of this Chapter.

SOCIAL MATTERS

4.8 OWN WORKFORCE (S1)



THREE QUESTIONS FOR PIERRE-ALEXANDRE ANSTETT, HEAD OF THE LEADERSHIP & COHESION EXPERTISE CENTER, CORPORATE PERSONNEL DEPARTMENT

"Michelin's responsibility is to ensure that the Group represents a haven of peace and that everyone crosses the factory gate or the office door with complete peace of mind"

Currently, what are Michelin's biggest social challenges?

Michelin can't evolve in a bubble and we currently need to face up to climate change, geopolitical upheavals and the fault lines that characterize societies around the world. Michelin's responsibility is to ensure that the Group represents a haven of peace, that each and every one of us crosses the factory gate or the office door with complete peace of mind and is fully committed to serving the Group. That's why we pay the utmost attention to the well-being of our employees; as a responsible employer, we must ensure that they all flourish in their jobs and in their working environment. The employee engagement rate remained high in 2025, as evidenced by the 2025 Moving Forward Together survey which found that 90% of our colleagues are proud to work for Michelin. Pride in our Group is both an asset and a responsibility to which we respond by constantly renewing our efforts to attract and retain talent.

What are your main employee health and safety objectives?

Ensuring people's health and safety is first and foremost a moral imperative, but also a key performance driver. Everyone needs to feel safe at their workstation, both for their physical and mental well-being, and so that they are able to perform their tasks efficiently and effectively. This naturally involves preventive measures to provide the most suitable working environment possible; that's the whole point of our ongoing efforts in the fields of ergonomics and quality of work life (QWL). Our ongoing efforts in the area of health and safety are reflected in the figures: in 2025, the Group's Total Recordable Incident Rate (TRIR) improved by 0.53 points compared with 2024.

What levers do you use to ensure social cohesion?

We have to be scrupulous in ensuring that all our employees can express their talents to the full, by recognizing the fundamental importance of team spirit and collective intelligence. We ensure that all diversities can express themselves and flourish through various recruitment and internal promotion levers, or by creating safe spaces that allow everyone to share their opinion in complete safety, without fear of reprisals. We promote diversity, equity and inclusion in all its forms, for example by internationalizing our management teams, supporting gender diversity and encouraging social advancement.

Impacts, Risks and Opportunities (IROs)	Brief description
Upstream value chain · Downstream value chain · OP Own operations · Short-term · Medium-term · Long-term	
S1 - OWN WORKFORCE	
Attracting and retaining talent	
Deterioration of the employer brand and talent turnover; shortage of talent on the market OP **Risk**	Talent turnover issues may arise due to the nature of the industry (many production plants operate 24/7) and to the geographical location of Michelin facilities.
Employee health, safety and well-being	
Deaths, disabilities and injuries OP **Negative impact**	In all the Group's office, production, research, logistics and retail facilities, employees may be exposed to the risk of accidents involving mechanical or electrical installations, materials and finished products handling, chemicals, tooling and shopfloor movements. These risks could result in injuries of varying degrees of severity. Traffic accidents during business travel have also been identified as risks.
Occupational illnesses caused by exposure to chemicals and harmful substances, including substances of concern and very high concern OP **Negative impact**	The tire industry uses a number of potentially hazardous compounds, as well as substances of concern or very high concern. Employees working in research or manufacturing operations are at risk of exposure to chemicals that, if unmitigated, could ultimately lead to illness. This may concern certain products and substances used to make tires, as well as certain compounds that may be found in process fumes.
Social protection	
An adequate wage and a social protection floor OP **Positive impact**	Adequate wages and social protection benefits for Michelin employees around the world.

Introduction

Michelin's corporate purpose is to "offer everyone a better way forward." This vision unites everyone in the corporate community around individual and collective initiatives designed to help meet the Group's ambitious objectives for 2030.

Michelin has always paid particular attention to the well-being of its employees and respect for people is one of the organization's fundamental principles. Today, the Group is asserting its responsibility to all stakeholders with renewed determination, recognizing that business performance is closely tied to employee fulfillment and high-quality social dialogue.

4.8.1 A STRATEGY GROUNDED IN EMPLOYEE ENGAGEMENT

Successful implementation of the Group's strategy depends on helping every employee to flourish within the organization, both professionally – through the acquisition of skills and leadership qualities – and personally, by enjoying meaningful work, effective health and safety protection, and the guarantee of equal opportunities, regardless of social origin, gender, age, ethnic origin, sexual orientation, religious beliefs, disability or physical appearance.

In this regard, regular assessments of employee engagement – notably through the annual Moving Forward Together survey (see section 4.8.3 below) – and sustained inclusive, constructive social dialogue are key drivers of the strategy's success and future sustainable performance. This spirit also underpins the employee share ownership plans, which are an important pillar of the Group's engagement strategy (see section 4.8.4.3 below).

All employee relations policies incorporate the various dimensions of international law[1] and are directly inspired by the ethical values that shape Michelin's identity.

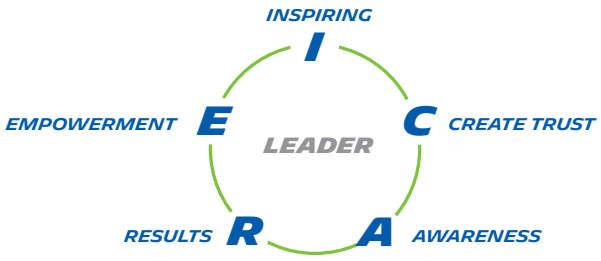
(1) These include the fundamental conventions of the International Labour Organization, the UN Guiding Principles on Business and Human Rights, and the Universal Declaration of Human Rights. The principles have also been shaped by input from the many working sessions held with the United Nations Global Compact and other organizations dedicated to these issues.

4.8.2 DEPLOYING THE STRATEGY THROUGH A CONSISTENT SET OF POLICIES AND THE ICARE LEADERSHIP MODEL

The Group's workforce strategy is overseen by the Corporate Personnel Department, which is led by the Chief Personnel Officer, a member of the Group Executive Committee. This department's mission is to define human resources management policies, ensure their effective implementation and provide its expertise to all Group units. Deployment of this strategy is based on a structuring set of seven policies designed to promote cohesion and fairness while respecting people and facts, strengthen Michelin's employer appeal, ensure sustainable employability for all employees and guarantee the Group's compliance with current regulations and applicable international standards. These policies align with the impacts and risks identified in the double materiality assessment and the related governance mechanisms as follows:

Impacts, risks, and opportunities				
Attracting and retaining talent	**Adequate wages and social protection floor**	**Employee health and safety**	**Policies**	**Governance mechanisms**
			1. Recruitment and hiring	Social cohesion
			2. People development	Social cohesion
			3. Employee and team compensation and social protection	Social cohesion
			4. Diversity, equity and inclusion (DEI)	Social cohesion
			5. Employee relations	European Works Council
			6. Health, safety, quality of worklife	Employee health and safety
			7. Anti-harassment	Human Rights/Ethics Committee

In recent years, these core procedures have been supported by a leadership model known as ICARE (I for "Inspiring", C for "Create Trust", A for "Awareness", R for "Results" and E for "Empowerment"). It is designed to ensure collective accountability, so that employees at every level of responsibility are empowered to act as leaders.



4.8.3 ACTIVE STAKEHOLDER DIALOGUE, A CORE STRATEGY COMPONENT

The Group maintains an open and transparent dialogue with all its employees. Thanks to this dialogue, the engagement of our people and teams is one of Michelin's key differentiating factors, making a significant contribution to operational excellence and the achievement of our corporate objectives. This dynamic is an empowering factor for the teams involved and contributes to the Group's employer appeal.

The Moving Forward Together survey, a key social dialogue lever

Employee engagement is tracked through the annual global Moving Forward Together survey, which enables every employee to freely express his or her views on how the Group is deploying its strategy. The survey's results are a key lever for measuring managerial quality at all levels of the organization and they also help to ensure constructive dialogue with employees.

The steady increase in the long-term engagement rate over the years attests to the efforts to instill a stimulating, inclusive workplace environment. Calculated based on four Moving Forward Together survey questions, the rate rose from 80% in 2019 to 84.4% in 2025 (down by a modest 0.3 points from 2024), which is already close to the 2030 target of 85%.

A global governance system supporting dialogue with employee representatives

Michelin works to preserve the level of open, transparent, constructive social dialogue that is recognized as an essential driver of sustainable performance. To this end, managers receive specific training in the legal aspects of labor relations. The social dialogue process is designed to ensure that employee ideas and opinions are taken into account and to encourage employees to freely express their views in the production plants, offices, country organizations and regional organizations. It is conducted in strict compliance with the principles of freedom of association and collective bargaining, without discrimination. Information transmitted to employee representatives is shared and negotiated in compliance with the legal obligations specific to each country, with particular attention paid to environments where the culture or legislation is not conducive to employee input.

Two structures embody this information-sharing and consultation dynamic:

- the **European Works Council** (CEEM) which was set up in 1999 and meets twice a year in plenary session. It represents a forum for information and consultation, where employee representatives are kept regularly informed of the Group's strategic objectives and financial results, the highlights of the preceding six months, the main health, safety, environment and prevention metrics, and changes in the workforce. Work began in 2025, led by the CEEM bureau, on revising the Council's internal rules and broadening the range of topics that it is competent to examine. The CEEM is chaired by the Group's Chief Social Development Director and its secretariat is provided by an elected member appointed by his or her peers;
- the **Global Works Council** (CM), set up in 2020 in partnership with the global union federation IndustriAll and led by the Social Development Department. It is made up of representatives from various countries and meets annually in plenary session. Its role is to share the Group's strategic objectives and results transparently with all Michelin host countries and to help develop fundamental policies to support the Group's transformations (competitiveness, social protection, diversity, inclusion, disability and sustainability).

All dialogue initiatives fall within the scope of the **Employee Relations Policy** overseen by the Corporate Personnel Department.

In a commitment to enhancing the effectiveness of the social dialogue process in all its host communities, Michelin has been a member of the international Global Deal initiative since 2017. This initiative piloted jointly by the OECD and the International Labor Organization (ILO), which enables partners to make a voluntary commitment to strengthening social dialogue at all levels of their organization, reflects the Group's determination to make it an effective lever for co-construction.

Michelin's commitment to human rights

The founding principles of human rights are the essential bedrock of high-quality social dialogue. In recognition of this, as a signatory of the United Nations Global Compact since 2010, the Group is committed to integrating the Compact's principles into all its global operations, while ensuring their compliance with local legislation. The Group embraces the universal principles of human rights and upholds the major international conventions. This commitment is also expressed in the Group's support for the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights, as well as in its compliance with a number of the fundamental conventions of the International Labor Organization (notably, freedom of association and protection of the right to organize; the elimination of discrimination in employment and occupation; the abolition of forced and child labor; and the right to a safe and healthy working environment).

Michelin's human rights policy and strategy are overseen by the dedicated Human Rights Governance body, which is co-chaired by the Executive Vice President & Chief Personnel Officer and the Executive Vice President, Engagement and Brands.

4.8.4 SOCIAL PROTECTION, HEALTH AND SAFETY, AND ATTRACTING AND RETAINING TALENT: THREE CORE STRATEGIC OBJECTIVES

4.8.4.1 An adequate wage and social protection

Fair Wage Network certification

The promise that employees will be paid compensation that enables them and their families to live with dignity has long been deeply embedded in Michelin's value system.

The Adequate Wage and Universal Social Protection Floor programs deployed in phases since 2023 have both been designed around the objective of ensuring that they cover every Group employee around the world. In this way, they are fostering the long-term personal growth of employees and helping to enhance the Group's appeal and ability to retain talent. Employee compensation today must enable a family of two adults and two children to meet their basic needs, save for the future and purchase standard consumer goods (depending on each country's standard of living). This adequate wage-based compensation is largely higher than a host country's legal minimum wage.

To fulfill this commitment, Michelin worked with the Fair Wage Network, an independent NGO specializing in adequate wage issues, whose methodology is recognized by IDH-The Sustainable Trade Initiative and many other NGOs. This work led to Michelin becoming one of the first companies to earn the Fair Wage Network's "Living Wage Global Employer"[(1)] certification in February 2024, which certification it has held ever since.

The Group's adequate wage commitment is an integral part of the Employee and Team Compensation and Social Protection Policy, supported by a standards manual explaining the methodology and implementation process. When a company is acquired, the adequate wage commitment is quickly deployed within three years, except in special cases[(2)].

A heritage of social protection: Michelin One Care

In addition to an adequate wage, the Group has deployed the Michelin One Care program to provide every employee with a universal social protection floor, comprising a set of basic social protection benefits to supplement host country social security systems.

Designed in 2021 and in place across the entire Group, Michelin One Care includes the following measures:

- **new child leave:** a minimum of 14 weeks maternity/adoption leave and four weeks paternity leave, both at full pay;
- **access to health care:** health care cover not only for hospitalization and emergencies, but also for maternity care, doctors' visits and outpatient care;
- **family protection in the event of an employee's death:** payment of a death benefit equal to at least one year's salary, with coverage from the first day on the job.

Reflecting their importance at Michelin, employee benefits programs are placed under the responsibility of a dedicated governance body, the Global Employee Benefits Board (GEBB), which is co-chaired by the Corporate Finance Department and the Corporate Personnel Department. It is especially tasked with supporting a comprehensive, holistic approach to the Group's benefits commitment, ensuring that it is properly factored into corporate strategy and operations management, and approving changes in Group benefits policies or strategy and tracking compliance.

(1) In referring to adequate or decent pay, "living wage" is the term preferred by the United Nations Global Compact, the International Labor Organization and other international bodies. Ensuring that Group employees are paid at least the equivalent of the Living Wage benchmark is a key factor in meeting the Sustainable Development Goals defined in the UN Global Compact.

(2) For example, if special in-field reviews are needed when the Fair Wage Network cannot provide data for a given company's host community.

4.8.4.2 Employee health and safety: an absolute priority in every decision

A core strategy and policies

In all its activities, the Group takes into account the risks to which people may be exposed. These risks include accidents or work-related illnesses caused by mechanical or electrical installations, the handling of materials and finished products, the use of chemicals and tooling, and shopfloor movements. Traffic accidents during business travel have also been identified as risks. In addition, in some host countries, employees may be exposed to health risks or the risk of assault, battery or kidnapping in the course of their work or business travel. These risks are especially acute in countries experiencing political instability or tense security situations. To acquire granular knowledge of specific conditions and features, each plant or office site is deploying risk assessments, workstation mapping exercises, annual or multi-year action plans, and equipment and process upgrades to drive continuous improvement.

The Group's health and safety strategy has three main objectives:

- maintain a priority focus on protecting everyone's health and safety;
- foster employer appeal and employee retention through a culture of prevention and monitoring, safety and cognitive ergonomics;
- support the organization's transition from technological compliance to agile human behavior in an automated world (also known as Enterprise 5.0).

The strategy is based on three pillars:

- building an agile, flexible ecosystem covering organizational and human factors, societal and generational change and strategic data use up to and including AI;
- fostering personal fulfillment in the ecosystem, including the place of people in new technologies, and the development and adaptation of skills;
- driving action with collective intelligence through connection to the outside world, the promotion of a health and safety culture, and precursor analysis for predictive safety.

The Group's health and safety strategy is overseen by a dedicated Employee Health and Safety Governance body chaired by the Chief Personnel Officer and the Executive Vice President, Manufacturing and comprising members from the business lines and the corporate and operational departments, which meet twice a year to define the Group's policy, objectives and strategy in terms of health and safety. The strategy emphasizes a holistic, people-centric approach to health and safety that takes into account the latest technological and societal developments to create a safe, attractive, fulfilling workplace environment for everyone. Risk management is based in particular on detailed risk maps covering the entire organization.

At Michelin, the Health and Safety Statement describing the Group's principles and objectives has been distributed to every Group site and posted in every meeting room. Its primary principle is that "each person is unique and his or her health and safety are all-important."

The Health, Safety and Quality of Worklife Policy overseen by the Corporate Personnel Department is based on the following general principles:

- employee health and safety take precedence over any other activity;
- everyone is expected to obey the rules and mitigate any at-risk situation. Everyone has the right to refuse to perform a task for which they have not been trained and authorized to perform safely;
- the opinions of employees and their representatives are taken into account when defining action plans to improve working conditions;
- the Group complies with the most protective of either corporate procedures or local regulations;
- the Group deploys the resources and fosters the conditions to sustain an employee's ability to work, ease ergonomic hardship, preserve his or her physical, mental and social health, and ensure everyone's safety and well-being.

In the Policy's application notice, Michelin undertakes, in every aspect of its business, to:

- make its best effort to ensure and safeguard the health and safety of its employees, subcontractor employees and visitors;
- manage the health impact of its products and operations on its host communities, customers and the general public;
- create and nurture working conditions that preserve the physical and mental health of employees, support work-life balance and personal well-being, maintain people's ability to work and keep workstations accessible to as many people as possible.

It is supported by related guidance, such as the Adaptation to Climate Risks Policy (2023) overseen by the Corporate Audit, Quality and Customer Promises Department, which takes into account the impact of climate risks on physical and mental health, and the Chemical Risk Management Policy (2022) overseen by the Corporate Planning, Prevention and Protection Department, which is designed to protect people's health and environmental ecosystems from the harmful effects of chemicals use.

Every work-related accident is investigated to determine the cause, with a comprehensive review performed of the technical, organizational and behavioral aspects. These reviews are often conducted with employee representatives. Incidents with a negative impact are tracked monthly by the Group Executive Committee during a session dedicated to safety issues. Incident rates are also tracked monthly, with the results distributed and discussed by site, region and business process (Manufacturing, Distribution, R&D, Retail, Logistics).

Processes are also in place for engaging with the workforce about health and safety issues (see Employee Relations Policy), which enable employees to confidentially express their concerns or needs without fear of reprisal, either to their direct managers or through other dedicated channels such as the ethics hotline, employee representatives, the unit's personnel manager or the Medical Department.

Lastly, the Total Recordable Incident Rate (TRIR), which tracks accidents across the Group, is one of the criteria for the portion of employee bonuses tied to the Group's performance (see the "Metrics and Targets" section below).

Key initiatives and resources

Initiatives have been undertaken to manage the risk of any negative impacts, with a priority focus on actions that are (i) capable of mitigating impacts on objectives, commitments and perceived stakeholder expectations and (ii) feasible over the medium term.

The following are just some of the prevention and improvement measures being deployed at Group-level:

- a management system is in place at all Group sites;
- Michelin sites are staffed with risk prevention professionals, such as OSH experts, ergonomists, hygienists, doctors and nurses;
- continuous improvement is being driven by risk assessments, workstation mapping, annual or multi-year action plans, and equipment and process upgrades;
- training programs are helping to instill a culture of alertness and safety among the entire workforce, based on a proactive mindset and extensive empowerment;
- the Group's "Life Saving Rules" to prevent or avoid possible life-threatening situations were described and explained in a reference manual specifying the related management principles and other Group policies. Applicable in every Group unit and site, the rules represent the fundamental safety practices that every Group employee, contractor or visitor, without exception, must follow on a given site or in a given operation.

To reassure external and internal stakeholders that internal procedures and rules are properly applied and that the highest-impact risks are under control, internal control procedures are performed concerning such health and safety issues as exposure to asbestos and chemicals, fire and explosion, ergonomics, workplace accidents, workplace malaise, regulatory compliance, leadership and skills.

A total of €46 million was committed to workforce health and safety initiatives in the Group's production base in 2025 (€56 million in 2024). Over €150 million is budgeted over the next five years (like in 2024), to support the Group's goal of setting the global standard in workplace safety.

4.8.4.3 The Group is ensuring its appeal and ability to retain talented people, now and in the future

A strategy consistently aligned with reality

In addition to its efforts to ensure the well-being of its employees, Michelin is constantly enhancing its employer appeal and ability to retain talented people. As part of its "All-Sustainable" strategy, the Group works to attract and retain new talent to protect its independence and continue to innovate. Although Michelin's heritage, robust foundations and powerful corporate culture enable it to boast a below-market overall turnover rate, it nevertheless considers that turnover represents a significant risk, which could have a potential impact on its employer brand and the availability of key skills.

Changes in the world of work, accelerated by the Covid-19 pandemic and successive crises, have prompted employees to seek more flexible, hybrid working conditions, which means employers have to reinvent themselves to remain attractive. This change in life and workstyles has led to higher turnover and employee retention difficulties over certain periods, notably in the production operations, shared service centers, digital operations and transportation. The Group must also address the expectations and outlook of new generations, such as the members of Generation Z born after 1995.

Like any large organization with a global footprint, Michelin must constantly respond to a myriad of impactful changes, both internally and in wider society. Job families and skill sets are also evolving, with IT, digital technology, data management, artificial intelligence, innovation and environmental considerations all helping to drive transformation. The Group is also having to adjust to the emergence of new business lines leveraging its long-standing polymer composite expertise, such as engineered fabrics and films, conveyor belts, seals and belts for high value-added industries.

Michelin's internal data shows that turnover is more frequent among employees with less than two years' seniority, although it remains limited compared to the market. If this risk is not properly managed, the Group's operations and 2030 objectives could be impacted. This is particularly the case for production jobs with irregular working hours, which could have an impact on an employee's health, social life and family life.

Policies and action plans deployed to manage talent turnover risks and enhance Michelin's appeal

Group-wide, overall turnover has been stable and contained over the past three years. It is tracked more specifically in certain seniority categories (less than two years), certain business operations (manufacturing and marketing/sales) and certain Regions.

This risk is being effectively managed by the combined impact of the seven Corporate Personnel Department policies (see above), as well as by the department's action plan to tighten the management of risks, which focuses on three major areas:

- defining "critical" jobs and positions and prioritizing measures to retain people in them and/or attract new people to them;
- managing the concept of employer appeal and attractiveness in general with a cross-cutting governance body;
- managing and tracking the employer brand and employee experience.

The action plan supplements other bedrock risk management initiatives being pursued by the Group, including the following:

- a **talent planning** process is enabling the Group to take a strategic approach to the jobs and skills needed over the next five years in each Group unit, supported by an action plan. It is capable of accurately foreseeing both the emergence of new professions, jobs and skill-sets and the ways in which they will inevitably evolve in response to ever-faster transformations. As a cross-cutting management process, talent planning is closely tied to the Group's strategic plan and the strategic workforce planning (SWP) process that is supporting a variety of hiring, reskilling and upskilling action plans;
- Michelin actively encourages **employee share ownership.** At December 31, 2025, 4.4% of outstanding shares were held either by employees (3.1%, up 0.5 points on 2024) or former employees (1.3%) and 68% of eligible employees were company shareholders. During the latest employee share ownership plan in September 2025, 51% of worldwide employees took up the offer, four percentage points less than in 2024 and including 7.8% or nearly 4,600 people who were first-time investors;
- Michelin is committed to **offering every employee compensation that is personalized and fair**, in each reference market, and reflective of his or her individual performance and level of responsibility. Compensation policies are implemented with a long-term view, taking into account each person's professional development, so as to enable people to advance according to their aspirations and abilities and the needs of the Group. Compensation is also carefully aligned with evolving market conditions and local practices. In every host country, compensation is competitively set and raised with a constant eye on achieving the right balance between employee satisfaction and financial performance;
- the Group's **Diversity, Equity and Inclusion Policy** aims to ensure that everyone feels that they are valued members of the organization. It addresses three issues:
  - *well-being in the workplace*. Having inclusive teams means enabling each member to feel accepted and at ease in the organization, regardless of their origin, gender, age, sexual orientation, religion, physical appearance, disability or social background,
  - *performance*. Diversity helps to hone collective intelligence, improve customer understanding, deepen the talent pool and foster engaged, committed teams,
  - *social responsibility*. Michelin is deeply committed to making a positive difference in society, in particular by working towards the inclusion of people who struggle to find work.

Sustained employee skills development

Michelin feels strongly that it should offer employees an enriching, fulfilling experience, by improving their ability to learn and grow in line with their aspirations to secure their sustainable employability. Personal growth and development is one of the Group's commitments to its employees. Everyone has access to the resources they need to take charge of their own development and enhance their employability, both inside and outside the Group. Employability is supported by continuous skills development and such management practices as frequent feedback, performance reviews and the identification of potential. Performance development information is transparently shared with the employee concerned through the Workday HR information system accessible to 92% of the workforce by end-2025.

The key lever for continuous skills development is the "Talent Campus" talent factory. Set up in 2022, it supports employees in their career development or retraining and enables people to cultivate their lifelong-learning mindset, while helping to enhance the attractiveness of our host communities and improve talent retention. Every year, some five million hours of training are delivered, with 55,000 modules available online.

The MICHELIN employer brand, a factor of differentiation

All the above elements underpin the quality of the MICHELIN employer brand, which is a valuable asset in a volatile and uncertain world. A core feature of the employer brand strategy is its focus on reflecting the diversity of the Group's markets and local contexts. Hiring plays an important role in meeting this goal, not only by increasing diversity but also by making management teams more international. As emphasized in the Diversity, Equity and Inclusion Policy, being open to hiring more diverse individuals deepens the talent pool, gives the best people a chance and contributes to both collective intelligence and innovation. Diversity, equity and inclusion are tracked by the Diversities & Inclusion Management Index (IMDI), a dedicated composite indicator displayed in the Group's strategic scorecard. The IMDI was updated in 2025, with the introduction of a narrower set of sub-indicators covering gender diversity, identity, multi-national management, disability and equal opportunities.

Furthermore, Michelin usually hires people with the intention of supporting their future career development, not just to fill an initial job vacancy. This means hiring both young graduates and more experienced people based on their proven skills, motivation, behavior, potential for future development and ability to embrace our corporate purpose and values.

One of the objectives is to bring on board competent, engaged, empowered people, capable of acting as leaders with respect for others, to foster innovation and entrepreneurship and support the agility and responsiveness the Group needs to thrive in a constantly changing environment. The opportunities created by retirements and acquisitions are putting pressure on the talent pool and confirming the need to hire and detect talent.

By 2030, the Group is committed to having:

- women account for 35% of the 600 most senior executives;
- host-country nationals represent a greater percentage of top management, with a target of 50% non-French nationals among the top 100 senior managers.

In total, funds committed to attracting and retaining talent totaled €66 million in 2025 (€76 million in 2024) and more than €300 million has been budgeted over the next five years (as in 2024).

4.8.5 METRICS AND TARGETS

4.8.5.1 Characteristics of employees

The Group's workforce at December 31, 2025 totaled 122,586 people, analyzed in the tables below:

Breakdown of employees by gender and type of contract	Female		Male		Other		Not reported		Unknown		Total	
	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
Permanent	24,623	24,712	96,972	92,764	2	8	13	11	-	-	121,610	117,495
Temporary	960	1,538	2,546	3,493	-	59	1	1	-	-	3,507	5,091
Without guaranteed hours	-	-	-	-	-	-	-	-	-	-	-	-
Type of contract unknown (1)	-	-	-	-	-	-	-	-	4,715	-	4,715	-
TOTAL EMPLOYEES	**25,583**	**26,250**	**99,518**	**96,257**	**2**	**67**	**14**	**12**	**4,715**		**129,832**	**122,586**

	2024	2025
Group employees by region		
Total number of employees in Europe	62,239	60,621
Total number of employees in the Americas	36,306	33,602
Total number of employees in the Africa-Asia-Pacific region	31,287	28,363
TOTAL EMPLOYEES	**129,832**	**122,586**

Two host countries had more than 50 employees and accounted for at least 10% of total Group employees as of December 31 of the reporting year:

	Female		Male		Other		Not reported		Total	
Country	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**
France	4,511	4,654	16,327	16,218	-	0	1	0	20,839	20,872
United States	3,932	3,611	15,747	14,466	1	5	2	1	19,682	18,083

2025 turnover was calculated on the basis of the number employees with permanent work contracts as of January 1, 2025.

	2024	2025
Number of employees as of January 1 of the reporting year	122,478	123,832
Number of employees who left the Group during the year	13,588	14,612
STAFF TURNOVER DURING THE YEAR	**11 %**	**12 %**

In 2025, of these 123,832 employees (122,478 in 2024), 14,612 left the Group during the year (13,588 in 2024), including 6,764 voluntary separations (7,106 in 2024), 6,051 non-voluntary separations (4,671 in 2024), 1,648 retirements (1,661 in 2024) and 149 deaths (150 in 2024).

(1) In 2024, the difference was due to the fact that 4,715 people were employed by companies that were not integrated into a human resources information system.

4.8.5.2 Adequate wage

All Group employees are paid an adequate wage as defined in the ESRS S1-10-69 metric.

Since 2023, the Group has made a more ambitious commitment by seeking Fair Wage Network certification. According to the latest certificate dated December 2024, 100% of Michelin employees covered by the certification process are paid a salary at least equal to the Living Wage defined by the Fair Wage Network.

Allowing for the time lag between certification (2024) and the reporting period (2025), 99.8% of Group employees were paid a Living Wage as defined by the Fair Wage Network in 2025 (vs. 96.5% in 2024).

4.8.5.3 Number of hours of training per employee

In 2025, 44 hours of training were provided per employee, calculated by dividing the total number of training hours for Group employees by the average number of Group employees in 2025. This metric is specific to Michelin and is calculated for employees concerned by the deployment of the Group's HR information system[1] (InTouch). Only courses completed during the reporting year are counted[2].

4.8.5.4 Employee health and safety

A framework and rules similar to a health and safety management system (Health and Safety Statement, Guidance Letter, Life Saving Rules, indicators, etc.) have been deployed across all sites, covering all employees.

In addition, as of December 31, 2025, 69% of Group employees and temp agency workers (68% in 2024) were covered by a recognized, effective health and safety management system (i.e., an ISO 45001-certified system or the Group's standard SMEP Environment and Risk Prevention Management System[3]) with no major compliance breaches.

Work-related accidents and illnesses are tracked in the Group's strategic scorecard by the Total Recordable Incident Rate (TRIR) indicator. This indicator is calculated on the basis of work-related accidents (excluding commuting accidents and occupational illnesses) per one million hours worked. Compared with the 2030 TRIR target of less than 2.5, the 2025 actual TRIR stood at 4.48 (corresponding to 1,041 work-related accidents involving employees and temporary workers), an improvement of 0.53 points vs. the 2024 rate of 5.01.

In 2025, work-related accidents involving employees and temporary workers resulted in two fatalities[4] (no fatalities in 2024).

4.8.5.5 Incidents, complaints and severe human rights impacts

In 2025, incidents, complaints and severe human rights impacts included:

- 129 (159 in 2024) discrimination incidents, corresponding to the total number of confirmed cases of discrimination, including harassment, reported to the Group's whistleblowing system[5];
- 1,376 grievances (1,481 in 2024) concerning worker or human rights violations, corresponding to the total number of allegations reported to the Group's whistleblowing system, less the 129 incidents mentioned above. These allegations correspond to the following nine categories: bullying, sexual harassment, inappropriate behavior, human rights, health and safety issues, personal data protection, complex employee relations issues that were not resolved at the level of the manager and/or development partner, reprisals and violence and threats.

(1) The reporting scope covered 89% of Group employees.
(2) A course started 2024 and completed in 2025 is counted in 2025.
(3) See section 4.1.5.1.1 below.
(4) In 2025, only fatalities resulting from work-related accidents were taken into account (one accident on an industrial site and one off-site traffic accident). Two fatalities resulting from commuting accidents were not taken into account.
(5) For more on the Michelin ethics hotline, see section G1 – *Business Conduct* below.

4.9 WORKERS IN THE VALUE CHAIN (S2)



THREE QUESTIONS FOR VINCENT ROUSSET-ROUVIÈRE, CHIEF PROCUREMENT OFFICER

Workers in the value chain: a more focused approach to the natural rubber supply chain "Michelin was the first tire manufacturer to deploy a sustainable natural rubber policy"

Why have you taken a special approach to your natural rubber supply chain?

For the past 10 years, well ahead of any regulations, Michelin has been demonstrating its duty of care regarding its supply chain with, for example, a Sustainable Purchasing Policy and assessments of its suppliers' CSR maturity. To take these commitments to the next level, we have to factor in the notion of accountability, to focus initiatives on where risks are especially acute and where the Group can make a difference. And in fact, it turns out that human rights risks are especially high in the natural rubber production value chain (located in Southeast Asia or West Africa, with a large workforce) and that the tire industry represents around three-quarters of the natural rubber market. This explains why the tire industry, and with it, Michelin, is particularly accountable with regards to this issue.

What is the objective of the Group's Sustainable Natural Rubber Policy?

Michelin was the first tire manufacturer to deploy such a policy in 2016. It was drafted in partnership with the WWF and has since been updated, with input from a large number of stakeholders. It specifies the Group's commitments, informs our decisions and formally defines our expectations for the value chain. It is also backed by a roadmap with detailed, results-oriented objectives. The Group's transparency and performance have been recognized by SPOTT, whose assessments ranked Michelin, for the fourth consecutive year, No. 1 in the tire manufacturer category for natural rubber ESG disclosures in 2025.

How do you identify worker-related risks in the natural rubber supply chain and how do you respond?

In 2017, Michelin developed a particularly innovative solution called RubberWay, which has since been widely deployed by the Group and also now taken up by our competitors. It provides a highly granular map of worker-related and other risks at different points in the supply chain that are also precisely geo-located. This then enables pragmatic risk mitigation projects to be deployed where they're needed, on the ground, in collaboration with village smallholders. Read on to find out more about our approach.

Impacts, Risks and Opportunities (IROs)	Brief description
Upstream value chain · Downstream value chain · OP Own operations · Short-term · Medium-term · Long-term	
S2 - WORKERS IN THE VALUE CHAIN	
Human rights	
Violation of the rights of workers in the value chain, including child labor, forced labor and illegal labor practices	Forced labor, child labor and illegal labor practices are risks in agricultural supply chains, including in the natural rubber industry.
Upstream · **Negative impact**	

Introduction

The risk of forced labor, child labor and other human rights violations could have a negative impact on workers in the Group's upstream value chain. Michelin has relationships with around 35,000 direct suppliers. The process of managing the related risks is based on the findings of an accountability assessment that measured the number and size of suppliers at each link in the value chain, Michelin's weighting in the chain, and the human rights issues and risks in its component channels. The findings showed that the natural rubber value chain, with its labor-intensive farming activities and broad geographical footprint, is the most exposed to the negative impact.

Forced labor, for example, is particularly widespread in farm commodity supply chains, while rubber plantations are located in countries at risk of forced or child labor, such as Southeast Asia or West Africa, and are very labor-intensive. Although rubber-tree farming is relatively unaffected by child labor compared with other crops, some reports have noted the high risk of exploitation of migrant and other workers in natural rubber-producing countries.

As a result, the Group is particularly alert to the risk of forced and child labor, especially since the tire industry accounts for around 70% of the global natural rubber market.

The Group's Duty of Care Plan also deals in depth with the management of these risks.

4.9.1 A VALUE CHAIN STRATEGY FOCUSED PRIMARILY ON NATURAL RUBBER SOURCING

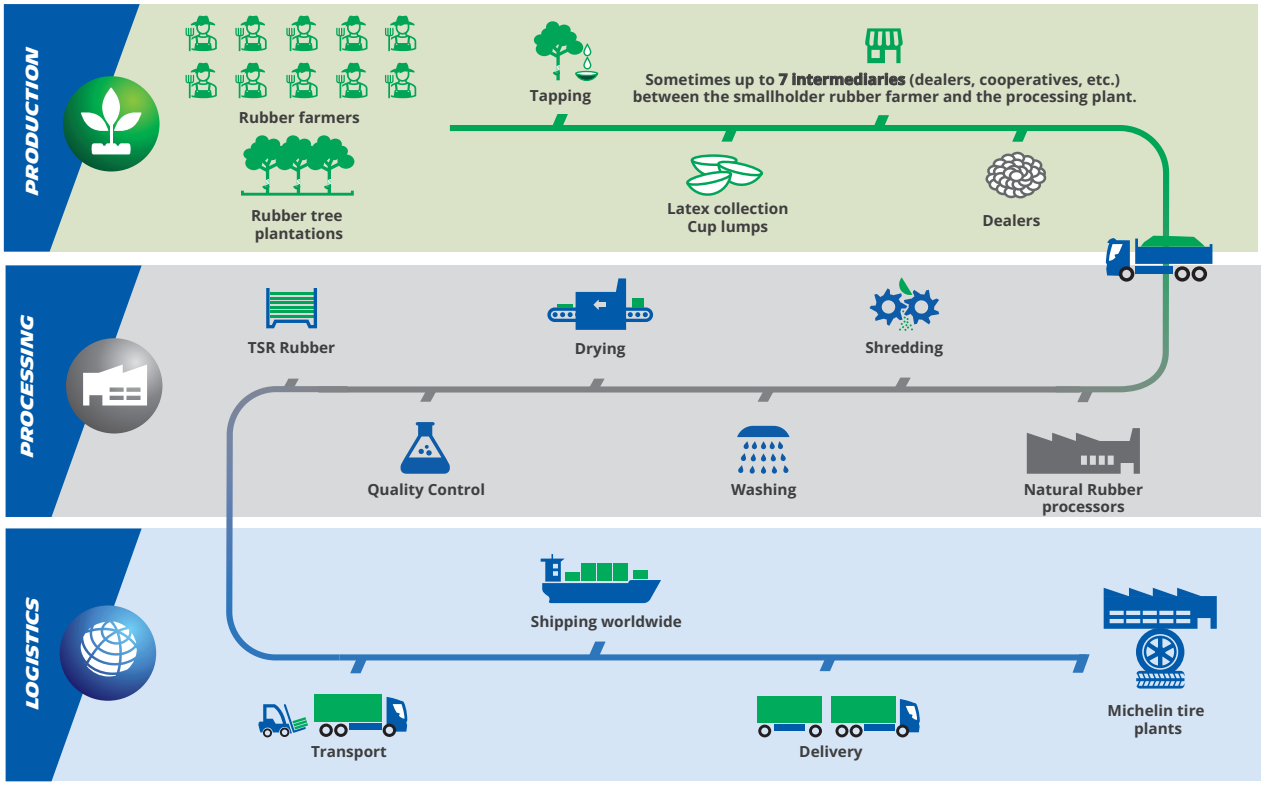
Natural rubber is a critical raw material in tire manufacturing. Harvesting is labor-intensive and the trees can be farmed only in tropical regions, in countries at risk of human rights violations. To date, there is no financially viable substitute for natural rubber.

Rubber-tree farming requires a very large workforce, totaling some six million farmers worldwide. Of these, village smallholders produce 85% of the world's output on small farms generally covering fewer than four hectares. The remaining 15% is supplied by large plantations or estates. The other raw materials required for tire production, such as synthetic rubber, reinforcing agents (like carbon black), metal and textile reinforcements and chemicals, are primarily sourced from the oil, chemical and steel industries whose workforces are much smaller and generally skilled. This means that the risk of forced labor is higher in the natural rubber supply chain. In addition, natural rubber accounts for around a quarter of the Group's purchased inputs. For these reasons, this is where the Group has focused its efforts.

Although Michelin directly or through joint ventures owns a small number of plantations, the vast majority of its natural rubber is supplied by external farms. Most value chain workers likely to be concerned by the risk of forced labor would therefore be found among people working for entities in the upstream value chain, with migrant workers being particularly vulnerable. Most of the world's rubber-tree farms are located in Southeast Asia, West Africa and, to a lesser extent, Brazil.

THE NATURAL RUBBER VALUE CHAIN

Approximately 90% of the Group's supplies come from around **1.5 million village smallholders** with an average farm size of less than three hectares



4.9.2 PROCUREMENT POLICIES DESIGNED TO MANAGE RISKS RELATED TO VALUE CHAIN WORKERS

Michelin has supported the UN Global Compact since 2010 and France's Responsible Supplier Relationships Charter since 2012. The Group has also deployed two policies addressing the management of risks of human rights violations in the value chain, which were prepared under the responsibility of the Chief Procurement Officer, who is also tasked with their application in the upstream value chain. They are available on the Michelin Purchasing website[1]. The Sustainable Natural Rubber Committee is the governance body for the Group's Sustainable Natural Rubber Policy.

4.9.2.1 The Group's Sustainable Purchasing Policy (updated in 2024)

The Sustainable Purchasing Policy covers the procurement of all types of inputs, including natural rubber, particularly from the Group's direct (Tier 1) suppliers. It defines the Group's main sustainable purchasing principles and commitments, including those relating to human rights issues, and describes the fundamental documents, initiatives, objectives and key metrics underlying the sustainable purchasing process, including its human rights aspects.

(1) https://purchasing.michelin.com/fr/espacedocuments/

4.9.2.2 The Group's Sustainable Natural Rubber Policy (updated in 2021)[1]

Focused on natural rubber procurement, the Sustainable Natural Rubber Policy covers all of Michelin's own operations, joint ventures and upstream supply chain. It informs management decision-making processes, systems and performance metrics at Group level and in the concerned business units, subsidiaries, affiliates and joint ventures. The first version was drafted in consultation with WWF, while the subsequent version was shaped by extensive input from a wide range of stakeholders, including environmental and human rights NGOs, and complies with the framework defined by the Global Platform for Sustainable Natural Rubber (GPSNR) presented below. The Policy is anchored in five core pillars, including the fundamental pillar of respect for people (upholding human rights, working conditions and the living environment) and the commitment to improving farming practices (initiatives to improve the livelihoods and economic resilience of village smallholders).

Its component policies, which address the risks of forced labor, child labor and human trafficking, express the Group's commitment to:

- opposing and combating forced labor and child labor;
- mapping its upstream value chain to identify the activities and countries most at risk of human rights violations;
- deploying a dedicated mapping exercise for the natural rubber supply chain;
- undertaking mitigation initiatives whenever and wherever risks are identified;
- maintaining a whistleblowing system open to everyone;
- regularly interacting with natural rubber stakeholders and remediating any (1) issues, particularly impacts on free, prior and informed consent or (2) adverse impacts expressed through the grievance mechanism.

4.9.2.3 Other purchasing policies

In addition, since 2012, Michelin has applied a supplier code of conduct (Michelin Purchasing Principles) that mandates compliance with specific forced labor, child labor and employee safety requirements, in line with ILO standards. The Purchasing Principles are translated into many languages and included in contracts and the general terms and conditions.

The above-mentioned policy base is aligned with internationally recognized guidelines and principles (UN Guiding Principles on Business and Human Rights; International Labour Organization fundamental conventions). In particular, the Sustainable Natural Rubber Policy specifies which UN Sustainable Development Goals it is helping to advance. It was drafted with input from stakeholders, including environmental and human rights NGOs, and has been certified as compliant with the GPSNR framework.

In the first half of 2025, an article appeared in the press highlighting recent repeated allegations of sexual coercion by local plantation staff of a natural rubber supplier in Liberia. The Group had no knowledge of these serious allegations and strongly condemns all acts of violence, aggression and disrespect in breach of a person's rights. The allegations of sexual coercion mentioned in this investigation are unacceptable and contrary to the values of the Group, which has taken the measures it deemed necessary.

4.9.3 WELL-ESTABLISHED DIALOGUE PROCESSES ADDRESSING THE VIEWPOINTS OF VALUE CHAIN WORKERS

The views and opinions of workers in the natural rubber value chain are addressed through three channels:

- **consultations with stakeholders**, in particular environmental and human rights NGOs, both when the Sustainable Natural Rubber Policy is drafted or revised and during the regular meetings held every two years or so. These meetings, led by the Director of Public Affairs and the Vice President, Sustainable Development and Impact, enable participants to review the progress made and, most importantly, to propose new pathways for the years ahead, focusing on the sustainable natural rubber roadmap, metrics and targets. A variety of stakeholders are invited to attend, including NGOs, research organizations like CIRAD (a French government research center that works with developing countries on international agricultural and development issues), customers, suppliers and, since 2025, investors. The fourth meeting was held in early 2025;

(1) Downloadable from Michelin's natural rubber website (https://purchasing.michelin.com/fr/caoutchouc-naturel-responsable-et-resilient/) and appended to the Group's natural rubber purchasing contracts. Michelin actively encourages its suppliers to implement sustainability policies aligned with GPSNR recommendations.

- **Global Platform for Sustainable Natural Rubber** (GPSNR), of which Michelin is a founding member. GPSNR brings together stakeholders from across the natural rubber value chain, including village smallholders, other producers and representatives of civil society, with the participation of a large number of NGOs. It is now leading improvements in the environmental and socio-economic performance of the entire natural rubber industry. GPSNR develops frameworks and standards, organizes working groups to bring together stakeholders and discuss best practices, and designs joint programs to implement practical, measurable solutions;
- thoroughly **mapping social and environmental risks in the natural rubber value chain**, down to the smallest holder, using the RubberWay mobile app. Supply chain stakeholders, including raw rubber processing plants, brokers, large plantations and smallholders, are asked to respond to a questionnaire about their practices in such areas as human rights, the environment, agricultural training and market transparency. The inputted data can then be analyzed and summarized on a web platform to create a map highlighting the areas of potential social and environmental risk.

4.9.4 PROCESSES TO REMEDIATE POTENTIAL NEGATIVE IMPACTS

If the Group finds that it may have caused a significant negative impact on workers in the value chain, appropriate remedial actions can be defined or approved by two key governance bodies: the **Human Rights Governance** body, which approves the Group's human rights policy, objectives and strategy, and, if the impact occurred in the natural rubber supply chain, the **Sustainable Natural Rubber Committee.** If the negative impact is confirmed, the remediation response is defined on a case-by-case basis.

To improve its ability to detect adverse impacts, the Group has opened an **ethics hotline** that can be accessed by Group employees, contractor employees, temporary workers and any other value chain worker, as well as by customers, suppliers, service providers and other outside stakeholders via a dedicated telephone number and a secure website hosted by an independent company(1).

If, in response to an ethics hotline report, remediation or reparation proves necessary, the victims are contacted, reparation measures are undertaken and prevention mechanisms are strengthened. Compensation may be paid, depending on the situation. Any Group employee, regardless of his or her level of responsibility, who fails to uphold human rights will be disciplined in accordance with applicable laws and procedures. If a contractor, customer, supplier or other business partner is found to have violated human rights or failed to prevent human rights risks, the individuals or, in the case of a company, the managers are contacted to find and initiate remedial solutions. Failure to deploy remedial or corrective measures may result in the decision to terminate the business relationship.

In the case of the natural rubber value chain, the **GPSNR** grievance mechanism may be used if an individual, group or GPSNR member has been adversely impacted by the activities or operations of the GPSNR or its members. The GPSNR website lists the channels available to its members (including Michelin).

Lastly, the **Natural Rubber Stakeholders Committee** can alert the Group to situations concerning workers in the natural rubber value chain.

4.9.5 A WIDE ARRAY OF INITIATIVES IN PLACE TO PREVENT NEGATIVE IMPACTS AND DELIVER POSITIVE IMPACTS

Michelin is pursuing a number of initiatives aimed at preventing and/or mitigating human rights risks in the value chain, both on a day-to-day basis and over time.

4.9.5.1 Initiatives to prevent negative impacts from occurring

Structurally, the Sustainable Natural Rubber Policy is appended to all the Group's natural rubber purchasing contracts, while the supplier code of conduct (Michelin Purchasing Principles) is incorporated into the Group's general terms and conditions and all its contracts. The latter require that suppliers perform CSR assessments and deploy any necessary action plans and authorize Michelin or its mandated service providers to carry out on-site audits. In the event of refusal, Michelin reserves the right to respond as warranted, including by terminating all or part of its business relations with the supplier.

(1) For more on the Michelin ethics hotline, see section G1 – *Business Conduc* below.

Another important prevention/mitigation lever is mapping to identify the sourcing countries and purchasing categories most at risk of CSR shortcomings, with a dedicated mapping exercise for the natural rubber supply chain using the RubberWay application.

Third-party assessments of the CSR maturity of leading Tier 1 suppliers (usually desktop reviews by EcoVadis) also play a core role in risk prevention. These reviews cover such human rights issues as forced labor and child labor. For compliance, a predefined score must be earned, both overall and on human rights performance. If supplier answers fall short of compliance, action plans are requested. Supplier performance on forced labor and child labor issues is reviewed in depth every six months and suppliers are queried if any particular risk is flagged.

Training stakeholders across the supply chain is also a key factor in preventing risk. For example, Group buyers and employees are being upskilled with such dedicated training resources as human rights webinars, an e-learning module (optional for employees and mandatory for the most senior executives) and training sessions for buyers on human rights and other CSR issues. Suppliers are also engaged with training modules developed by Michelin or available on the EcoVadis and other CSR assessment platforms.

For natural rubber farmers, field projects aim to develop their skills and include systems for tracking implementation and outcomes. The attendant risk is factored into the Group's audit process. On-site audits of raw material suppliers, as well as annual or biennial audits of natural rubber processing plants performed as part of supplier quality system assessments, include questions relating to human rights and working conditions.

4.9.5.2 Michelin's positive impact initiatives

Michelin also strives to create positive impacts for workers in its value chain.

In 2025, a wide range of field projects were pursued in the natural rubber supply chain to develop the skills of village smallholders and improve their living and working conditions, which are both essential levers in avoiding the use of forced or child labor. These included the CASCADE projects in Indonesia (2020-2027, in partnership with Porsche), the RIVER project in Sri Lanka (2022-2025, in partnership with the French Ministry of the Economy and Finance), the MAHAKAM project in Indonesia (2022-2025), and the HARVEST project in Thailand (2025-2026).

In West Africa, the SIPH joint venture is also deeply engaged with village smallholders and local communities, leading a variety of programs to prevent malaria, AIDS and other diseases, providing training in best farming practices and supplying high-quality planting material by producing and marketing rubber seedlings.

All these projects are empowering farmers to improve their living and working conditions, while enabling them to increase yields and upgrade their environmental and labor practices.

4.9.5.3 Action plans tracked and recognized by outside agencies

Michelin tracks and assesses the outcomes of these initiatives with a number of metrics, of which several have annual or multi-year targets. Three of these are presented in the Metrics and Targets section, below. For example, the Group tracks the deployment of CSR assessments and the progress of supplier scores. Projects such as Cascade, River and Mahakam include metrics for measuring not only the number of participants and their profiles, but also actual progress, with indicators tracking the number of farmers whose working conditions and/or livelihoods have improved.

Awards and labels earned from agencies include (i) the French government's Responsible Supplier Relations label (June 2014); (ii) the French government's Responsible Supplier Relations and Procurement label recognizing French companies that have demonstrated the ability to foster balanced, sustainable relations with their suppliers (2019, 2022, renewed in 2025); and (iii) certification that the Group's purchasing practices are mature with regard to the new ISO 20400 Sustainable Procurement standard (2019, 2022 and 2025). In 2025, Michelin was awarded an EcoVadis score of 94/100 in Responsible Purchasing, ranking it in the top 1% of companies rated in its industry. Also in 2025, for the fourth year running, Michelin was ranked No. 1 in the tiremaker category by SPOTT, a natural rubber ESG disclosure platform, with a score of 80% (No. 2 in the general natural rubber category).

4.9.5.4 Initiatives coordinated with Group purchasing processes

In its day-to-day operations, Michelin takes great care not to contribute to the risk of human rights violations impacting workers in the value chain. Its purchasing practices actively encourage the integration of CSR criteria into sourcing processes. These criteria can be discriminating (i.e., mandatory) or differentiating; they can concern suppliers and/or the product or service offering. In the case of natural rubber, the Group does not source from certain extremely high-risk countries, or from certain suppliers whose practices are not acceptable. In addition, purchasing teams include a dedicated CSR unit, particularly for natural rubber sourcing.

In the event of a negative impact, the Group's response will be carefully adapted to the situation and proportionate to the issues at stake. If a shortfall is identified, through supplier assessments, grievance mechanisms or any other channel, the Group will work with the supplier to define a mutually acceptable, time-bound improvement program. Confirmed or persistent non-compliance may result in the scale-back, suspension or termination of business relations with the supplier.

Within the Group, the Human Rights Governance body and the Group Ethics Committee may play an advisory and arbitration role in the event of a conflict between social responsibility and business issues.

Naturally, Michelin has allocated resources to managing any potential impacts. In terms of governance, the Chief Procurement Officer is a member of the Group Human Rights Governance body, the Group Ethics Committee and the Sustainable Natural Rubber Committee. Operationally, the sustainable purchasing process is managed in each purchasing category and each region, with the support of a global Sustainable Purchasing network that includes a natural rubber team.

4.9.6 METRICS AND TARGETS

Targets for managing this negative impact are presented in the Sustainable Purchasing Policy. They are defined by the Purchasing Department, in liaison with the Human Rights Operational Committee, and approved by the Human Rights Governance body. The targets are intended to be ambitious yet achievable. Natural rubber targets are presented during discussions with stakeholders at the biennial meetings with the Natural Rubber Stakeholders Committee (presentation of new targets, tracking and follow-up, key takeaways).

The target for the percentage of suppliers whose human rights score in the third-party CSR maturity assessments meets the Group's standards has been set at **95% in 2030**, compared with 85% in the 2019 baseline year. The target applies to all Group suppliers assessed[1] by a third party that have a valid score, and not just to natural rubber suppliers. As of end-2025, the percentage was 94%.

The second target concerns the percentage of natural rubber volumes used by the Group covered by human rights assessments, based on a representative sample of farmers mapped with the RubberWay application. The target, which is **80% in 2025**, applies to the Group as a whole. As of end 2025, 85% of the Group's volumes had been assessed, based on a representative number of farmers[2], compared with only 7% at the end of the 2018 baseline year.

The third target concerns the number of village smallholders whose working conditions and/or livelihoods have improved as a result of remediation projects (primarily assessed through surveys[3]). The target is **30,000 in 2030**, compared with 467 in the 2022 baseline year. The target applies to the entire Group. As of end-2025, 10,456 village smallholders had reported improvements since the projects were launched in 2020.

	Baseline value and base year	2024	2025	Target (and year)
Percentage of suppliers whose human rights score in the third-party CSR maturity assessments complies with the Group's standards	85% (2019)	93%	94%	95% (2030)
Percentage of natural rubber used assessed for compliance with the Group's human rights standards	7% (2018)	80%	86%	80% (2025)
Number of village smallholders whose working conditions and/or livelihoods have improved	467 (2022)	6,783	10,456	30,000 (2030)

(1) A growing number of suppliers are assessed each year and they account for the majority of the Group's total purchases.
(2) The metric is prorated based on the achievement rates of a representative sample of farmers for each supplier site.
(3) Village smallholders noted improvements in such areas as yields, revenue growth or diversification, health and safety best practices, reduced use of potentially harmful chemicals.

4.10 CONSUMERS AND END-USERS (S4)



THREE QUESTIONS FOR ANTOINE PINNEAU, GROUP QUALITY DIRECTOR

"At Michelin, customer satisfaction and the quality and safety of our products and services are not just priorities – they are the very essence of our promise."

How does Michelin currently ensure that the safety of its products and services remains a core priority in their development process?

Michelin puts safety at the heart of its product design, through a structured and rigorous approach. Its quality management processes are determined by a quality culture aligned with recognized standards, such as ISO 9001:2015 certification. The Quality, Marketing, Engineering and Development teams work together to define appropriate safety criteria for each MICHELIN product, taking into account market requirements, changing usage and user feedback. New products are tested extensively at every stage of their development to ensure compliance with pre-market safety standards. In addition, we continuously monitor the performance of our products and services for customers, ensuring that we quickly identify and react to any weak signals; this system regularly benefits from innovations in data collection and processing, notably through the use of neural networks.

How does Michelin measure customer satisfaction to continuously improve the safety and quality of its products and services?

The organization has adopted a strategy inspired by customer-centric approaches to build an ecosystem that constantly adapts its practices with 100% customer satisfaction as its guiding light. This system centralizes various tools and methods for collecting and analyzing the voice of the customer. Satisfaction surveys, notably using the Net Promoter Score (NPS) method, are carried out periodically to assess performance and exploit customer feedback to anticipate future needs. Any identified sources of dissatisfaction are brought to the attention of dedicated customer rooms located close to key markets, which are equipped with all the necessary capabilities to rapidly implement measures to resolve the reported problems. The customer rooms apply three levels of escalation, with certain situations escalated to senior management if necessary. This system encourages in-depth analysis of expectations and helps us to adjust our offers. In addition, customer support engineering teams and sales forces maintain a daily dialogue with distributors and partners, enabling them to gather direct feedback on product performance under real-life conditions.

How does Michelin address customer expectations and needs to support sustainable mobility without compromising on the safety of its products and services?

Michelin is pursuing innovation in product and service safety by integrating advanced product technologies and analyzing usage data to anticipate safety requirements. Collaboration with customers, partners and internal teams encourages the development of solutions tailored to safety and sustainability needs. We participate in global road safety initiatives and align our strategy with sustainable development objectives. By focusing on customer expectations, we seek to offer an experience that integrates safety and environmental issues throughout the product life cycle.

Impacts, Risks and Opportunities (IROs)	Brief description
Amont Upstream value chain · Aval Downstream value chain · OP Own operations · Short-term · Medium-term · Long-term	
S4 - CONSUMERS AND END-USERS	
Quality and safety of products and services	
Improving the safety of drivers and other road users, including by improving tire industry quality and safety standards	Since its creation, Michelin has nurtured a culture of quality, which is critical to improving the mobility of people and goods. Every employee at every link in the value chain is trained and committed to ensuring the quality and safety of our products and services. This engagement reinforces personal safety.
Downstream · **Positive impact**	

Introduction

The planet is coming under ever-increasing demographic pressure, as people everywhere legitimately aspire to move and travel to work and to access health care, education and leisure activities. For Michelin, mobility is a universal right and a vector of human development that everyone should enjoy, which Michelin is committed to safeguarding and making more sustainable. This is why the Group is constantly innovating to make mobility increasingly safe, accessible and efficient (delivering maximum performance with minimum use of resources) and light on the environment. This holistic approach to mobility forms the very heart of Michelin's corporate purpose.

By leveraging its materials science and unparalleled polymer composite expertise for more than 130 years, the Group has become a technological leader in tires that support all forms of mobility. Today, the Group is focusing on innovation and excellence to continue making a difference in a fast-evolving market, particularly by keeping pace with the sharply rising demand for electric vehicles. Michelin's expertise in designing composite products is supporting its sustained growth in the tire business as well as its expansion into non-mobility related markets. For example, it is currently applying its distinctive core competencies in materials, product design, process engineering and data science to innovate in such industries as construction materials, aerospace, low-carbon energies and health care.

Enhancing freedom of movement for people and goods requires an uncompromising attitude towards the safety and quality of every product and service. Every Group employee, at every point in the value chain, is aware and engaged in delivering Michelin Quality to fulfill the expectations of customers and end-users.

4.10.1 AN UNRIVALED QUALITY AND PRODUCT SAFETY STRATEGY TO MEET CUSTOMER NEEDS

End-user customers play a central role in implementing the Group's strategy and meeting its objectives. They include (i) consumers, who buy tires for their personal cars or motorcycles; (ii) transportation businesses, such as overland trucking and urban delivery companies, bus companies and airlines; and (iii) agricultural and industrial businesses, such as construction, materials handling and mining companies. The Group also markets tires for automobile and motorcycle motorsports.

To reach these customers and end-users, Michelin uses an indirect sales model based on dealers and resellers, as well as on partnerships with original equipment manufacturers (OEMs) of automobiles, light trucks, trucks, buses, two-wheel vehicles, farm machinery, earthmovers, aircraft and race vehicles. Its strategy addresses the widely varying expectations of each type of customer, so as to meet their needs as effectively as possible.

Customer satisfaction is the bedrock of the Group's strategy, whose various building blocks – product, service and experience offerings – are crafted and articulated by the Business Lines to meet the expectations of their target markets. Designed to deliver total customer satisfaction, the Michelin Quality process, known as the "Customer Promise Guarantee" (CPG), is applied in every aspect of the business. It ensures that the Group knows its customers and markets, develops products and solutions aligned with their needs, fulfills its commitments in implementing its solutions, captures and treats possible deviations and measures their satisfaction. The process is led by the Quality teams, with the Corporate teams responsible for setting the overall strategy and the detailed strategies for its execution, while Regional teams and the Business Lines implement the process on a day-to-day basis. The Quality Board works closely with this quality network to define and deploy major initiatives and adjust the system as needed. Corporate and Regional teams have specific responsibility for the Customer Promise Guarantee and for managing the Net Promoter Score (NPS) metric.

As well as being tasked with embedding the customer-centric culture among all the Group's teams, the Customer Centricity Board also brings together the chief executives of the Group's leading business units once a quarter and regularly interacts with customers or companies to improve the Group's ability to meet their increasingly high standards, in particular as regards sustainability.

Applied around the world and in every business segment, the strategic process is organized around four main pathways to improving the safety and quality of Michelin products.

4.10.1.1 Zero compromise on the safety and quality of Michelin products

Every decision involving quality is based on avoiding any compromise whatsoever on product safety and quality. Tires are a critically important vehicle safety component. End-users are responsible for monitoring their condition, in particular through periodic tire pressure checks and visual inspection. Moreover, conditions of use, which also depend on the user, can evolve over time, making some form of monitoring system essential.

Michelin has deployed a system for constantly tracking the real-world performance of its products and customer service in order to detect even the most latent issues and respond quickly and effectively if necessary. The system is based on:

- dedicated Customer Engineering Support teams, who collect performance and usage data, and provide technical support and training for sales teams and customers;
- customer rooms located close to key markets and equipped with all the necessary capabilities which ensure that the process of capturing customer dissatisfaction works efficiently, analyze the causes of the dissatisfaction and then respond, as quickly as possible, with initiatives that effectively fulfill the customer promise. If necessary, they can hand the problem over to the Quality Platforms;
- Quality Platforms, generally organized by product segment, that oversee the tracking of in-market product performance. They review all available information and data to assess any impacts on the safety of product users. This information may come from external data capture units or other sources, such as in-use safety incident reports, or from in-house, via alerts from the design, manufacturing or test teams;
- a review by the Product Market Performance Monitoring Board (see section 4.10.2.1 below) three times a year to ensure that the system is consistent with the Group's Quality Policy provisions and procedures.

In a situation where a product or service designed and/or manufactured and/or marketed by the Group and/or bearing one of the Group's brands exposes customers to a potential or proven safety risk, the appropriate Quality Platform will initiate a dedicated process, defined and supervised by the Corporate Quality Department, to assess the potential impact on customer safety. If need be, a decision may be made to recall the product from the market. Such voluntary recalls are consistently carried out in compliance with legislation applicable at the date of the decision.

In 2025, across the entire Group, all its brands and all its tire products, three voluntary recalls were issued, concerning 92,933 products of the total 180 million or so manufactured every year by the Group. These three recalls were issued voluntarily as a preventive measure and carried out in a fully transparent manner. Each one specified the model number, date of manufacture and other information enabling the recalled product to be easily identified, as well as a description of the defect, an assessment of the risks, an identification of the root causes and the corrective actions taken. Regulatory authorities were informed in full compliance with prevailing legislation and guidelines. Stakeholders such as automakers, wholesalers, dealer networks and customers were also informed through appropriate channels. During each recall campaign, a multidisciplinary team managed deployment of the action plan in accordance with Group procedures. To assess the recall's effectiveness, the campaign is continuously and systematically tracked by the Quality Department.

4.10.1.2 Sustainable product performance

Michelin is committed to offering a safe, sustainable driving experience, from the first to the last kilometer, until the legal minimum tread depth is reached. This means that tires can be changed less often, saving customers money and reducing their impact on the environment. In addition to being a pledge of safety, this guarantees that less waste will be produced and less material will be used in production. For fleet owners, the performance of Michelin tires supports a total cost of ownership approach that reduces the tire budget, lowers the fuel bill and improves productivity.

4.10.1.3 Customer satisfaction: the bedrock of Michelin's strategy

Total customer satisfaction is the bedrock of the Group's quality strategy and to deliver it, the Michelin Quality Process, known as the "Customer Promise Guarantee", is applied in every aspect of the business.

As seen in the chart below, it ensures that the Group knows its customers and markets, develops products and solutions aligned with their needs, fulfills its commitments in implementing its solutions, and measures their satisfaction.



The marketing and sales teams, assisted by the in-field Customer Engineering Support teams, are dedicated to understanding customer demands and the risks arising from specific or extreme conditions of use in the markets where the products and services are sold. This understanding is documented in specifications and integrated into the research and development processes. The objective of leading the industry in creating customer value is tracked in the Group's strategic scorecard, with a set net promoter score (NPS) target. This indicator measures customer satisfaction and triggers any necessary corrective action. Since 2018, the Group has been tracking the Partner NPS, corresponding to the weighted average of the OEM (manufacturers) and dealer (Countries & Michelin Motorsport) macro-clusters. Based on an NPS® of 50.6 in 2020 for the Original Equipment passenger car tire business, the Group's executive team is committed to increasing the "Partner NPS" by 10 points over the 2020-2030 period. In 2025, the Partner NPS stood at 45.5 (40.3 in 2020). This indicator is included in the Group's strategic indicator scorecard.

4.10.1.4 Innovating for customers with data-driven experiences

With more than a million vehicles under contract, Michelin is a leading provider of data-driven, AI-enabled connected solutions for business fleets. The Connected Solutions business line focuses on developing, delivering and operating innovative solutions for mobility professionals, based on in-depth knowledge of customers and their usage practices, coupled with data management expertise. These solutions help mobility professionals to meet the challenges of improving the safety of transported people and goods, increasing the productivity of their fleet management operations and reducing their CO_2e emissions.

EFFITIRES[1], for example, facilitates tire maintenance by using an automated inspection system to improve operating efficiency and safety, while reducing CO_2e emissions and raw materials use. **MICHELIN Connected Fleet**[2] provides the applications and data that fleet operators and managers need to optimize their fleet management process. Through **MICHELIN Mobility Intelligence (MMI)**[3], Michelin is leveraging innovative data analytics, powered by advanced artificial intelligence and machine learning technologies, to provide actionable information (for example, identifying and mapping high-risk areas) that helps to improve road safety and transportation infrastructure.

4.10.2 A QUALITY POLICY SUPPORTING DEPLOYMENT OF MICHELIN'S QUALITY STRATEGY

Deployment of the Group's strategy is being supported in all of Michelin's host countries by the Group Quality Policy communicated through the Quality Statement.

4.10.2.1 The Group Quality Policy

The deployment and application of the Group Quality Policy is overseen by the **Group Quality Governance** body, which comprises the Corporate Internal Audit, Quality, Internal Control and Risk Management Department, which reports to the Managers, and a Quality Network at the operations level, comprising the Quality Departments in the business lines, operating units and regional organizations. It defines the Group Quality Policy, including quality guidelines and standards[4] underpinning Michelin's ability to sustainably provide high value-added products and services to its customers and nurture their trust, as well as the trust of all its other stakeholders.

The Quality teams are empowered to perform their role and tasks independently, including when deciding to bring a new product to market or to recall a product that fails to comply with Group quality standards. The Group Quality Governance body is supported by the Product Market Performance Monitoring Board, which is chaired by the Vice President, Internal Audit, Quality, Internal Control and Risk Management and comprises the Executive Vice Presidents of the Business Lines, the Manufacturing Department and the Research and Development Department. The body is fully independent, reporting directly to the Managers.

4.10.2.2 Quality Statement

The Quality Statement was re-issued in 2021. It expresses our commitment to ensuring that our innovative products and services meet customer needs and satisfaction, provide excellent quality of service, contribute to the sustainability of the planet, and inspire confidence in their reliability and in the integrity of our company[5].

(1) See https://pro.michelin.fr/transport-de-marchandises/services-transport-de-marchandises/effitires.
(2) See https://connectedfleet.michelin.com/fr/.
(3) See https://mobilityintelligence.michelin.com/en/.
(4) Its quality management processes are determined by a quality culture aligned with recognized standards, such as ISO 9001: 2015 certification.
(5) "Together, through the contribution of each employee and our commitment to continual improvement of our Quality Management System, we strive every day to guarantee the core promises we make to our customers and stakeholders: our innovative product and service offers meet their needs and provide them satisfaction; they benefit from a great experience and a quality of service among the best; by choosing our products and services solutions, they act for a more sustainable planet; they have confidence in the reliability of our products and services and in the integrity of our Company." Michelin Quality Statement (2021). See https://www.michelin.com/en/groupe/michelin-quality.

4.10.3 A CONTINUOUS CUSTOMER DIALOGUE PROCESS AND MICHELIN'S LEADERSHIP IN SUPPORTING TIRE REGULATIONS

For end-users, Michelin plays a significant role in improving tire safety through its active engagement in support of international standards and regulations.

4.10.3.1 Minimum performance standards

European legislators have introduced minimum tire performance standards in Europe, through Regulation (EU) 2019/2144 and United Nations Regulation No. 117.

These regulations cover rolling resistance, noise and wet grip performance, with the goal of limiting a tire's environmental impact and improving road safety. Regulations and standards-setting offer Michelin, with its technological leadership, an opportunity to ensure a "fair, level playing field" for all.

Introduced in 2012 for new tires, the minimum standards are gradually being applied to products already on the market. Compliance of new Passenger car, Light truck and Truck tires is verified by government technical services when the product is certified. In the EU, the stricter rolling resistance and wet grip standards introduced in Regulation R117, for both new and worn tires, have progressively been applied to new products since July 2024.

In each of the member countries, Michelin is supporting the application of these standards and, when requested, is helping to define the minimum thresholds.

4.10.3.2 Worn tire performance

The existing minimum standards for rolling resistance, noise and wet grip concern the measured performance of new tires. However, a tire's condition and performance evolve as it wears.

In the case of rolling resistance and noise, for example, performance improves or remains stable with use, so it makes sense to define their minimum standards on the basis of a new tire, as is currently the case.

On the other hand, a tire's wet grip declines as it wears. In 2019, the European Union approved the introduction of a regulation governing the wet grip performance of worn tires. Michelin participated in the United Nations working group that developed the regulatory method (R117-04) for introducing a minimum wet grip performance standard in 2024 on worn tires still within the legal wear limit, so as to ensure that tires deliver acceptable performance throughout their useful lives.

4.10.4 A POSITIVE IMPACT ON CONSUMERS AND END-USERS: INNOVATIVE PRODUCTS AND SERVICES

Michelin is pursuing its road safety strategy by introducing (i) new products offering even more robust safety performance with a smaller environmental footprint and (ii) customer services, such as the connected solutions mentioned above.

In 2024, Michelin is renewing 80% of its Truck product offering with the launch of the MICHELIN X® MULTI ENERGY™ 2 and MICHELIN X® LINE ENERGY™ 3 in Europe. In 2025, the new-generation MICHELIN X® WORKS™ 2e range of off-road drive tires was launched, offering improved mileage performance and B-label rolling resistance, a world first in this segment. In North America, the iconic MICHELIN XDN2 range was also renewed, with the MICHELIN X® LINE™ GRIP™ D, which offers exceptional performance across the board: longevity, rolling resistance, and grip down to the last millimeter of rubber. The new range's unique chevron tread pattern alone is representative of the full innovative power of the Michelin Group.

Second, the *MICHELIN Optimized Tire Performance solution*(1) was launched in 2025 to help fleet managers in Europe meet their multitude of operational, financial, regulatory and environmental challenges. The end-to-end solution seamlessly combines five areas of expertise: connected technologies and intelligent algorithms, day-to-day fleet management applications, tire management optimization, support and advice of our experts and partners, and of course, Michelin tire performance. For example, MICHELIN Optimized Tire Performance can help a fleet cut its fuel bill by up to 12% and reduce the number of tire pressure-related roadside repairs by up to 80%, by planning maintenance work up to two weeks in advance.

In addition to products and services, Michelin promises to make mobility more accessible, safer, more efficient and more environmentally sensitive. The Group is committed to acting in the common good by financing road safety initiatives, notably in developing countries, and improving access to mobility for everyone. For example; the Michelin Foundation's contribution to the United Nations Road Safety Fund (UNRSF), which is supporting solutions in low and middle-income countries, with a special focus on worldwide public policy and infrastructure; Michelin stepped up these commitments in 2025 by developing new projects with partners such as the Red Cross and the Association Tourisme et Handicaps to make sustainable mobility accessible to everyone.

(1) MICHELIN Optimized Tire Performance offer: https: //pro.michelin.fr/services/michelin-optimized-tire-performance.

GOVERNANCE MATTERS

4.11 BUSINESS CONDUCT (G1)



THREE QUESTIONS FOR CHARLOTTE GRASS, CHIEF COMPLIANCE OFFICER

"Today, ethical business practices are indispensable if we want to build trust and act as an agent of all-sustainability." ”

What is the Group's commitment with regard to ethical business practices?

As day by day, we build the Michelin of tomorrow, the concern for ensuring that individual and collective conduct remains consistent with its values and ethical principles is always top of mind.

More than ever, our goal is to make these values and principles a single, clearly identifiable foundation on which every Group employee can stand, wherever they are and whatever their responsibilities.

Among other things, this means that the Group pays particular attention to deploying a wide range of compliance-related prevention and detection programs in all its units and Business Lines.

What is at stake for the Michelin Group in its business conduct?

For the Michelin Group, ethical business conduct means earning the trust of its employees, consumers, shareholders and all other internal and external stakeholders. This trust, which is more vital but harder to build than ever in this time of quickening technological, climate and social change, undeniably stems from the Group's ability to conduct its business ethically.

What sets the Michelin Group apart in its business conduct?

Since its founding, Michelin's employees have embraced the values of respect that are the building blocks of its corporate DNA.

Embodied in guiding principles, these values inspire employees as they conduct the Group's business ethically and in compliance with applicable regulations. The Group has deployed an organization and a governance structure dedicated to addressing current and emerging ethics and compliance issues, both at corporate level and in the Regions and the Business Lines. The Group's cross-cutting, multi-disciplinary approach gives it a granular vision of its risk picture. What underpins all this is the empowerment of the various stakeholders in every aspect of the business and with it, a shared commitment to living our ethical principles. The Group attaches particular importance to a culture of speaking up, particularly with regard to any breaches of its ethical principles, so that compliance with them is always the norm.

Impacts, Risks and Opportunities (IROs)	Brief description
Upstream value chain · Downstream value chain · OP Own operations · Short-term · Medium-term · Long-term	
G1 - BUSINESS CONDUCT	
Business ethics and corporate culture	
Fines, litigation and reputational damage due to unethical business practices	Potential unethical business practices include corruption, fraud, bribery, environmental violations and exploitive conditions in the supply chain.
OP **Risk**	

Introduction

Unethical business conduct represents a risk for Michelin, whose employees may be exposed to unethical practices in the course of their business relationships. Failure to comply with applicable regulations could have serious, lasting or irreversible consequences for the Michelin Group's image and reputation with institutions and/or the general public. This could hamper the Group's ability to attract talent and capital or expose it to financial risks, such as fines or the costs incurred in compliance, litigation or crisis management. Managers and employees involved in unethical practices may also be exposed to fines and/or imprisonment.

Michelin is formally committed to acting ethically in all its business activities and, in particular, to fighting corruption. It expects every employee to act consistently with integrity, in respect of the internal and external standards that have underpinned its corporate culture for over a century.

Compliance with the Group's fundamental values depends on the commitment of every employee, regardless of job title or function. They are expected to safeguard the values, reputation, image and heritage that the Michelin Group nurtures and enhances over time in order to protect both its employees and its long-term viability.

4.11.1 GOVERNANCE

The role of the administrative, management and supervisory bodies

See section 4.1.2 *Governance of sustainability matters*, above, for a presentation of the role of the administrative, management and supervisory bodies related to business conduct, as well as the expertise of these bodies in dealing with business conduct matters.

In the Corporate Legal Department, a multi-disciplinary Compliance Support Group (CSG) is tasked, in particular, with preventing and managing the risks of non-compliance with the Group's Code of Ethics, including in relation to anti-corruption and influence peddling.

The CSG takes a holistic, multidisciplinary approach to ethical and compliance risks. Its primary mission is to maintain high-quality protection for the Group and its employees through the creation and deployment of robust compliance programs. The CSG works in close collaboration with its Compliance network and the Group's other corporate departments (Personnel, Audit, Internal Control, Communication, Sustainable Development and Impact, Purchasing, etc.). The Group's Compliance network is tasked with instilling the values and principles of the Code of Ethics in the Regions, deploying training initiatives and ensuring proper application of the procedures. Regular meetings are organized with the Regional General Counsels and/or the Regional Compliance Officers to drive the wider deployment of compliance programs and the sharing of best practices. Each Regional Compliance Officer, who is a member of the Regional Ethics Committee, reports once a year to the Group Ethics Operational Committee on the status of the compliance programs, with a summary then presented to the Group Ethics Committee.

4.11.2 BUSINESS CONDUCT POLICIES AND CORPORATE CULTURE

The management of ethical risks and the fight against corruption are supported by two fundamental reference documents, respectively the Michelin Code of Ethics and the Anti-Corruption Code of Conduct. Both are prefaced by a statement from the Managers emphasizing the Group's commitment to ethics, which is based on the ethical behavior of each employee, acting as an "ambassador of Michelin's values." Both may be downloaded from the Code of Ethics website[(1)], the corporate website[(2)] and the Purchasing website[(3)].

The Regional President is responsible for ensuring that the Codes are properly applied everywhere in his or her geographical remit. In practice, the Codes are deployed by the Regional General Counsels and/or Compliance Officers, overseen by the Regional Ethics Committees and the Group Ethics Committee, which is chaired by the General Manager and Chief Financial Officer.

A deployment status report is presented to the Regional Ethics Committees and included in the annual reports submitted by each Region to the Group Ethics Operational Committee. Internal control procedures are performed to verify that the Codes have been distributed and accessible to every employee in the Region or business unit, with a particular focus on employees in at-risk countries and newly acquired companies. Other internal audits, focused either on Code deployment or more general issues, may also be carried out.

4.11.2.1 The Michelin Code of Ethics

Subtitled "Acting Ethically Every Day" the Michelin Code of Ethics reviews the Group's fundamental values (respect for facts, respect for people, respect for customers, respect for shareholders and respect for the environment) and describes the Group's ethical principles and compliance procedures. It sets out the guidelines governing employee and stakeholder decisions, with practical advice on how to respond to the most frequently encountered situations ("Dos and Don'ts"), and specifies the behaviors to adopt in typical situations for each work environment. The Code of Ethics was reviewed and expanded in 2021 and again in 2025, in particular to strengthen the Group's commitments in areas like human rights, the environment and the ethical use of artificial intelligence, while responding more effectively to employee questions and making it easier to understand. It has been translated into 21 languages.

The Code of Ethics addresses the business conduct risks related to the giving or receiving of gifts and invitations, international trade and export controls, competition law, conflicts of interest, charitable and political donations, stock exchange regulations/insider trading, anti-fraud/anti-corruption, privacy and personal data protection, supplier relations and compliance with laws and regulations.

The Code applies to all employees and to any person working on Group sites or acting on behalf of a Group unit, anywhere in the world. The Group also encourages its customers, suppliers and other partners to adhere to the provisions of the Code, and in many cases, compliance is a prerequisite for doing business with the Group.

The Group supports ongoing Code deployment and compliance with regular, dedicated videos, events and other forms of communication. The Code is also distributed to new hires, who receive in-person and online training in ethics issues. Information campaigns are also organized for suppliers and customers.

4.11.2.2 Anti-Corruption Code of Conduct

To mitigate the risks of corruption, in 2015, the Group introduced an **Anti-Corruption Code of Conduct** applicable to all employees and agents (i.e., third parties acting in the name and on behalf of Michelin). Updated in 2020 and 2025, it attests to the Group's commitment to deploying a policy of zero-tolerance for any form of corruption or bribery. The Group also encourages its customers, suppliers and partners to adhere to the principles of the Code, through (i) contractual clauses inserted in their contracts referring to the Code and the Michelin Purchasing Principles and specifying the Group's anti-corruption compliance requirements and expectations; and (ii) newsletters.

(1) https://ethique.michelin.com/en/.
(2) https://michelin.com/en/groupe/purpose-values.
(3) https://purchasing.michelin.com/.

The Code is designed to raise employee awareness of actions that could be construed as bribery or corruption. The latest version is based on risk scenarios identified when the bribery and corruption risk map was updated, supported by examples and a description of the appropriate course of action in each case. In particular, it deals with such issues as bribes, kickbacks and payoffs, relations with third parties (including the use of agents and brokers), facilitation payments or other inducements, donations and contributions, philanthropy and sponsoring, gifts and invitations, conflicts of interest, lobbying, mergers and acquisitions.

The Anti-Corruption Compliance Program (ACCP)

Impelled by the commitment of the Managers, in 2018 Michelin introduced an **Anti-Corruption Compliance Program** based on the provisions of France's Sapin II Act. Supported by a Group standards manual, it was approved by the Group Ethics Committee in September 2018 then updated and re-approved by the Group Ethics Committee in July 2021. Any new updates are now approved by Group Compliance and sent to the Group Ethics Committee for information. The most recent version is dated December 2024.

Building on the provisions of France's Sapin II Act, the Michelin Program is backed by:

- top management's strong commitment to the Group's policy of zero-tolerance for corruption and influence peddling;
- a corporate compliance team (CSG) and local relay officers in the Regions;
- a corruption risk map based on Sapin II standards and the recommendations of the French Anti-Corruption Agency, to identify at-risk operations, processes and countries and determine the mitigation measures to be deployed;
- mechanisms for assessing third parties with which the Group works or wishes to work, based on the findings of the corruption risk mapping;
- a Code of Ethics addressing the fight against corruption, a dedicated Anti-Corruption Code of Conduct specifying the procedures to be followed based on real-world examples, and a communication plan;
- an awareness-building program for all managers and employees and a stepped-up training plan for the ones most exposed to corruption risks;
- a whistleblowing hotline accessible to all Group employees and stakeholders (customers, suppliers, NGOs, etc.);
- control procedures (anti-corruption accounting audits, internal controls and audits);
- a system for tracking disciplinary measures taken in response to confirmed cases of corruption or influence peddling.

Each Regional President and the Executive Vice President, Polymer Composite Solutions, are responsible for managing corruption risks linked to all activities and operations in the geographic area covered by their Region or Business Line, whether they arise from entities or companies associated with the Region or Business Line, any other entity or company, or any person acting on behalf of a Group entity or company. Deployment of the Anti-Corruption Compliance Program and compliance with its principles are overseen (i) in the Regions by the Regional General Counsels and Regional Compliance Officers, and (ii) in the Polymer Composite Solutions Business Line by a dedicated Compliance Officer.

Any new company joining the Michelin Group, regardless of its business, size, industry or geographic location, must embrace the Group's ethical principles and values, including the Code of Ethics, the Anti-Corruption Code of Conduct and the Anti-Corruption Compliance Program and all other corruption risk management policies and guidelines no later than twelve months following the closing of the acquisition.

The Group believes that all its employees may be exposed to the risk of corruption. Nevertheless, as part of the corruption risk mapping exercise, certain functions have been identified as being the most at-risk, including purchasing, sales, customs, logistics, M&A and public affairs.

4.11.2.3 Michelin's whistleblowing system (ethics hotline)

4.11.2.3.1. General presentation

Since 2021, a **single Group-wide whistleblowing system** has been deployed in every Group entity, replacing the regional alert mechanisms that had been in place since 2005. Available in 30 languages, the system may be accessed by Group employees, contractor employees and temporary workers, as well as by customers, suppliers, service providers and other outside stakeholders via a hotline and a secure website hosted by an independent company. The system allows whistleblowers to anonymously and confidentially report any behavior, practice or situation that allegedly violates applicable laws, internal procedures or the Group's values and principles as set out in the Code of Ethics. As stated in the Code, possible violations may also be reported through such traditional channels as direct or other managers, the Personnel Department or the Regional Ethics Correspondent. All reports are consolidated in the Group's whistleblowing hotline and presented regularly to the Group Ethics Committee and once a year to the Group Management Committee and the Supervisory Board's Audit Committee.

Based on the reported information, the Regional Ethics Committees concerned decide if the alert is admissible and if it warrants an internal investigation. If the investigation substantiates the alleged violations, the Committees define and deploy action plans with remedial measures and/or disciplinary sanctions up to and including dismissal.

Deployment of the ethics hotline has been extensively publicized across the Group to remind employees of its existence and its procedures and to report its usage statistics. Information posters are also on display at Group sites. All employees may request training in how to use the ethics hotline.

4.11.2.3.2. The Group Whistleblowing Procedure

The **Group Whistleblowing Procedure**[1] **describes the basic principles of reporting possible ethics violations.** Such alerts must be submitted on a disinterested basis, i.e., in good faith and without seeking direct compensation. All alerts are reviewed impartially and the principles of presumption of innocence, protection of privacy and protection of the reputation of individuals will be applied throughout the process. Investigators have sufficient impartiality, competence, authority and resources to perform their duties and consistently comply with the internal requirements of the investigation. Potential conflicts of interest are carefully considered and appropriate measures taken as necessary. All decisions on an alert (admissibility, appointment of an investigator, coming to a decision after investigation) are taken in a collegial manner, and the methods used to check the accuracy of the information and events reported must be justified and proportionate to the seriousness of the allegations.

When processing alerts, Michelin attaches great importance to preserving confidentiality. The conditions of collecting and processing alerts therefore guarantee that the whistleblower's identity and all details likely to identify the whistleblower, the alleged subject of the alert, any third party mentioned in the alert and the information gathered while processing the alert will be kept strictly confidential.

Similarly, any employee who thinks that he or she may have suffered retaliation for filing an alert or taking part in the investigation is encouraged to report this through the ethics hotline or to the authorized persons. In particular, the whistleblowing system may be used to report any retaliatory measure, threat or attempt to use such measures against an employee. After the alert has been closed, it is followed up to ensure that there has been no retaliation and that the corrective measures have been properly implemented.

The Regional Ethics Committee ensures that measures taken following the investigations are upheld and tracked, including the absence of any retaliation.

4.11.2.3.3. The Group Investigations Directive

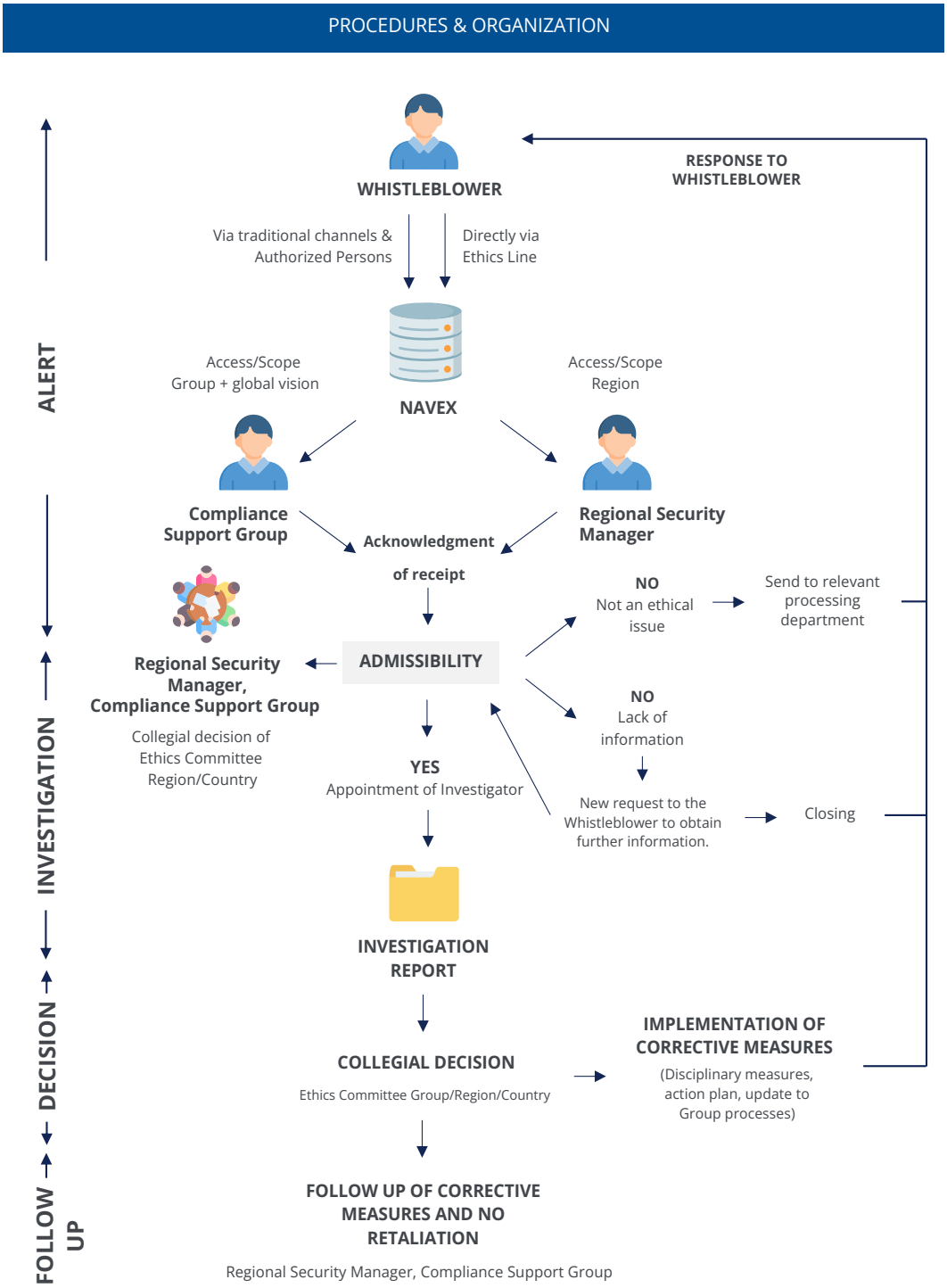
The Group has prepared a **Group Investigations Directive** defining the steps for processing an alert, the fundamental principles to be applied and the persons involved in the process. The investigation procedure applies to all matters covered by the Group's Code of Ethics, including incidents of corruption and bribery. The Group may also request the assistance of external investigators if necessary.

Submitted ethics alerts are analyzed and processed by authorized persons in accordance with the Group Whistleblowing Procedure and the Group Investigations Directive applicable across the Group, as defined by the Compliance Support Group (CSG) and the Corporate Planning, Prevention and Protection Department (DCAAP).

At Group level, only the Chief Compliance Officer and designated CSG members have access to all the alerts or reports submitted to the ethics hotline. The Regional Risk, Security and Environment Managers and, where applicable, the persons formally designated as their deputies, have access to alerts or reports filed in the countries in their Region. All these individuals are considered as authorized persons, and as such are bound by strict confidentiality and impartiality rules and vested with the requisite capabilities, authority and resources.

(1) Downloadable from www.michelin.com/groupe/raison-etre-values.

SUMMARY DIAGRAM OF THE ALERT COLLECTION AND PROCESSING MECHANISM



4.11.2.4 Ethics training

The Group offers a number of business conduct training courses intended either for all Group employees and senior executives or for people in the most at-risk functions. They cover a range of subjects and issues, including the Code of Ethics, the ethics hotline, harassment, competition law, prevention of corruption, personal data protection and conflicts of interest. The courses are mandatory and must be attended when the employee takes up his or her new position and be renewed every two years thereafter.

In particular, given that all Group managers and employees worldwide may be exposed to corruption risks, since the final quarter of 2021, everyone qualified as eligible, wherever they work around the world, is expected to attend, every two years, an e-learning program reviewing the fundamental principles of the fight against corruption. The program enables participants to (i) understand the concepts of corruption and influence peddling; (ii) onboard the main principles of France's Sapin II Act and the related compliance system; (iii) identify situations at risk of corruption and influence peddling and recognize the consequences of violations; (iv) avoid situations likely to create a conflict of interest; and (v) use the whistleblowing channels to report possible infringements.

4.11.3 INITIATIVES SUPPORTING BUSINESS CONDUCT POLICIES AND THE CORPORATE CULTURE

In 2024, as every year, initiatives were undertaken to ensure compliance with the Code of Ethics, the Anti-Corruption Code of Conduct and the Anti-Corruption Compliance Program.

The Group Ethics Committee is currently updating the Group's corruption risk map, at the pace of three Regions per year in 2024, 2025 and 2026.

At the same time, the third-party due diligence process introduced in 2021 was strengthened in 2025, including specific anti-corruption due diligence prior to any merger or acquisition and the inclusion of ESG issues in due diligence audits. In 2024, assessment criteria were reviewed, to realign the criteria for identifying at-risk third parties, lower the "at-risk country" threshold, deploy third-party assessments of suppliers in the Northern Europe Region in compliance with the German Duty of Care Act (LkSG) and introduce an upstream assessment procedure for new suppliers.

Internal ethics and compliance procedures are regularly updated. In 2024, a review of the Code of Ethics was initiated and the Anti-Corruption Compliance Program was updated.

The Group's Gifts and Invitations Directive, as revised in 2025, is currently being rolled out across the Group's Regions and units. The updated Anti-Corruption Code of Conduct is currently being finalized for deployment in 2026. The revised Evaluation of Third Parties procedure is now available and will be rolled out in the first quarter of 2026.

The Group is continuing to develop and deploy mandatory online and in-person training courses for the most at-risk functions, including a mandatory anti-corruption e-learning course for the most exposed employees.

4.11.4 PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY

The Anti-Corruption Compliance Program is designed to prevent and detect allegations and incidents of corruption, influence peddling and bribery. The Code of Ethics, the Anti-Corruption Code of Conduct and mandatory training courses all contain a presentation of the corruption and bribery detection procedures[1].

As part of the Anti-Corruption Compliance Program, Michelin has also introduced a key performance indicator tracking the percentage of employees who have undergone anti-corruption training, which is mandatory for all employees in the more at-risk functions (see above).

(1) See above for a description of these guidelines.

4.11.5 METRICS AND TARGETS

4.11.5.1 Percentage of functions-at-risk covered by anti-corruption training

In all, 89% of employees in functions-at-risk received anti-corruption training between January 1, 2024 and December 31, 2025 (79% from January 1, 2023 to December 31, 2024).

In accordance with the Anti-Corruption Compliance Program (ACCP), these sessions must be attended every two years by all eligible employees, i.e., people exposed to the risk of corruption who have been employed by the Group for more than six months. The percentage trained corresponds to the number of employees qualified as eligible at December 31, 2025 trained in 2024 and 2025, divided by the total number of employees qualified as eligible at December 31, 2025. The Group's target for the anti-corruption training attendance rate is at least 95% by the end of 2026.

4.11.5.2 Confirmed incidents of corruption or bribery

The number of convictions and the amount of fines levied for violation of anti-corruption and anti-bribery laws is tracked by each Regional Compliance Officer. In 2025, as in 2024, there were no convictions, and consequently no fines paid for the violation of anti-corruption laws in the Group. This attests to the Group's policy of zero-tolerance for corruption and influence peddling.

APPENDICES

APPENDIX A - ADDITIONAL INFORMATION DISCLOSED IN COMPLIANCE WITH ARTICLE L. 22-10-35 OF THE FRENCH COMMERCIAL CODE

Stronger ties between French citizens and the armed forces and enlistment in the reserves

Signed in 2017, the first agreement to support the military reserves policy was renewed in 2022 under the same conditions. Under its terms, reservist employees of Manufacture Française des Pneumatiques Michelin and its subsidiaries may be granted up to 12 working days of paid leave per year to facilitate their service in the French Army, Air Force or Navy, the National Gendarmerie, the National Police Force, or armed forces support organizations such as the Armed Forces Health Service, the Defense Procurement Agency (DGA), the Services of Supply, the Operational Energy Service (SEO) and the Defense Infrastructure Service (SID). There are currently around 70 reservists among Michelin employees in France[1].

Combating tax evasion

Michelin's tax policies are defined and implemented in line with its operating objectives in responsible and sustainable business development. In this regard, the Group's primary responsibility is to ensure that it fulfills all of its international, regional and local tax obligations, in both the spirit and the letter of the law. Moreover, Michelin has defined its own fundamental guidelines, in a commitment to securing its positions and ensuring that the Group fairly pays all of the taxes due in its host communities.

This is why Michelin systematically interprets tax legislation in compliance with both the law and the legislator's intent, without taking advantage of any possible loopholes.

The Group also recognizes the need and the value of nurturing trust-based relationships with tax authorities. As a result, the Group Vice President of Tax Affairs and members of his network foster, nurture and maintain ongoing, transparent relationships with tax authorities at every level.

Whenever possible, the Group seeks to foster such relationships in every host geography. In 2019, for example, the Group signed a partnership agreement with the French tax authorities, under the "relationship of trust" framework set up by the Budget Ministry, whereby any major events likely to have a tax impact will be shared transparently.

Naturally, the Group's tax policies strongly condemn all forms of tax evasion and expressly forbid management from taking advantage of tax regimes deemed to be prejudicial or non-transparent. Similarly, Michelin does not engage in any transaction, financial or otherwise, that would have the effect of evading taxes or of optimizing its corporate tax liability without generating any other operational or economic benefit.

A recurring effective tax rate of more than 20% and the lack of any tax adjustments or convictions for tax fraud attest to the effectiveness of the initiatives and tax governance in place to combat tax evasion. Furthermore, the Group's presence in a given geography is based solely on operational decisions concerning our manufacturing or marketing operations and never on tax considerations.

All tax risks are tracked specifically by the Tax Affairs Department, under the supervision of the Corporate Finance Department. The system for managing these risks is also governed by the Group's tax policies. In line with its new obligations, the Group is deploying and tracking compliance with the global minimum taxation rules issued by the OECD's Pillar Two initiative.

The Michelin Group is a responsible taxpayer, complying with local and international legislation. We have developed our geographical footprint to be able to serve our customers, adding tangible value to their lives through our manufacturing, sales & marketing, development and services locations. The search for proximity, both in terms of relationships and geography, is even more relevant today with the challenges of managing our environmental footprint.

We are actively engaged in developing our host communities and systematically comply with local legislation wherever we operate, with an unceasing commitment to paying our fair share of taxes and customs duties. In our tax transparency report[2], we share information on the topic, always with the same goal of fostering constructive dialogue with all our stakeholders.

(1) Note that Florent Menegaux is an officer in the French Army's citizen's reserve.
(2) https://www.michelin.com/publications/informations-réglementées/rapport-transparence-fiscale.

APPENDIX B - LIST OF DATAPOINTS IN CROSS-CUTTING AND TOPICAL STANDARDS THAT DERIVE FROM OTHER EU LEGISLATION

Disclosure Requirement and related datapoints	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	URD reference
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 Table #1 Annex I		Commission Delegated Regulation (EU) 2020/1816, Annex II		4.1.2.1 Composition and role of the administrative, management and supervisory bodies
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Commission Delegated Regulation (EU) 2020/1816, Annex II		4.1.2.1 Composition and role of the administrative, management and supervisory bodies
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 Annex I				4.1.2.4 Statement on due diligence
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicator number 4 Table #1 Annex I	Article 449a Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Commission Delegated Regulation (EU) 2020/1816, Annex II		N/A
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 Annex I		Commission Delegated Regulation (EU) 2020/1816, Annex II		N/A
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 Annex I		Delegated Regulation (EU) 2020/1818, Article 12 (1), Delegated Regulation (EU) 2020/1816, Annex II		N/A
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv Delegated Regulation (EU) 2020/1818, Article 12 (1), Delegated Regulation (EU) 2020/1816, Annex II			Delegated Regulation (EU) 2020/1818, Article 12 (1), Delegated Regulation (EU) 2020/1816, Annex II		N/A

Disclosure Requirement and related datapoints	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	URD reference
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2 (1)	4.2 CLIMATE CHANGE (E1) TRANSITION PLAN FOR CLIMATE CHANGE MITIGATION
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2		N/A
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 Annex I	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		4.2.9 METRICS AND TARGETS
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator number 5 Table #2 of Annex I				4.2.9.5 Energy consumption and mix
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 Annex I				4.2.9.5 Energy consumption and mix
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 Annex I				4.2.9.5 Energy consumption and mix
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators numbers 1 and 2 Table #1 of Annex I	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5 (1), 6 and 8 (1)		4.2.9.6 Gross Scope 1, 2, 3 and Total GHG emissions
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicator number 3 Table #1 Annex I	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8 (1)		4.2.9.6 Gross Scope 1, 2, 3 and Total GHG emissions
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2 (1)	4.2.9.7 Carbon allowances

Disclosure Requirement and related datapoints	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	URD reference
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II, Delegated Regulation (EU) 2020/1816, Annex II		4.2.14 ANTICIPATED FINANCIAL EFFECTS: INITIAL ESTIMATES OF THE COST OF ADAPTATION MEASURES(1)
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) **ESRS E1-9** Location of significant assets at material physical risk paragraph 66 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book – Climate change physical risk: Exposures subject to physical risk.			4.2.14 ANTICIPATED FINANCIAL EFFECTS: INITIAL ESTIMATES OF THE COST OF ADAPTATION MEASURES(1)
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34;Template 2: Banking book – Climate change transition risk: Loans collateralized by immovable property – Energy efficiency of the collateral			4.2.14 ANTICIPATED FINANCIAL EFFECTS: INITIAL ESTIMATES OF THE COST OF ADAPTATION MEASURES(1)
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69			Commission Delegated Regulation (EU) 2020/1818, Annex II		4.2.8.1 Rolling resistance, a key differentiating factor at a time of higher tire energy performance standards(1) 4.2.8.2 Expanding the line-up of EV tires(1)
ESRS E2-4 Amount of each pollutant listed in Annex II of the EPRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 and Indicator number 3 Table #2 of Annex 1				4.3.7 AIR AND WATER POLLUTION METRICS
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 Annex I				4.4.2 TARGETED WATER RESOURCE POLICIES
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table #2 Annex I				N/A
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex I				N/A

(1) Disclosure of qualitative information.

Disclosure Requirement and related datapoints	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	URD reference
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 Annex I				4.4.4.3 Water consumption metric (own operations)
ESRS E3-4 Total water consumption in m³ per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 Annex I				4.4.4.3 Water consumption metric (own operations)
ESRS 2- SBM 3 - E4 paragraph 16 (a) i	Indicator number 7 Table #1 Annex I				4.5.1 STRATEGY: ADDRESSING BIODIVERSITY IN THE TRANSITION PLAN AND THE BUSINESS MODEL
ESRS 2- SBM 3 - E4 paragraph 16 (b)	Indicator number 10 Table #2 Annex I				4.5.1 STRATEGY: ADDRESSING BIODIVERSITY IN THE TRANSITION PLAN AND THE BUSINESS MODEL
ESRS 2- SBM 3 - E4 paragraph 16 (c)	Indicator number 14 Table #2 Annex I				4.5.1 STRATEGY: ADDRESSING BIODIVERSITY IN THE TRANSITION PLAN AND THE BUSINESS MODEL
ESRS E4-2 Sustainable land/ agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex I				4.5.3 CORE BIODIVERSITY AND ECOSYSTEM POLICIES
ESRS E4-2 Sustainable oceans/seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex I				N/A
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex I				4.5.3 CORE BIODIVERSITY AND ECOSYSTEM POLICIES
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex I				Not material
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex I				Not material
ESRS 2- SBM 3 - S1 Risk of incidents of forced labor paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				4.8.1 A STRATEGY GROUNDED IN EMPLOYEE ENGAGEMENT
ESRS 2- SBM 3 - S1 Risk of incidents of child labor paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				4.8.1 A STRATEGY GROUNDED IN EMPLOYEE ENGAGEMENT

Disclosure Requirement and related datapoints	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	URD reference
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				4.8.3 ACTIVE STAKEHOLDER DIALOGUE, A CORE COMPONENT OF THE STRATEGY Michelin's commitment to human rights
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8, paragraph 21			Commission Delegated Regulation (EU) 2020/1816, Annex II		4.8.3 ACTIVE STAKEHOLDER DIALOGUE, A CORE COMPONENT OF THE STRATEGY Michelin's commitment to human rights
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				4.8.3 ACTIVE STAKEHOLDER DIALOGUE, A CORE COMPONENT OF THE STRATEGY Michelin's commitment to human rights
ESRS S1-1 Workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				4.8.4.2 Employee health and safety: an absolute priority in every decision
ESRS S1-3 Grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				4.11.2.3 Michelin's whistleblowing system (ethics hotline)
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Commission Delegated Regulation (EU) 2020/1816, Annex II		4.8.5.4 Employee health and safety
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				Not disclosed in 2025
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 Annex I				Not material

Disclosure Requirement and related datapoints	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	URD reference
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				4.8.5.5 Incidents, complaints and severe human rights impacts
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 104 (a)	Indicator number 10 Table #1 and Indicator number 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II, Delegated Regulation (EU) 2020/1818 Article 12 (1)		4.8.5.5 Incidents, complaints and severe human rights impacts
ESRS 2- SBM 3 - S2 Significant risk of child labor or forced labor in the value chain paragraph 11 (b)	Indicators numbers 12 and 13 Table #3 of Annex I				4.9 WORKERS IN THE VALUE CHAIN (S2) Introduction
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				4.9.2 PROCUREMENT POLICIES DESIGNED TO MANAGE RISKS RELATED TO VALUE CHAIN WORKERS
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicators numbers 11 and 4 Table #3 of Annex I				4.9.2 PROCUREMENT POLICIES DESIGNED TO MANAGE RISKS RELATED TO VALUE CHAIN WORKERS
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II, Delegated Regulation (EU) 2020/1818 Article 12 (1)		4.9.2 PROCUREMENT POLICIES DESIGNED TO MANAGE RISKS RELATED TO VALUE CHAIN WORKERS
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		4.9.2 PROCUREMENT POLICIES DESIGNED TO MANAGE RISKS RELATED TO VALUE CHAIN WORKERS
ESRS S2-4 Human rights* issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex I				4.9.2.2 The Group's Sustainable Natural Rubber Policy (updated in 2021)
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex I and Indicator number 11 Table #1 of Annex I				Not material

Disclosure Requirement and related datapoints	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	URD reference
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II, Delegated Regulation (EU) 2020/1818 Art 12 (1)		Not material
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex I				Not material
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				4.10.2.1 The Group Quality Policy
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II, Delegated Regulation (EU) 2020/1818 Art 12 (1)		4.10.1 AN UNRIVALED QUALITY AND PRODUCT SAFETY STRATEGY TO MEET CUSTOMER NEEDS
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex I				N/A
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex I				4.11.2 BUSINESS CONDUCT POLICIES AND CORPORATE CULTURE
ESRS G1-1 Protection of whistle-blowers paragraph 10 (d)	Indicator number 6 Table #3 Annex I				4.11.2.3.2 The Group Whistleblowing Procedure
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		4.11.5.2 Confirmed incidents of corruption or bribery
ESRS G1-4 Standards of anti-corruption and anti-bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex I				4.11.5.2 Confirmed incidents of corruption or bribery

APPENDIX C - EUROPEAN TAXONOMY TABLES

Table 1 - Sales ("Turnover")

Proportion of sales from products or services associated with Taxonomy-aligned economic activities - disclosure covering 2025

		Year 2025		Substantial contribution criteria						Do no significant harm criteria (DNSH)								
		Absolute sales	Proportion of sales	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular ECONOMY	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular ECONOMY	Biodiversity	Minimum safeguards	Taxonomy-aligned (A.1) or Taxonomy-eligible (A.2) proportion of sales, year 2024	Category (enabling activity)	Category (transitional activity)
Economic activities	Code	*in € millions*	*%*	*YES; NO; N/EL*	*YES; NO; N/EL*	*YES; NO; N/EL*	*YES; NO; N/EL*	*YES; NO; N/EL*	*YES; NO; N/EL*	*YES/NO*	*YES/NO*	*YES/NO*	*YES/NO*	*YES/NO*	*YES/NO*	*YES/NO*	**%**	*E*	*T*
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED)																			
Sales of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		
Of which enabling		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	*E*	
Of which transitional		-	-	-						-	-	-	-	-	-	-	-		*T*
A.2. TAXONOMY-ELIGIBLE BUT NOT ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (NOT TAXONOMY-ALIGNED)																			
Manufacture of other low-carbon technologies	CCM 3.6	13,186	51%	EL	N/EL	N/EL	N/EL	N/EL	N/EL	YES	YES	YES	NO	YES	YES		**51%**		
Data-driven solutions for GHG emission reductions	CCM 8.2	247	1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								**1%**		
Repair, refurbishment and remanufacturing	CE 5.1	352	1%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								**1%**		
Sales of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (A.2)		**13,785**	**53%**	**52%**				**1%**									**53%**		
A. SALES OF TAXONOMY-ELIGIBLE ACTIVITIES (A.1 + A.2)		**13,785**	**53%**	**52%**				**1%**									**53%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Sales of Taxonomy-non-eligible activities (B)		**12,207**	**47%**	*Analysis not carried out for reasons of materiality and insufficient data*															
TOTAL		**25,992**	**100%**																

Table 2 - Capital expenditure

Proportion of capital expenditure from products or services associated with Taxonomy-aligned economic activities - disclosure covering 2025

		Year 2025		Substantial contribution criteria						Do no significant harm criteria								
		Absolute CapEx	Proportion of CapEx	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular ECONOMY	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular ECONOMY	Biodiversity	Minimum safeguards	Taxonomy-aligned (A.1) or Taxonomy-eligible (A.2) proportion of CapEx, year 2024	Category (enabling activity)	Category (transitional activity)
Economic activities	**Code**	*in € millions*	*%*	*YES; NO; N/EL*	*YES; NO; N/EL*	*YES; NO; N/EL*	*YES; NO; N/EL*	*YES; NO; N/EL*	*YES; NO; N/EL*	*YES/NO*	*YES/NO*	*YES/NO*	*YES/NO*	*YES/NO*	*YES/NO*	*YES/NO*	**%**	*E*	*T*
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED)																			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		
Of which enabling		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	*E*	
Of which transitional		-	-	-						-	-	-	-	-	-	-	-		*T*
A.2. TAXONOMY-ELIGIBLE BUT NOT ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (NOT TAXONOMY-ALIGNED)																			
Manufacture of other low-carbon technologies	CCM 3.6	1,305	59%	EL	N/EL	N/EL	N/EL	N/EL	N/EL	YES	YES	YES	NO	YES	YES		**53%**		
Data-driven solutions for GHG emission reductions	CCM 8.2	37	2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								**2%**		
Repair, refurbishment and remanufacturing	CE 5.1	17	1%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								**1%**		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (A.2)		**1,359**	**62%**	**61%**				**1%**									**55%**		
A. CAPEX OF TAXONOMY-ELIGIBLE ACTIVITIES (A.1 + A.2)		**1,359**	**62%**	**61%**				**1%**									**55%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		**826**	**38%**	*Analysis not carried out for reasons of materiality and insufficient data*															
TOTAL		**2,185**	**100%**																

Table 3 - Operating expenses

Proportion of operating expenses from products or services associated with Taxonomy-aligned economic activities - disclosure covering 2025

		Year 2024		Substantial contribution criteria						Do no significant harm criteria									
		Absolute OpEx	Proportion of OpEx	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular ECONOMY	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular ECONOMY	Biodiversity	Minimum safeguards	Taxonomy-aligned (A.1) or Taxonomy-eligible (A.2) proportion of OpEx, year 2024	Category (enabling activity)	Category (transitional activity)
Economic activities	Code	*in € millions*	*%*	*YES; NO; N/EL*	*YES; NO; N/EL*	*YES; NO; N/EL*	*YES; NO; N/EL*	*YES; NO; N/EL*	*YES; NO; N/EL*	*YES/NO*	*YES/NO*	*YES/NO*	*YES/NO*	*YES/NO*	*YES/NO*	*YES/NO*	**%**	*E*	*T*
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)																			
Of which enabling																		*E*	
Of which transitional																			*T*
A.2. TAXONOMY-ELIGIBLE BUT NOT ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (NOT TAXONOMY-ALIGNED)																			
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (A.2)																			
A. OPEX OF TAXONOMY-ELIGIBLE ACTIVITIES (A.1 + A.2)																			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities																			
TOTAL		**1,925**	**100%**																

Analysis not carried out for reasons of materiality and insufficient data

Tables 4 - Multi-objectives

	Proportion of OpEx/ Total OpEx	
	Taxonomy aligned per objective	**Taxonomy eligible per objective**
CCM	-	-
CCA	-	-
WTR	-	-
CE	-	-
PPC	-	-
BIO	-	-

	Proportion of CapEx/ Total CapEx	
	Taxonomy aligned per objective	**Taxonomy eligible per objective**
CCM	-	61%
CCA	-	-
WTR	-	-
CE	-	1%
PPC	-	-
BIO	-	-

	Proportion of sales/ Total sales	
	Taxonomy aligned per objective	**Taxonomy eligible per objective**
CCM	-	52%
CCA	-	-
WTR	-	-
CE	-	1%
PPC	-	-
BIO	-	-

Table 5 - Gas and nuclear activities

Row	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/ cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

APPENDIX D - TABLE OF DISCLOSURE REQUIREMENTS

ESRS	Disclosure Requirement	URD reference
ESRS 2	BP-1 - General basis for the preparation of sustainability statement	4.1.1 GENERAL BASIS FOR THE PREPARATION OF THE SUSTAINABILITY STATEMENT
	BP-2 - Disclosures in relation to specific circumstances	4.1.1 GENERAL BASIS FOR THE PREPARATION OF THE SUSTAINABILITY STATEMENT
	GOV-1 - The role of the administrative, management and supervisory bodies	4.1.2.1 Composition and role of the administrative, management and supervisory bodies 4.1.2.2 The key role of the administrative, management and supervisory bodies
	GOV-2 - Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies;	4.1.2.2 The key role of the administrative, management and supervisory bodies
	GOV-3 - Integration of sustainability-related performance in incentive schemes	4.1.2.3 Integration of sustainability-related performance in incentive mechanisms
	GOV-4 - Statement on due diligence	4.1.2.4 Statement on due diligence
	GOV-5 - Risk management and internal controls over sustainability reporting	4.1.2.5 Risk management and internal controls over sustainability reporting
	SBM-1 - Strategy, business model and value chain	4.1.3.1 Michelin's sustainability driven strategy, business model and value chain For a breakdown of Group employees by geographic region, see section 4.8.5.1
	SBM-2 - Interests and views of stakeholders	4.1.3.2 Constant, careful attention to the interests and views of stakeholders on sustainability
	SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	See below for the disclosure requirements "Related to ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model" as regards the ESRS: ■ ESRS E1 Climate change; ■ ESRS E4 Biodiversity and ecosystems ■ ESRS S1 Own workforce; ■ ESRS S2 Workers in the value chain; ■ ESRS S4 Consumers and end-users.
	IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities	4.1.4.1 Double materiality assessment methodology
	IRO-2 - Disclosure Requirements in ESRS covered by the undertaking's sustainability statement	APPENDIX D - Table of Disclosure Requirements

ESRS	Disclosure Requirement	URD reference
ESRS E1 Climate change	Related to ESRS 2 GOV-3 - Integration of sustainability-related performance in incentive schemes	4.1.2.3 Integration of sustainability-related performance in incentive mechanisms 4.2.4 GOVERNANCE AND MONITORING OF THE TRANSITION PLAN
	E1-1 - Transition plan for climate change mitigation	4.2 CLIMATE CHANGE (E1) TRANSITION PLAN FOR CLIMATE CHANGE MITIGATION
	Related to ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	4.2.5 ALIGNMENT OF THE TRANSITION PLAN WITH THE GROUP'S BUSINESS STRATEGY 4.2.6 RESILIENCE OF THE STRATEGY CLIMATE CHANGE MITIGATION (Introduction) 4.2.8 MITIGATION ACTIONS AND RESOURCES EMBEDDED IN OUR BUSINESS MODEL
	Related to ESRS 2 IRO-1 - Description of the processes to identify and assess material climate-related impacts, risks and opportunities	4.1.4.1 Double materiality assessment methodology
	E1-2 - Policies related to climate change mitigation and adaptation	4.2.7 CLIMATE CHANGE MITIGATION POLICIES 4.2.11 PHYSICAL CLIMATE RISKS ADAPTATION POLICY ISSUED IN 2024
	E1-3 - Actions and resources in relation to climate change policies	4.2.8 MITIGATION ACTIONS AND RESOURCES EMBEDDED IN OUR BUSINESS MODEL 4.2.12 DEDICATED INITIATIVES AND RESOURCES WITH A STRUCTURED ROADMAP TO 2030
	E1-4 - Targets related to climate change mitigation and adaptation	4.2.9.1 Short-to-medium-term (according to the SBTi) 4.2.9.2 Long term 4.2.9.3 Targets and quantitative contributions by lever over the 2019-2030 period (Scopes 1 and 2) 4.2.9.4 Projected levers for the 2050 time horizon 4.2.13 METRICS AND TARGETS
	E1-5 - Energy consumption and mix	4.2.9.5 Energy consumption and mix
	E1-6 - Gross Scope 1, 2, 3 and Total GHG emissions	4.2.9.6 Gross Scope 1, 2, 3 and Total GHG emissions
	E1-7 - GHG removals and GHG mitigation projects financed through carbon credits	4.2.9.7 Carbon allowances GHG removals and GHG mitigation projects financed through carbon credits
	E1-8 - Internal carbon pricing	4.2.9.7 Carbon allowances Internal carbon pricing
	E1-9 - Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	4.2.8 MITIGATION ACTIONS AND RESOURCES EMBEDDED IN OUR BUSINESS MODEL 4.2.14 ANTICIPATED FINANCIAL EFFECTS: REFINED ESTIMATES OF THE COST OF ADAPTATION MEASURES
ESRS E2 Pollution	Related to ESRS 2 IRO-1 - Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	4.1.4.1 Double materiality assessment methodology
	E2-1 - Policies related to pollution E2-2 - Actions and resources related to pollution E2-3 - Targets related to pollution	4.3.2 GENERAL POLICIES RELATED TO POLLUTION 4.3.3 THE GROUP'S LONG-STANDING TRWP OBJECTIVE, BACKED BY DEEPER ENGAGEMENT WITH THE TIRE INDUSTRY AND OTHER SUPPORT RESOURCES 4.3.4 MITIGATING AIR AND WATER POLLUTION FROM GROUP OPERATIONS 4.3.5 MANAGING CHEMICAL RISKS 4.3.6 A HOLISTIC UNDERSTANDING OF POLLUTION IN THE UPSTREAM VALUE CHAIN
	E2-4 - Pollution of air, water and soil	4.3.7.1 Air pollution 4.3.7.2 Water pollution
	E2-5 - Substances of concern and very high concern;	4.3.7.3 Substances of concern (SOCs) and very high concern (SVHCs)
	E2-6 - Anticipated financial affects from pollution-related impacts, risks and opportunities	Not disclosed in 2025

ESRS	Disclosure Requirement	URD reference
ESRS E3 Water and marine resources	Related to ESRS 2 IRO-1 - Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	4.1.4.1 Double materiality assessment methodology
	E3-1 - Policies related to water and marine resources	4.4.2 TARGETED WATER RESOURCE POLICIES
	E3-2 - Actions and resources related to water and marine resources	4.4.3 AN ARRAY OF ACTIONS AND RESOURCES COMMITTED TO WATER RESOURCES
	E3-3 - Targets related to water and marine resources	4.4.4.1 Water resource targets 4.4.4.2 Water-related targets in the upstream value chain
	E3-4 - Water consumption	4.4.4.3 Water consumption metric (own operations)
	E3-5 - Anticipated financial effects from material water and marine resources-related risks and opportunities	Not disclosed in 2025
ESRS E4 Biodiversity and ecosystems	E4-1 - Transition plan and consideration of biodiversity and ecosystems in strategy and business model	4.5.1 STRATEGY: ADDRESSING BIODIVERSITY IN THE TRANSITION PLAN AND THE BUSINESS MODEL
	Related to ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	4.5.1 STRATEGY: ADDRESSING BIODIVERSITY IN THE TRANSITION PLAN AND THE BUSINESS MODEL
	Related to ESRS 2 IRO-1 - Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks, dependencies and opportunities	4.1.4.1 Double materiality assessment methodology 4.5.2 IDENTIFYING BIODIVERSITY AND ECOSYSTEM ISSUES: THE CRITICAL ROLE OF NATURAL RUBBER
	E4-2 - Policies related to biodiversity and ecosystems	4.5.3 CORE BIODIVERSITY AND ECOSYSTEM POLICIES
	E4-3 - Actions and resources related to biodiversity and ecosystems	4.5.4 BIODIVERSITY AND ECOSYSTEM INITIATIVES
	E4-4 - Targets related to biodiversity and ecosystems	4.5.5.1 Biodiversity and ecosystem targets
	E4-5 - Impact metrics related to biodiversity and ecosystems change	4.5.5.2 Impact metrics related to biodiversity and ecosystems change
	E4-6 - Anticipated financial effects from biodiversity and ecosystem-related impacts, risks and opportunities	Not disclosed in 2025
ESRS E5 Resource use and circular economy	Related to ESRS 2 IRO-1 - Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	4.1.4.1 Double materiality assessment methodology
	E5-1 - Policies related to resource use and circular economy	4.6.2 AMBITIOUS RESOURCE USE AND CIRCULAR ECONOMY POLICIES
	E5-2 - Actions and resources related to resource use and circular economy	4.6.3 TOWARDS A PARADIGM SHIFT: SIGNIFICANT CIRCULARITY INITIATIVES AND RESOURCES
	E5-3 - Targets related to resource use and circular economy	4.6.4.1 Resource inflows 4.6.4.2 Resource outflows
	E5-4 - Resource inflows	4.6.4.1 Resource inflows
	E5-5 - Resource inflows	4.6.4.2 Resource outflows
	E5-6 - Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	4.6.3.2 Resource circularity

ESRS	Disclosure Requirement	URD reference
	Related to ESRS 2 SBM-2 - Interests and views of stakeholders	4.1.3.2 Constant, careful attention to the interests and views of stakeholders on sustainability 4.8.3 ACTIVE STAKEHOLDER DIALOGUE, A CORE COMPONENT OF THE STRATEGY
	Related to ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	4.8.1 A STRATEGY GROUNDED IN EMPLOYEE ENGAGEMENT 4.8.4 SOCIAL PROTECTION, HEALTH AND SAFETY, AND ATTRACTING AND RETAINING TALENT: THREE MAIN STRATEGIC OBJECTIVES
	S1-1 - Policies related to own workforce	4.8.2 DEPLOYING THE STRATEGY THROUGH A CONSISTENT SET OF POLICIES AND THE ICARE LEADERSHIP MODEL 4.8.4 SOCIAL PROTECTION, HEALTH AND SAFETY, AND ATTRACTING AND RETAINING TALENT: THREE MAIN STRATEGIC OBJECTIVES
	S1-2 - Processes for engaging with own workers and workers' representatives about impacts	4.8.3 ACTIVE STAKEHOLDER DIALOGUE, A CORE COMPONENT OF THE STRATEGY
	S1-3 - Processes to remediate negative impacts and channels for own workers to raise concerns	4.8.3 ACTIVE STAKEHOLDER DIALOGUE, A CORE COMPONENT OF THE STRATEGY 4.8.4.2 Employee health and safety: an absolute priority in every decision
	S1-4 - Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	4.8.4 SOCIAL PROTECTION, HEALTH AND SAFETY, AND ATTRACTING AND RETAINING TALENT: THREE MAIN STRATEGIC OBJECTIVES
ESRS S1 Own workforce	S1-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	4.8.3 ACTIVE STAKEHOLDER DIALOGUE, A CORE COMPONENT OF THE STRATEGY
	S1-6 - Characteristics of employees	4.8.5.1 Characteristics of employees
	S1-7 - Characteristics of non-employee workers in the undertaking's own workforce	Not disclosed in 2025
	S1-8 - Collective bargaining coverage and social dialogue	Not material
	S1-9 - Diversity metrics	Not material
	S1-10 - Adequate wages	4.8.5.2 Adequate wage
	S1-11 - Social protection	Not disclosed in 2025
	S1-12 - Persons with disabilities	Not material
	S1-13 - Training and skills development metrics	4.8.5.3 Number of hours of training per employee
	S1-14 - Health and safety metrics	4.8.5.4 Employee health and safety
	S1-15 - Work/life balance metrics	Not material
	S1-16 - Compensation metrics (pay gap and total compensation)	Not material
	S1-17 - Incidents, complaints and severe human rights impacts	4.8.5.5 Incidents, complaints and severe human rights impacts

ESRS	Disclosure Requirement	URD reference
ESRS S2 Workers in the value chain	Related to ESRS 2 SBM-2 - Interests and views of stakeholders	4.1.3.2 Constant, careful attention to the interests and views of stakeholders on sustainability 4.9.3 WELL-ESTABLISHED DIALOGUE PROCESSES ADDRESSING THE VIEWPOINTS OF VALUE CHAIN WORKERS
	Related to ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	4.9.1 A VALUE CHAIN STRATEGY FOCUSED PRIMARILY ON NATURAL RUBBER SOURCING
	S2-1 - Policies related to value chain workers	4.9.2 PROCUREMENT POLICIES DESIGNED TO MANAGE RISKS RELATED TO VALUE CHAIN WORKERS
	S2-2 - Processes for engaging with value chain workers about impacts	4.9.3 WELL-ESTABLISHED DIALOGUE PROCESSES ADDRESSING THE VIEWPOINTS OF VALUE CHAIN WORKERS
	S2-3 - Processes to remediate negative impacts and channels for value chain workers to raise concerns	4.9.4 PROCESSES TO REMEDIATE POTENTIAL NEGATIVE IMPACTS
	S2-4 - Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	4.9.5 A WIDE ARRAY OF INITIATIVES IN PLACE TO PREVENT NEGATIVE IMPACTS AND DELIVER POSITIVE IMPACTS
	S2-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	4.9.6 METRICS AND TARGETS
ESRS S3 Affected communities	Related to ESRS 2 SBM-2 - Interests and views of stakeholders	Not material
	Related to ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	Not material
	S3-1 - Policies related to affected communities	Not material
	S3-2 - Processes for engaging with affected communities about impacts	Not material
	S3-3 - Processes to remediate negative impacts and channels for affected communities to raise concerns	Not material
	S3-4 - Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	Not material
	S3-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Not material

ESRS	Disclosure Requirement	URD reference
ESRS S4 Consumers and end-users	Related to ESRS 2 SBM-2 - Interests and views of stakeholders	4.1.3.2 Constant, careful attention to the interests and views of stakeholders on sustainability 4.10.3 A CONTINUOUS CUSTOMER DIALOGUE PROCESS AND MICHELIN'S LEADERSHIP IN SUPPORTING TIRE REGULATIONS
	Related to ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	4.10.1 AN UNRIVALED QUALITY AND PRODUCT SAFETY STRATEGY TO MEET CUSTOMER NEEDS
	S4-1 - Policies related to consumers and end-users	4.10.2 A QUALITY POLICY SUPPORTING DEPLOYMENT OF MICHELIN'S QUALITY STRATEGY
	S4-2 - Processes for engaging with consumers and end-users about impacts	4.10.3 A CONTINUOUS CUSTOMER DIALOGUE PROCESS AND MICHELIN'S LEADERSHIP IN SUPPORTING TIRE REGULATIONS
	S4-3 - Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	4.10.1.1 Zero compromise on the safety and quality of Michelin products
	S4-4 - Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	4.10.1.2 Sustainable product performance 4.10.1.3 Customer satisfaction: the bedrock of Michelin's strategy 4.10.1.4 Innovating for customers with data-driven experiences 4.10.4 A POSITIVE IMPACT ON CONSUMERS AND END-USERS: INNOVATIVE PRODUCTS AND SERVICES
	S4-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	4.10.1 AN UNRIVALED QUALITY AND PRODUCT SAFETY STRATEGY TO MEET CUSTOMER NEEDS
ESRS G1 Business conduct	Related to ESRS 2 GOV-1 - The role of the administrative, management and supervisory bodies	4.11.1 GOVERNANCE
	Related to ESRS 2 IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities	4.1.4.1 Double materiality assessment methodology
	G1-1 - Business conduct policies and corporate culture	4.11.2 BUSINESS CONDUCT POLICIES AND CORPORATE CULTURE
	G1-2 - Management of relationships with suppliers	Not material
	G1-3 - Prevention and detection of corruption and bribery	4.11.3 INITIATIVES SUPPORTING BUSINESS CONDUCT POLICIES AND THE CORPORATE CULTURE 4.11.4 PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY 4.11.5.1 Percentage of functions-at-risk covered by anti-corruption training
	G1-4 - Confirmed incidents of corruption or bribery	4.11.5.2 Confirmed incidents of corruption or bribery
	G1-5 - Political influence and lobbying activities	Not material
	G1-6 - Payment practices	Not material

4.12 REPORT ON THE CERTIFICATION OF SUSTAINABILITY INFORMATION AND VERIFICATION OF THE DISCLOSURE REQUIREMENTS UNDER ARTICLE 8 OF REGULATION (EU) 2020/852

(Year ended December 31, 2025)

To the Shareholders Meeting of Compagnie Générale des Etablissements Michelin
Compagnie Générale des Etablissements Michelin
23 Place des Carmes-Déchaux
63000 Clermont Ferrand

This report is issued in our capacity as statutory auditor of Compagnie Générale des Etablissements Michelin (the "Group"). It covers the sustainability information and the information required by Article 8 of Regulation (EU) 2020/852, relating to the year ended December 31, 2025 and included in the Group's sustainability report presented in the group management report.

Our procedures, which relate to this information, have been performed in an evolving context characterized by uncertainties regarding the interpretation of the laws and regulations, and the development of established practices.

Pursuant to Article L. 233-28-4 of the French Commercial Code, Compagnie Générale des Etablissements Michelin is required to include the above-mentioned information in a separate section of the group management report.

This information enables an understanding of the impact of the activity of the group on sustainability matters, as well as the way in which these matters influence the development of the business of the group, its business, performance and position. Sustainability matters include environmental, social and corporate governance matters.

Pursuant to Article L. 821-54 paragraph II of the aforementioned Code our responsibility is to carry out the procedures necessary to issue a conclusion, expressing limited assurance, on:

- compliance with the requirements set out in the sustainability reporting standards adopted by the European Commission pursuant to Article 29 b of Directive (EU) 2013/34 of the European Parliament and of the Council of June 26, 2013, as amended by Directive (EU) 2022/2464 of the European Parliament and of the Council of December 14, 2022 (hereinafter ESRS for *European Sustainability Reporting Standards*) of the process implemented by Compagnie Générale des Etablissements Michelin to determine the information reported;
- compliance of the sustainability information included in the Group's sustainability report included in the management report with the provisions of Article L. 233-28-4 of the French Commercial Code, including ESRS; and
- compliance with the reporting requirements set out in Article 8 of Regulation (EU) 2020/852.

This engagement is carried out in compliance with the ethical rules, including independence, and quality control rules prescribed by the French Commercial Code.

It is also governed by the H2A guidelines on "*Limited assurance engagement - Certification of sustainability reporting and verification of disclosure requirements set out in Article 8 of Regulation (EU) 2020/852*".

In the three separate sections of the report that follow, we present, for each of the sections of our engagement, the nature of the procedures that we carried out, the conclusions that we drew from these procedures and, in support of these conclusions, the elements to which we paid particular attention and the procedures that we carried out with regard to these elements. We draw your attention to the fact that we do not express a conclusion on any of these elements taken individually and that the procedures described should be considered in the overall context of the formation of the conclusions issued in respect of each of the three sections of our engagement.

Finally, where deemed necessary to draw your attention to one or more disclosures of sustainability information provided by Compagnie Générale des Etablissements Michelin in the group management report, we have included an emphasis of matter paragraph hereafter.

Limits of our engagement

As the purpose of our engagement is to express limited assurance, the nature (choice of techniques), extent (scope) and timing of the procedures are less than those required to obtain reasonable assurance.

This engagement does not provide guarantee regarding the viability or the quality of the management of Compagnie Générale des Etablissements Michelin, in particular it does not provide an assessment, of the relevance of the choices made by the Group in terms of action plans, targets, policies, scenario analyses and transition plans.

Our engagement does not cover comparative information for the year 2023.

It also does not cover the Group's compliance with the legal and regulatory provisions relating to the vigilance plan published in application of Article L. 225-102-1 of the French Commercial Code.

Furthermore, as forward-looking information is inherently uncertain, actual future outcomes may differ, sometimes significantly, from the forward-looking information presented in the group management report.

Our engagement does, however, allow us to express conclusions regarding the entity's process for determining the sustainability information to be reported, the sustainability information itself, and the information reported pursuant to Article 8 of Regulation (EU) 2020/852, as to the absence of identification or, on the contrary, the identification of errors, omissions or inconsistencies of such importance that they would be likely to influence the decisions that readers of the information subject to this engagement might make.

Sustainability information and the information required under Article 8 of Regulation (EU) No. 2020/852 may be subject to inherent uncertainty arising from the state of scientific knowledge and from the quality of the external data used. Certain information is sensitive to the methodological choices, assumptions and/or estimates applied in preparing it and presented in the group management report.

Compliance with the requirements set out in the ESRS of the process implemented by Compagnie Générale des Etablissements Michelin to determine the information reported

Nature of procedures carried out

Our procedures consisted in verifying that:

- the process defined and implemented by Compagnie Générale des Etablissements Michelin has enabled it, in accordance with the ESRS, to identify and assess its impacts, risks and opportunities related to sustainability matters, and to identify the material impacts, risks and opportunities, that lead to the publication of information disclosed in the Group's sustainability report presented in the group management report, and
- the information provided on this process also complies with the ESRS.

Conclusion of the procedures carried out

On the basis of the procedures we have carried out, we have not identified any material errors, omissions or inconsistencies regarding the compliance of the process implemented by Compagnie Générale des Etablissements Michelin with the ESRS.

Elements that received particular attention

We set out below the matters to which we paid particular attention in relation to the compliance with the ESRS of the process implemented by Compagnie Générale des Etablissements Michelin to determine the information reported.

The information relating to the way in which the Group updated its double materiality assessment and concluded that no major event or material change likely to affect sustainability matters was identified during the year, such as to require changes to the double materiality assessment, is presented in section 4.1.4.1 of the Group's sustainability report.

Based on interviews with management and the personnel we considered appropriate, and on an inspection of the available documentation, we reviewed the analyses performed by the Group, in particular the assessment of the internal and external factors taken into account to justify the absence of changes to the double materiality assessment. These factors notably include: changes in the reporting perimeter, changes in the nature of its activities, its portfolio of products and services and its geographical footprint, significant changes in its direct and indirect business relationships within the value chain, and new environmental, social or governance issues.

In exercising our professional judgement, our procedures also consisted in particular in:

- applying professional skepticism to the documentation of the analyses performed by the Group and to the approach used to identify the internal and external factors to be considered;
- assessing the appropriateness of the internal and external factors considered by the Group in the light of our knowledge of the Group and of the facts and circumstances specific to the Group;
- assessing the appropriateness of the process implemented by the Group for assessing impact materiality and financial materiality in order to determine the material information to be reported (including the setting of thresholds), in the light of our knowledge of the Group and of the facts and circumstances specific to the Group;
- assessing the appropriateness of the description provided in this respect in section 4.1.4.1 of the Group's sustainability report.

Compliance of the sustainability information included in the Group's sustainability report of the group management report with the provisions of Article L. 233-28-4 of the French Commercial Code, including the ESRS

Nature of procedures carried out

Our procedures consisted in verifying that, in accordance with legal and regulatory requirements, including the ESRS:

- the disclosures provided enable an understanding of the general basis for the preparation and governance of the sustainability information included in the Group's sustainable report, including the basis for determining the information relating to the value chain and the exemptions from disclosures used;
- the presentation of this information ensures its readability and understandability;
- the scope chosen by Compagnie Générale des Etablissements Michelin for providing this information is appropriate; and
- on the basis of a selection, based on our analysis of the risks of non-compliance of the information provided and the expectations of users, that this information does not contain any material errors, omissions or inconsistencies, i.e. that are likely to influence the judgement or decisions of users of this information.

Conclusion of the procedures carried out

Based on the procedures we have carried out, we have not identified material errors, omissions or inconsistencies regarding the compliance of the sustainability information included in the Group's sustainability report of the group management report, with the provisions of Article L. 233-28-4 of the French Commercial Code, including the ESRS.

Elements that received particular attention

We set out below the matters to which we paid particular attention in relation to the compliance of the sustainability information included in the Group's sustainability report presented in the group management report with the provisions of Article L.233-28-4 of the French Commercial Code, including the ESRS.

The information disclosed on climate change (ESRS E1) is presented in section 4.2 "Changement climatique / Climate change" of the Group's sustainability report included in the group management report.

We set out below the matters to which we paid particular attention in relation to the compliance of this information with the ESRS.

Our procedures notably consisted in:

- based on interviews with management and the relevant personnel, in particular the Corporate Sustainable Development & Impact Department (Direction Corporate du Développement durable et Impact – DCDI), assessing whether the description of the policies, actions and targets implemented by the Group covers the following areas: climate change mitigation, climate change adaptation, energy efficiency and renewable energy;
- assessing the appropriateness of the information presented in section 4.2 "Changement climatique / Climate change" of the sustainability information included in the group management report and its overall consistency with our knowledge of the Group.

With respect to the information disclosed on the Group's greenhouse gas emissions balance, our procedures notably consisted in:

- reviewing the internal control and risk management procedures implemented by the Group to ensure the compliance of the information reported;
- assessing the consistency of the scope used for the greenhouse gas emissions balance with the scope of the consolidated financial statements and with the upstream and downstream value chain;
- reviewing the greenhouse gas inventory protocol used by the Group to prepare the greenhouse gas emissions balance and assessing the way in which it was applied, on a selection of categories of emissions and sites, for Scope 1 and Scope 2 emissions;
- with regard to Scope 3 emissions, assessing:
  - the justification for including or excluding the different categories and the transparency of the information provided in this respect;
  - the process for collecting information;
- assessing the appropriateness of the emission factors used and the related conversion calculations, as well as the calculation and extrapolation assumptions, taking into account the inherent uncertainty arising from the state of scientific and economic knowledge and from the quality of external data used;
- discussing with management the main changes in the Group's activities during the year that may have affected the greenhouse gas emissions balance;
- for physical data (such as energy consumption), reconciling, on a test basis, the underlying data used to prepare the greenhouse gas emissions balance with the supporting documentation;
- with regard to the estimates used by the Group in preparing its greenhouse gas emissions balance that we considered significant:
  - through interviews with management, gaining an understanding of the methodology used to calculate the estimated data and the sources of information on which these estimates are based;
  - assessing whether the methods were applied consistently or whether there were changes compared with the prior period, and, where applicable, whether these changes were appropriate;
- checking the arithmetic accuracy of the calculations used to prepare this information.

With regard to the procedures performed on the transition plan for climate change mitigation, we mainly assessed whether the disclosures relating to the transition plan comply with ESRS E1 requirements and appropriately describe the key assumptions underlying this plan, it being specified that we are not required to assess the appropriateness or ambition of the objectives set in this transition plan.

Compliance with the reporting requirements set out in Article 8 of Regulation (EU) 2020/852

Nature of procedures carried out

Our procedures consisted in verifying the process implemented by par Compagnie Générale des Etablissements Michelin to determine the eligible and aligned nature of the activities of the entities included in the consolidation.

They also involved verifying the information reported pursuant to Article 8 of Regulation (EU) 2020/852, which involves checking:

- the compliance with the rules applicable to the presentation of this information to ensure that it is readable and understandable;
- on the basis of a selection, the absence of material errors, omissions or inconsistencies in the information provided, i.e. information likely to influence the judgement or decisions of users of this information.

Conclusion of the procedures carried out

Based on the procedures we have carried out, we have not identified any material errors, omissions or inconsistencies relating to compliance with the requirements of Article 8 of Regulation (EU) 2020/852.

Elements that received particular attention

We determined that there were no such matters to be communicated in our report.

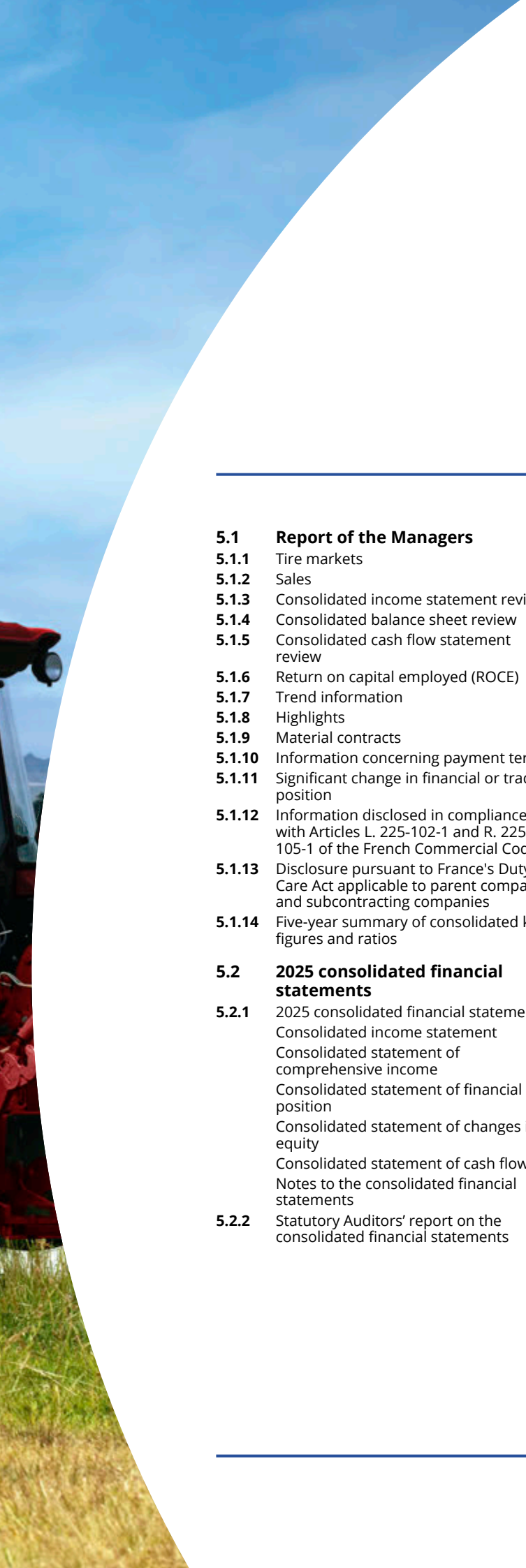
Done at Neuilly-sur-Seine and Paris-La Défense, on February 16, 2026.

The statutory auditor(s)

PricewaterhouseCoopers Audit	Deloitte & Associés
Itto El Hariri	Frédéric Gourd

05





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FINANCIAL PERFORMANCE

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5.1 REPORT OF THE MANAGERS

5.1.1 TIRE MARKETS

5.1.1 a) A global market worth some $190 billion in 2024

The global tire market edged up slightly year-on-year in 2024, to just over $190 billion, with light-vehicle tires accounting for approximately 60% of the total and truck tires 30%. By volume, the market represented around 1.7 billion car and light truck tires and some 220 million truck and bus tires.

Around three out of four tires were sold in the Replacement market.

Longer term, tire demand is likely to expand by 0-2% a year on average in mature markets and by 2-4% a year on average in the new markets. In this environment, Michelin is targeting growing, high value-added market segments, with a focus on premium segments.

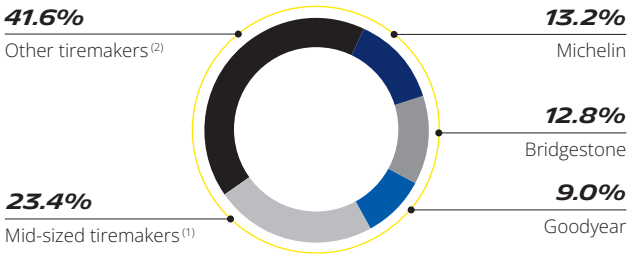
Changes in tire standards

Unlike in 2024, when EU Regulation R117-04 on worn tires came into force, no major new laws or regulations related to tires were introduced in 2025. However, tire markets were affected during the year, to varying degrees, by changes in other regulations.

In Europe, the EU Deforestation Regulation (EUDR), which was due to apply from January 2026, was postponed for one year for the second time by EU authorities. In May 2025, the EU Commission announced the launch of an anti-dumping investigation into imports of tires (for passenger cars and light trucks) from China, with the possibility of provisional measures being imposed by the end of 2025. This led to a significant increase in volumes of Chinese tire imports into Europe in the second and third quarters of the year. At the beginning of January 2026, the Commission announced that it had decided not to apply any provisional measures pending the final outcome of the case which is scheduled for mid-2026.

In the United States, imports of tires were heavily impacted by the US administration's decision to introduce tariffs in 2025. Imports into the country surged at the beginning of the year, ahead of the introduction of the tariffs that were still being negotiated at that time. Although the overall tariff situation stabilized during the year, these imports nevertheless remained high, with some countries taking advantage of differences in the tariff rates.

THE GLOBAL TIRE MARKET BY MANUFACTURER IN 2024



Source: 2024 sales in US dollars, published in Tire Business.

(1) Tiremakers with a 2-7% market share according to the Tire Business ranking.

(2) Tiremakers with less than a 2% market share according to the Tire Business ranking.

5.1.1 b) Tire markets in 2025

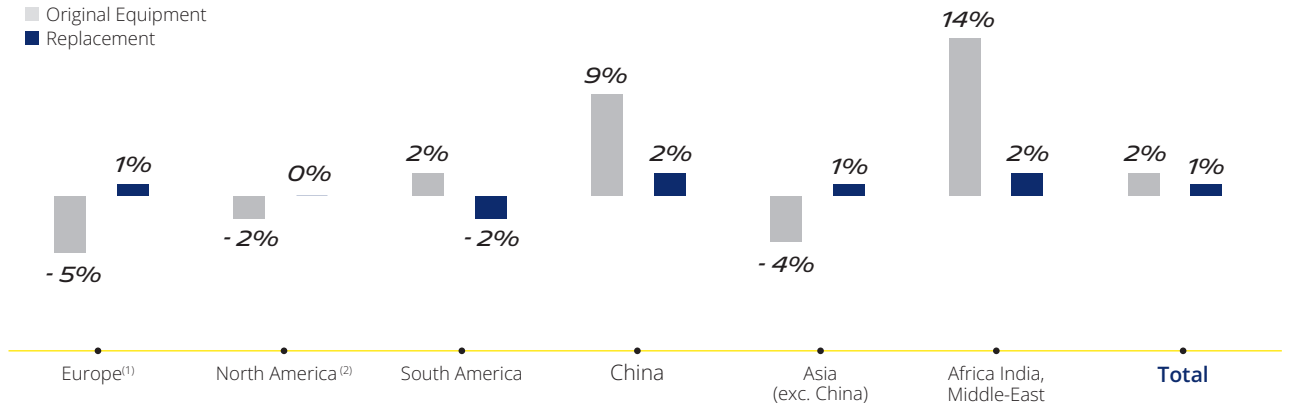
Methodological note:

Tire market estimates reflect sell-in data published by local tiremaker associations (sales of manufacturers to dealers and vehicle manufacturers), plus Michelin's own estimates of sales by tire manufacturers that do not belong to any association. These estimates are based primarily on import-export statistics and are expressed in the number of tires sold. They are regularly adjusted and may be updated following their initial publication.

5.1.1 c) Passenger car and Light truck tire markets in 2025

The global Passenger car and Light truck sell-in tire market grew by 1% over the year in 2025, with demand for Original Equipment and Replacement tires up by 2% and 1% respectively.

THE GLOBAL PASSENGER CAR AND LIGHT TRUCK TIRE MARKET, 2025 VS. 2024



(2) Including Turkey and Eastern Europe.
(3) Including Central America.
Michelin estimates.

5.1.1 d) Original Equipment

In the Original Equipment segment, global demand ended 2025 up 2% year-on-year. China was the main growth driver, with demand up 9%, whereas Europe and North America saw decreases of 5% and 2% respectively.

Demand in Asia excluding China (mainly Japan and South Korea) also weakened over the year, declining by 4%.

Passenger car and Light truck tire markets Original Equipment *In millions of tires*	**2025**	**2024**	**2025/2024**	**Second-half 2025/2024**	**Fourth-quarter 2025/2024**	**Third-quarter 2025/2024**	**First-half 2025/2024**	**Second-quarter 2025/2024**	**First-quarter 2025/2024**
Europe(1)	73	76	-5%	-1%	-2%	+1%	-8%	-4%	-12%
North America(2)	72	74	-2%	+1%	-2%	+5%	-5%	-4%	-6%
South America	15	15	+2%	0%	-3%	+4%	+5%	+6%	+3%
China	149	137	+9%	+7%	+3%	+13%	+11%	+10%	+13%
Asia (excl. China)	69	72	-4%	-6%	-9%	-2%	-2%	-2%	-1%
Africa/India/Middle East	40	36	+14%	+19%	+16%	+23%	+8%	+7%	+10%
TOTAL	**419**	**409**	**+2%**	**+3%**	**0%**	**+7%**	**+1%**	**+2%**	**+1%**

(1) Including Turkey and Eastern Europe.
(2) Including Central America.

Michelin estimates.

In **Europe,** the market contracted for 2025 as a whole, but leveled off in the second half after a steep 8% decline at the beginning of the year. The European automotive industry continued to be weighed down by the uncertainties surrounding its necessary transformation, as well as by competition from Asian players. However, the situation improved in the second half of the year thanks to a slight upturn in demand for new vehicles and a clearer picture of customs tariffs for exports to the United States.

The **North and Central American** market declined by 2% year-on-year. As in Europe, the slowdown was more pronounced in the first six months, with a 5% contraction triggered by the major uncertainty created by the risk of high customs tariffs. The second half saw slight growth of 1%, led by buyers taking action before the termination of the tax subsidies for EV purchases (set up under the Biden administration), and also spurred by the fact that customs tariffs had a lower-than-expected impact on prices.

In **China,** the market grew by 9% over the year, reaching a record high. This growth reflected several different factors: (i) a public subsidies program that strongly boosted domestic demand and whose effects continued to be felt through to the end of the year, even though the basis for comparison became less favorable from the third quarter onwards; (ii) a fast-changing domestic market, with electric and hybrid cars accounting for over half of total production, and local players gaining market share; and (iii) particularly buoyant levels of vehicle exports.

THE OE PASSENGER CAR AND LIGHT TRUCK MARKET IN EUROPE

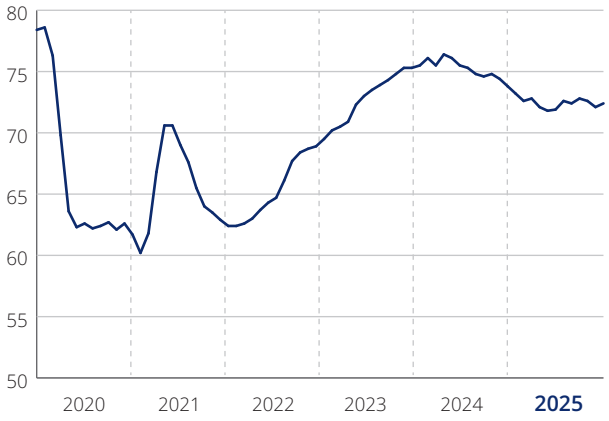
(in millions of tires – moving 12 months – including Turkey and Eastern Europe)



Michelin estimates.

THE OE PASSENGER CAR AND LIGHT TRUCK MARKET IN NORTH AMERICA

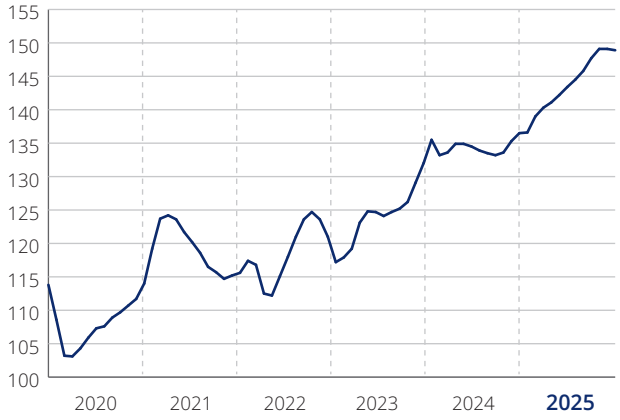
(in millions of tires - moving 12 months)



Michelin estimates.

THE OE PASSENGER CAR AND LIGHT TRUCK MARKET IN CHINA

(in millions of tires - moving 12 months)



Michelin estimates.

5.1.1 e) Replacement

Global demand for Replacement tires rose by 1% year-on-year, with relative stability across all regions.

Passenger car and Light truck tire markets Replacement *In millions of tires*	**2025**	**2024**	**2025/2024**	**Second-half 2025/2024**	**Fourth-quarter 2025/2024**	**Third-quarter 2025/2024**	**First-half 2025/2024**	**Second-quarter 2025/2024**	**First-quarter 2025/2024**
Europe[1]	417	412	+1%	-3%	-7%	+1%	+5%	+1%	+10%
North America[2]	322	323	0%	-1%	0%	-3%	+1%	0%	+1%
South America	82	83	-2%	+2%	+4%	0%	-6%	-8%	-5%
China	171	168	+2%	+4%	+4%	+4%	0%	0%	-1%
Asia (excl. China)	144	143	+1%	0%	-2%	+4%	+1%	+1%	+2%
Africa/India/Middle East	120	117	+2%	+2%	+2%	+2%	+2%	+2%	+2%
TOTAL	**1,256**	**1,247**	**+1%**	**0%**	**-1%**	**+1%**	**+2%**	**0%**	**+3%**

(1) Including Turkey and Central Asia.
(2) Including Central America.

Michelin estimates.

In **Europe**, demand was more or less stable for the year as a whole, with a 1% increase, having dropped by 7% in the fourth quarter. The structurally more dynamic segments of the market posted strong growth again in 2025, such as tires in the 18-inch and larger tires and all-season categories. Demand for winter tires increased slightly despite a high basis of comparison with 2024 and a slight slowdown in the fourth quarter. The regulatory environment in the region was uncertain during the year, with:

- the implementation of the European Deforestation Regulation (EUDR) postponed by a further year in December 2025, having already been postponed by a year in December 2024;
- the European Commission's announcement in May 2025 of an anti-dumping investigation into imports of tires (for passenger cars and light trucks) from China, with the possibility of provisional measures being imposed by the end of 2025 (which the Commission ultimately decided not to apply pending the final outcome of the case which is scheduled for mid-2026).

The rumors surrounding these two situations drove a surge in imports due to buyers taking action ahead of regulatory change, which led to high levels of imported tires in dealers' inventories. However, this inventory piling did not impact the Group's brands.

In **North America,** demand was stable for the year overall (0% growth). While there was a modest 1% increase in the first half, led mainly by imports of budget tires ahead of the introduction of additional tariffs, the second half saw a slight 1% contraction as well as continued high levels of imports, making the non-pool segment of the market much more dynamic than the pool segment.

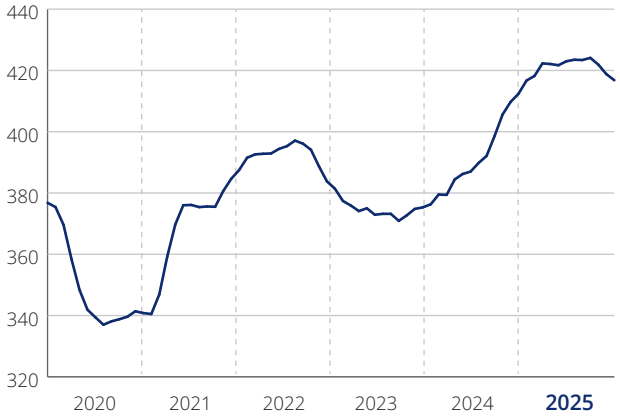
North America's dealers have high inventories of imported tires, as in Europe, but again this does not directly concern the Group's brands.

In **China**, the market edged up 2% in 2025, buoyed by a 4% increase in the second half when trends were much more dynamic than in the first six months. The government's public subsidies program helped boost domestic demand which was still lackluster at the start of the year. Another major market factor in 2025 was the fast-changing distribution structure, with a greater weighting of online sales. Lastly, China was the country that recorded the fastest growth for 18-inch and larger tires in 2025.

In the Group's **other operating regions**, demand was down slightly in South America, retreating 2% despite a rebound in Argentina. However it rose slightly in Asia excluding China (1%) and in India and the Middle East (2%).

THE REPLACEMENT PASSENGER CAR AND LIGHT TRUCK TIRE MARKET IN EUROPE

(in millions of tires – moving 12 months – including Turkey and Eastern Europe)



Michelin estimates.

THE REPLACEMENT PASSENGER CAR AND LIGHT TRUCK TIRE MARKET IN NORTH AMERICA

(in millions of tires - moving 12 months)



Michelin estimates.

THE REPLACEMENT PASSENGER CAR AND LIGHT TRUCK TIRE MARKET IN CHINA

(in millions of tires - moving 12 months)



Michelin estimates.

5.1.1 f) Two-Wheel Tires

Demand in the Motorcyle and Scooter segment remained buoyant for the year as a whole, despite slowing slightly in the second half. The main growth drivers were China – particularly for premium scooter tires – and Western Europe. Conversely, the market trended downwards in North America, hampered by dealer inventory piling.

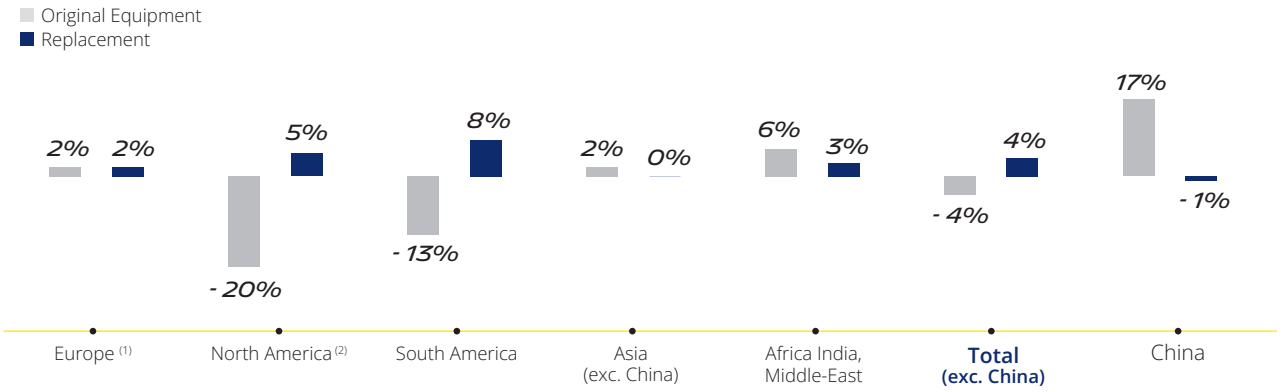
The Bicycle tire market remained fragile, hampered by the financial difficulties experienced by a number of manufacturers since 2023.

5.1.1 g) Truck tire markets in 2025

The global Truck tire sell-in market (excluding China) improved by a slight 3% in 2025, with Original Equipment sales declining by 4% and Replacement demand growing by 4%.

In China, where the Group's presence is negligible, markets grew by 5% over the year, including growth of 17% in the OE segment and decline of 1% in Replacement.

THE GLOBAL TRUCK TIRE MARKET, 2025 VS. 2024



(1) Including Turkey and Eastern Europe.
(2) Including Central America.

Michelin estimates - new tire market only.

5.1.1 h) Original Equipment

In the Original Equipment segment, the global market (excluding China) declined by 4%.

Truck tire markets Original equipment *In millions of tires*	**2025**	**2024**	**2025/2024**	**Second-half 2025/2024**	**Fourth-quarter 2025/2024**	**Third-quarter 2025/2024**	**First-half 2025/2024**	**Second-quarter 2025/2024**	**First-quarter 2025/2024**
Europe[1]	6.2	6.0	+2%	+9%	+8%	+9%	-4%	+4%	-12%
North America[2]	4.6	5.7	-20%	-23%	-22%	-23%	-19%	-23%	-14%
South America	2.1	2.4	-13%	-20%	-26%	-14%	-5%	-8%	-1%
Asia (excl. China)	4.3	4.2	+2%	+5%	+6%	+4%	-1%	-1%	-1%
Africa/India/Middle East	6.5	6.1	+6%	+7%	+4%	+11%	+5%	+9%	+2%
TOTAL (EXCL. CHINA)	**23.6**	**24.5**	**-4%**	**-2%**	**-3%**	**-2%**	**-6%**	**-4%**	**-6%**
China	23.7	20.3	+17%	+28%	+28%	+29%	+7%	+7%	+7%

(1) Including Turkey and Central Asia.
(2) Including Central America.

Michelin estimates.

In **Europe,** the start of the year was marked by the end of the market normalization process that had shaped the whole of 2024. Demand reached its lowest point in the first quarter of 2025 before picking up again in the second quarter and accelerating in the second half with a 9% increase. Overall growth came in at 2% for the full twelve months, but this upturn was mainly due to a very low basis of comparison as the market remains weak in absolute terms.

In **North and Central America** the market reached an all-time low, plummeting 20% in 2025, with the pace of decline continuing steadily throughout the year. This downswing reflects two main factors: (i) numerous political uncertainties (including the reconsideration of planned environmental regulations) and economic uncertainties that made fleet managers reluctant to invest in new vehicles, and (ii) the fact that manufacturers have stockpiled trucks, which they need to sell off before they can increase their pace of output, particularly in the "Class 8" truck sub-segment. Although there were slight positive signs in December for pre-orders of new trucks, it is too early to draw any conclusions.

In **South America**, demand slid 13% in 2025, with the situation deteriorating significantly as the year progressed (26% slump in the fourth quarter). Brazil's economic situation, already dragged down by high interest rates and sharp depreciation of the real, deteriorated even more since the summer and the introduction of high customs tariffs on its exports to the United States. Also, declining demand for trailers is adding to the challenges faced by local manufacturers.

THE OE TRUCK TIRE MARKET IN EUROPE

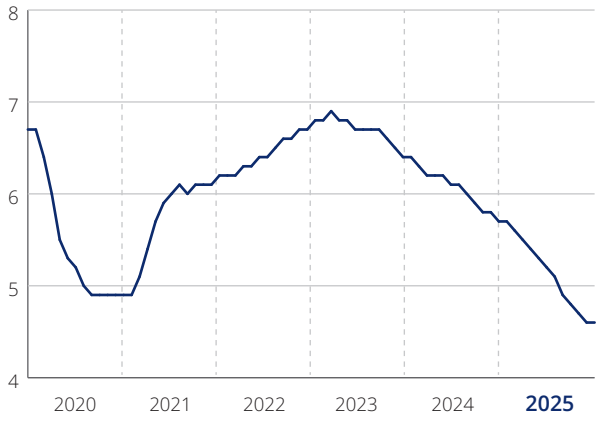
(in millions of radial and bias tires – moving 12 months – including Turkey and Eastern Europe)



Michelin estimates.

THE OE TRUCK TIRE MARKET IN NORTH AMERICA

(in millions of radial and bias tires – moving 12 months)



Michelin estimates.

5.1.1 i) Replacement

The global Replacement sell-in market (excluding China) grew by 4% over the year.

Truck tire markets Replacement *In millions of tires*	2025	2024	2025/2024	Second-half 2025/2024	Fourth-quarter 2025/2024	Third-quarter 2025/2024	First-half 2025/2024	Second-quarter 2025/2024	First-quarter 2025/2024
Europe[1]	26.6	26.0	+2%	+1%	+1%	+2%	+3%	+3%	+4%
North America[2]	34.6	33.0	+5%	+4%	-1%	+9%	+6%	+14%	-2%
South America	18.5	17.1	+8%	+16%	+20%	+11%	+1%	-2%	+4%
Asia (excl. China)	22.5	22.4	0%	-1%	-7%	+9%	+1%	+1%	+1%
Africa/India/Middle East	31.0	30.2	+3%	+2%	+3%	0%	+4%	+5%	+2%
TOTAL (EXCL. CHINA)	**133.2**	**128.7**	**+4%**	**+4%**	**+2%**	**+6%**	**+3%**	**+5%**	**+1%**
China	38.4	38.6	-1%	0%	+1%	0%	-2%	-3%	0%

(1) Including Turkey and Central Asia.
(2) Including Central America.

Michelin estimates.

In **Europe**, demand inched up 2% in 2025. The year started off well, boosted by a high level of tire imports, mainly due to the postponement of American shipments, as well as contained shipping costs and the weaker US dollar against the euro. Demand then gradually slowed, landing at a level more in line with the stagnant transportation activity seen in the region. Southern Europe delivered the highest growth rates, while Central and Eastern Europe lagged behind, held back by the economic situation in Turkey.

Demand in **North America** was up 5% year-on-year. Against a backdrop of subdued transportation activity, the market was buoyed by (i) the automatic carryover effect of weak demand in the Original Equipment segment and (ii) sell-in purchases made ahead of additional customs duties being introduced.

In **South America** demand climbed 8% over the year, lifted by the upturn in activity in Argentina. However, the benefits of this rebound are mainly being felt by Asian players, who are taking advantage of the market opening up and are increasing their penetration rates.

In the **other operating regions**, markets grew by 2% over the year, including a 3% gain in India/Middle East.

THE REPLACEMENT TRUCK TIRE MARKET IN EUROPE

(in millions of radial and bias tires – moving 12 months – including Turkey and Eastern Europe)



Michelin estimates.

THE REPLACEMENT TRUCK TIRE MARKET IN NORTH AMERICA

(in millions of radial and bias tires – moving 12 months)



Michelin estimates.

5.1.1 j) Specialty tire markets in 2025

Specialty tires:

Mining tires: demand for Mining tires is expected to remain robust over the long term, thanks to ever-increasing ore mining needs to support the energy transition and technological advances. The position in 2025 reflected this structural trend, with growth of around 4% fueled by buoyant demand for copper and gold. Tire inventories at mining operators were at healthy levels, and even reduced slightly over the course of the year.

Beyond-road tires: in these segments, where demand is equally balanced overall between the Original Equipment and Replacement channels, growth was mixed in 2025, with OE demand down across the board and Replacement demand demonstrating greater resilience.

The OE markets all continued to trend downwards over the period. Regarding Agricultural tires, as many farmers have renewed their equipment in recent years, they were in a position to postpone their investment decisions during 2025 in view of the highly unstable regulatory and business environment and the fact that their margins were, to some extent, squeezed by the volatile agricultural prices during the year. However, the fourth quarter showed signs of a slight uptrend, particularly in Europe. Demand for Construction tires decreased overall in 2025, but the market gained momentum in the second half of the year following a downturn in the first half. Original Equipment sales for Materials Handling tires contracted throughout the year, both in Europe and North America.

The Replacement markets for specialty tires were slightly higher overall in 2025 than in 2024. The market for Agricultural tires edged up year-on-year, lifted by robust momentum in North America. The Construction tires market also trended upwards, propelled by the Infrastructure segment in North America, which was buoyed by high volumes of purchases by US dealers ahead of the introduction of additional customs tariffs. The market for Materials Handling tires contracted slightly, both in Europe and North America.

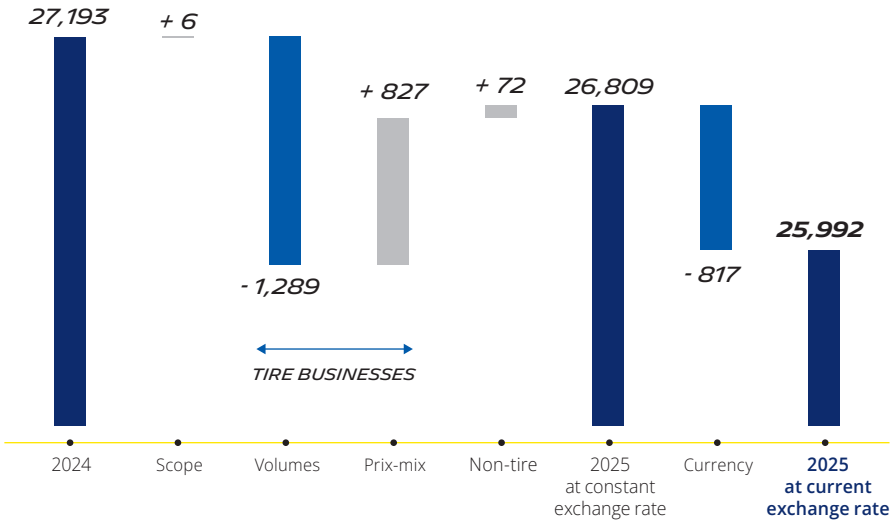
Aircraft tires: this market is expanding, especially in the commercial and regional aviation segments. Demand for international flights continued to rise in 2025, particularly in China (up 15% compared with 2024, but still 15% lower than in 2019). Deliveries of new aircraft by manufacturers increased in 2025, and the market continued to switch to radial tires, due mainly to new environmental standards that are prompting fleets to renew their equipment.

Polymer Composite Solutions:

Fundamentals in the **conveyor belt** market are structurally sound, given the fact that they closely track mining industry demand over the long term. From a short-term perspective however, the market remains hesitant, with mixed trends across the various regions: North America is holding up fairly well despite many uncertainties, whereas in Australia and South Africa mining operators are more hindered by commodity price trends.

In the **other Polymer Composite Solutions markets** – belts, seals, coated fabrics and technical films for a wide range of market verticals – global demand once again varied from one segment to another. More traditional segments, such as manufacturing and upstream energy, faced cyclical headwinds due to stagnating demand and the need for financial discipline, while "strategic" segments (aerospace, defense, mining of critical minerals, and medical technologies) were positively impacted by a growth cycle fueled by geopolitical tensions, carbon-reduction requirements and demographic change.

5.1.2 SALES



Consolidated **sales** amounted to €25,992 million in 2025, representing a 4.4% decline from the €27,193 million reported in 2024. At constant exchange rates, the decline stood at 1.4% for the year.

The year-on-year change reflected the combined impact of the following factors:

- a 4.7% decline in sales volumes, stemming primarily from:
  - another year of very low output in Original Equipment markets, especially in the Truck and Beyond-road segments, with North America particularly impacted,
  - a prolonged cyclical downturn in certain specialty businesses (agriculture, construction, materials handling), with these segments taking longer than expected to return to normal,
  - and, ongoing implementation of the Group's selectivity strategy, which entails moving away from less profitable business and focusing sales on markets, customers and segments that leverage the full value of its innovations and technologies.
- a 3.0% increase from the positive price-mix effect. Prices added €365 million to full-year sales, reflecting disciplined price management in an intensely competitive environment marked by the rise in imports of budget tires into certain markets. The highly positive €462 million mix effect was bolstered by the priority focus on higher value-added products (MICHELIN brand tires, 18-inch and larger Passenger car tires, etc.) and continued favorable geographic and Replacement/Original Equipment market mixes;
- a 3.0% decrease from the negative currency impact, mainly due to gains in the euro against several key currencies during the year, in particular the US dollar and the Canadian dollar as well as certain South American and Asian currencies (Brazilian real, Chinese yuan);
- a slight 0.3% favorable impact from the non-tire businesses, which together made a positive contribution to the Group's performance.

(in € millions and %)	2025	Second-half 2025	Fourth-quarter 2025	Third-quarter 2025	First-half 2025	Second-quarter 2025	First-quarter 2025
SALES	**25,992**	**12,964**	**6,717**	**6,247**	**13,028**	**6,513**	**6,515**
Change, year-on-year	**-1,201**	**-748**	**-305**	**-443**	**-453**	**-326**	**-127**
Volumes	-1,289	-469	-170	-299	-820	-334	-486
Price-mix	+827	+286	+184	+102	+542	+222	+320
Currency effect	-817	-616	-346	-270	-201	-244	+43
Scope of consolidation	+6	+2	+1	+2	+4	+3	+1
Non-tire sales	+72	+50	+27	+23	+22	+27	-5
Change, year-on-year	**-4.4%**	**-5.5%**	**-4.3%**	**-6.6%**	**-3.4%**	**-4.8%**	**-1.9%**
Volumes	-4.7%	-3.4%	-2.4%	-4.5%	-6.1%	-4.9%	-7.3%
Price-mix	+3.0%	+2.1%	+2.6%	+1.5%	+4.0%	+3.3%	+4.8%
Currency effect	-3.0%	-4.5%	-4.9%	-4.0%	-1.5%	-3.6%	+0.7%
Scope of consolidation	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Non-tire sales	+0.3%	+0.4%	+0.4%	+0.3%	+0.2%	+0.4%	-0.1%

5.1.2 a) Sales by reporting segment

Segment information is presented according to the following three operating segments:

- Automotive, Two-wheel and related distribution;
- Road transportation and related distribution;
- Specialty businesses and related distribution.

Operating segment performance is measured primarily on the basis of sales and segment operating income, according to the same measurement principles used in the consolidated income statement.

(in € millions)	2025	Second-half 2025	Fourth-quarter 2025	Third-quarter 2025	First-half 2025	Second-quarter 2025	First-quarter 2025
GROUP	**25,992**	**12,964**	**6,717**	**6,247**	**13,028**	**6,513**	**6,515**
Automotive, Two-wheel and related distribution	14,306	7,194	3,802	3,392	7,112	3,553	3,559
Road transportation and related distribution	6,023	3,016	1,513	1,503	3,007	1,478	1,529
Specialty businesses and related distribution	5,663	2,754	1,402	1,352	2,909	1,482	1,427
Change, year-on-year	**-4.4%**	**-5.5%**	**-4.3%**	**-6.6%**	**-3.4%**	**-4.8%**	**-1.9%**
Automotive, Two-wheel and related distribution	-2.5%	-4.3%	-2.3%	-6.5%	-0.5%	-2.2%	+1.2%
Road transportation and related distribution	-8.7%	-10.4%	-10.5%	-10.4%	-7.0%	-10.3%	-3.5%
Specialty businesses and related distribution	-4.4%	-2.6%	-2.8%	-2.5%	-6.1%	-4.9%	-7.3%

5.1.2 b) Automotive, Two-wheel and related distribution - Analysis of sales

Sales in the Automotive, Two-wheel and related distribution segment retreated by 2.5% year-on-year to €14,306 million in 2025.

Volumes sold dipped 1.9%, mainly reflecting the contraction in the Original Equipment markets in mature regions. However, this impact was partly offset by a favorable mix effect, due to the resilience of Replacement sales, continued market upscaling, and a positive price effect. Price increases during the year were the result of applying contractual indexation clauses and targeted price adjustments, against a backdrop of rising costs, fueled in particular by new custom duty, especially in North America.

Exchange rates also had an unfavorable impact on this segment's sales in 2025, particularly due to the weaker US dollar and Brazilian real.

Automotive:

The MICHELIN brand continued to premiumize, with a steady increase in sales of 18-inch and larger tires, which now make up 68% of total Automotive tire sales. This trend illustrates how the Group has got its technological positioning right, as well as its ability to capture value in the most dynamic segments.

Original Equipment sales declined due to market contractions in Europe and North America, although this was partly offset by strong sales growth in China. The Group is strengthening its partnerships with the most demanding OEMs and consolidating its positions in high value-added markets, particularly in China and in electric powertrains, where its sales and market share are growing.

The performance of **Replacement** tires was driven by resilient demand and continued premiumization of its product portfolio. MICHELIN-brand sales were boosted by ongoing growth for 18-inch and larger tires and for winter and all-season tires. Lastly, 2025 saw the successful launch of new ranges, including MICHELIN Primacy 5, MICHELIN Primacy 5 Energy, MICHELIN CrossClimate 3 and MICHELIN Crossclimate 3 Sport – with a new market segment being created for the MICHELIN Crossclimate 3 Sport range.

The Group continued to actively and selectively manage its portfolio, focusing its sales on the most value-accretive segments and those that leverage the full value of its innovations and technologies. The adjustments made during the year mainly concerned some Tier 2 and 3 brands, in a competitive environment marked by an acceleration in imports of budget tires. This value-driven approach is enabling the Group to preserve the quality of its product mix, profitability and premium positioning.

Sales began to stage a recovery towards the end of the year, with most regions posting increases in volumes in the fourth quarter, illustrating the successful premium positioning of the MICHELIN brand.

The Group is continuing to deploy its distribution strategy based on a complementary mix between brick & mortar dealerships (integrated or franchised) and digital channels, with online retail platforms making a growing contribution.

In **Europe**, sales edged down over the year as a whole, reflecting mixed performances. Original Equipment sales fell steeply, whereas the Replacement market picked up after a bumpy start to the year and ended 2025 on an upward track, both in Southern and Northern Europe. This trend was driven by sales of winter and all-season tires, as well as by ongoing growth for 18-inch and larger tires. Sales of the Group's Tier 3 brands retreated in a competitive environment that saw high levels of budget tire imports up until the end of September.

In **North America,** sales decreased for the year as a whole, weighed down mainly by the contraction in the Original Equipment market, against a backdrop of macro-economic and regulatory uncertainties. The Group bolstered its positions in the premium segments of the Replacement market, particularly for 18-inch and larger and Off-Road tires through the BFGOODRICH brand. Third-quarter sales were adversely affected by the one-off impacts of the reorganization of the wholesale approach (narrowing down to two wholesalers from the previous three) and market disruptions caused by fluctuating customs tariffs (massive imports of competitor tires and eroded competitive positioning). These issues were dealt with swiftly, however, and sales performance swung back up in the fourth quarter.

In **China**, sales rose for the full year, in a market buoyed by measures to stimulate demand as well as by high activity levels of local OEMs. The Group recorded strong growth, particularly in the EV market, with sales to Chinese OEMs now accounting for the majority of Original Equipment volumes sold. Trends for Replacement tires were also positive, buoyed by the market's upscaling, the increase in sales of 18-inch and larger tires, higher volumes of sales through digital channels (online sales) and the Group's successful launches of new products such as the MICHELIN Primacy 5 range.

In **South America,** sales trends were mixed, in a volatile macro-economic and monetary environment. The Group reduced its exposure to the Original Equipment market and reaped the benefits of brisk growth for Replacement tires, propelled by robust sales momentum, a relative slowdown in imports of budget tires, and a good market fit for its premium offering. At the same time the Group increased its market share in high-value segments.

In **Southeast Asia**, sales of MICHELIN-brand tires advanced year on year, boosted by the market's upscaling. This positive momentum was partly mitigated by a voluntary reduction in volumes for certain regional brands following decisions to streamline the portfolio and focus on the most value-accretive segments. The product and market mix improved overall during the year.

In the **Africa/India/Middle East** region, despite a complex geopolitical context, sales were up on 2024, lifted by the Group's strategy of focusing on high value-added geographies and offerings. In India, growth was spurred by the start-up of local production and new tranches of import licenses obtained.

Sales of **two-wheel tires** held up well overall. Motorcycle tire sales were stable over the year. Business was particularly brisk in Europe, and was also buoyant in China where the Group strengthened its positions in a commuting segment that is rapidly moving upmarket.

In South America, however, sales were hampered by fiercer competition due to large-scale budget tire imports, as well as temporary operating constraints.

In a Bicycle tire market still affected by the financial difficulties of several players in the value chain, the Group increased its market share in mature regions, led by a strong showing from the premium segment.

The **Michelin Lifestyle** business continued its strong growth momentum, mainly led by the fine dining, hospitality and travel sectors which all actively contribute to the MICHELIN brand's premium positioning by generating high streams of visitors to the Group's online platforms.

5.1.2 c) Road transportation and related distribution - Analysis of sales

Sales in the Road transportation and related distribution segment totaled €6,023 million in 2025, down 8.7% from the prior year.

Volumes sold fell by 8.8% over the year, mainly due to the contraction of the Original Equipment markets in North America and Europe. Replacement sales were hampered by high levels of imports of budget tires from Asia, particularly in the Americas as a result of uncertainties surrounding customs tariffs.

However, the negative impacts were partly offset by a favorable mix effect, and a positive price effect due to the application of contractual indexation clauses and the contract renegotiations undertaken with OEMs to ensure that the Group's technological leadership is fairly valued. Exchange rates also weighed on this segment's sales in 2025, particularly the US dollar and Brazilian real.

In the Original Equipment markets (excluding China), sales fell steeply, due to the combined impacts of market slowdowns and the Group's portfolio selectivity strategy. The order books of OEMs were dragged down by uncertainty surrounding implementation of the new EPA 2027 tailpipe emissions standards in North America, which led to a sharp drop in sales volumes for the Group. This decline was accentuated by the fact that the Group reduced its exposure to the Original Equipment market in 2024-2025 via price adjustments. The Group continued to work very closely with its partner automakers in 2025, focusing on projects and applications that fully leverage its technological leadership.

Sales of **Replacement tires** edged down year on year, with contrasting trends across the various regions, as the Group focused its efforts on defending value and addressing the most profitable segments.

Broken down by geography, sales for the Automotive, Two-wheel and related distribution segment were as follows:

In **Europe,** Original Equipment sales volumes were softer, as expected, despite picking up during the course of the year. Trends in the Replacement segment were mixed: the Group increased its market share in the premium segment in Southern Europe (France, Spain and Italy), while countries in Central and Northern Europe were more heavily impacted by the economic slowdown. Sales of new tires fared better than retread sales.

In **North America,** Original Equipment sales fell sharply year-on-year, due to the combined impacts of lower levels of OEM activity and the Group's deliberate strategy of reducing its exposure to this market via price adjustments aimed at preserving value. Replacement tire sales trended down, due to (i) a temporary erosion of the Group's competitiveness caused by price adjustments made as a result of the introduction of customs tariffs, and (ii) a sharp downturn in retread sales against a backdrop of fierce competition and high imports of budget tires.

In **South America,** volumes sold increased year-on-year, with buoyant Replacement sales more than offsetting ongoing weak Original Equipment sales to trailer manufacturers, in a context marked by lower imports from Asia.

In **Africa, India and the Middle East,** the Group's sales rose in 2025, buoyed by its focus on segments that leverage the technological content of the MICHELIN offering and by disciplined sales execution, despite contrasting macro-economic and geopolitical environments depending on the regions.

In **Asia,** the Group's sales declined in markets marked by fierce competition from low-cost products.

The Group continued to develop its connected services and solutions proposed under the Michelin Connected Mobility brand, supported by continuous improvements in operating performance. This connected offering is helping to strengthen the Group's overall value proposition for fleets.

5.1.2 d) Specialty businesses and related distribution - Analysis of sales

In 2025, sales generated by the Specialty businesses declined by 4.4% year-on-year, to €5,663 million.

The year-on-year decrease was chiefly triggered by lower volumes sold in segments exposed to Original Equipment markets, partly offset by the resilience of Replacement sales in several businesses, and by a favorable mix effect.

The high exposure of the Specialties business to the US dollar also held back sales during the year.

Mining tires: In a structurally buoyant mining market, the Group's sales volumes rose in 2025. This performance was achieved following a return to more normal business conditions after several one-off factors that weighed sales in 2024. Momentum gained pace as the year progressed, led by volume growth, and the good market fit of the Group's product and service offering.

The Group reaped the benefits of its new product solutions, which offer significant gains in terms of mileage lifespan and value delivered to customers.

Beyond-road tires:

Overall sales for agricultural, infrastructure and materials handling tires trended downwards in 2025, hindered by their significant exposure to Original Equipment markets, where sales volumes remained low. Sales picked up slightly in the fourth quarter, with volumes sold staging a recovery in Europe, but this was not enough to offset the impact on the segment of the slowdown in OE markets, particularly in North America.

In the **Agricultural** tires segment, sales volumes continued to be restrained by bottom-of-the-cycle OE market trends, with volumes still well below their previous peak. In the Replacement segment, the Group held onto its market share in an overall stable European market, while sales were down in a severely deteriorated environment.

In the **Infrastructure** tires segment, which is a growth area for the Group, the stand-out technological leadership of the Group's offerings – with new products such as the X Crane 2 – fueled market share gains in the Original Equipment markets, which were globally stable. Replacement sales were up in Europe, with the Group winning significant market share, but they were down in North America in a fiercely competitive environment.

This segment's operations were marked by two key events during the year: (i) Michelin's sale to the CEAT group of its two Sri Lanka-based plants dedicated to bias tires and compact construction equipment tracks, and (ii) the phasing out of bias tire production at the Olsztyn plant in Poland, as announced in 2024.

The **Materials Handling** tires segment was impacted by a steep decline in Original Equipment activity, although the Group held onto its market shares. Sales of Replacement tires decreased, although volumes of MICHELIN-brand tires rose, reflecting the Group's premium positioning and selectivity.

The Group recorded an increase in its sales of **Aircraft** tires over the year, in a growing aviation market that is continuing to gradually shift to radials. This performance was driven by commercial and business air travel. All of the Group's regions contributed to the year-on-year growth, fueled by Michelin's stand-out, innovation-led offering.

Sales volumes of ***Polymer Composite Solutions*** grew in 2025 on an organic basis, led by favorable long-term market fundamentals, particularly in the industrial and energy segments.

This momentum was further tractioned by the consolidation of two bolt-on businesses (Pronal & Aston Seals) that strengthened the Group's portfolio and broadened its offering in targeted markets.

The performance delivered by this segment in 2025 supports the Group's goal of expanding its presence and growth in Polymer Composite Solutions over the long term.

5.1.2 e) Changes in exchange rates for the main operating currencies

At current exchange rates, consolidated sales ended 2025 down 4.4%.

This reported decline includes the 3.0% (€817 million) negative impact of the decrease against the euro in most currencies over the period. Unfavorable currency effects primarily stemmed from:

- the 4.3% appreciation of the euro against the US dollar, which accounts for nearly 40% of Group sales;
- the 8.7% appreciation of the euro against the Brazilian real;
- and, the appreciation of the euro against other significant currencies, such as the Mexican peso, the Canadian dollar, and the Australian dollar.

Average exchange rate	2025	2024	Change
EUR / USD	1.130	1.082	+4.3%
EUR / CNY	8.120	7.788	+4.3%
EUR / BRL	6.308	5.802	+8.7%
EUR / CAD	1.578	1.482	+6.5%
EUR / GBP	0.857	0.847	+1.2%
EUR / AUD	1.752	1.639	+6.9%
EUR / JPY	168.834	163.659	+3.2%
EUR / MXN	21.670	19.705	+10.0%
EUR / CLP	1,074.690	1,020.210	+5.3%
EUR / THB	37.129	38.152	-2.7%

Sales break down by currency as follows:

Currency	%	Currency	%
USD	38%	CLP	1%
EUR	32%	THB	1%
CNY	6%	TRY	1%
BRL	4%	SEK	1%
CAD	3%	TWD	1%
GBP	3%	CHF	1%
AUD	3%	PLN	1%
JPY	1%	Other	2%
MXN	1%		
TOTAL			**100%**

5.1.2 f) Sales by region

(in € millions)	2025	2025/2024	Second-half 2025	First-half 2025
GROUP	**25,992**	**-4.4%**	**12,965**	**13,028**
Europe	9,632	-1.5%	4,957	4,675
of which France	*2,559*	*-0.5%*	*1,327*	*1,232*
North America (incl. Mexico)	9,543	-9.1%	4,616	4,927
Other regions	6,818	-1.5%	3,392	3,425

(in € millions)	2025	% of total	2024	% of total
GROUP	**25,992**		**27,193**	
Europe	9,632	37.1%	9,782	36.0%
of which France	*2,559*	*9.8%*	*2,572*	*9.5%*
North America (incl. Mexico)	9,543	36.7%	10,493	38.6%
Other regions	6,818	26.2%	6,918	25.4%

Overall, the breakdown of 2025 consolidated sales by major operating region remained the same as in 2024.

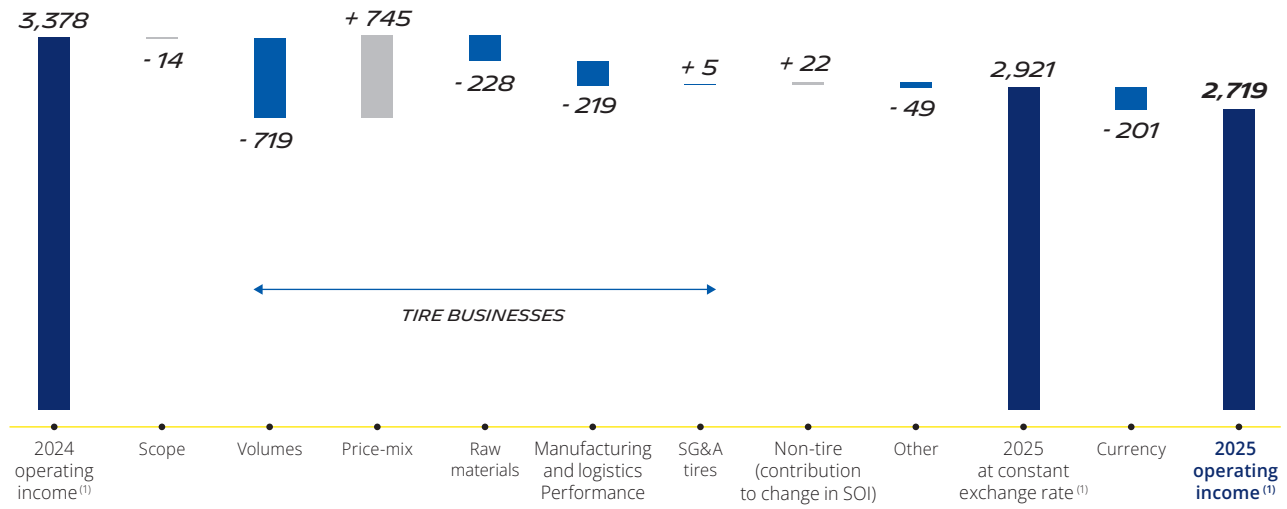
Around 63% of consolidated sales were generated outside Europe and more than 90% outside France.

5.1.3 CONSOLIDATED INCOME STATEMENT REVIEW

(in € millions, except per share data)	2025	2024	2025/2024	2025 (as a % of sales)	2024 (as a % of sales)
Sales	**25,992**	**27,193**	**-4.4%**		
Cost of sales	(18,973)	(19,445)	-2.4%	73.0%	71.5%
Gross income	**7,019**	**7,748**	**-9.4%**	**27.0%**	**28.5%**
Sales and marketing expenses	(1,176)	(1,204)	-2.4%	4.5%	4.4%
Research and development expenses	(788)	(786)	+0.2%	3.0%	2.9%
General and administrative expenses	(2,265)	(2,290)	-1.1%	8.7%	8.4%
Segment other income and expenses	(70)	(90)	-21.7%	0.3%	0.3%
Segment operating income	**2,719**	**3,378**	**-19.5%**	**10.5%**	**12.4%**
Other operating income and expenses	(353)	(747)	**-52.7%**	1.4%	2.7%
Operating income	**2,366**	**2,631**	**-10.1%**	**9.1%**	**9.7%**
Cost of net debt	(154)	(77)	+99.8%	0.6%	0.3%
Other financial income and expenses	35	19	+80.6%	0.1%	0.1%
Net interest on employee benefit obligations	(99)	(88)	+11.6%	0.4%	0.3%
Share of profit/(loss) from equity-accounted companies	109	(40)	-375.8%	0.4%	0.1%
Income before taxes	**2,258**	**2,445**	**-7.7%**	**8.7%**	**9.0%**
Income tax	(594)	(555)	+6.9%	2.3%	2.0%
NET INCOME	**1,664**	**1,890**	**-12.0%**	**6.4%**	**7.0%**
■ Attributable to the shareholders of the Company	1,665	1,884	-11.7%	6.4%	6.9%
■ Attributable to the non-controlling interests	(1)	6	-111.5%		
EARNINGS PER SHARE (IN €)					
■ Basic	2.36	2.65	-10.9%		
■ Diluted	2.33	2.62	-11.1%		

5.1.3 a) Analysis of segment operating income

(in € millions)



(1) Segment operating income.

Segment operating income amounted to €2,719 million or 10.5% of sales for the year ended December 31, 2025, compared with €3,378 million and 12.4% in 2024.

The €659 million year-on-year decrease reflects the net impact of the following factors:

- a €719 million unfavorable volume effect mainly due to:
  - another year of very low output in Original Equipment markets, especially in the Truck and Beyond-road segments, with North America particularly impacted,
  - under-utilization of production capacity, automatically leading to reduced absorption of fixed manufacturing costs.
- a €745 million increase stemming from the favorable price-mix effect, due to the combined impacts of:
  - a €365 million positive price effect, deriving from (i) contractual indexation clauses, (ii) upward price revisions related to the EU Deforestation Regulation (EUDR), (iii) customs tariffs, and (iv) price renegotiations for several Original Equipment contracts. This price effect was softer in the second half of the year,
  - a highly positive €380 million mix effect, backed by the Group's value-driven approach (focused in particular on MICHELIN brand tires and 18-inch and larger Passenger car tires), and continued efficient management of the geographic and Replacement/Original Equipment market mixes,
  - a €228 million decrease related to higher raw materials costs, mainly in the first part of the year, although the trend improved in the second half with lower costs for natural rubber and butadiene in particular,
  - a €219 million decrease as a result of higher manufacturing and logistics costs, mainly reflecting the impact of inflation, particularly on payroll costs, and under-utilized production capacity, which hide the favorable impact of the restructuring measures implemented since late 2023. These effects were partly offset by operational performance initiatives and cost control actions,
  - a positive effect from SG&A expenses (mainly including general and administrative expenses, selling expenses and research and development expenses) of €5 million versus 2024,
  - a favorable €22 million impact from the non-tire businesses, all of which made a positive contribution to the Group's performance,
  - an aggregate €49 million decrease from other unfavorable cost factors, mainly consisting of an increase in variable compensation payable in respect of 2025 compared with 2024,
  - a €201 million decrease from exchange rate movements, mainly due to gains in the euro against several key currencies during the year, in particular the US dollar and the Turkish lira.

Other operating income and expenses unallocated to the operating segments represented a net expense of €353 million in 2025 versus a net expense of €747 million in 2024.

This year-on-year increase was primarily attributable to much lower provisions for business restructurings, as several large-scale restructuring plans were carried out in 2024.

5.1.3 b) Segment operating income

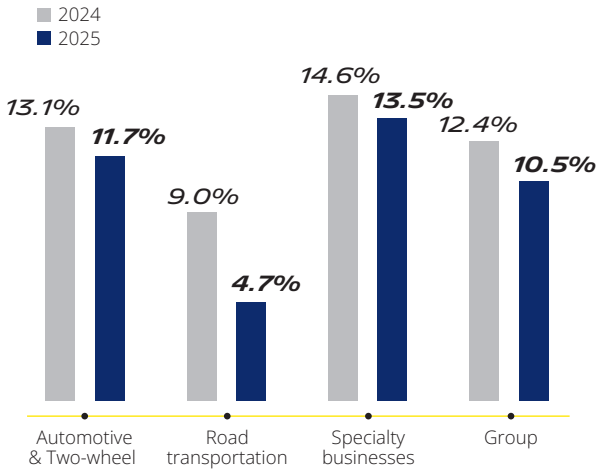
Segment information is presented according to the following three operating segments:

- Automotive, Two-wheel and related distribution;
- Road transportation and related distribution;
- Specialty businesses and related distribution.

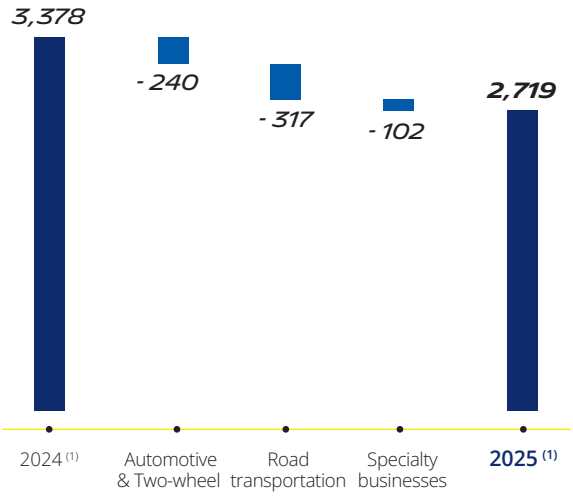
Operating segment performance is measured primarily on the basis of sales and segment operating income, according to the same measurement principles used in the consolidated income statement.

(in € millions)	2025	2024	2025 vs. 2024
AUTOMOTIVE AND RELATED DISTRIBUTION			
Sales	14,306	14,667	-2.5%
Segment operating income	1,677	1,917	-12.5%
Segment operating margin	**11.7%**	**13.1%**	**-1.4 pts**
ROAD TRANSPORTATION AND RELATED DISTRIBUTION			
Sales	6,023	6,599	-8.7%
Segment operating income	280	597	-53.1%
Segment operating margin	**4.7%**	**9.0%**	**-4.3 pts**
SPECIALTY BUSINESSES AND RELATED DISTRIBUTION			
Sales	5,663	5,927	-4.4%
Segment operating income	762	864	-11.8%
Segment operating margin	**13.5%**	**14.6%**	**-1.1 pts**
GROUP			
Sales	25,992	27,193	-4.4%
Segment operating income	2,719	3,378	-19.5%
Segment operating margin	**10.5%**	**12.4%**	**-1.9 pts**

Segment operating margin



(in € millions)



(1) Segment operating income

Automotive, Two-wheel and related distribution - Analysis of segment operating income

Automotive and related distribution *(in € millions)*	**2025**	**2024**	**2025/2024**	**2025 (% of consolidated total)**	**2024 (% of consolidated total)**
Sales	14,306	14,667	-2.5%	55%	54%
Change in volumes	*-1.9%*				
Segment operating income	1,677	1,917	-12.5%	62%	57%
Segment operating margin	11.7%	13.1%	-1.4 pts		

Segment operating income amounted to €1,677 million or 11.7% of sales, versus €1,917 million and 13.1% in 2024.

This segment's performance was impacted by lower absorption of fixed costs, in an operating context marked by contracting Original Equipment markets in mature regions and a 1.9% year-on-year decrease in volumes sold. It was, however, lifted by a favorable mix effect thanks to the resilience of Replacement tire sales, the market's ongoing upscaling, and continued growth for 18-inch and larger tires, which now account for 68% of MICHELIN-brand Automotive tire sales. The segment was also buoyed by a positive price effect, attributable to the application of contractual clauses and targeted price adjustments, against a backdrop of rising costs, due mainly to the implementation of new trade measures, particularly in North America.

Unfavorable currency trends, especially the weaker US dollar and depreciation of several of the Group's other key currencies, negatively impacted segment operating income during the year.

Road transportation and related distribution - Analysis of segment operating income

Road transportation and related distribution *(in € millions)*	**2025**	**2024**	**2025/2024**	**2025 (% of consolidated total)**	**2024 (% of consolidated total)**
Sales	6,023	6,599	-8.7%	23%	24%
Change in volumes	*-8.8%*				
Segment operating income	280	597	-53.1%	10%	18%
Segment operating margin	4.7%	9.0%	-4.3 pts		

Segment operating income amounted to €280 million or 4.7% of sales, versus €597 million and 9.0% in 2024.

This segment was hit hard by the 8.8% slide in volumes sold over the year, which was primarily attributable to the Group's lower Original Equipment sales in North America, which reduced its ability to absorb fixed costs and has so far prevented it from reaping the benefits of the restructuring measures carried out in 2024 and 2025.

These negative impacts were partly offset by a favorable mix effect, and a positive price effect thanks to the application of contractual indexation clauses and the contract renegotiations undertaken with OEMs to ensure that the Group's technological leadership is fairly valued.

Connected services and solutions continued down the growth path, helping to enhance the Group's value proposition for fleets.

Unfavorable exchange rate movements – particularly for the US dollar – adversely impacted segment operating income for Road transportation and related distribution during the year.

Specialty businesses and related distribution - Analysis of segment operating income

Specialty businesses and related distribution *(in € millions)*	**2025**	**2024**	**2025/2024**	**2025 (% of consolidated total)**	**2024 (% of consolidated total)**
Sales	5,663	5,926	-4.4%	22%	22%
Change in volumes	*-3.1%*				
Segment operating income	762	864	-11.8%	28%	26%
Segment operating margin	13.5%	14.6%	-1.1 pts		

Segment operating income amounted to €762 million or 13.5% of sales, versus €864 million and 14.6% in 2024.

This segment's performance reflects a mixed market environment. Sales of Beyond-road tires continued to be hampered by a prolonged cyclical downturn, especially in sectors heavily exposed to Original Equipment (agriculture, construction, materials handling), which weighed on volumes sold and the ability to absorb fixed costs. Conversely, sales of Mining tires were up in 2025, led by a return to more normal business conditions following one-off unfavorable impacts in 2024, as well as by robust momentum for sales volumes. Aircraft tire sales also trended upwards, in a growing aviation market that is continuing to gradually shift to radials. Polymer Composite Solutions recorded organic growth, boosted by the integration of two bolt-on acquisitions (Pronal and Aston Seals).

The segment saw a positive mix effect in 2025, although this was partly offset by the negative impact of exchange rate movements, with the segment's high exposure to the US dollar dampening its operating income.

5.1.3 c) Other income statement items

Raw materials

The cost of **raw materials** reported in cost of sales was estimated at approximately €5.1 billion in 2025, representing a decrease versus the prior year.

The change in these costs reflects the combined impact of:

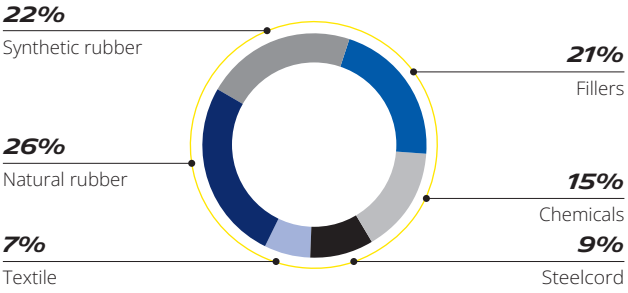
- the price and mix of the Group's raw materials purchases;
- the decrease in both volumes sold and output, accentuated by inventory drawdowns;
- the valuation of raw materials, semi-finished and finished product inventories using the weighted average cost method. This method tends to spread fluctuations in purchase costs over time and delay their recognition in cost of sales, due to timing differences between the purchase of the raw materials and the sale of the finished product;
- the negative effects from regulatory and trade measures, including (i) EUDR compliance regarding purchases of natural rubber supplies and (ii) customs tariffs on raw materials and semi-finished products imported for tires that are manufactured in the United States;
- the positive currency effect on the cost of raw materials, primarily stemming from changes in the exchange rates of the Group's procurement currencies against the euro.

Changes in natural rubber and butadiene prices feed through to the income statement around three to six months later.

Based on estimated 2025 production volumes, the sensitivity of cash purchasing outlays to fluctuations in natural rubber and oil prices is as follows:

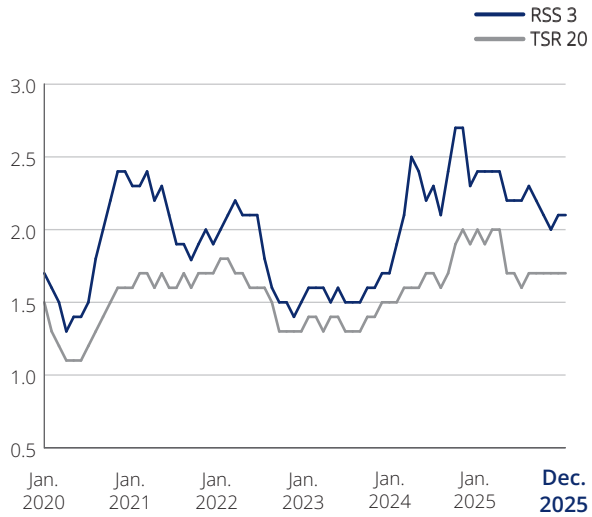
- a $0.10 per kilogram decrease in natural rubber prices would feed through to around an $86 million reduction in full-year purchasing costs;
- a $1.00 per barrel decline in oil prices would feed through to around an $8 million decrease in full-year purchasing costs.

RAW MATERIALS RECOGNIZED IN 2025 COST OF SALES (€5.1 BILLION)

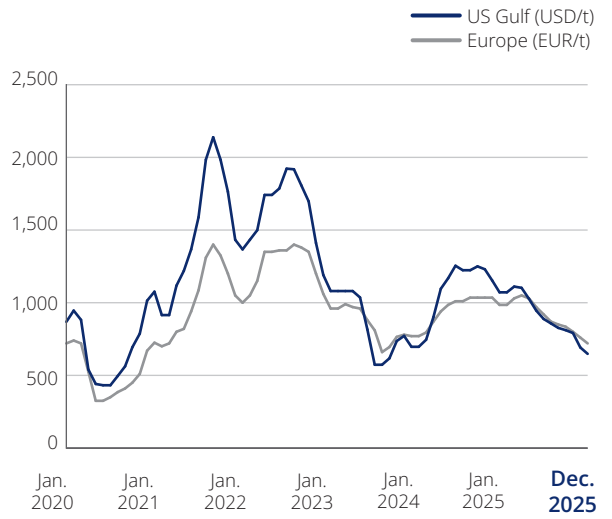


NATURAL RUBBER PRICES (SICOM)

(USD/kg)



BUTADIENE PRICES



Employee benefit costs and number of employees

Employee benefit costs came to €7,491 million in 2025, down €131 million, or 1.7%, year-on-year, and represented 28.8% of sales, up 0.8 percentage points from the 28.0% recorded for 2024.

The absolute-value decrease was mainly attributable to the lower average number of employees resulting from the Group's ongoing measures to streamline, restructure, and adapt its capacities to a persistently muted market environment. Up until May 2025, the lower number of employees more than offset the impact of the payroll adjustments carried out in 2024.

The increase in employee benefit costs as a percentage of sales was essentially attributable to the year-on-year decline in sales, combined with the short-term rigidity of some payroll costs.

At December 31, 2025, the Group had 122,600 employees on its payroll. This 5.5% decrease compared with end-2024

reflects ongoing industrial restructuring measures, portfolio selectivity, and continued efforts to streamline and reorganize the Group's operations.

In 2025, €7,476 million in expenses were recognized in segment operating income and €16 million in other operating income and expenses (see notes 6 and 7 to the consolidated financial statements).

(in € millions and number of people)	**2025**	**2024**	**Change**
Total employee benefit costs	7,491	7,622	-1.7%
As a % of sales	*28.8%*	*28.0%*	*+0.8 pts*
Employees on payroll at December 31	122,600	129,800	-5.5%
Number of full-time equivalent employees at December 31	115,800	123,500	-6.2%
Average number of full-time equivalent employees	119,800	124,800	-4.0%

Depreciation and amortization

(in € millions)	**2025**	**2024**	**Change**
Total depreciation and amortization	2,036	2,085	-2.4%
As a % of sales	*7.8%*	*7.7%*	

Depreciation and amortization charges amounted to €2,036 million in 2025, down €49 million, year-on-year, and represented 7.8% of sales versus 7.7% in 2024.

This trend is consistent with the Group's level of investment, which remains strong but stable overall, particularly in support of industrial transformation, product upgrading, and the investments needed to support the energy transition, improve working conditions, and develop non-tire activities.

€1,943 million was recognized in segment operating income and €93 million in other operating income and expenses (see notes 6 and 7 to the consolidated financial statements).

Transportation costs

(in € millions)	2025	2024	Change
Transportation costs	1,254	1,370	-8.5%
As a % of sales	*4.8%*	*5.0%*	

Transportation costs came to €1,254 million in 2025, down 8.5% year-on-year, and represented 4.8% of sales versus 5.0% in 2024.

The main reasons for these decreases were (i) lower volumes sold in 2025, and (ii) a further reduction in sea freight costs thanks to logistics productivity gains, primarily resulting from streamlining distribution networks and a higher local-to-local ratio.

Sales and marketing expenses

(in € millions)	2025	2024	Change
Sales and marketing expenses	1,176	1,204	-2.4%
As a % of sales	*4.5%*	*4.4%*	

Sales and marketing expenses lessened by €28 million, or 2.4%, to €1,176 million in 2025, and represented 4.5% of sales versus 4.4% in 2024.

This reduction chiefly reflects the year-on-year contraction in sales, but this effect was partly offset by the impact of payroll increases and ongoing targeted marketing expenditure in the Group's strategic segments and markets.

Research and development expenses

(in € millions)	2025	2024	Change
Research and development expenses	788	786	+0.2%
As a % of sales	*3.0%*	*2.9%*	

At €788 million, **research and development expenses** remained stable over the year, and represented 3.0% of sales versus 2.9% in 2024.

This stability reflects the Group's determination to keep up its strong innovation drive in order to protect its technological leadership in terms of performance, durability and services, while reinforcing synergies between its tire operations and its Polymer Composite Solutions business.

General and administrative expenses

General and administrative expenses decreased by €25 million, or 1.1%, to €2,265 million in 2025, and represented 8.7% of sales versus 8.4% in 2024.

The absolute-value reduction reflects rigorous cost discipline, which more than offset the impact of payroll increases.

The increase as a percentage of sales was mainly due to the Group's lower sales in 2025.

Segment other income and expenses

Segment other income and expenses represented a net expense of €70 million in 2025, versus a net expense of €90 million in 2024.

This year-on-year decrease is mainly attributable to lower costs related to the employee share ownership plan.

Other operating income and expenses

Other operating income and expenses correspond to items that are not taken into account by Management when measuring the performance of the operating segments due to their significant, unusual or non-recurring nature.

In 2025, they represented a net expense of €353 million, versus a €747 million net expense in 2024.

This sharp drop principally reflects a much lower level of provisions recognized for industrial restructuring projects than in 2024, when the future closures of the plants in Cholet and Vannes in France were announced.

Cost of net debt

(in € millions)	2025	2024	Change
Cost of net debt	154	77	+77

The **cost of net debt** stood at €154 million in 2025, compared with €77 million in 2024. The year-on-year increase was mainly due to:

- a €42 million rise in interest expense; comprising €26 million increase in conversion costs related to cross currency swaps due to the continuous falls in the 3-month Euribor since April 2024;
- and, €37 million decrease in interest income, due to lower yields on euro investments despite higher average cash holdings.

Other financial income and expenses

(in € millions)	2025	2024	Change
Other financial income and expenses	35	19	+15

Other financial income and expenses represented net income of €35 million in 2025, versus €19 million in 2024.

This increase was primarily led by :

- improved foreign exchange results;
- and, higher income from financial assets, in a context of higher interest rates.

Income tax

(in € millions)	2025	2024	Change
Income before taxes	2,258	2,445	-188
Income tax	**(594)**	**(555)**	**+38**
Current tax	(509)	(816)	-307
Withholding tax	(37)	(55)	-18
Deferred tax	(48)	198	+246

At €594 million, **income tax** was €38 million higher than in 2024. The 2025 figure breaks down as:

- current taxes of €509 million;
- withholding taxes of €37 million;
- deferred taxes of €48 million.

The effective tax rate rose to approximately 26% from 23% the year before, essentially as a result of (i) the geographical breakdown of net income, with a greater proportion of profits generated in high-tax jurisdictions, and (ii) the sharp rise in deferred taxes, due in particular to the recognition or non-recognition of deferred tax assets for certain entities.

Consolidated net income and earnings per share

(in € millions)	2025	2024	Change
Net income	1,664	1,890	-226
As a % of sales	*6.4%*	*7.0%*	*-0.5 pts*
■ Attributable to the shareholders of the Company	1,665	1,884	-220
■ Attributable to the non-controlling interests	(1)	6	-6
Earnings per share (in €)			
■ Basic	2.36	2.65	-0.29
■ Diluted	2.33	2.62	-0.29

Net income came to €1,664 million in 2025, or 6.4% of sales, compared with €1,890 million and 7.0% in 2024.

The €226 million decline reflected the following factors:

- favorable factors:
  - the €394 million decrease in other operating expenses unallocated to the operating segments, corresponding primarily to a lower amount of provisions recognized in 2024 for industrial restructuring projects,
  - the €149 million increase in profit from equity-accounted companies, particularly due to TBC's sale of Midas.
- unfavorable factors:
  - the 659 million decrease in segment operating income, deriving from the combined impact of lower volumes sold and higher supply costs,
  - the €77 million increase in the cost of net debt, attributable to higher interest expense costs and currency conversion costs related to debt, partly offset by lower net foreign exchange losses,
  - the €38 million increase in income tax expense, which resulted in a higher effective tax rate (26.3%, versus 22.7% in 2024).

5.1.4 CONSOLIDATED BALANCE SHEET REVIEW

Methodological note: translation adjustments in the balance sheet primarily stem from the translation into euros of prior-year assets and liabilities at the closing exchange rate.

Assets

(in € millions)	December 31, 2025	December 31, 2024	Total change	Translation adjustments	Movement
Goodwill	2,657	2,829	-173	-186	+13
Intangible assets	1,944	2,120	-176	-67	-109
Property, plant and equipment	12,120	12,750	-630	-670	+39
Right-of-use assets	1,092	1,232	-140	-74	-66
Non-current financial assets and other non-current assets	1,032	1,151	-119	-51	-67
Investments in equity-accounted companies	931	849	+82	-67	+149
Deferred tax assets	971	1,081	-110	-47	-63
Non-current assets	**20,747**	**22,013**	**-1,266**	**-1,162**	**-104**
Inventories	5,093	5,699	-606	-356	-250
Trade receivables	3,459	3,595	-136	-186	+50
Current financial assets	371	544	-173	-8	-165
Other current assets	1,471	1,564	-93	-11	-82
Cash and cash equivalents	3,877	3,936	-59	-28	-32
Current assets	**14,271**	**15,339**	**-1,068**	**-589**	**-478**
TOTAL ASSETS	**35,018**	**37,352**	**-2,334**	**-1,751**	**-583**

Equity and liabilities

(in € millions)	December 31, 2025	December 31, 2024	Total change	Translation adjustments	Movement
Share capital	344	353	-9		-9
Share premiums	1,747	2,326	-579		-579
Reserves	15,981	15,946	+35	-883	+918
Non-controlling interests	4	9	-4		-4
Total equity	**18,076**	**18,634**	**-557**	**-883**	**+326**
Non-current financial liabilities	5,050	4,934	+116	-3	+119
Non-current lease liabilities	726	872	-146	-48	-98
Provisions for employee benefit obligations	2,440	2,730	-290	-92	-199
Provisions and other non-current liabilities	713	928	-215	-25	-190
Deferred tax liabilities	509	544	-35	-30	-5
Non-current liabilities	**9,438**	**10,008**	**-570**	**-198**	**-372**
Current financial liabilities	612	1,375	-763	-340	-423
Current lease liabilities	257	258	0	-14	+14
Trade payables	2,811	3,086	-276	-149	-127
Trade payables under reverse factoring agreements	536	689	-152	-54	-98
Provisions and other current liabilities	3,287	3,302	-15	-131	+116
Current liabilities	**7,503**	**8,710**	**-1,206**	**-689**	**-517**
TOTAL EQUITY AND LIABILITIES	**35,018**	**37,352**	**-2,334**	**-1,770**	**-563**

5.1.4 a) Goodwill

Goodwill amounted to €2,657 million at December 31, 2025, €13 million higher than at December 31, 2024 before translation adjustments. This increase was due to minor acquisitions in the Polymer Composite Solutions segment in 2025 and the divestment of the Sri Lanka-based bias tire and track activities for compact equipment intended for the construction market.

5.1.4 b) Intangible assets

Intangible assets stood at €1,944 million, down €109 million on December 31, 2024 before translation adjustments. This decrease reflects amortization and impairment of brands and customer relationships and a decrease in the balance of CO_2 emission allowances.

5.1.4 c) Property, plant and equipment

Property, plant and equipment edged up by €39 million (before translation adjustments) in 2025 to €12,120 million. This relative stability is due to the capital expenditure incurred during the year being more or less the same as the amount of depreciation and impairment recognized (notably relating to the closure of production plants).

Additions to property, plant and equipment amounted to €1,714 million for the year, compared with €1,901 million in 2024. Three quarters of total outlays were committed to production equipment and facilities (for more details, see note 12.2 to the consolidated financial statements).

5.1.4 d) Right-of-use assets

Right-of-use assets**, which are recognized separately from property,** plant and equipment, amounted to €1,092 million at December 31, 2025, down €66 million year-on-year before translation adjustments. New leases on land and buildings are lower than depreciation on prior-year leases.

5.1.4 e) Non-current financial assets and other non-current assets

Non-current financial assets and other non-current assets stood at €1,032 million, down €67 million year-on-year (before translation adjustments). This reduction primarily stems from a decrease in loans and deposits, following the partial repayment in 2025 of a loan to the UK pension fund set up in 2023. The outstanding amount of this loan was €155 million at December 31, 2025.

5.1.4 f) Investments in equity-accounted companies

Excluding **translation adjustments**, investments in equity-accounted companies rose by €149 million over the year to €931 million. This increase was mainly due to (i) the positive contribution of TBC (€204 million share of profit), part of which derived from the sale of its Midas franchise network and (ii) a structural improvement in the earnings of equity-accounted companies.

These factors offset the negative €138 million impact of Symbio – a company specializing in hydrogen fuel cell systems – including a €121 million impairment loss recognized against the Group's outstanding loans and commitments to Symbio following Stellantis' decision to discontinue its hydrogen-related activities.

5.1.4 g) Deferred tax

At December 31, 2025, the Group held a net deferred tax asset of €461 million, representing a year-on-year decrease of €58 million, before translation adjustments. This reduction was primarily due to the lower amount of deferred tax assets recognized for tax loss carryforwards in Mexico.

5.1.4 h) Trade working capital

(in € millions)	December 31, 2025	December 31, 2024	Change	2025 (as a % of sales)	2024 (as a % of sales)
Inventories	5,093	5,699	-606	19.6%	21.0%
Trade receivables	3,459	3,595	-136	13.3%	13.2%
Trade payables	(2,811)	(3,086)	+276	-10.8%	-11.3%
Trade payables under reverse factoring agreements	(536)	(689)	+152	-2.1%	-2.5%
TRADE WORKING CAPITAL	**5,205**	**5,519**	**-314**	**20.0%**	**20.3%**

Trade **working capital** decreased by €314 million year-on-year, as the decline in value of inventories and trade receivables more than offset the rise in trade payables (in the broadest sense).

Inventories declined by €606 million year-on-year to €5,093 million at December 31, 2025, mainly due to the following factors:

- a €356 million favorable currency effect;
- efficient inventory management, which significantly reduced both raw materials and semi-finished product volumes from year-end 2024 levels;
- this volume effect overcompensating for an unfavorable price effect, impacted in particular by the increase in customs tariffs in 2025.

As a result of favorable translation adjustments (a €186 million decrease), **trade receivables** were €136 million lower year-on-year, coming in at €3,459 million at December 31, 2025. Adjusted for this effect, trade receivables were only €50 million higher than the December 31, 2024 figure, with a very slight erosion in the number of Days Sales Outstanding (DSO) compared with end-2024.

Trade payables, including those covered by **reverse factoring contracts,** declined by €428 million year-on-year to €3,347 million, due partly to the €203 million increase from translation adjustments and partly to volume and price effects related to purchased raw materials.

5.1.4 i) Cash and cash equivalents

Cash and cash equivalents were overall stable and stood at €3,877 million at December 31, 2025, a minimal decrease of €32 million from a year earlier (before translation adjustments) that was due to the net impact of the following factors:

- increases from:
  - the favorable €2,181 million in free cash flow,
- decreases from:
  - the payment of €980 million in dividends and other payments,
  - a €637 million decrease in debt, mainly resulting from the redemption of €750 million worth of notes in September 2025,
  - the implementation of a share buyback program for a total cost of €668 million.

5.1.4 j) Total equity

Including the positive €883 million in translation adjustments, **total equity** decreased by €557 million over the year to €18,076 million at December 31, 2025.

The €326 million increase excluding translation adjustments was primarily due to the following factors:

- the €964 million contribution from comprehensive income for the year, including:
  - €1,664 million in net income,
  - the €165 million favorable impact from post-employment benefit obligations.
- the €980 million impact from dividends and other payments;
- the €668 million impact from the cancellation of bought-back shares;
- the €89 million impact from the issuance of new shares, particularly in connection with the BiB'Action employee share ownership plan;
- the €61 million impact from service costs on mainly free share plans.

As a result, at December 31, 2025, the **share capital** of Compagnie Générale des Établissements Michelin stood at €343,798,120, comprising 687,596,240 shares outstanding corresponding to 1,002,098,920 voting rights.

5.1.4 k) Net debt

Net debt stood at €2,345 million at December 31, 2025, down €767 million from December 31, 2024, mainly as a result of the following factors:

- the positive €2,181 million in free cash flow;
- €980 million in distributions, of which €974 million in dividends;
- the outlay of €668 million as part of the share buyback program;
- €72 million in capital increases paid in 2025, notably in connection with the employee share ownership plan;
- a €213 million increase from the recognition of new leases;
- a €378 million decrease in translation adjustments.

Changes in net debt

(in € millions)	December 31, 2025	December 31, 2024
AT JANUARY 1	**3,112**	**3,281**
Free cash flow before acquisitions and financing of joint ventures and associates	-2,066	-2,214
Acquisitions and disposals	-56	-1
Net financing of joint ventures and associates	-59	-8
Free cash flow after M&A	**-2,181**	**-2,225**
Dividends and other distributions	+980	+965
Share buybacks	+668	+502
New leases	+213	+414
Translation adjustments	-378	+208
Other	-69	-33
AT DECEMBER 31	**2,345**	**3,112**
CHANGE	**-767**	**-169**

Gearing

Gearing declined to 13.0% at December 31, 2025 from 16.7% at end-2024, due to the year-on-year reduction in net debt combined with the highly favorable contribution from free cash flow, even as equity declined by 3% over the period.

Credit ratings

The solicited corporate credit ratings of Compagnie Générale des Établissements Michelin (CGEM), Compagnie Financière Michelin (CFM) and Compagnie Financière Michelin (CFM) Suisse SA are as follows:

		CGEM	Compagnie Financière Michelin	CFM Suisse SA
Short term	Standard & Poor's	A-1	A-1	A-1
	Fitch	F1	F1	F1
	Scope	S-1	S-1	S-1
Long term	Standard & Poor's	A	A	A
	Fitch	A	A	A
	Scope	A	A	A
Outlook	Standard & Poor's	Stable	Stable	Stable
	Fitch	Stable	Stable	Stable
	Scope	Stable	Stable	Stable

Moody's, whose rating has not been solicited since July 1, 2020, nevertheless reaffirmed CGEM's "A2" long-term issuer credit rating with a Stable outlook on July 9, 2025.

5.1.4 l) Provisions

Provisions and other non-current liabilities declined by €215 million over the year as reported, to €713 million from €928 million at December 31, 2024. Excluding translation adjustments, the €190 million decrease was due to the impact of payments out of restructuring provisions set aside in prior years, particularly in France, Germany and the United States. New provisions were recognized in 2025, but their amount was lower than the payments made.

5.1.4 m) Employee benefit obligations

Change in the fair value of the net defined benefit obligation

(in € millions)	Pension plans	Other plans	2025	2024
At January 1	**1,219**	**1,402**	**2,621**	**2,421**
Contributions paid to the funds	(52)	(4)	(56)	(16)
Benefits paid directly to the beneficiaries	(54)	(85)	(139)	(108)
Other movements	11	(2)	9	(3)
ITEMS RECOGNIZED IN OPERATING INCOME				
Current service cost	19	58	77	79
Actuarial (gains) or losses recognized on other long-term benefit plans	-	9	9	3
Effect of plan amendments, curtailments or settlements	2	(2)	-	(27)
Other items	14	-	14	19
ITEMS RECOGNIZED OUTSIDE OPERATING INCOME				
Net interest on employee benefit obligations	44	55	99	84
ITEMS RECOGNIZED IN OTHER COMPREHENSIVE INCOME				
Translation adjustments	(29)	(57)	(86)	31
Actuarial (gains) or losses	(106)	(78)	(184)	144
Unrecognized assets due to the effect of the asset ceiling	(18)	0	(18)	(6)
AT DECEMBER 31	**1,051**	**1,296**	**2,346**	**2,621**

The net defined benefit obligation recognized at December 31, 2025 stood at €2,346 million, a year-on-year decrease of €275 million as reported and of €189 million excluding translation adjustments.

The change reflected the following main factors:

- the total €195 million in contributions and benefits paid in 2025 (2024: €124 million), of which:
  - €56 million in contributions paid to fund management institutions (2024: €16 million),
  - €139 million in benefits paid directly to employees (2024: €108 million).
- a €77 million expense recognized in operating income in 2025 (2024: €79 million), which resulted from the cost of defined benefit plans;
- the €99 million in net interest expense on the net defined benefit obligation, recognized outside of operating income (2024: €84 million);
- the €184 million in actuarial gains recorded in 2025 (2024: actuarial losses of €144 million), which corresponded to:
  - €176 million in actuarial gains on defined benefit obligations, resulting mainly from increases in discount rates,
  - €7 million in actuarial gains on plan assets.

In addition, contributions paid by the Group to defined contribution plans amounted to €258 million in 2025, compared with €288 million in 2024.

5.1.5 CONSOLIDATED CASH FLOW STATEMENT REVIEW

5.1.5 a) Cash flows from operating activities

(in € millions)	2025	2024	Change
Segment EBITDA	**4,663**	**5,361**	**-698**
Change in net inventories	+253	-165	+418
Change in net trade receivables	-29	+236	-265
Change in net trade payables	-120	+121	-241
Restructuring cash costs	-430	-246	-184
Other changes in provisions	-42	0	-42
Interest and other financial income and expenses received and paid, net	-51	-42	-9
Income tax paid	-593	-806	+213
Other	+168	-123	+291
NET CASH FROM OPERATING ACTIVITIES	**3,819**	**4,336**	**-517**

At €4,663 million, or 17.9% of sales, **segment EBITDA** declined by 1.8 points year-on-year as a percentage of sales, but edged back €698 million in absolute value, primarily due to the €659 million contraction in segment operating income over the year.

Cash flows from operating activities came to €3,819 million, down €517 million from 2024. In addition to the contraction in EBITDA, the year-on-year decline was attributable to:

- the €88 million negative change in trade working capital, with the decrease in the value of inventories not fully offsetting the rise in trade receivables and payables;
- a €291 million increase from the change in other receivables and payables;
- a €213 million increase from the increase in income tax paid.

Restructuring-related outlays rose by €184 million over the year.

5.1.5 b) Capital expenditure

(in € millions)	2025	2024	Change	2025 (as a % of sales)	2024 (as a % of sales)
Additions to intangible assets and PP&E	**1,967**	**2,182**	**-215**	**7.6%**	**8.0%**
Investment grants received and change in capital expenditure payables	50	68	-18	0.2%	0.3%
Proceeds from sales of intangible assets and PP&E	(137)	(35)	-102	(0.5)%	(0.1)%
NET ADDITIONS TO INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT	**1,880**	**2,215**	**-335**	**7.2%**	**8.1%**

Additions to intangible assets and property, plant and equipment amounted to €1,967 million in 2025, compared with €2,182 million in 2024.

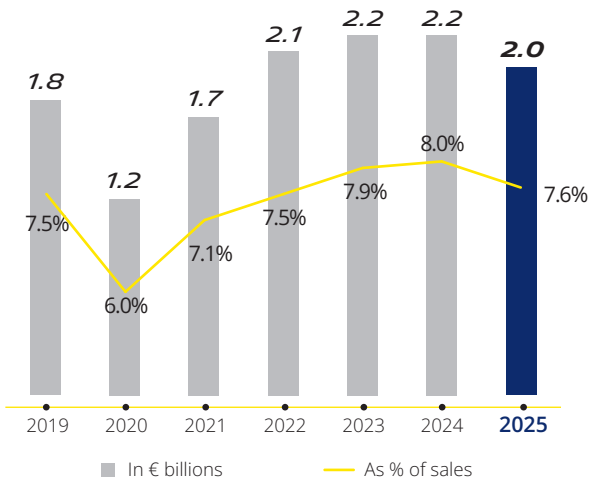
The years between 2022 and 2024 were a catch-up period following the Covid-19 crisis and its impact on the global economy. 2025 saw a return to more normal business conditions, but was favorably impacted by exchange rates (in particular the US dollar).

The main capital projects completed during the year or still underway as part of the competitiveness and growth investment programs relate to the Automotive segment, with projects to align facilities with new product mixes in North America, Europe and, to a lesser extent, India and China.

All these capital projects were supported by the commitments presented opposite.

CAPITAL EXPENDITURE

(in € billions)



5.1.5 c) Free cash flow

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.

(in € millions)	2025	2024	Change
Net cash from operating activities	**3,819**	**4,336**	**-517**
Routine capital expenditure (maintenance, IT, dealerships, etc.)	(778)	(951)	+173
Competitiveness and growth investments	(986)	(1,036)	+51
Investments in new ventures	(204)	(195)	-9
Other	273	71	+202
FREE CASH FLOW BEFORE M&A	**2,126**	**2,225**	**-99**
M&A	56	1	+55
FREE CASH FLOW AFTER M&A	**2,181**	**2,225**	**-44**

Free cash flow before M&A ended 2025 at a positive €2,126 illion, compared to €2,225 million a year earlier. This was after €1,967 million in capital expenditure and investments, of which €986 million was earmarked for competitiveness and growth projects.

Free cash flow after M&A stood at €2,181 million, as the disposals and acquisitions completed during the year resulted in a limited total net impact.

5.1.6 RETURN ON CAPITAL EMPLOYED (ROCE)

The return on capital employed by the Group is measured by dividing net operating profit after tax (NOPAT) by the average economic assets employed during the year.

In calculating NOPAT, amortization of acquired intangible assets, the Group's share of profit/(loss) from equity-accounted companies and interest on loans to partner companies (excluding pension funds) are added to segment operating income.

Non-euro currencies are translated at year-end rates for balance sheet items and average rates for income statement items.

If ROCE is greater than the weighted average cost of capital (WACC) for the year, then the Group has created value during the period.

Based on a theoretical balance between equity and debt, depending on the financed assets, the Group's weighted average cost of capital (WACC) has been estimated at 9% since 2022, which is in line with external benchmarks. The rates used are determined (i) for equity capital, based on the yield on Michelin shares expected by the stock markets; and (ii) for debt capital, on the market risk-free rate plus the risk premium applied to Michelin by the markets, as adjusted for the tax effect.

ROCE narrowed by 1.3 points year-on-year to 9.2%, primarily due to lower segment operating income. This is only partially offset by certain favorable factors, such as the positive contribution of share of profit from equity-accounted companies and lower average economic assets.

(in € millions)	**2025**	**2024**
Segment operating income restated for ROCE calculation	2,760	3,280
Average standard income tax rate used for ROCE calculation	23%	23%
Segment operating income after tax (NOPAT)	**2,150**	**2,516**
Economic assets at December 31	22,477	24,169
Average economic assets	**23,323**	**23,883**
Consolidated ROCE	**9.2%**	**10.5%**

5.1.7 TREND INFORMATION

Outlook

Regardless of unpredictable fluctuations in international trade rules, tire markets are expected to remain stable over 2026, contracting slightly in the first half, followed by a relative improvement in the B2B Original Equipment markets in the second half of the year.

Alongside its tire business, the Group is accelerating its growth in the field of Polymer Composite Solutions, which will form a new reporting segment in the Group's financial communication as from Q1 2026.

Michelin is targeting growth in segment operating income at iso-forex and iso-scope in 2026 compared with 2025, and over €1.6 billion in free cash flow before M&A.

This outlook was communicated on February 11, 2026, on the occasion of the publication of the Group's 2025 annual results. It is based on the assumptions communicated at the time of publication (available on the michelin.com website), the main assumptions being:

- growth in tire volumes;
- favorable raw materials costs;
- exchange rates and customs regulations at the same level as at the end of 2025.

This outlook has been established and prepared on a basis comparable to historical financial information and in accordance with the accounting methods described following this chapter.

Recent events

On January 22, 2026, Michelin completed its acquisition of Cooley Group, a specialist in industrial coated fabrics, after receiving anti-trust clearance in the relevant jurisdictions.

On February 3, 2026, Michelin announced the acquisition of Flexitallic to develop its leadership in the Sealing segment. Based in Houston, Texas, Flexitallic is a global leader in sealing solutions providing high-performance gaskets to critical sectors such as energy and chemical industry. The transaction is expected to close in first semester 2026, subject to customary closing adjustments and merger control clearance.

5.1.8 HIGHLIGHTS

Corporate

- The Group announces plans to acquire Cooley Group and Tex Tech Industries, two leaders in coated fabrics and specialty textiles, to reinforce its Polymer Composite Solutions business. These acquisitions, financed by available cash, are expected to close in the first half of 2026 and should add approximately 20% in sales to this business. The Group plans to create a dedicated reporting segment for Polymer Composite Solutions from 2026 onwards. These acquisitions are in line with the "Michelin in Motion 2030" plan to accelerate growth in high value-added markets.
- Following the share buyback programs carried out in 2025, the Group canceled 22,919,400 treasury shares on December 30, 2025, representing 3.23% of the Company's share capital.
- The Group opens the "Michelin Innovation Park - Cataroux" dedicated to sustainable and collaborative innovation, covering a total of 42 hectares at its historic Cataroux site in the heart of Clermont-Ferrand. As part of this project, the Quartier des Pistes, where Michelin's famous test tracks used to be based, is being redeveloped into a new space open to the city and its residents and offering a blend of culture, leisure and innovation. This large-scale project is a testament to the Group's commitment to preserving its industrial heritage while enhancing the appeal of the local region.
- The Group celebrates 25 years of working with the video game industry, marked by flagship partnerships with major titles such as Gran Turismo, for which Michelin has been the official tire supplier and a technical partner since 2019, and its commitment to e-sport, particularly in its role as entitlement partner of the IMSA Esports Global Championship.
- The BIB'Action 2025 employee shareholding plan is launched, illustrating the Group's aim of making its employees key Michelin shareholders. Rolled out in 44 countries and accessible to over 115,000 employees, the plan has proved a real success, with a 51% take-up rate. This strong buy-in clearly demonstrates the engagement of the Group's teams, and their trust and confidence in its overall strategy.
- The divestment of bias tire and track activities for compact equipment intended for the construction market, announced in December 2024, is finalized. This sale concerns two factories in Sri Lanka and the Camso brand (after three years of licensing). The Group maintains its radial offering and refocuses its efforts on high-value segments.
- Scope Ratings and Moody's confirm their long-term credit ratings for Michelin at "A" and "A2", respectively, with a stable outlook. These ratings reflect the financial solidity and confidence in the Group's future performance, following upgrades by Fitch and Standard & Poor's in the first quarter to "A / Stable" also.

- Michelin is named as one of the world's 100 most innovative companies by Clarivate, a company specialized in intellectual property and the production of scientific knowledge, recognizing the impact of the Group's 6,000–strong R&D team. For over 130 years, innovation has been part of Michelin's DNA, contributing to human progress and a sustainable world.
- In North America, the TBC Corporation joint venture sold its Midas franchise network to Mavis Tire Express Service Corp. This allows TBC to focus on its core activities and strengthen their growth. The transaction will have a favorable impact of approximately USD 200 million on the Michelin Group's net result in 2025.
- Michelin remains the world's most valued and powerful tire brand: according to Brand Finance 2025, brand value increased to USD 8.8 billion, and Michelin ranks in the global top 10 of the most powerful B2B brands, at the 15th rank across all sectors.
- During the 2025 General Meeting held by the Group in Clermont Ferrand with nearly 1,000 shareholders, all resolutions were approved, including a dividend raised to €1.38 per share. Florent Menegaux reaffirmed the relevance and continuation of the "Michelin in Motion 2030" strategy.
- Michelin announces the progressive closure of its Querétaro (Mexico) and Guarulhos (Brazil) sites by the end of 2025. These decisions respond to changes in the tire market and overcapacity due to an influx of low-priced products. The Group will individually support the 830 affected employees, in consultation with social partners. Michelin reaffirms its sustainable commitment in both countries, where its other activities continue.
- Michelin publishes its very first sustainability report, marking a key step in its "All Sustainable" strategy. In line with the EU's CSRD directive, this report details the Group's commitments regarding the environment, social responsibility, and governance. It demonstrates Michelin's intention to actively contribute to a more sustainable and transparent future.
- The publication of the second tax transparency report illustrates a strengthened commitment to fiscal responsibility. The document details the applied tax policy and worldwide contributions while integrating recent regulatory developments, particularly concerning transfer pricing, minimum tax rates of 15%, customs, and export control.

People

- The employee engagement rate at the Michelin group reaches 84% in 2025, reflecting a high level of trust in the company. This result illustrates the strength of the bond between the Group and its teams in a challenging economic and social context.
- Following the assessment carried out by the international NGO Fair Wage Network, Michelin has had its "Global Living Wage Employer" certification renewed for 2025 & 2026. This distinction confirms the Group's commitment to fair wage policies, ensuring a "decent wage" for all its employees in over 60 countries.
- After the announcement at the end of 2024 of the closure of Michelin's Cholet and Vannes sites, a social support measures agreement was signed by representative employee unions, including internal or external mobility, and career closures. Meanwhile, buyer search led by Michelin Development has attracted numerous companies interested in establishing themselves on these sites, thus offering opportunities for employees. Finally, Michelin and the State have concluded two revitalization agreements for employment areas in Cholet and Vannes, aiming to recreate a number of jobs equivalent to those lost following the closures.
- 13 international French companies, including Michelin, join forces and create the "Engage & Care Corporate Coalition" to promote fair and decent living and working conditions for their employees, thus fostering social justice worldwide.

Planet

- Although the European Parliament has voted to postpone the application of the EUDR by one year, Michelin is continuing to apply its deforestation-free natural rubber sourcing policy that has been in place since 2015.
- EcoVadis awards Michelin gold medal status for its commitment and continuous progress in its "All-Sustainable" approach. Its overall ESG score was 84/100, up five points on 2024, with increases in all four of the areas assessed: "Sustainable Procurement", "Environment", "Ethics" and "Labor and Human Rights".
- The Group's Duty of Care Plan wins a prize at the Transparency Awards for Ethics & Compliance of companies in the SBF 120 index. This award illustrates Michelin's long-standing commitment to carefully and closely managing risks related to human rights, and health, safety and the environment, both in its operations and in its supply chain.

- The Carbon Disclosure Project (CDP) affirms Michelin's "A" rating – the highest score achievable – for its climate strategy and actions. This "Corporate A List" membership reflects the outstanding and steadfast commitment of the Group's teams to its carbon-reduction and climate change adaptation plans.
- Michelin starts its mining tire recycling activities at its plant in Chile, located in the Antofagasta region. Collected used tires are shredded, ground, and transformed into raw material usable again in the manufacturing of new tires and other products. This is a further demonstration of the Group's approach to end-of-life tire recycling and circularity.
- Michelin inaugurates a new collaborative project with French research institute CNRS and three French universities to develop low-carbon hydrogen production technology using water electrolysis. This is the third laboratory run jointly by Michelin and CNRS dedicated to deploying green hydrogen production technologies.
- For the fourth consecutive year, Michelin is ranked first among tire manufacturers in SPOTT's natural rubber sector evaluation, an online platform that assesses ESG practices of raw material producers, processors, and traders, with a score exceeding 80%. The Group also stands out as the only tire maker capable of proving that its supply chain does not cause deforestation.
- Michelin announces the construction of the world's first industrial demonstrator of bio-based 5-HMF (5–Hydroxymethylfurfural), a key molecule to replace fossil components in many industrial sectors. The unit, located in France, will have a capacity of 3,000 tonnes per year starting in 2026. This project marks a major step in the industrialization of solutions developed by Michelin ResiCare and illustrates the Group's breakthrough innovation capabilities and its ambition to develop the use of renewable or recycled materials.
- Michelin demonstrates its commitment to sustainable development by decarbonizing its factory in Olsztyn (Poland), transitioning from coal to natural gas. This change has reduced CO_2 emissions from the site by over 90% thanks to modern equipment. It is part of the Group's strategy for net zero emissions by 2050, with an intermediate goal of 47.2% by 2030.
- Michelin came out on top in a large independent study conducted by ADAC, Germany's primary auto club with 22 million members. The analysis of 160 models of summer, winter, and all-season tires, evaluated based on wear and environmental impact, highlights the low abrasion of MICHELIN tires, outperforming the premium competitors' average by 26%. This result underscores the "MICHELIN Total Performance" commitment: safety, durability, fuel savings, and reduced environmental impact, without compromise.
- Michelin inaugurated a Hydraloop system at its Montceau-les-Mines factory, enabling the recycling of industrial water and reducing withdrawals by 80%. This project aligns with the Group's objective to decrease water withdrawals by 30% by 2030 relative to 2019. Similar projects are ongoing in other drought-affected countries like Mexico and Spain.
- Michelin Motorsport launches a recycling program for competition tires in partnership with Enviro. This program utilizes pyrolysis to extract raw materials such as carbon black and oils, which will be reused in industrial applications, including future Michelin tires. The initiative aims to reduce the environmental footprint and promote a circular economy. Michelin plans to expand this initiative to several championships, such as IMSA in the United States.
- The Euro 7 regulation introduces limits on tire wear particle emissions in the EU for the first time. Michelin fully supports the environmental goals of this regulation. It believes that a demanding and real-world on-road testing method is the only way to identify the lowest-emitting tires. For over 20 years, Michelin has been innovating to reduce wear particles.
- After six years of collaborative research, the BioImpulse project confirms the competitiveness of industrial biotechnologies and paves the way for a new generation of high-performance bio-based adhesive resins, free from substances of concern for human health. Launched by Michelin and its ResiCare brand, the BioImpulse project brings together public and private partners.
- The Tire Industry Project (TIP) celebrates its 20th anniversary. TIP unites global tire leaders around a common commitment: to understand and limit the impacts of our industry on the environment and health through independent, rigorous, and shared scientific research. This initiative stands as a model of sector cooperation, expanding its ambition to ESG issues and collective action for more sustainable mobility.
- During his speech at the United Nations in New York during Climate Week, Florent Menegaux, President of the Global Compact Network France, emphasized the urgency of collective action to put the world back on track towards the Paris Agreement. He also highlighted the progress made by Michelin - notably a 37% reduction in its CO_2 emissions since 2019 - and stressed that the ecological transition relies on the ability to combine technological innovation with social progress.

Business operations

- At the Solutrans 2025 trade show for customers and partners in the transportation industry, the Group showcased its stand-out offering (tires, connected solutions, dedicated community application) and asserted itself more than ever as a key player in green fleet solutions.
- The MICHELIN Guide extends its recommendation expertise and launches a new distinction in the world of wine. The MICHELIN Grape (One, Two or Three Grapes) will now spotlight wine estates and producers across different regions of the world. The project will be launched in 2026 in the two iconic terroirs of Bordeaux and Burgundy.
- "Around the Earth in less than 8 days": Michelin and Mercedes-AMG set an endurance record by covering 40,075 km at 300 km/h with the electric concept AMG GT XX and the new MICHELIN Pilot Sport 5 Energy tires. These innovative tires, featuring a dual-compound architecture and RFID chips, are set to be marketed in 2026. This partnership illustrates the commitment of both brands to sustainable and high-performance mobility.
- Michelin integrates its sailing wing WISAMO into the yacht concept "AQUA," a 100% French project supported by Michelin, NOVEM Nautical Design, and JFA Yachts, embodying a sustainable and innovative vision of yachting. This is a concrete step toward decarbonized maritime mobility.
- The 6 Hours of Fuji 2025 marks a historic milestone: the 100th race of the FIA WEC World Endurance Championship. A partner since the first edition, Michelin demonstrated unwavering commitment that symbolizes the brand's DNA: lasting performance, constant innovation, and environmental responsibility.
- Truckfly by Michelin innovates and launches a GPS specifically designed to simplify the daily lives of truck drivers, a premiere on the market. This strategic tool enables transportation companies to enhance safety, optimize operational efficiency, and improve their attractiveness.
- Michelin innovates and unveils its new generation of regional and urban truck tires, demonstrating its technological expertise. The new MICHELIN X® MULTI Z2 & D2 range in 19.5 inches delivers a high level of safety and versatility, regardless of traffic areas or weather and seasonal conditions.
- The MICHELIN Guide, celebrating its 125th anniversary this year, organized a media event to share its history, strategy, and ambitions. During this event, Michelin also revealed its very first global selection of MICHELIN Keys. Having become a global media entity of the art of living, the MICHELIN Guide reaffirms its role as a worldwide reference in gastronomy and hospitality.
- Michelin extends its partnership with IMSA (International Motor Sports Association) until 2035, serving as the exclusive tire supplier for the leading endurance competitions in the United States, including the iconic "24 Hours of Daytona" and "12 Hours of Sebring." These competitions provide Michelin with an ideal environment to test its innovations under extreme conditions and accelerate their transfer to series tires.
- A decade after the launch of the MICHELIN CrossClimate, which led to the emergence of a European all-season tire market, the Group launches the third generation of this range. It also innovates by launching MICHELIN CrossClimate 3 Sport, the first all-season tire dedicated to sports cars, already approved on the new Alpine 390.
- Michelin launches the MICHELIN Primacy 5 range and widens its technological lead. The new tire delivers an 18% increase in tread life, while maintaining superior wet grip safety performance, reducing noise and improving fuel efficiency by 5% compared with its predecessor. With a 6% smaller environmental footprint, it is also perfectly aligned with Michelin's all-sustainable strategy.
- The new MICHELIN X-CRANE 2 and X-Works Z2 & D2 address challenges in the lifting, construction, and waste sectors. They offer more load, longer life, and lower fuel consumption. With these two launches, Michelin reinforces its commitment to sustainable mobility.
- Michelin confirms its commitment to truck tire retreading with the extension of the REMIX® 2 offering, providing a second premium hot retread for the MICHELIN X MULTI range. Michelin REMIX® 2 tires offer a lifespan close to that of new tires, with the same levels of grip, traction and safety.

- Michelin launches the MICHELIN City Touring tire, ideal for city bikes and weekend bike rides. Designed for both on- and off-road use, it offers enhanced safety on wet surfaces and better protection against punctures, while also being 31% lighter than conventional tires.
- Michelin signed its first commercial contract for the WISAMO sail, addressing decarbonization challenges in transportation, to equip a new patrol vessel for the French Directorate of Maritime Affairs of Fisheries and Aquaculture (DGAMPA), uniquely combining hybrid propulsion and sail assistance.
- Michelin becomes the exclusive supplier of the FIM Superbike World Championship from 2027 to 2031. This strategic partnership strengthens its presence in motorcycle competitions after years of experience in MotoGP and MotoE, deploying its innovative power to machines closer to series motorcycles.
- In Metz, the MICHELIN Guide celebrates the excellence of French gastronomy and the 125th anniversary of its famous red book, a global reference offering unforgettable experiences in exceptional restaurants and hotels.
- After unveiling the MICHELIN Keys selections in numerous countries like France, Greece, the USA, Canada, and Japan, the MICHELIN Guide honors Portugal. Similarly to MICHELIN Stars for gastronomy, the Keys now distinguish hotels offering the most remarkable stay experiences.
- The MICHELIN Guide continues to expand across the globe, with new curated selections, notably for China with the new Jiangsu Province Guide, and Greece, with the first MICHELIN Keys selections, and the MICHELIN Guide to the Czech Republic due to be published shortly.
- For the first time, MICHELIN Guide distinctions are integrated into Apple Maps in the United States, facilitating access to exceptional establishments. This world first marks the beginning of a global expansion, asserting the MICHELIN Guide's ambition to become the independent reference in gastronomic and hotel reservations.

5.1.9 MATERIAL CONTRACTS

There are no material contracts other than those concluded in the ordinary course of the business.

5.1.10 INFORMATION CONCERNING PAYMENT TERMS

	Article D. 441-6°: invoices issued and past due at December 31, 2025					
Trade receivables	**0 days**	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**More than 90 days**	**Total**
(A) Breakdown of past due payments:						
Number of invoices					1	1
Total amount of invoices (including tax) (in € thousands)					3	3
Percentage of total sales for the period (including tax)					0.00%	0.00%
(B) Invoices excluded from (A) relating to disputed or unrecognized payables and receivables						-
Number of invoices excluded						-
Total amount of invoices excluded (in € thousands)						-
(C) Reference payment terms used (contractual or statutory pursuant to Article L. 441-6 or L. 443-1 of the French Commercial Code)						30
Reference payment terms used to calculate past due payments	Contractual terms agreed at initial recognition of the trade receivable					30

	Article D. 441-6°: invoices received and past due at December 31, 2025					
Trade payables	**0 days**	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**More than 90 days**	**Total**
(A) Breakdown of past due payments:						
Number of invoices		217	122	12	30	381
Total amount of invoices (including tax) (in € thousands)		547	218	110	2	878
Percentage of total purchases for the period (including tax)		0.03%	0.01%	0.01%	0.00%	0.04%
(B) Invoices excluded from (A) relating to disputed or unrecognized payables and receivables						
Number of invoices excluded						-
Total amount of invoices excluded (including tax) (in € thousands)						-

5.1.11 SIGNIFICANT CHANGE IN FINANCIAL OR TRADING POSITION

There were no significant changes in the Company's financial or trading position between February 16, 2026 (date of the Statutory Auditor's report) and the date on which this Universal Registration Document was filed with the French securities *regulator (Autorité des marchés financiers* - AMF).

5.1.12 INFORMATION DISCLOSED IN COMPLIANCE WITH ARTICLES L. 225-102-1 AND R. 225-105-1 OF THE FRENCH COMMERCIAL CODE

The 2025 employee, societal and environmental information disclosed in compliance with Article 225-102-1 of the French Commercial Code, as well as the Statutory Auditors' report, may be found in the Sustainability Statement (Chapter 4 of this Universal Registration Document).

5.1.13 DISCLOSURE PURSUANT TO FRANCE'S DUTY OF CARE ACT APPLICABLE TO PARENT COMPANIES AND SUBCONTRACTING COMPANIES

The Duty of Care Plan, which outlines the risks and preventive measures that the Group and its main subcontractors face in relation to the environment, public health and safety and human rights, pursuant to the French Duty of Care Act (No. 2017- 99) of March 27, 2017, is presented in the Sustainability Statement (Chapter 4 of this Universal Registration Document).

5.1.14 FIVE-YEAR SUMMARY OF CONSOLIDATED KEY FIGURES AND RATIOS

(in € millions)	2025	2024	2023	2022	2021
Sales	25,992	27,193	28,343	28,590	23,795
% change	-4.4%	-4.1%	-0.9%	+20.2%	+16.3%
Total employee benefit costs	7,491	7,622	7,401	6,950	6,445
As a % of sales	28.8%	28.0%	26.1%	24.3%	27.1%
Number of full-time equivalent employees at period-end	115,800	123,500	125,000	124,900	118,400
Research and development expenses	788	786	756	698	682
As a % of sales	3.0%	2.9%	2.7%	2.4%	2.9%
SEGMENT EBITDA[1]	**4,663**	**5,361**	**5,489**	**5,262**	**4,700**
Segment operating income	2,719	3,378	3,572	3,396	2,966
Segment operating margin	10.5%	12.4%	12.6%	11.9%	12.5%
Operating income	2,366	2,631	2,652	3,021	2,777
Operating margin	9.1%	9.7%	9.4%	10.6%	11.7%
Cost of net debt	154	77	198	239	192
Other financial income and expenses	35	19	2	(22)	(4)
Income before taxes	2,258	2,445	2,490	2,656	2,471
Income tax	594	555	507	647	626
Effective tax rate	26.3%	22.7%	20.4%	24.4%	25.3%
Net income	1,664	1,890	1,983	2,009	1,845
As a % of sales	6.4%	7.0%	7.0%	7.0%	7.8%
Dividends	974	961	893	803	410
Net cash from operating activities	**3,819**	**4,336**	**5,287**	**1,931**	**2,906**
As a % of sales	14.7%	15.9%	18.7%	6.8%	12.2%
Gross purchases of intangible assets and PP&E	1,967	2,182	2,236	2,141	1,705
As a % of sales	7.6%	8.0%	7.9%	7.5%	7.2%
Net debt[1]	2,345	3,112	3,281	4,320	2,789
Total equity	18,076	18,634	17,958	17,116	14,971
Gearing[1]	13.0%	16.7%	18.3%	25.2%	18.6%
Net debt[1] divided by segment EBITDA[1]	0.50	0.58	0.60	0.82	0.59
Segment operating income/net interest expense[2]	17.4	43.8	20.8	11.5	13.7
Free cash flow[3]	2,181	2,225	2,343	(180)	1,357
ROE[4]	9.1%	10.3%	11.3%	12.5%	13.4%
Operating ROCE[5]	9.2%	10.5%	11.4%	10.8%	10.3%
PER-SHARE DATA* *(in €)*					
Net assets per share[6]	26.3	26.4	25.1	24.0	20.9
Basic earnings per share	2.36	2.65	2.77	2.81	2.58
Diluted earnings per share	2.33	2.62	2.75	2.79	2.56
Price-earnings ratio[7]	12.0	12.0	11.7	9.3	14.0
Dividend per share[8]	1.38	1.38	1.35	1.25	1.125
Payout ratio[9]	57%	52%	49%	44%	44%
Yield[10]	4.9%	4.3%	4.2%	4.8%	3.1%

(1) As defined in note 2.6 to the consolidated financial statements.

(2) Net interest expense: interest financing expenses less interest income from cash and equivalents.

(3) Free cash flow: 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), as defined in section 5.1.5.

(4) ROE: as from 2022, return on equity is defined as net income divided by average equity for the year (calculated as the average of year-end equity and prior year-end equity) instead of net income divided by equity at December 31. The 2021 figures have been restated for comparison purposes.

(5) Operating ROCE: based on the method in use since 2021 as explained in section 5.1.6.

(6) Net assets per share: net assets divided by the number of shares outstanding at period-end.

(7) Price-earnings ratio: share price at period-end divided by basic earnings per share.

(8) Dividend subject to approval by the Annual Shareholders Meeting on May 22, 2026.

(9) Payout ratio: dividend divided by net income.

(10) Yield: dividend per share divided by the December 31 share price.

* The 2021 per-share data have been restated to reflect the four-for-one stock split on June 16, 2022.

5.2 2025 CONSOLIDATED FINANCIAL STATEMENTS

5.2.1 2025 CONSOLIDATED FINANCIAL STATEMENTS

Consolidated income statement

(in € millions, except per share data)	Note	2025	2024
Sales	5	25,992	27,193
Cost of sales		(18,973)	(19,445)
Gross income		**7,019**	**7,748**
Sales and marketing expenses		(1,176)	(1,204)
Research and development expenses		(788)	(786)
General and administrative expenses		(2,265)	(2,290)
Segment other income and expenses	6	(70)	(90)
Segment operating income	**5**	**2,719**	**3,378**
Other operating income and expenses	7	(353)	(747)
Operating income		**2,366**	**2,631**
Cost of net debt	9	(154)	(77)
Other financial income and expenses	9	35	19
Net interest on employee benefit obligations	8	(99)	(88)
Share of profit/(loss) from equity-accounted companies	14	109	(40)
Income before taxes		**2,258**	**2,445**
Income tax	11	(594)	(555)
NET INCOME		**1,664**	**1,890**
Attributable to the shareholders of the Company		1,665	1,884
Attributable to the non-controlling interests		(1)	6
EARNINGS PER SHARE (IN €)	**15**		
Basic		2.36	2.65
Diluted		2.33	2.62

Consolidated statement of comprehensive income

(in € millions)	Note	2025	2024
Net income		**1,664**	**1,890**
Post-employment benefits	8	202	(138)
Equity instruments at fair value through OCI - changes in fair value	9	8	(44)
Tax effect – Other items that will not be reclassified to the income statement	11	(32)	12
Other		-	-
Other comprehensive income/(loss) that will not be reclassified to the income statement		***178***	***(170)***
Cash flow hedges - changes in fair value		(4)	(6)
Tax effect – Other items likely to be reclassified to the income statement		1	(1)
Currency translation differences		(884)	273
Other		9	(24)
Other comprehensive income/(loss) that may be reclassified to the income statement		***(878)***	***242***
Other comprehensive income/(loss)		**(700)**	**72**
TOTAL COMPREHENSIVE INCOME		**964**	**1,962**
Attributable to the shareholders of the Company		965	1,956
Attributable to the non-controlling interests		(1)	6

Consolidated statement of financial position

(in € millions)	Note	December 31, 2025	December 31, 2024
Goodwill	12	2,657	2,829
Intangible assets	12	1,944	2,120
Property, plant and equipment (PP&E)	12	12,120	12,750
Right-of-use assets	13	1,092	1,232
Non-current financial assets and other non-current assets	9	1,032	1,151
Investments in equity-accounted companies	14	931	849
Deferred tax assets	11	971	1,081
Non-current assets		**20,747**	**22,013**
Inventories	6.3	5,093	5,699
Trade receivables	6.4	3,459	3,595
Current financial assets	9	371	544
Other current assets	7.2	1,471	1,564
Cash and cash equivalents	9.2	3,877	3,936
Current assets		**14,271**	**15,339**
TOTAL ASSETS		**35,018**	**37,352**
Share capital	15	344	353
Share premiums	15	1,747	2,326
Reserves	15	15,981	15,946
Non-controlling interests		4	9
Total equity		**18,076**	**18,634**
Non-current financial liabilities	9	5,050	4,934
Non-current lease liabilities	9	726	872
Provisions for employee benefit obligations	8	2,440	2,730
Provisions and other non-current liabilities	7.3	713	928
Deferred tax liabilities	11	509	544
Non-current liabilities		**9,438**	**10,008**
Current financial liabilities	9	612	1,375
Current lease liabilities	9	257	258
Trade payables	6.5	2,811	3,086
Trade payables under reverse factoring agreements	6.5	536	689
Provisions and other current liabilities	7.3	3,287	3,302
Current liabilities		**7,503**	**8,710**
TOTAL EQUITY AND LIABILITIES		**35,018**	**37,352**

Consolidated statement of changes in equity

(in € millions)	Share capital (note 15)	Share premiums (note 15)	Reserves (note 15)	Non-controlling interests	Total equity
At January 1, 2024	**357**	**2,702**	**14,896**	**3**	**17,958**
Net income	-	-	1,884	6	1,890
Other comprehensive income/(loss)	-	-	72	-	72
Total comprehensive income	-	-	1,956	6	1,962
Issuance of shares	3	119	-	-	122
Share buybacks	-	-	(502)	-	(502)
Cancellation of shares	(7)	(495)	502	-	-
Dividends and other appropriations	-	-	(964)	(2)	(966)
Share-based payments - current service cost	-	-	61	-	61
Sales of treasury shares	-	-	-	-	-
Other	-	-	(2)	2	-
At December 31, 2024	**353**	**2,326**	**15,946**	**9**	**18,634**
Net income	-	-	1,665	(1)	1,664
Other comprehensive income/(loss)	-	-	(700)	-	(700)
Total comprehensive income	-	-	965	(1)	964
Issuance of shares	2	86	-	-	89
Share buybacks	-	-	(668)	-	(668)
Cancellation of shares	(11)	(656)	668	-	-
Dividends and other appropriations	-	-	(977)	-	(977)
Share-based payments - current service cost	-	-	61	-	61
Sales of treasury shares	-	-	-	-	-
Other	-	(9)	(15)	(4)	(27)
AT DECEMBER 31, 2025	**344**	**1,747**	**15,981**	**4**	**18,076**

Consolidated statement of cash flows

(in € millions)	Note	2025	2024
Net income		1,664	1,890
Adjustments			
■ Cost of net debt	9	154	77
■ Other financial income and expenses	9	(35)	(19)
■ Net interest on employee benefit obligations	8.1	99	88
■ Income tax	11	594	555
■ Amortization and depreciation of intangible assets and PP&E	6.1	1,943	1,983
■ Other operating income and expenses	7.1	353	747
■ Share of loss/(profit) from equity-accounted companies	14	(109)	40
Segment EBITDA	2.6	4,663	5,361
Other operating income and expenses (cash) and changes in provisions	10	(473)	(246)
Interest and other financial income and expenses received and paid, net	10	(51)	(42)
Income tax paid	11	(593)	(806)
Change in working capital, net of impairment	10	273	69
Net cash from operating activities		**3,819**	**4,336**
Purchases of intangible assets and PP&E	10	(2,017)	(2,250)
Proceeds from sales of intangible assets and PP&E		137	35
Equity investments in consolidated companies, net of cash acquired		(58)	(7)
Disposals of equity investments in consolidated companies, net of cash sold		125	5
Purchases of equity instruments at fair value		(14)	(9)
Disposals of equity instruments at fair value		3	12
Cash flows relating to other financial assets	10	217	103
Net cash from/(used in) investing activities		**(1,607)**	**(2,111)**
Proceeds from issuance of shares	15	72	37
Dividends paid to the shareholders of the Company	15	(974)	(961)
Cash flows relating to financial liabilities	10	(637)	650
Share buybacks	15	(668)	(502)
Other		(38)	(18)
Net cash from/(used in) financing activities		**(2,245)**	**(794)**
Effect of changes in exchange rates		**(27)**	**(10)**
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**(59)**	**1,421**
Cash and cash equivalents at January 1		3,936	2,515
Cash and cash equivalents at December 31	9.2	3,877	3,936

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Detailed summary of the notes to the financial statements

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NOTE 1 GENERAL INFORMATION

Compagnie Générale des Établissements Michelin (CGEM or the "Company") and its subsidiaries (together "the Group") design, manufacture and market tires throughout the world. The Group also provides its customers with tire- and vehicle-related services and solutions, mobility experiences and expertise in Polymer Composite Solutions.

The Company is a partnership limited by shares (société en commandite par actions) incorporated in Clermont-Ferrand (France).

The Company is listed on Euronext Paris (Eurolist Compartment A).

After a review by the Supervisory Board, these consolidated financial statements were authorized for issue by the Managing Chairman on February 11, 2026.

Except as otherwise stated, all amounts are presented in millions of euros (€ millions). Amounts in the consolidated financial statements are rounded to the nearest million and include individually rounded amounts. Arithmetic calculations based on rounded amounts may differ from the reported totals and subtotals.

NOTE 2 BASIS OF PREPARATION

2.1 Statement of compliance

The consolidated financial statements:

- have been prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the European Union as of the reporting date and applicable to the period then ended;
- also comply with the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB); and
- have been prepared using the historical cost convention, with the exception of unconsolidated equity investments and financial assets and liabilities (including derivatives), which are measured at fair value through profit and loss or other comprehensive income.

2.2 Accounting policies

The accounting policies applied in the preparation of the Group's consolidated financial statements are set out in the following notes. Aside from the exceptions described in section 2.3 below, these policies have been consistently applied to all the years presented.

2.3 New standards, amendments to existing standards and interpretations effective from January 1, 2025 in the European Union

The following new standards and amendments to IFRS are effective from January 1, 2025; they have no material impact for the Group:

Amendments to IAS 21 - Lack of Exchangeability

These amendments, published on August 15, 2023, specify how to assess whether a currency is exchangeable, how to determine the exchange rate for a currency that is not exchangeable, and the related disclosure requirements.

2.4 New standards, amendments to existing standards and interpretations that are not yet effective

The following new IFRS standards, amendments and interpretations, which were not applicable at December 31, 2025, are not expected to have a material impact on the consolidated financial statements at their application date:

Amendments to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments

These amendments, published on May 30, 2024, clarify the classification of financial assets with environmental, social and corporate governance (ESG) linked features. They also provide clarifications concerning the derecognition of liabilities settled through electronic payment systems.

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These amendments are applicable prospectively. They consist of narrow-scope amendments designed to clarify certain provisions of IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7.

IFRS 18 - Presentation and Disclosure in Financial Statements

This standard, published on April 9, 2024, replaces the current IAS 1 - Presentation of Financial Statements and introduces consequential amendments to IAS 7 - Statement of Cash Flows. IFRS 18 sets out new principles on how items should be aggregated and disaggregated on the face of the primary financial statements and in the notes. The Group is currently assessing the anticipated impact of this new standard on its financial statements.

There are no other new standards, amendments or interpretations that have been published but are not yet effective which could have a material impact on the Group's financial statements.

2.5 Foreign currency

2.5.1 Presentation and functional currency

The financial statements of the Group entities are measured using their functional currency, which is the currency of the primary economic environment in which they operate and corresponds for most of them to their local currency.

The consolidated financial statements are presented in euros (presentation currency), which is the Company's functional currency.

2.5.2 Transactions

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the transaction date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the revaluation at closing exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

Exchange differences on unconsolidated equity investments are included in other comprehensive income until the investment is sold.

2.5.3 Conversions

The financial statements of the Group entities whose functional currency is different from the Group's presentation currency are translated into euros as follows: assets and liabilities are translated at the closing rate at the date of the consolidated statement of financial position, income and expenses are translated at the average rate for the period (as it is considered a reasonable approximation to actual rates at the transaction date), and all resulting exchange differences are recognized in other comprehensive income.

Cash flows are also translated at the average rate for the period. When an entity is disposed of, the translation differences accumulated in other comprehensive income are recycled to the income statement as part of the gain or loss on disposal.

On the acquisition of an entity, goodwill and fair value adjustments recognized are treated as assets and liabilities of the acquired entity and translated at the spot rate on the transaction date.

2.5.4 Exchange rates of major currencies

	Closing rates		Average rates	
Against the euro (EUR):	**2025**	**2024**	**2025**	**2024**
US dollar (USD)	1.178	1.043	1.130	1.082
Canadian dollar (CAD)	1.612	1.501	1.578	1.482
Mexican peso (MXN)	21.162	21.248	21.670	19.705
Brazilian real (BRL)	6.562	6.463	6.308	5.802
Pound sterling (GBP)	0.871	0.829	0.857	0.847
Chinese yuan (CNY)	8.235	7.612	8.120	7.788
Indian rupee (INR)	105.888	89.122	98.389	90.558
Thai baht (THB)	37.116	35.433	37.129	38.152

2.6 Definition of certain indicators presented in the consolidated financial statements

2.6.1 Net debt

Net debt is made up of current and non-current financial liabilities (including lease liabilities), as they appear on the consolidated statement of financial position, less:

- cash and cash equivalents as they appear on the consolidated statement of financial position;
- derivative instruments included in "Current financial assets and Non-current financial assets" on the consolidated statement of financial position;
- cash management financial assets included in "Current financial assets" on the consolidated statement of financial position (these assets are highly liquid, little affected by interest rate risk and foreign currency risk); and
- borrowing collateral included in "Current financial assets and Non-current financial assets" on the consolidated statement of financial position.

2.6.2 Segment operating income

Segment operating income measures the performance of the operating segments and is one of the Group's management indicators.

2.6.3 Segment EBITDA

The Group defines Segment EBITDA as segment operating income less depreciation of property, plant and equipment, right-of-use assets and amortization of intangible assets allocated to segments.

2.7 Climate risk

Climate risk and the Group's stated ambitions in this area were taken into account for the preparation of the financial statements.

As part of its 2030 roadmap, the Group has identified four types of levers to reduce its Scope 1 and 2 carbon emissions: (i) energy efficiency, (ii) electrification of industrial processes, (iii) decarbonization of boilers, and (iv) purchase of renewable energy. A total of €86 million was invested in the transition plan to reduce Scope 1 and 2 carbon emissions in 2025 (2024: €107 million), with more than €300 million to be invested over the period covered by the strategic plan.

As part of the drive to reduce Scope 3 carbon emissions, the Group plans to introduce technologies to improve its products' rolling resistance. In 2025, €151 million was invested (2024: €119 million) , with over €600 million to be invested over the period covered by the strategic plan.

All of this expenditure has been taken into account in the cash flow forecasts used as a basis for impairment testing (note 12.1 "Goodwill"). Beyond the period covered by the strategic plan, the rate at which the programs are implemented will depend on the actual energy performance of the initial investments.

Concerning measures to adapt to climate change, the effects on cash flows beyond the period covered by the five-year strategic plan are difficult to predict. They could arise, for example, from business interruption at sites exposed to natural disasters, or from regulatory compliance costs in certain countries (taxes or other) designed to encourage the energy transition. Given the difficulty of preparing reliable cash flow projections taking these risks into account, a simulated impairment test was carried out, limiting estimates of future cash flows to the next 20 years based on constant cash flows after the fifth year (note 12.1).

Also regarding measures to adapt to climate change, in 2024 and 2025 the Group carried out analyses to assess the exposure of its manufacturing sites and office facilities to future climate conditions (intense heat, floods, etc.), and subsequently developed methods for quantitatively assessing site vulnerability and identifying any necessary adaptation measures. In the period up to 2030, the necessary adaptation measures identified will be gradually incorporated into the Group's capex plans and operating costs.

Additional costs of regulatory compliance are taken into account in the future cash flows used as a basis for impairment testing (note 12.1), to the extent that the regulations affecting the cash flows are known. This mainly concerns the CO_2 emission allowances to be acquired by the Group in compliance with European Union regulations (Emissions Trading Scheme - ETS).

Emissions from sites that fall under the requirements of the ETS represent around one-fifth of the Group's Scope 1 and 2 emissions (market-based calculation). The accounting policies applied to ETS emission allowances are described in note 12, and the balance sheet amounts at the reporting date are shown in note 12.1.

The interest rate on the Group's €2,500 million syndicated line of credit (2024: €2,500 million, see note 17.2) depends on its performance in relation to its environmental and employee-related objectives (CO_2 emissions, an industrial environmental performance indicator and the employee engagement rate across the Group).

2.8 Critical accounting estimates and judgments

The preparation of the consolidated financial statements in accordance with IFRS requires that management uses assumptions and estimates to calculate the value of assets and liabilities at the date of the consolidated statement of financial position and the amount of income and expenses for the reporting period. Actual results could differ from those estimates.

The main sources of uncertainty relating to key assumptions and judgments concern impairment of non-financial assets, employee benefit obligations, income taxes, goodwill, intangible assets acquired in business combinations as well as the assets' estimated useful lives, the definition of the enforceable period of a lease and the effect on revenue recognition of deferred customer discounts.

2.8.1 Impairment of non-financial assets

The cash generating units' (CGU) future cash flows used to calculate value in use are derived mainly from forecasts set out in the Group's five-year business plan. The forecasts are prepared by the Business Departments and Lines based on the strategic objectives validated by the Managers. The process requires using critical estimates and judgments, especially to determine market trends, raw material costs and pricing policies. The estimates for the 2025 impairment tests were established in an unsettled economic and geopolitical environment, characterized in particular by international trade tensions. Consequently, actual cash flows may differ from the estimates used to calculate the CGUs' value in use (see in particular the comments in note 2.7 concerning the recognition of climate risk). Quantitative information is provided in note 12.

2.8.2 Employee benefit obligations

The Group uses defined contribution plans which generally require, on top of the portion financed by the Group, a contribution from each salaried employee, defined as a percentage of their compensation.

Some subsidiaries also recognize liabilities for pension plans, jubilees and other post-employment benefits linked to rights acquired by the employees through plans specific to these subsidiaries or resulting from certain legal obligations.

The valuation of these benefits is carried out annually with the assistance of independent actuaries. The actuarial method used is the projected unit credit method.

In accordance with this method, statistical information and various assumptions are used in calculating the expenses, liabilities and assets related to the benefit plans. Assumptions mainly include the discount rate, the inflation rate, the long-term salary increase rate and the expected rate of growth in future medical costs. Statistical information is mainly related to demographic assumptions such as mortality, employee turnover, disability and retirement age.

Assumptions and statistical information are determined based on internal guidelines, in consultation with the actuaries.

Discount rates are determined with the assistance of independent actuaries based on the same maturities as the liabilities.

The rate of salary increases is determined by each country based on a long-term salary policy and takes into consideration all of the relevant factors including market practices, as well as career development, promotion and seniority, among other inputs.

The inflation rates, calculated over standard durations, are determined using several methods:

- by using actuarial models based on target rates published by Central Banks, forecasts from Consensus Economics and inflation swap curves;
- by taking the spread between inflation-linked bonds and conventional securities. The rates are then adjusted with a spread which represents the liquidity and risk premium embedded in the inflation-linked bonds;
- based on historical averages.

The other assumptions (retirement age, employee turnover, healthcare cost trend, mortality and disability) reflect the demographic and economic situation of the countries and subsidiaries in which the plans are in force.

The actual data (such as inflation, mortality and real return on assets) may differ from the long-term actuarial assumptions used. The resulting difference is recognized as a gain or loss in other comprehensive income.

Quantitative information is provided in note 8.

2.8.3 Income tax

Judgments and estimates are required to determine the amount of the deferred tax assets resulting from tax loss carryforwards or deductible temporary differences.

The expected reversal of tax losses is based on the forecast of future results validated by the local management and reviewed by the Group Tax and Accounting Departments. Analyses are also performed in order to ensure the consistency of the forecasts with the Group's strategic plans validated by management. Analyses to support the deferred tax positions are performed periodically, at a date as close as possible to the reporting date.

The period over which tax loss carryforwards are reversed is based on a reasonable time horizon, taking into account the specific circumstances of each Group company, such as:

- the origin of the historical tax losses (generally exceptional and non-recurrent: restructuring, significant increases in production capacity...);
- forecast future results;
- confirmed reorganization projects that will eliminate sources of losses;
- the time limit for recovering historical tax losses; and
- the maximum utilization rate of tax loss carryforwards in a given year.

Quantitative information is provided in note 11.

The companies that make up the Group operate in different, and sometimes uncertain, legal and regulatory environments, including tax environments. They may be involved, in the normal course of business, in various types of litigation, disputes or other proceedings.

Each of the known disputes or ongoing proceedings in which the Group or one of the Group companies is involved was examined at the reporting date, where appropriate with the assistance of external consultants, and provisions have, if necessary, been booked to cover the estimated risks.

2.8.4 Goodwill, intangible assets acquired in business combinations and their estimated remaining useful life

As part of its acquisitions, the Group identifies, measures and recognizes intangible assets (trademarks and customer relationships, for example) and determines their residual useful lives. The difference between the fair value of assets acquired and liabilities assumed, on the one hand, and the consideration transferred, on the other, represents goodwill, which is allocated to the CGUs or to the groups of CGUs benefiting from the synergies expected from the business combination. In order to perform the purchase price allocation, the Group takes into account the various strategic and operational objectives underlying the acquisition and relies on the expertise of valuation firms.

The value of assets and liabilities recognized on business combinations may be impacted in the future if judgments, estimates and key assumptions made at the time of the acquisition, such as revenue growth rate, operating margin or discount rates, should differ from reality.

2.8.5 Enforceable period of a lease

When the Group enters into a lease, it determines the enforceable period by taking into account all the economic facts and circumstances, as well as the options to extend and terminate the lease. This information is used to determine the most economically relevant end date for the lease.

For certain categories of leased assets (mainly vehicles), the Group considers that there is no reasonably certain extension option. Consequently, the duration is selected to coincide with the initial term of the lease. For real estate leases, the Group defines the reasonable end date of the lease, based on the enforceable period, in line with the asset's expected period of use. Accordingly, for leases with a residual term of more than ten years, the first enforceable exit option is chosen unless specific information and economic circumstances lead the Group to define a longer period.

NOTE 3 HIGHLIGHTS

3.1 Share buyback programs

On February 12, 2024, as part of its capital management policy, the Group announced the launch of a multi-year share buyback program representing a maximum amount of €1 billion over a three-year period from 2024 to 2026.

In connection with this program, in 2025 the Group therefore signed three agreements with investment service providers covering €665 million worth of share buybacks:

- an initial agreement on July 29, 2025 for €265 million. The agreement was executed in full during the year, with 8,600,106 shares bought back at an average price of €30.80 per share.
- two further agreements, on October 23, 2025 for an aggregate amount of €400 million. The agreements were executed in full during the year, with 14,318,467 shares bought back at an average price of €27.94 per share.

The 22,918,573 shares repurchased under these agreements were canceled on December 24, 2025.

3.2 TBC – Disposal of the Midas franchise business

On June 16, 2025, the TBC joint venture sold its Midas service business to Mavis. The transaction was carried out in the form of a share deal involving the sale of 100% of the shares in Midas International, which owns subsidiaries in the United States and Canada. TBC will continue to focus on growth and innovation in its wholesale and distribution businesses, as well as on expanding its Big O Tires franchise.

The sale gave rise to the recognition of a €358 million disposal gain in TBC's financial statements, of which the share attributable to the Group was €179 million, reported under “Share of profit/(loss) from equity-accounted companies”.

3.3 Symbio

Stellantis, joint-owner and main customer of the Symbio joint venture, announced on July 16, 2025 that it was terminating its fuel cell technology development program. This decision has irreversible financial and operational consequences for Symbio.

In light of this announcement, the Group recognized a €121 million impairment loss against its outstanding loans to Symbio and the financing commitments it had given alongside Forvia for the next three years. This impairment loss was recorded in “Share of profit/loss from equity-accounted companies”.

3.4 Closure of the Group’s plants in Querétaro, Mexico and Guarulhos, Brazil

On June 9, 2025, the Group informed its employees and customers, the local authorities and all other stakeholders that it was scaling down production at the Querétaro complex, with a view to closing the plant at the end of 2025. The decision to close this plant was made following a detailed review of its activities and was based on the fact that (i) demand for passenger car and light truck tires has evolved towards larger tires, which the Querétaro plant is unable to produce, and (ii) the plant has become economically and technologically obsolete and cannot be transformed into a competitive manufacturing facility meeting today's market requirements. The Group has committed to providing individual support for each of the plant's 480 employees.

On June 26, 2025, the Group announced the closure of its Guarulhos plant in the state of São Paulo, Brazil, which manufactured motorcycle and bicycle inner tubes as well as semi-finished products. This decision was made due to overcapacity in the local market. The Group has committed to providing individual support for each of the plant's 350 employees.

The costs related to the closure of the two sites and plant and equipment write-downs were recognized in the balance sheet under "Other operating income and expenses" in the amount of €58 million.

3.5 Divestment of bias tire and track activities for compact equipment intended for the construction market

On September 1, 2025, the Group completed the divestment of its bias tire and track activities for compact equipment intended for the construction market, which it had announced in December 2024. This sale to the CEAT Group related to two plants in Sri Lanka and the Camso brand (after three years of licensing). The Group intends to continue its radial tire production activities in Sri Lanka and to refocus its efforts on high-value segments of the market.

In the consolidated financial statements, this transaction resulted in a disposal gain of €11 million, recorded under "Other operating income and expenses".

NOTE 4 CHANGES IN THE SCOPE OF CONSOLIDATION

ACCOUNTING POLICIES

The Group's consolidated financial statements include all subsidiaries, joint ventures and associates of Compagnie Générale des Établissements Michelin.

The Group treats transactions with non-controlling interests, as long as they do not result in a change of control over the entities in question (no loss nor gain of control), as equity transactions having no impact on comprehensive income. Expenses relating to these transactions are directly accounted for in equity. At the date the Group gains control of an entity, the carrying amount of previously held non-controlling interests, if any, is adjusted to fair value and the difference is recognized in the income statement. All other related items previously recognized in other comprehensive income are reclassified to the income statement. When the Group loses control over an entity but keeps some non-controlling interests in the entity, the transaction is analyzed as an exchange, i.e., the disposal of a controlling interest and the acquisition of a non-controlling interest.

Shareholdings in companies which are not subsidiaries, joint ventures or associates are not consolidated. They are accounted for as non-derivative financial assets (note 9.4).

Subsidiaries

The Group controls an entity when it has:

- power over the investee;
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect the amount of the investor's returns.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Intercompany transactions and balances, as well as unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated unless an impairment loss on the transferred asset arises on the transaction.

Group accounting policies are applied consistently by all subsidiaries.

Joint ventures and associates

Joint ventures are joint arrangements (arrangements over which the Group has joint control with one or more other parties) in which the Group has rights to the net assets. Joint control is defined as the contractually agreed sharing of control over an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Associates are all entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies. Generally, associates are entities in which the Group has a shareholding representing between 20% and 50% of the voting rights.

Investments in joint ventures and associates are initially recognized at their acquisition cost and are subsequently accounted for using the equity method. The Group's investments in joint ventures and associates include goodwill identified at the acquisition date and are presented net of any accumulated impairment losses.

4.1 Transactions in 2025

Apart from the transaction described in note 3 regarding Sri Lanka, there were no other significant changes in the scope of consolidation during the year.

During 2025, the Group completed several investments and acquisitions that were individually not material, representing a total investment of €51 million. The companies and controlling interests acquired contributed €29 million to consolidated sales and €2 million to segment operating income for the year.

4.2 Transactions in 2024

4.2.1 Flex Composite Group – Purchase price allocation completed in 2024

On September 26, 2023, the Group acquired all the outstanding shares of Flex Composite Group, Europe's leading manufacturer of high-tech fabrics and films, for an enterprise value of €700 million. This acquisition marks a significant step forward in developing the Group beyond mobility and positioning it as a player in polymer composite solutions.

Following this final allocation, goodwill of €327 million was recognized at December 31, 2024, as shown in the following table:

(in € millions)	**At the acquisition date**
Fair value of consideration transferred	554
Consolidated net assets	22
Fair value of net assets acquired	(249)
of which customer relationships	*(310)*
of which trademarks	*(39)*
of which deferred tax liabilities	*100*
FINAL GOODWILL	**327**

Acquired trademarks and customer relationships are amortized over periods ranging from 10 to 20 years.

4.2.2 Other transactions

On October 10, 2024, the Group sold its stake in AddUp, and in 2024, the Group's equity-accounted share of the joint venture's loss amounted to €35 million including the disposal loss.

NOTE 5 SEGMENT REPORTING

5.1 Financial information by reporting segment

ACCOUNTING POLICIES

Operating segments are reported in a manner consistent with the internal reporting provided to the Group's Managers.

The Managers regularly examine segment operating income to assess segment performance and have therefore been identified as the chief operating decision makers of the Group.

Segment information is presented according to the following three operating segments:

- Automotive, Two-wheel and related distribution;
- Road transportation and related distribution;
- Specialty businesses and related distribution.

The specialty businesses and related distribution segment combines the specialty tires (Mining, Beyond-road and Aircraft tires) and Polymer Composite Solutions segments (formerly High-Tech Materials). These businesses have been combined in a single segment in recognition of their similar economic characteristics and shared qualitative criteria.

Operating segment performance is measured primarily on the basis of sales and segment operating income, according to the same measurement principles used in the consolidated income statement.

Segment assets consist of property, plant and equipment, right-of-use assets, goodwill, other intangible assets, finished product inventories and trade receivables. Corporate intangible assets and property, plant and equipment are allocated to each segment in proportion to the amount of their directly attributed assets. The amounts provided to the Group's management in respect of operating segment assets are measured in a manner consistent with the consolidated financial statements. Capital expenditure consists of additions of property, plant and equipment and intangible assets.

No liabilities are allocated to the segments in the internal reports provided to the Group's Managers.

Segment information is as follows:

	2025				2024			
(in € millions)	**Automotive, Two-wheel and related distribution**	**Road transportation and related distribution**	**Specialty businesses and related distribution**	**Total**	**Automotive, Two-wheel and related distribution**	**Road transportation and related distribution**	**Specialty businesses and related distribution**	**Total**
PROFIT AND LOSS INFORMATION								
Sales	14,306	6,023	5,663	25,992	14,667	6,599	5,927	27,193
Depreciation and amortization	1,072	469	402	1,943	1,078	482	423	1,983
Segment operating income	1,677	280	762	2,719	1,917	597	864	3,378
As a percentage of sales	*11.7%*	*4.6%*	*13.5%*	*10.5%*	*13.1%*	*9.0%*	*14.6%*	*12.4%*
SEGMENT ASSETS								
Goodwill, other intangible assets, PP&E and right-of-use assets	8,680	3,682	5,451	17,813	9,040	3,852	6,040	18,932
Finished product inventories	1,558	735	855	3,148	1,761	829	907	3,497
Trade receivables	1,755	919	785	3,459	1,848	992	755	3,595
Segment assets	**11,993**	**5,336**	**7,091**	**24,420**	**12,649**	**5,673**	**7,702**	**26,024**
OTHER INFORMATION								
Capital expenditure	1,160	469	339	1,967	1,294	535	353	2,182

Segment reporting assets are reconciled to total Group assets as follows:

(in € millions)	December 31, 2025	December 31, 2024
Segment assets	**24,420**	**26,024**
Non-current financial assets and other non-current assets	1,032	1,151
Investments in equity-accounted companies	931	849
Deferred tax assets	971	1,081
Other net inventories (raw materials and supplies, work in progress)	1,945	2,202
Current financial assets	371	544
Other current assets	1,471	1,564
Cash and cash equivalents	3,877	3,936
TOTAL GROUP ASSETS	**35,018**	**37,352**

5.2 Sales by region

ACCOUNTING POLICIES

The sale of tires, in the original equipment or replacement market, constitutes the major part of Group income. In the replacement market, tires are sold to distributors (wholesalers, specialist dealers, etc.) who are customers of the Group. These distributors have the full and complete possibility to use the tires for their own benefit, or to market them, and in this case, to fix the resale price. Furthermore, they carry the inventory risk.

The terms of sale offered by Group companies, in line with normal market practice, vary according to the customer category and the country in which the sales are made. They provide however, that the payment for the goods sold will be made in a period appreciably less than one year and there is therefore no reason to adjust the amount of consideration received from customers to take into account the effects of a financing component.

Each delivery of tires, either in the original equipment market with car manufacturers or in the replacement market, represents a distinct and separate performance obligation to be fulfilled at a point in time and which corresponds to the loading of goods or their delivery, in accordance with the underlying contract.

The warranties offered to the buyers cover design or manufacturing defects, which may appear as irregular or excessive tire wear under normal conditions of use. These warranties, which do not provide the customer with any supplementary guarantee, apart from the fact that the tire is exempt from defects, continue to be accounted for in accordance with IAS 37 "Provisions, Contingent Liabilities, and Contingent Assets".

The Group agrees, under certain conditions, to give trade concessions or to reimburse unsatisfied customers. Occasionally and under special circumstances, it also grants the right to return products already sold. This right gives rise to the recognition of a liability and a reduction in income, as well as an asset representing the Group's right to recover the goods that customers will return. In addition, the amount that the Group effectively receives for the tires delivered, as well as the revenue from sales recognized in the income statement, can vary as a result of deferred rebates stipulated in contractual agreements and/or at the start of marketing campaigns, which will be paid to the customers at the end of the reference period and depending on the achievement of qualitative or quantitative objectives set for that period. Their value is determined using the expected value method. The Group relies on the analysis of historical data and its accumulated experience to estimate the probable amount of rebates and discounts to be given to customers. Income from ordinary activities is therefore recognized taking into account the uncertainty surrounding the different components of variable consideration and to the extent that it is highly probable that the outcome of this uncertainty will not give rise to a significant reduction in the amount of sales already recognized, once the uncertainty is resolved. The difference between the amounts invoiced to the customers and the level of income recorded from ordinary activities results in the recognition of a liability in respect of the future reimbursement under "Other current liabilities" in the consolidated statement of financial position.

The other sales categories essentially comprise the management of tires for commercial fleets and the supply of telematics services, where the main objective is greater fuel economy and fleet efficiency. The services supplied under these contracts consist of a single performance obligation satisfied over time for which the sales revenue is recognized according to the stage of completion, measured on the basis of the work performed and the costs incurred.

The Group may enter into multi-year agreements with customers, which include a commitment regarding its capacity to supply the products, in exchange for a specific amount of consideration. This is to be paid in advance of fulfillment of the obligations to supply the products, which will be spread over the duration of the contract. As such, this commitment is considered to be linked to the supply of the products and will be recognized as revenue as and when the supply obligations are fulfilled. When the payment is received, a contract liability is recognized and split between the line items "Provisions and other non-current liabilities" and "Provisions and other current liabilities" in the consolidated statement of financial position, depending on the date the performance obligations are fulfilled.

Information by region breaks down as follows:

	2025				2024			
(in € millions)	Europe	North America	Other	Total	Europe	North America	Other	Total
Sales	9,632	9,543	6,818	**25,992**	9,782	10,493	6,918	**27,193**

Europe includes the countries of Western and Central Europe and Central Asia. North America includes Mexico. Asian, South American, Middle-Eastern, Oceanic and African countries are included in Other.

The Group sales information is based on the location of the customer.

Sales generated in France amounted to €2,559 million in 2025 (2024: €2,572 million). Goodwill, intangible assets and PP&E located in France amounted to €2,809 million in 2025 (2024: €2,850 million).

Sales generated in the United States totaled €8,020 million in 2025 (2024: €8,827 million). Goodwill, intangible assets and PP&E located in the United States represented €3,475 million at December 31, 2025 (December 31, 2024: €3,897 million).

No single external customer accounted for 10% or more of the Group's sales in 2025 and 2024.

In 2025, 97.1% of consolidated sales were recognized when control of the goods or services was transferred to the customer (2024: 97.2%), representing a total of €25,244 million (2024: €26,431 million). They mainly include sales of tires for the original equipment market or the replacement market and sales of Fenner conveyor belts.

In 2025, the amount recognized in sales for performance obligations satisfied over time stood at €749 million, representing 2.9% of total sales for the year (2024: €762 million and 2.8%). This amount corresponds for the most part to revenue derived from commercial fleet tire management contracts and contracts for the supply of telematics services.

5.3 Other information by region

Information by region breaks down as follows:

(in € millions)	2025				2024			
Assets	Europe	North America	Other	Total	Europe	North America	Other	Total
Goodwill, other intangible assets, PP&E and right-of-use assets	8,119	5,371	4,323	**17,813**	8,062	6,096	4,774	**18,932**
Capital expenditure	1,015	531	422	**1,967**	1,110	629	443	**2,182**

NOTE 6 OPERATING ITEMS

6.1 Expenses by nature

ACCOUNTING POLICIES

Cost of sales

Cost of sales for the Group's manufacturing activities comprises the costs of manufacturing products and the cost of goods purchased for resale.

It includes the purchase cost of raw materials, production costs directly related to the manufactured products, customs duties and all production overheads, based on the normal capacity of manufacturing facilities.

Production overheads include depreciation of property, plant and equipment, amortization of intangible assets relating to production and write-downs of inventories.

Cost of sales also includes a relevant portion of general overheads to the extent that they are directly attributable to bringing the manufactured products to their present location and condition.

For non-manufacturing activities, especially customer services, cost of sales includes all the costs incurred to produce, administer or execute a service delivered in the distribution network. Cost of sales for these activities mainly comprises employee benefits expense, depreciation of facilities and equipment, energy costs and the cost of acquiring and processing the data needed to produce the service.

Research and development expenses

Research costs cannot be capitalized. Development costs are capitalized as intangible assets when the conditions relating to the commercial and technical feasibility of the project, the ability to allocate the costs reliably and the probability of generating future economic benefits are fulfilled.

Development costs are reviewed annually in order to determine whether the criteria for recognition as intangible assets are met.

The following segment operating costs are allocated by function to the appropriate expense headings in the income statement:

(in € millions)	2025	2024
Raw materials and consumables used and changes in finished product inventories	(9,461)	(9,468)
Employee benefit costs	(7,476)	(7,603)
Transportation of goods	(1,254)	(1,370)
Depreciation and amortization[1]	(1,943)	(1,983)
Other expenses	(3,139)	(3,390)
EXPENSES BY NATURE	**(23,273)**	**(23,814)**

(1) Excluding amortization of trademarks and customer relationships acquired through business combinations.

6.2 Segment other income and expenses

Segment other income and expenses are recognized in the income statement as follows:

(in € millions)	2025	2024
Share-based payments - current service cost (note 8)	(39)	(34)
Employee share ownership plan cost (note 8)	(36)	(68)
Other income/(expenses)	5	12
SEGMENT OTHER INCOME AND EXPENSES	**(70)**	**(90)**

6.3 Inventories

ACCOUNTING POLICIES

Inventories are carried at the lower of cost and net realizable value.

The cost of raw materials, supplies and purchased finished goods includes the purchase price and other costs directly attributable to the acquisition. The cost of work in progress and manufactured finished goods comprises direct labor costs, other direct costs and production overheads based on the normal capacity of production facilities. Borrowing costs are expensed as incurred. The measurement of inventories and cost of sales using the standard cost method put in place by the Group, taking variances into account, is close to what would be obtained using the actual cost method.

Net realizable value is the estimated selling price less the estimated costs of completion and sale.

An impairment loss is recognized when net realizable value is lower than cost and is reversed when it becomes apparent that the circumstances which previously caused inventories to be written down below cost no longer exist. Indications of impairment include physical damage, obsolescence, slow-moving items, and market changes.

Inventories include the following:

(in € millions)	December 31, 2025	December 31, 2024
Raw materials and work in progress	1,484	1,700
Supplies	514	584
Finished products	3,268	3,602
Total gross inventory	**5,266**	**5,886**
Impairment of raw materials and work in progress	(27)	(24)
Impairment of supplies	(26)	(58)
Impairment of finished products	(120)	(105)
Total impairment	**(173)**	**(187)**
NET INVENTORIES	**5,093**	**5,699**

Changes in impairment losses on inventory are as follows:

(in € millions)	2025	2024
At January 1	**(187)**	**(148)**
Translation adjustments and other	11	(3)
Changes in scope of consolidation	(3)	-
Impairment of inventories recognized as an expense in the period	(97)	(101)
Impairment reversals	103	65
AT DECEMBER 31	**(173)**	**(187)**

6.4 Trade receivables

ACCOUNTING POLICIES

Trade receivables are initially recognized at the amount unconditionally due by the customer. The Group manages its trade receivables in order to collect the contractual cash flows and measures its receivables at amortized cost, according to the effective interest rate method, after deduction of any impairment losses.

When payment terms are less than one year, the initial fair value and the subsequent amortized cost are equal to the nominal amount to the extent that the receivable does not include a significant financial component.

The Group applies the simplified approach provided under IFRS 9, which consists of calculating the expected credit loss over the life of the trade receivable. This model makes it possible to determine a credit loss expected at maturity for all trade receivables, as soon as they are recognized.

Expected credit losses are based on customer payment patterns that have been observed over 36 months, and trade credit losses historically recorded during this period.

An impairment loss is also recognized whenever there are objective indications that the Group will not be able to recover all amounts due under the terms of the original transaction. Bankruptcies, the use of legal procedures to protect against creditors, cases of known insolvency or disappearance of the debtor, late payments of more than six months, economic or political risks in the country of residence of the debtor, as well as the deterioration of the latter's solvency are all indicators that suggest that a trade receivable must be impaired. The amount of the impairment loss is the difference between the carrying amount of the asset and the present value of the estimated future cash inflows at the initial effective interest rate. Before recognizing an impairment loss, the quality of the guarantees potentially obtained must be assessed, as well as the capacity to implement them. The impairment loss is recognized in "Sales and marketing expenses".

When the receivable is irrecoverable, it is canceled by offsetting it against the previously recognized impairment loss. Any subsequent cash inflows corresponding to previously derecognized receivables are recorded by reducing "Sales and marketing expenses" in the income statement.

The carrying amount of trade receivables is analyzed in the table below:

(in € millions)	December 31, 2025	December 31, 2024
Gross trade receivables	3,553	3,689
Impairment	(94)	(94)
TRADE RECEIVABLES	**3,459**	**3,595**

All trade receivables are due within 12 months.

The following table presents an aging analysis of trade receivables at December 31, 2025:

(in € millions)	Gross	Impairment	Net
Trade receivables not yet due	**3,191**	**(17)**	**3,174**
Overdue			
■ from less than three months	252	(3)	**249**
■ between three and six months	35	(5)	**30**
■ from more than six months	75	(69)	**6**
Overdue trade receivables	**362**	**(77)**	**285**
TRADE RECEIVABLES	**3,553**	**(94)**	**3,459**

Movements in impairment are analyzed in the table below:

(in € millions)	2025	2024
At January 1	**(94)**	**(89)**
Translation adjustments and other	3	(1)
Changes in scope of consolidation	-	(2)
Impairment of inventories recognized as an expense in the period	(63)	(42)
Impairment reversals	59	40
AT DECEMBER 31	**(94)**	**(94)**

Reversals of impairment provisions include receivables written off for €27 million (2024: €15 million).

6.5 Trade payables

ACCOUNTING POLICIES

Trade payables are recognized initially at fair value and are subsequently measured at amortized cost using the effective interest method.

Financing agreements with suppliers (reverse factoring)

The Group has put in place paying agent agreements with several financial institutions. Under these agreements, the financial institution acts as a paying agent with respect to invoices due to suppliers who have entered into a bilateral agreement with the financial institution in order to be in position to factor their trade receivables from the Group.

The agreements' classification in trade payables is supported by a multi-criteria analysis. In particular:

- the factoring transaction is completely independent from the commercial relationship;
- the supplier has full discretion to decide - on a case-by-case basis - whether to factor its receivables;
- the initial payment terms are unchanged, with the date of payment to the supplier or the bank, whichever is the case, corresponding to the payment date indicated on the invoice;
- the Group is not affected by the factoring cost because the discount is borne by the supplier and is paid directly to the bank.

Trade payables concerned by the program are presented separately in the consolidated statement of financial position under "Trade payables covered by reverse factoring contracts". In the consolidated statement of cash flows, these transactions are included in cash flows from operating or investing activities (note 10).

Trade payables are analyzed in the following tables:

(in € millions)	December 31, 2025	December 31, 2024
Trade payables	2,811	3,086
Trade payables under reverse factoring agreements	536	689
TRADE PAYABLES	**3,347**	**3,775**

Trade payables under reverse factoring agreements amounted to €536 million at December 31, 2025.

The Group has two reverse factoring programs:

- The Bib Factor program available to all suppliers in 13 countries on three continents. The reverse factoring debt under this program amounted to €334 million at December 31, 2025, of which €195 million had already been paid to suppliers by the member financial institutions. The payment ranges granted to these suppliers vary widely according to their nature and local regulations in the countries concerned;
- Specific program for rubber suppliers in Indonesia. The reverse factoring debt under this program amounted to €202 million at December 31, 2025, of which €154 million had already been paid to suppliers by the member financial institutions.

The payment ranges granted to these suppliers are equivalent to those granted to comparable suppliers that are not members of the program.

NOTE 7 OTHER OPERATING ITEMS

7.1 Other operating income and expenses

ACCOUNTING POLICIES

Other operating income and expenses records items that are not taken into account by management when measuring the performance of the operating segments due to their nature or their significant, unusual or abnormal characteristics. They include, in particular, the costs related to the reorganization and adaptation of activities and those related to major litigation (and the adjustments in the corresponding provisions), as well as impairment of goodwill and acquisition-related costs. The amortization of trademarks and customer relationships recognized as part of a business combination is also included in "Other operating income and expenses". They also include gains and losses on disposals and changes in impairment of property, plant and equipment and intangible assets, acquisition price adjustments, as well as gains and losses related to post-employment benefit plan amendments, curtailments or settlements.

Other operating income and expenses are detailed in the table below:

(in € millions)	2025	2024
Amortization of acquired trademarks and customer relationships	(93)	(102)
Reorganizations and adaptation of activities	(155)	(382)
Impairment of non-current assets	(103)	(174)
Employee benefit obligations	(16)	(19)
Other	13	(70)
OTHER OPERATING INCOME AND EXPENSES	**(353)**	**(747)**

7.1.1 Amortization of acquired trademarks and customer relationships

Amortization of intangible assets recognized in the course of a business combination amounted to €93 million in 2025 (2024: €102 million):

- €29 million related to amortization of brands or trademarks (2024: €33 million);
- €64 million related to amortization of customer relationships (2024: €69 million).

7.1.2 Reorganizations and adaptation of activities

The amount reported for reorganizations and adaptation of activities in 2025 mainly comprises:

- €55 million in closure costs for the Vannes and Cholet plants in France and the Ardmore plant in the United States;
- €32 million in closure costs for the Querétaro plant in Mexico (see note 3) and the Guarulhos plant in Brazil;
- The remainder of these costs corresponds to various provisions recognized to maintain the competitiveness of the Group's manufacturing and administrative activities in several countries.

The €382 million cost recorded in 2024 corresponded mainly to the recognition of provisions for closure costs for the Vannes and Cholet sites in France (€251 million), the costs of business adaptation projects in China and Poland (€34 million), and changes in the estimates of provisions linked to the closures announced in 2023 of sites in the United States and Germany (€38 million).

Impairment losses recognized on assets affected by reorganization projects are presented below.

7.1.3 Impairment of non-current assets

The impairment losses recognized in 2025 mainly related to plants undergoing restructuring in France, Mexico, Brazil and the United States.

The impairment losses recognized in 2024 mainly related to the restructuring of the Vannes and Cholet plants in France for €81 million and the adaptation of activities in China and Poland for €45 million.

7.1.4 Employee benefit obligations

No material events occurred in 2025 or 2024.

7.1.5 Other

No material events occurred in 2025 or 2024.

7.2 Other current assets

The carrying amount of other current assets is analyzed in the table below:

(in € millions)	December 31, 2025	December 31, 2024
Prepayments to suppliers	137	187
Income tax payable	407	408
Other taxes receivable	489	542
Other	439	428
Impairment	(1)	(1)
OTHER CURRENT ASSETS	**1,471**	**1,564**

Other taxes receivable mainly concern value-added tax.

7.3 Provisions and other current and non-current liabilities

ACCOUNTING POLICIES

Provisions

Provisions are recognized when a legal or constructive obligation has been incurred that will probably lead to an outflow of resources that can be reasonably estimated.

Provisions for reorganizations and adaptation of activities are recognized when the Group has a detailed formal plan that has been announced.

Provisions are recorded at the net present value of the estimated cash outflows.

	December 31, 2025			December 31, 2024		
(in € millions)	Non-current	Current	Total	Non-current	Current	Total
Provisions	527	433	**960**	749	440	**1,188**
Employee benefit obligations	20	858	**879**	23	834	**857**
Payroll tax liabilities	-	377	**377**	-	368	**368**
Customers - Deferred rebates and other liabilities	-	808	**808**	-	822	**822**
Income tax payable	-	205	**205**	-	247	**247**
Other taxes	-	286	**286**	-	300	**300**
Other	166	320	**485**	157	291	**448**
PROVISIONS AND OTHER LIABILITIES	**713**	**3,287**	**4,000**	**928**	**3,302**	**4,230**

7.3.1 Change in provisions

Changes in provisions during the period are presented below:

(in € millions)	Reorganizations and adaptation of activities	Litigation, warranties and other provisions	Total
At January 1, 2025	**806**	**382**	**1,188**
Additional provisions	164	275	439
Provisions utilized during the period	(376)	(188)	(564)
Unused provisions reversed during the period	(64)	(9)	(73)
Translation adjustments	(12)	(20)	(32)
Other effects	-	1	1
AT DECEMBER 31, 2025	**518**	**442**	**960**
Of which short-term portion	332	102	434

7.3.2 Reorganizations and adaptation of activities

At December 31, the remaining provisions for reorganizations and adaptation of activities relate to the following countries:

(in € millions)	December 31, 2025	December 31, 2024
France[(1)]	290	376
Germany[(2)]	123	286
United States[(3)]	52	84
Other countries	53	59
TOTAL	**518**	**805**

(1) The total includes the provision booked in 2024 for site closure costs at Vannes and Cholet, and the provisions set aside in 2022 for phase 3 of the simplification and competitiveness plan.
(2) The total includes the provision set aside in 2023 and 2024 in connection with the winding down of production at the Karlsruhe, Hamburg and Trier sites.
(3) The total includes the provision set aside in 2023 for the winding down of passenger car tire production at the Ardmore plant.

7.3.3 Provisions for claims and litigation, warranties and other provisions

Provisions at December 31 concern the following risks:

(in € millions)	December 31, 2025	December 31, 2024
Provisions for claims and litigation	72	54
Provisions for product warranties (note 5)	96	75
Provisions for product liability claims	86	75
Other provisions for contingencies	188	178
TOTAL	**442**	**382**

No individual provision has a material impact on the Group's financial position or profitability.

NOTE 8 WORKFORCE, COMPENSATION AND BENEFITS

Employee benefit costs are allocated by function to the appropriate expense headings in the income statement:

(in € millions)	2025	2024
Wages and salaries	(5,932)	(6,027)
Payroll taxes	(1,127)	(1,102)
Defined benefit plan costs	(99)	(103)
Defined contribution plan costs	(258)	(288)
Share-based payments - current service cost (note 15)	(75)	(102)
EMPLOYEE BENEFIT COSTS[1]	**(7,491)**	**(7,622)**

(1) Of which €7,476 million recognized in "Segment operating income" (note 6.1) and €16 million in "Other operating income and expenses" (note 7.1).

The average number of employees on payroll in 2025 was 126,376 (2024: 131,528).

8.1 Provisions for employee benefit obligations

ACCOUNTING POLICIES

Wages, salaries, social security contributions, payments to defined contribution plans, annual leave and sick leave payments, bonuses and non-monetary benefits are recognized in the year in which the associated services are rendered by the employees.

Where employee benefits, such as certain pension plans, other post-employment benefits and other long-term benefits, are provided by the Group, a liability or an asset and the related costs are recognized.

Pension and other post-employment benefits

Post-employment benefits are benefits payable after employment ceases. The Group provides retirement benefits for most of its employees, either directly or by contributing to independently administered funds. The benefits provided by the Group vary according to the legal, tax and economic situation in each country and are usually based on one or more factors such as employees' compensation, age and years of service. The obligations relate both to current retirees and to the entitlements of future retirees.

The Group provides post-employment benefits under defined contribution plans and defined benefit plans.

In the case of defined contribution plans, the Group pays fixed contributions to fund managers or insurance companies. Once the contributions have been paid, the Group has no legal or constructive obligation to make further contributions if the fund does not hold sufficient assets to pay the benefits expected by the beneficiaries.

The regular contributions are recognized as an expense for the year in which they are due and, as such, are included in cost of sales, sales and marketing expenses, research and development expenses or general and administrative expenses.

Group management policies regarding post-employment benefits have led to the transformation of defined benefit plans into defined contribution benefit plans since the early 2000s. Nevertheless, a significant portion of the post-employment benefit plans provided by the Group are still defined benefit plans. They are either externally funded plans (mainly pension plans), for which the plan assets are held separately in independently administered funds, or unfunded plans such as healthcare plans and end-of-service benefit plans.

Post-employment benefit obligations, and the related current service cost, are measured using the projected unit credit method.

A defined benefit plan is a plan that defines an amount of benefits that the Group is committed to pay to current and former employees.

All defined benefit plans are subject to actuarial valuations carried out annually for the largest plans and on a regular basis for other plans. These actuarial valuations are carried out with the help of independent actuaries. Actuarial assumptions, primarily discount rates, projected salary increase rates, inflation rates and expected growth in healthcare costs are incorporated into the actuarial valuations and reviewed annually.

The liabilities or assets recognized in the consolidated statement of financial position in respect of defined benefit plans correspond to the present value of the defined benefit obligation at the reporting date, less the fair value of plan assets. They take into account any unrecognized assets not available in the form of refunds or a reduction in future contributions.

The present value of the defined benefit obligation corresponds to the estimated future cash outflows, calculated using a discount rate established by reference to a market rate based on interest rates of high-quality corporate bonds that have maturities approximating the duration of the related post-employment benefit obligation.

A net asset is recognized only to the extent that it represents a future economic benefit that is actually available to the Group in the form of refunds from the plan or reductions in future contributions.

When a defined benefit plan is subject to a minimum funding requirement (MFR), the Group determines whether paying these contributions may give rise to a surplus in that defined benefit plan. To the extent that the surplus in the plan exceeds the available economic benefits, the Group immediately recognizes a decrease in the defined benefit asset or an increase in the defined benefit liability.

Actuarial gains and losses arising from experience, adjustments and changes in actuarial assumptions are recognized in other comprehensive income in the period in which they arise.

Past service costs may arise when new defined benefit plans are set up, when changes to benefits payable under an existing defined benefit plan are introduced or when curtailments occur. They are recognized immediately in the income statement.

The Group's net benefit plan cost recognized in the income statement includes the current service cost for the period, curtailment and settlement gains and losses, past service cost, as well as actuarial gains and losses arising under other long-term benefit plans. Net interest on the net defined benefit liability (asset) is recognized outside operating income.

In accordance with the laws and regulations applicable in each country, and in application of its social responsibility policy, the Group takes part mainly in pension, death and disability, medical insurance and end-of-service benefit plans.

They are either defined benefit plans or defined contribution plans.

Since 2003, the Group has closed its defined benefit plans to new entrants and, in some cases, to future accruals, in order to reduce the risk on the Group's consolidated statement of financial position. New defined contribution plans have correspondingly been put in place or existing ones improved.

The Group has a governance body, the Global Employee Benefit Board, that monitors benefits. Its role is to define Group policies on employee benefits and ensure that local benefit programs comply with them (approval of amendments, introduction of new benefits, etc.). At the same time, it monitors asset returns and benchmarks, as well as the de-risking policies put in place by local boards or committees, and proposes an audit plan. The Committee is assisted by two teams, the Global Benefits Policy Team composed of members from the accounting, finance and human resources departments and the Global Benefits Investment Team composed of the chairs of the investment committees or Chief Investment Officers of the main funded pension plans and Group experts. In countries with substantial benefit obligations, a similar organization exists.

8.1.1 Defined benefit plans

The Group's defined benefit plans are retirement plans and retiree healthcare plans, the vast majority of which are now closed to new entrants, and in some cases to future accruals, as well as some minor plans such as long-service awards or end-of-service benefits.

Projected benefit obligations are measured with the assistance of independent actuaries who help the Group to determine demographic and financial assumptions according to a rigorous process.

The financial position of the main defined benefit plans is summarized below:

(in € millions)	Pension plans	Other plans	December 31, 2025	December 31, 2024
Present value of fully or partly funded obligations	4,347	14	4,361	4,927
Fair value of plan assets	(4,260)	(5)	(4,264)	(4,788)
Funded status deficit/(surplus)	**87**	**10**	**96**	**139**
Present value of unfunded obligations	909	1286	2,194	2,407
Unrecognized assets due to the effect of the asset ceiling	55	-	55	75
NET DEFINED BENEFIT OBLIGATION	**1,051**	**1,296**	**2,346**	**2,621**
Amounts recognized in the consolidated statement of financial position:				
■ As assets in Non-current financial assets and other assets (note 9.4)	(94)	-	(94)	(109)
■ Provisions for employee benefit obligations	1,145	1,296	2,440	2,730
NET LIABILITY	**1,051**	**1,296**	**2,346**	**2,621**

At December 31, 2025, the projected defined benefit obligation comprised €1,882 million for active members (current employees), €769 million for members who have deferred their vested benefits and €3,904 million for retired members (2024: respectively €2,092 million, €804 million and €4,438 million).

Most pension plans are vested plans.

Other plans, consisting mainly of end-of-service benefit plans and plans covering medical costs, are generally unvested.

The mortality tables used are official national tables that may be adapted to better reflect the populations concerned.

	December 31, 2025				December 31, 2024			
Main life expectancies by country	**United States**	**Canada**	**United Kingdom**	**Germany**	**United States**	**Canada**	**United Kingdom**	**Germany**
Life expectancy for males at 65 at the end of the reporting period	18.6	22.0	20.7	20.2	18.5	22.9	20.6	20.2
Life expectancy for males who will be 65 in 15 years' time	19.6	23.1	21.8	22.3	19.5	22.1	21.8	22.3
Life expectancy for females at 65 at the end of the reporting period	20.6	24.5	23.3	23.7	20.5	25.3	23.3	23.7
Life expectancy for females who will be 65 in 15 years' time	21.6	25.5	24.5	25.4	21.5	24.6	24.5	25.4

The movements in net defined benefit obligations recognized in the consolidated statement of financial position are shown below:

(in € millions)	2025			2024		
	Pension plans	**Other plans**	**Total, defined benefit plans**	**Pension plans**	**Other plans**	**Total, defined benefit plans**
AT JANUARY 1	**1,219**	**1,402**	**2,621**	**1,013**	**1,408**	**2,421**
Contributions paid to the funds	**(52)**	**(4)**	**(56)**	**(8)**	**(8)**	**(16)**
Benefits paid to the beneficiaries	**(54)**	**(85)**	**(139)**	**(42)**	**(66)**	**(108)**
Other movements	**11**	**(2)**	**9**	**-**	**(3)**	**(3)**
ITEMS RECOGNIZED IN OPERATING INCOME						
Current service cost	19	58	77	18	61	79
Actuarial (gains) or losses	-	9	9	-	3	3
Plan modifications, curtailments or settlements	2	(2)	-	(1)	(26)	(27)
Other items	14	-	14	19	-	19
Total recognized in operating income	**35**	**65**	**100**	**36**	**38**	**74**
ITEMS RECOGNIZED OUTSIDE OPERATING INCOME						
Net interest on employee benefit obligations	**44**	**55**	**99**	**32**	**52**	**84**
ITEMS RECOGNIZED IN OTHER COMPREHENSIVE INCOME						
Translation adjustments	**(29)**	**(57)**	**(86)**	**8**	**23**	**31**
Actuarial (gains) or losses						
■ *Due to changes in demographic assumptions:*						
– Due to changes in assumptions	(21)	(24)	(45)	(11)	(3)	(14)
– Due to experience adjustments	(2)	10	8	5	(1)	4
■ *Due to changes in financial assumptions*:						
– Due to changes in assumptions	(60)	(53)	(113)	(295)	(46)	(341)
– Due to experience adjustments	(22)	(11)	(33)	484	11	495
Total actuarial (gains) or losses	**(106)**	**(78)**	**(184)**	**183**	**(39)**	**144**
Unrecognized assets due to the effect of the asset ceiling	**(18)**	**-**	**(18)**	**(3)**	**(3)**	**(6)**
AT DECEMBER 31	**1,051**	**1,296**	**2,346**	**1,219**	**1,402**	**2,621**

The Group's main pension plans are as follows:

United States

The defined benefit plan in the United States is the Michelin Retirement Plan (MRP).

The plan was closed to new entrants as of January 1, 2004. Accruals were frozen under the plan as of December 31, 2016. All employees are enrolled in a defined contribution plan.

The plan provides for a guaranteed monthly annuity at retirement based on a set formula that takes into consideration the years of plan membership and average pensionable earnings. Only employees who have voluntarily joined the defined contribution plan may receive a lump sum payment.

The plan includes a cost-of-living adjustment clause applicable to the pensions of employees hired before January 1, 1991.

The plan is funded solely by employer contributions.

Canada

There is one major defined benefit plan in Canada, the Pension Plan for the Employees of Michelin North America (Canada) Inc. and Participating Employers (MR Plan).

The MR Plan was closed to new entrants as from January 1, 2005. Accruals for most of the participants were frozen under the plan as of December 31, 2015. All employees are enrolled in a defined contribution plan.

The plan provides a guaranteed monthly annuity at retirement based on a defined formula that takes into consideration the years of plan membership and total pensionable recurring earnings.

The plan includes an indexation clause applicable to the benefits, based on the increase in the Consumer Price Index less a deduction.

The plan is funded solely by employer contributions.

United Kingdom

The defined benefit retirement plan in the UK is the Michelin Pension and Life Assurance Plan.

This plan was closed to new entrants as from March 31, 2005. It was closed to all future accruals as of January 1, 2009 and has been replaced by a defined contribution plan.

Accruals up to December 31, 2008 are frozen but pensions are still linked to the average final salary at retirement.

The amount of the annual pension is based on the employee's pensionable earnings. Most employees opt to receive the maximum amount allowed by tax legislation in the form of a lump sum.

The amount of the pension benefit is indexed to a capped inflation rate for members who did not choose the pension increase exchange option.

On September 20, 2024, a buy-in policy was purchased from an insurance company.

Germany

The main defined benefit retirement plan in Germany is the "Versorgungsordnung 1979" (VO 1979).

The plan was closed to new entrants as from January 1, 2000. Since this date, new entrants have been enrolled in defined contribution plans.

The plan provides for a lifetime monthly annuity which is based on the employee's pensionable earnings.

There is a legal obligation to adjust the pension annuity every three years for inflation up to the average increase in the employees' salaries.

France

The main defined benefit pension plan is "Régime de retraite supplémentaire MFPM". Benefits are payable under this plan only if the beneficiary is still a Group employee or officer on retirement.

Benefits have been reduced gradually since January 1, 2013. In accordance with government order 201-697 dated July 3, 2019, this plan was closed to new members on July 3, 2019 and the vesting period was frozen at December 31, 2019. The plan has now been replaced by defined contribution plans.

The Group's other main defined benefit plans are as follows:

United States

Some retirees and their dependents are also covered by medical insurance.

For the most part, the retirees concerned were hired before January 1, 2004. This plan is not pre-funded.

Canada

Some retirees and their dependents are also covered by medical insurance.

This plan has been closed to new entrants since January 1, 2005 and is not funded.

France

The main plan is a mandatory rubber division end-of-service benefit plan. The plan provides for the payment of a lump sum to employees who are present at their retirement date. The normal retirement age is set at 65. The amount of the lump sum corresponds to a number of months of salary based on years of service at the time of retirement. This plan is not pre-funded.

The following table analyzes changes in the financial position of the Group's defined benefit plans:

	2025					2024				
	Pension plans			Other defined benefit plans	Total	Pension plans			Other defined benefit plans	Total
(in € millions)	United Kingdom (UK)	Europe excluding UK	North America and Other			United Kingdom (UK)	Europe excluding UK	North America and Other		
Obligations at the beginning of the year	**1,684**	**1,155**	**3,091**	**1,404**	**7,334**	**1,786**	**1,157**	**3,188**	**1,423**	**7,554**
Translation adjustments	(82)	1	(307)	(58)	**(446)**	80	-	114	23	**217**
Changes in scope of consolidation	-	1	-	(1)	**-**	-	-	-	-	**-**
Current service cost	-	16	3	58	**77**	-	16	2	61	**79**
Interest expense	86	36	146	55	**324**	83	36	150	52	**321**
Administrative costs and other	4	-	10	-	**14**	4	-	15	-	**19**
Plan modifications, curtailments or settlements	4	-	(2)	(2)	**-**	(1)	-	-	(26)	**(27)**
Benefits paid during the year	(125)	(60)	(312)	(87)	**(583)**	(121)	(44)	(267)	(90)	**(522)**
Other items	-	3	-	-	**3**	(1)	3	-	(3)	**(1)**
Actuarial (gains) or losses	(33)	(101)	36	(69)	**(167)**	(146)	(13)	(111)	(36)	**(306)**
Obligations at the end of the year (A)	**1,539**	**1,050**	**2,666**	**1,300**	**6,555**	**1,684**	**1,155**	**3,091**	**1,404**	**7,334**
Fair value of plan assets at the beginning of the year	**1,792**	**157**	**2,837**	**2**	**4,788**	**2,090**	**143**	**2,961**	**18**	**5,212**
Translation adjustments	(87)	1	(278)	-	**(364)**	90	-	94	-	**184**
Changes in scope of consolidation	-	-	-	-	**-**	-	-	-	-	**-**
Interest income	92	4	132	-	**229**	97	5	137	1	**240**
Contributions paid to the funds	-	7	45	4	**56**	-	7	1	8	**16**
Benefits paid by the plans	(125)	(9)	(310)	(2)	**(445)**	(121)	(5)	(263)	(25)	**(414)**
Other items	(10)	3	-	-	**(7)**	-	2	1	-	**3**
Actuarial (gains) or losses	(31)	(1)	40	-	**7**	(364)	5	(94)	-	**(453)**
Fair value of plan assets at the end of the year (B)	**1,632**	**161**	**2,467**	**4**	**4,264**	**1,792**	**157**	**2,837**	**2**	**4,788**
Deficit/(surplus) (A-B)	**(93)**	**889**	**199**	**1,296**	**2,291**	**(108)**	**998**	**254**	**1,402**	**2,546**
Deferred items at the beginning of the year	-	-	(75)	-	**(75)**	-	-	(76)	(3)	**(79)**
Translation adjustments	-	-	5	-	**5**	-	-	2	-	**2**
Unrecognized assets	-	-	15	-	**15**	-	-	(1)	3	**2**
Deferred items at the end of the year	**-**	**-**	**(55)**	**-**	**(55)**	**-**	**-**	**(75)**	**-**	**(75)**
NET LIABILITY/(ASSET) AT THE END OF THE YEAR	**(93)**	**889**	**254**	**1,296**	**2,346**	**(108)**	**998**	**329**	**1,402**	**2,621**

On September 20, 2024, the liabilities of the Michelin Pension and Life Assurance Plan in the United Kingdom were transferred to an insurance company under a buy-in policy, leading to the recognition of a loss of €170 million in other comprehensive income in 2024.

For Canadian pension plans, the Group does not have any rights to a refund of the plan surplus. The available economic benefits are measured as the present value of the future service cost.

These pension plans are subject to a minimum funding requirement. The surplus recognized as an asset is the sum of:

- any prepaid amount that would reduce the future minimum funding requirement; and
- the estimated future service cost in each period less the estimated minimum funding requirement contributions that would be required for future service.

Any amount exceeding this limit is immediately recognized within other comprehensive income.

In 2025, the amount recognized resulting from the effect of the asset ceiling was €20 million.

The main actuarial weighted average assumptions used to measure projected benefit obligations are as follows:

	December 31, 2025			December 31, 2024		
	United Kingdom (UK)	Europe excluding UK	North America	United Kingdom (UK)	Europe excluding UK	North America
Discount rate	5.45%	3.89%	5.06%	5.50%	3.33%	5.22%
Inflation rate	2.90%	1.94%	2.18%	3.25%	1.96%	2.18%
Rate of salary increases[1]	2.90%	3.02%	3.50%	3.25%	3.07%	3.50%
Weighted average duration of the defined benefit obligation	9.6	11.9	8.5	10.5	12.7	9.0

(1) North America: only the Canadian pension plan is concerned by this assumption, for a negligible group of members.

Assumptions concerning healthcare cost trends are as follows:

	December 31, 2025		December 31, 2024	
	United States	Canada	United States	Canada
Expected growth in healthcare costs in the first year	9.15%	5.30%	9.15%	5.12%
Minimum long-term rate of annual growth in healthcare costs	4.50%	4.05%	4.50%	4.05%
Year in which the minimum growth rate will be achieved	2035	2040	2034	2040

Regarding the sensitivity of the fair market value of plan assets due to interest rate movements, it is considered that the entire yield curve moves up or down by 0.5 point and that only the values of the bonds are impacted, with the values of all other assets remaining unchanged. The level of sensitivity indicated corresponds to the change in the total value of the portfolio due to the change in interest rates.

A 0.5-point change in these rates compared with those used for 2025, all else being equal, would have the following effect:

(in € millions)	**0.5-point increase**	**0.5-point decrease**
Change in consolidated statement of financial position		
Discount rate on the defined benefit obligation (DBO)	(301)	325
Inflation rate on the defined benefit obligation (DBO)	188	(178)
Salary increase rate on the defined benefit obligation (DBO)	73	(67)
Healthcare cost trend rate on the healthcare defined benefit obligation (DBO)	4	(4)
Interest rates on the fair market value of plan assets	(171)	182
Impact on consolidated income statement		
Discount rate on the aggregate of current service cost and interest cost on the obligation	11	(13)
Inflation rate on the aggregate of current service cost and interest cost on the obligation	12	(12)
Salary increase rate on the aggregate of current service cost and interest cost on the obligation	7	(6)
Healthcare cost trend rate on the aggregate of the current service cost and interest cost on the healthcare plan obligation	(1)	-

The asset allocation of fully and partly funded pension plans is as follows:

	December 31, 2025					**December 31, 2024**				
	Canada	**United States**	**United Kingdom**	**Other**	**Total**	**Canada**	**United States**	**United Kingdom**	**Other**	**Total**
Equities	3%	14%	-	-	**6%**	5%	12%	-	-	**6%**
Government bonds	63%	26%	1%	17%	**23%**	62%	25%	-	17%	**23%**
Investment-grade corporate bonds	12%	43%	-	-	**19%**	11%	46%	-	-	**20%**
Other bonds, credit and cash	12%	4%	-	4%	**4%**	13%	5%	-	2%	**5%**
Funds managed by insurance companies	-	-	91%	79%	**39%**	-	-	91%	81%	**37%**
Real assets	7%	6%	-	-	**4%**	7%	6%	-	-	**4%**
Alternatives	3%	7%	8%	-	**6%**	3%	5%	9%	-	**6%**
TOTAL	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
Duration in years of bonds and cash	**10.7**	**11.6**	**N/A**	**10.9**	**11.3**	**10.9**	**11.4**	**N/A**	**11.2**	**11.2**

In the above allocation, "Equities" may include local and global listed equities and private equities; "Alternatives" may include hedge funds, mezzanine and distressed private debts; "Government bonds" may include government-like bonds as well as derivatives used to hedge interest rates and/or inflation; "Investment grade corporate bonds" correspond solely to those corporate bonds also used to hedge interest rates; "Other bonds, credit and cash" mainly includes high yield, senior private debt and cash; "Real assets" may include equity investments in real estate or infrastructure; "Funds managed by insurance companies" may include multi-employer funds. Each manager's assets are assigned in their entirety to one of the available categories which represents its main investment/mandate.

An internal group of experts, composed of the chairs or Chief Investment Officers of the main investment committees and Group specialists, has issued investment guidelines for the local investment committees presenting investment best practices. In particular, the guidelines state that direct investments should not be made in Michelin securities or properties used by the Group. Fund managers are not subject to such restrictions. The Group has not invested material amounts in its own securities. Michelin does not occupy or use any of the real estate assets included in the various portfolios. The Group is not in possession of comprehensive information on the underlying assets held in insurance funds or alternative investments.

In most countries assets are managed by local independent boards which are required under local pension laws. The boards are required by their bylaws as well as by law to act in the best interest of the fund and all relevant stakeholders, i.e., current and future beneficiaries as well as employers.

Asset allocation analyses are performed periodically, generally every three to five years, by an independent fiduciary body (Investment Board, Board of Trustees) based on recommendations made by independent advisors (actuaries, consultants, banks or investment management firms). The asset allocation takes into account the structure of employee-related liabilities and their terms. In the event of a sharp increase in the funding ratio, an asset allocation analysis should be performed to ensure the target allocation is still appropriate.

Government and investment-grade corporate bonds are used to hedge the interest rate risk as well as, in some cases, the credit spread and inflation risks. The larger plans also use completion managers to implement custom solutions in order to hedge key rates in accordance with the policy set by each pension fund. These assets are in the "Government bonds" category.

Foreign exchange risks may be hedged when the exposure to a foreign currency is considered to be non-negligible.

Group contributions to pension plans and benefit payments made by these plans in 2025 and to be made over the following ten years are as follows:

	Pension plans			Other plans			
(in € millions)	**United Kingdom (UK)**	**Europe excluding UK**	**North America and Other[1]**	**United Kingdom (UK)**	**Europe excluding UK**	**North America and Other[1]**	**Group Total**
CONTRIBUTIONS PAID AND BENEFITS PAID DIRECTLY BY THE GROUP							
2025	-	58	47	-	32	58	**195**
ESTIMATES OF CONTRIBUTIONS TO BE PAID AND BENEFITS TO BE PAID DIRECTLY BY THE GROUP							
2026	-	87	2	-	32	43	**164**
2027	-	79	19	-	22	43	**163**
2028	-	66	40	-	32	43	**181**
2029	-	71	39	-	45	41	**196**
2030	-	71	36	-	35	42	**184**
2031-2035	-	352	130	2	242	189	**915**

(1) Payments for "Other" are not material.

8.1.2 Defined contribution plans

Some companies support their employees in building up retirement savings through defined contribution plans.

In 2025, the contributions paid to defined contribution plans and expensed amounted to €258 million (2024: €288 million).

The main defined contribution plans are in the United States, France and Canada.

United States

The defined contribution plans in the United States include the Michelin Retirement Account Plan (MRAP) and various 401(k) plans. The 401(k) plans are voluntary and are funded by employee contributions with employer matching contributions.

Canada

The defined contribution plans in Canada include the Defined Contribution Plan for the Employees of Michelin North America (Canada) Inc. as well as a registered retirement savings plan (RRSP). The defined contribution plan is funded by employer contributions and optional employee contributions with employer matching.

United Kingdom

The main defined contribution pension plan in the United Kingdom is the Michelin Pension and Life Assurance Plan, DC Section.

The plan is funded by employee and employer contributions. Employees may also make optional contributions to the plan, which will be partly matched by the Group.

France

There are two defined contribution pension schemes in France for the majority of employees: PERO (former Article 83) and PERCOL (former PERCO). The PERO is a mandatory retirement savings plan that is funded by contributions from employees and the employer. The PERCOL is a voluntary retirement savings plan. Employee contributions to the plan are matched by capped employer contributions.

8.2 Share-based payments

ACCOUNTING POLICIES

Share grants and performance share plans

The Group may adopt plans to grant free shares of the Company to certain employees or to its Managers.

The grant date is the date when the Managing Chairman decides on the list of plan beneficiaries and the number of performance shares granted to them.

The fair value of the performance shares granted corresponds to the Company's share price on the grant date less:

- the present value of dividends that will not be received by the grantees during the vesting period;
- the value of the stock market performance condition on the grant date, which depends on the probability of the condition being fulfilled.

The number of shares that will ultimately be issued at the end of the vesting period depends on the extent to which the service conditions and any Group-related performance conditions are met.

The total benefit cost is based on the fair value of the performance shares and the estimated number of shares that will ultimately be issued. This cost is recognized over the vesting period and is recognized in “Segment other income and expenses”.

Employee share ownership plan

The Group may offer most of its employees the opportunity to participate in a share ownership plan allowing them to purchase Company shares.

These shares, which are subject to certain restrictions relating to their sale or transfer, may be purchased by the employees at a subscription price based on the Michelin share price, less a discount. The benefit granted to the employees equals the difference between the fair value of the shares acquired and the price paid by the employees, multiplied by the number of shares acquired.

It is expensed immediately by the Group, as no vesting period applies, and is recognized under "Employee benefit costs - share-based payments", within "Segment other income and expenses".

8.2.1 Share grants and performance share plans

Changes in the number of share grants and performance share rights are as follows:

	2025	2024
	Number of share grants or performance share rights outstanding	Number of share grants or performance share rights outstanding
At January 1	**8,858,553**	**7,303,830**
Granted	3,260,649	3,107,516
Forfeited	(868,912)	(621,054)
Shares delivered	(728,748)	(931,739)
AT DECEMBER 31	**10,521,542**	**8,858,553**

Excellence Plan

2025 Plan

In November 2025, 2,714,681 rights to performance shares were granted to Group employees and the Managers. The rights are subject to a four-year vesting period ending in November 2029 without any lock-up period. The shares will vest at the end of this period if the performance objectives are met (based on stock market performance, improvement in tire rolling resistance, the proportion of renewable and recycled materials, employee engagement rate, growth in revenue excluding tires and ROCE). The fair value of each performance share right is estimated at €18.52. This fair value is based on the share price at the grant date, less the present value of expected dividends that will not be received by grantees during the vesting period. The estimated value of the stock market performance condition is deducted from the grant-date fair value of the performance share rights based on the probability of this condition being met. The €36 million estimated total cost of the 2025 Excellence Plan will be recognized over the vesting period.

2024 Plan

In November 2024, 2,589,138 rights to performance shares were granted to Group employees and the Managers. The rights are subject to a four-year vesting period ending in November 2028 without any lock-up period. The shares will vest at the end of this period if the performance objectives are met (based on stock market performance, industrial environmental performance, employee engagement rate, growth in revenue excluding tires and ROCE). The fair value of each performance share right is estimated at €22.44. This fair value is based on the share price at the grant date, less the present value of expected dividends that will not be received by grantees during the vesting period. The estimated value of the stock market performance condition is deducted from the grant-date fair value of the performance share rights based on the probability of this condition being met. The €42 million estimated total cost of the 2024 Excellence Plan will be recognized over the vesting period.

The share grants and performance share plans have the following characteristics:

	Vesting date		Fair value at grant date		December 31, 2025	December 31, 2024
Grant date	France	Other countries	France	Other countries	Number of share grants or performance share rights outstanding	Number of share grants or performance share rights outstanding
2021	2025	2025	27.40	27.40	-	739,796
2022	2026	2026	16.14	16.14	1,090,125	1,816,589
2023	2027	2027	20.34	20.34	2,570,583	2,634,989
2023	2027	2027	24.48	24.48	543,165	559,663
2024	2028	2028	22.44	22.44	2,556,937	2,589,138
2024	2028	2028	25.64	25.64	500,083	518,378
2025	2029	2029	18.52	18.52	2,714,681	-
2025	2029	2029	24.09	24.09	545,968	-
NUMBER OF SHARE GRANTS OR PERFORMANCE SHARE RIGHTS OUTSTANDING					**10,521,542**	**8,858,553**

The expense recognized in 2025 for performance share plans amounts to €36 million (2024: €34 million). It is included in "Segment other income and expenses".

Recognition Plan

2025 Plan

In November 2025, the Group granted 545,968 free share rights to employees, with a four-year vesting period ending in November 2029 and no lock-up period. The shares will vest automatically at the end of the period provided that the employees concerned are still employed by the Group at that date. As the allocation per employee does not exceed 230 shares, the Group has not attached performance conditions to rights granted under the plan. The fair value of each free share right is estimated at €24.09. The €12 million estimated total cost of the Recognition Plan will be recognized over the vesting period.

2024 Plan

In November 2024, the Group granted 518,378 free share rights to employees, with a four-year vesting period ending in November 2028 and no lock-up period. The shares will vest automatically at the end of the period provided that the employees concerned are still employed by the Group at that date. As the allocation per employee does not exceed 250 shares, the Group has not attached performance conditions to rights granted under the plan. The fair value of each free share right is estimated at €25.64. The €13 million estimated total cost of the Recognition Plan will be recognized over the vesting period.

Employee share issues

2025 Plan

In 2025, the Group launched a share offer for all its employees located in countries where the legal and tax requirements were met. This share purchase plan (BiB'Action), carried out under the Company savings plan (Plan d'Épargne Groupe), is a standard plan allowing employees to invest in Michelin shares at a discounted price. The shares acquired by the employees participating in the plan cannot be sold or transferred during a five-year period. The purchase price was set at €22.19 per share, representing a 30% discount on the reference price of €31.69 corresponding to the average of the opening prices for Michelin shares over the 20 trading days preceding the pricing date. In addition, employee contributions were matched, with the Group contributing 15 shares for each of the first 55 shares purchased, thus increasing the number of shares received by participating employees. 4,039,620 shares were purchased under this plan or received matching contributions from the Group. The expense recognized in the consolidated income statement in relation to this plan amounted to €39 million.

2024 Plan

In 2024, the Group launched a share offer for all its employees located in countries where the legal and tax requirements were met. This share purchase plan (BiB'Action), carried out under the Company savings plan (Plan d'Épargne Groupe), is a standard plan allowing employees to invest in Michelin shares at a discounted price. The shares acquired by the employees participating in the plan cannot be sold or transferred during a five-year period. The purchase price was set at €28.08 per share, representing a 20% discount on the reference price of €35.11 corresponding to the average of the opening prices for Michelin shares over the 20 trading days preceding the pricing date. In addition, employee contributions were matched, with the Group contributing 30 shares for each of the first 65 shares purchased, thus increasing the number of shares received by participating employees. 4,334,410 shares were purchased under this plan or received matching contributions from the Group. The expense recognized in the consolidated income statement in relation to this plan amounted to €68 million.

NOTE 9 FINANCIAL ASSETS, LIABILITIES, INCOME AND EXPENSES

ACCOUNTING POLICIES

Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits and other short-term highly liquid investments with initial maturities not exceeding three months. Term deposits maturing in more than three months, but with early withdrawal terms of less than three months with guaranteed capital and negligible withdrawal costs are also classified as cash and cash equivalents.

Non-derivative financial liabilities

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the consolidated statement of financial position date.

Non-derivative financial liabilities are recognized initially at fair value, net of transaction costs, and subsequently at amortized cost. Any difference between the issue proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowing using the effective interest method. To the extent that borrowings are hedged by qualifying fair value hedges, the carrying amount of the hedged item is adjusted for the change in fair value attributable to the risk being hedged.

Non-derivative financial assets

Asset categories

The Group classifies and measures its debt instruments in the following categories depending on their alignment with "Solely Payment of Principal and Interest" (SPPI) criteria and with its "Held to Collect" (HTC) business model:

- amortized cost: held to maturity financial assets in order to collect repayments from principal and interest;
- fair value through profit or loss: financial assets that do not meet the criteria to be classified as amortized costs (SPPI and HTC).

The Group measures all its unconsolidated equity investments at their fair value. The Group chooses to use the irrevocable option to record fair value adjustments in other comprehensive income and the realized gains or losses on disposal are not recycled in the income statement. The impairment losses recognized on equity investments are not shown separately from the other changes in fair value.

Initial recognition and derecognition

Purchases and sales of non-derivative financial assets are recognized on the trade-date, i.e., the date on which the Group commits to purchase or sell the asset. Non-derivative financial assets are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss.

Non-derivative financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Measurement

Loans and receivables are measured at amortized cost using the effective interest rate method.

Financial assets at fair value are valued by direct reference to a price quoted in an active market or on the basis of market assumptions (note 17.3). Gains and losses, realized or unrealized, arising from changes in the fair value of financial assets at fair value through profit or loss are recognized immediately in other financial income and expenses.

Gains and losses, realized or unrealized, arising from changes in the fair value of financial assets at fair value through comprehensive income are recorded in other comprehensive income and never impact the income statement.

Impairment

At each reporting date, the Group looks for any objective indication of impairment of financial assets recorded at amortized cost.

The model for calculating the expected credit loss is determined on the basis of the counterparty rating and the associated default probability. The impairment loss is calculated over a period of 12 months given the non-deterioration of the credit risk of the counterparties. It is recognized in the income statement.

When the credit risk of a financial asset at amortized cost increases significantly, the expected credit loss is calculated over the life of the asset.

If there is no longer a reasonable expectation to recover the value of a financial asset at amortized cost, the asset is derecognized from the consolidated statement of financial position and impacts the income statement.

9.1 Cost of net debt and other financial income and expenses

Cost of net debt and other financial income and expenses are broken down in the table below:

(in € millions)	2025	2024
Interest expense	(207)	(169)
Interest expense on lease liabilities	(53)	(49)
Interest income on cash, cash equivalents and cash management financial assets	104	141
Interest rate derivatives	2	(4)
Fees on credit lines	(5)	(6)
Capitalized borrowing costs	5	11
COST OF NET DEBT	**(154)**	**(77)**
Net income from financial assets (other than cash and cash equivalents and cash management financial assets)	44	67
Currency remeasurement (including currency derivatives)	-	(37)
Other	(9)	(11)
OTHER FINANCIAL INCOME AND EXPENSES	**35**	**19**

As shown in the table in note 17.2.3, most of the Group's borrowings are denominated in euros. Some of these borrowings are subsequently swapped into foreign currencies to finance the Group's subsidiaries, and derivatives are set up to manage the interest-rate risk on these currencies. The associated transformation costs are recognized in interest expense.

The cost of net debt amounted to €154 million in 2025, compared with €77 million in 2024. The year-on-year increase was due to a rise in the above-mentioned conversion costs, as well as lower market yields on investments.

The ineffectiveness recognized on derivatives qualifying as hedges, calculated as explained in note 17, is not material.

9.2 Cash and cash equivalents

The carrying amount of cash and cash equivalents is analyzed in the table below:

(in € millions)	December 31, 2025	December 31, 2024
Money-market funds	2,407	2,675
Bank deposits subject to up to a three-month notice period	1,176	1,047
Cash at bank and in hand	294	214
CASH AND CASH EQUIVALENTS	**3,877**	**3,936**

The average effective interest rate on cash and cash equivalents was 2.68% in 2025 (2024: 4.00%). Cash and cash equivalents are mainly held in euros (2025: 90%, and 2024: 93%).

Cash and cash equivalents include restricted cash of €195 million whose use is governed by prudential insurance regulations related to operations in Ireland (2024: €199 million).

9.3 Financial liabilities

The carrying amount of financial liabilities is presented in the table below:

(in € millions)	December 31, 2025	December 31, 2024
Bonds	4,822	4,838
Loans from financial institutions and other	206	59
Derivative instruments	21	37
Non-current financial liabilities excluding leases	**5,050**	**4,934**
Non-current lease liabilities	**726**	**872**
Bonds	-	749
Commercial paper	292	297
Loans from financial institutions and other	305	296
Derivative instruments	15	33
Current financial liabilities excluding leases	**612**	**1,375**
Current lease liabilities	**257**	**258**
FINANCIAL LIABILITIES	**6,645**	**7,438**

Group net debt is analyzed in the table below:

(in € millions)	December 31, 2025	December 31, 2024
Financial liabilities	6,645	7,438
Derivatives recognized as assets (note 17.1.1)	(124)	(60)
Borrowing collaterals (note 16.3)	(9)	(40)
Cash management financial assets	(290)	(290)
Cash and cash equivalents	(3,877)	(3,936)
NET DEBT	**2,345**	**3,112**

The fair value of non-current financial liabilities, calculated in accordance with the accounting policy described in note 17.3, is presented in the table below:

(in € millions)	December 31, 2025	December 31, 2024
Bonds	4,354	4,361
Loans from financial institutions and other	206	59
Lease liabilities	719	855
Derivative instruments	21	37
FAIR VALUE OF NON-CURRENT FINANCIAL LIABILITIES	**5,300**	**5,312**

Changes in financial liabilities and derivatives are detailed by flow in the table below:

(in € millions)	At January 1, 2025	Cash flows from financial liabilities	Non-cash movements		At December 31, 2025
			Conversions	Other	
Bonds, loans from financial institutions and other	4,897	155	(3)	(20)	5,029
Lease liabilities	872	-	(48)	(98)	726
Derivative instruments	37	(32)	-	16	21
Non-current financial liabilities	**5,806**	**123**	**(51)**	**(102)**	**5,776**
Bonds, loans from financial institutions and other	1,342	(400)	(340)	(5)	597
Lease liabilities	258	(280)	(14)	294	257
Derivative instruments	33	(20)	-	2	15
Current financial liabilities	**1,633**	**(699)**	**(355)**	**291**	**869**
TOTAL FINANCIAL LIABILITIES	**7,438**	**(576)**	**(405)**	**189**	**6,645**
Derivatives recognized as assets	(60)	(63)	1	(2)	(124)
Net impact in the consolidated statement of cash flows		**(639)**			

9.3.1 Bonds and commercial paper

The table below provides detailed information about the bonds and commercial paper issued by the Group:

(in € millions)	Issue date	Due date	Nominal value	Nominal interest rate	Effective interest rate	December 31, 2025		December 31, 2024	
						Current	Non-current	Current	Non-current
COMPAGNIE GÉNÉRALE DES ÉTABLISSEMENTS MICHELIN									
Bonds	Sept. 2015 and Sept. 2016	Sept. 2045	302	3.25%	3.02% (2.62% after hedging[2])	-	306	-	313
Bonds	Oct. 2020	Nov. 2040	500	0.625%	0.68%	-	496	-	496
Bonds	August 2018	Sept. 2038	750	2.50%	2.56% (2.21% after hedging[2])	-	737	-	745
Bonds	May 2024	May 2036	500	3.375%	3.41% (3.16% after hedging[1][2])	-	494	-	497
Bonds	Oct. 2020	Nov. 2032	500	0.25%	0.32%	-	498	-	497
Bonds	May 2024	May 2031	500	3.125%	3.22% (3.12% after hedging[1][2])	-	495	-	495
Bonds	August 2018	Sept. 2030	1,000	1.75%	1.84% (2.00% after hedging[1])	-	996	-	995
Bonds	Oct. 2020	Nov. 2028	500	0.00%	0.06%	-	499	-	499
Bonds	May 2015	May 2027	300	1.75%	1.86% (1.80% after hedging[1])	-	300	-	299
Bonds	August 2018	Sept. 2025	750	0.88%	1.04% (1.17% after hedging[1])	-	-	749	-
Commercial paper in USD	NA	NA	€ equivalent: 42 (2024: 48)	NA	4.05% at December 31, 2025	292	-	297	-
Commercial paper in €	NA	NA	250 (2024: 250)	NA	2.06% at December 31, 2025				
ASM CLERMONT AUVERGNE									
Bonds	June 2008	June 2033	1.5	5.50%	5.50%	-	2	-	2
TOTAL						**292**	**4,822**	**1,046**	**4,838**

(1) Pre-hedged bond issues (see note 17.1.3)
(2) Bond issues covered by interest rate hedges (see note 17.1.3)

At December 31, 2025, the weighted average nominal interest rate for bonds and commercial paper was 1.85% (1.77% after hedging).

During the year, the Group redeemed the €750 million worth of notes issued in August 2018 that were due in September 2025.

9.3.2 Loans from financial institutions and other

Loans from financial institutions and other consist mainly of bank overdrafts and drawdowns on the Group's credit lines.

At December 31, 2025, loans from financial institutions totaled €512 million (2024: €354 million). Most of the loans were denominated in EUR, CNY and USD, and most were at variable interest rates.

The contractual re-pricing of the interest rates of these loans is generally less than six months.

9.4 Non-current financial assets and other non-current assets

The carrying amount of the non-current financial assets and other non-current assets is analyzed in the table below:

(in € millions)	December 31, 2025	December 31, 2024
Equity investments	373	373
Loans and deposits	233	356
Solesis preferred shares	261	282
Derivatives (note 17.1.1)	60	19
Pension plan surpluses (note 8.1.1)	94	109
Other	13	12
NON-CURRENT FINANCIAL ASSETS AND OTHER NON-CURRENT ASSETS	**1,032**	**1,151**

9.4.1 Equity investments

Unconsolidated equity investments consist primarily of a portfolio of shares in unlisted companies (note 17.3.1).

Movements in the portfolio during the year are presented in the table below:

(in € millions)	2025	2024
At January 1	**373**	**412**
Translation adjustments	(13)	7
Acquisitions	55	11
Disposals	(43)	(12)
Changes in scope of consolidation	(7)	(1)
Fair value changes	8	(44)
AT DECEMBER 31	**373**	**373**

9.4.2 Loans and deposits

The carrying amount of loans and deposits is analyzed in the table below:

(in € millions)	December 31, 2025	December 31, 2024
Gross loans and deposits	274	397
Impairment	(42)	(41)
TOTAL	**233**	**356**

Loans and deposits mainly include loans to companies accounted for by the equity method and various loans to customers, pension funds and employees.

The decrease in loans and deposits in 2025 primarily reflects the partial repayment a loan to the UK pension fund set up in 2023. The outstanding amount of this loan was €155 million at December 31, 2025.

9.5 Current financial assets

The carrying amount of current financial assets is analyzed in the table below:

(in € millions)	December 31, 2025	December 31, 2024
Loans and deposits	17	212
Cash management financial assets	290	290
Derivatives (note 17.1.1)	64	42
CURRENT FINANCIAL ASSETS	**371**	**544**

Although cash pool assets are highly liquid and their exposure to interest rate risk is very limited, they do not strictly fulfill the criteria for classification as cash and cash equivalents (note 9.2). They are measured at amortized cost.

Loans and deposits include collateral transferred to financial institutions in an amount of €9 million (2024: €40 million) that is not freely available (note 17.1).

NOTE 10 NOTES TO THE STATEMENT OF CASH FLOWS

Cash flows are presented in detail in the table below:

(in € millions)	2025	2024
Investment grants recognized in profit or loss	(18)	(14)
Change in employee benefit obligations	(108)	(40)
Change in litigation and other provisions	43	(29)
Restructuring costs	(430)	(246)
Other	41	83
Other operating income and expenses (cash) and changes in provisions	**(473)**	**(246)**
Interest and other financial expenses paid	(290)	(251)
Interest and other financial income received	126	185
Dividends received	113	24
Interest and other financial income and expenses received and paid, net	**(51)**	**(42)**
Change in inventories	253	(165)
Change in trade receivables and advances	(29)	236
Change in trade payables and advances	(25)	(6)
Change in trade payables under reverse factoring agreements	(95)	127
Change in other receivables and payables	168	(123)
Change in working capital, net of impairment	**273**	**69**
Purchases of intangible assets (note 12.1)	(254)	(278)
Purchases of PP&E (note 12.2)	(1,714)	(1,904)
Government grants received	15	12
Change in capital expenditure payables	(61)	(83)
Change in capital expenditure payables under reverse factoring agreements	(3)	3
Purchases of intangible assets and PP&E	**(2,017)**	**(2,250)**
Increase in other non-current financial assets	(25)	(45)
Decrease in other non-current financial assets	148	141
Net cash flows from cash management financial assets	-	(5)
Net cash flows from borrowing collaterals	31	3
Net cash flows from other current financial assets	63	9
Cash flows relating to other financial assets	**217**	**103**
Increase in non-current financial liabilities	165	1,002
Decrease in non-current financial liabilities	(10)	(24)
Repayment of lease liabilities	(280)	(270)
Net cash flows from current financial liabilities	(400)	(153)
Derivatives	(112)	95
Cash flows relating to financial liabilities	**(637)**	**650**
Details of non-cash transactions:		
■ New leases (note 13)	213	414
■ New emission allowances granted	7	9
■ Change in payment commitments for non-consolidated equity investments	(6)	-

NOTE 11 TAXES

ACCOUNTING POLICIES

Current and deferred taxes, plus any withholding tax on royalties and on distributions of retained earnings within the Group, are recorded in the consolidated income statement except if they relate to items recognized either in other comprehensive income or directly in equity, in which case they are also recognized, respectively, in other comprehensive income or directly in equity.

Current tax is based on the results of Group companies and is calculated according to local rules, including any adjustments to tax payable in respect of previous years.

Deferred tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the consolidated financial statements, using enacted or substantially enacted tax rates that are expected to prevail when the temporary differences reverse.

A deferred tax asset or liability is recognized on initial recognition of transactions arising from business combinations and impacting the accounting or taxable profit or loss.

Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the tax loss carryforwards and the temporary differences can be offset.

Deferred tax is calculated on temporary differences arising from investments in subsidiaries, joint ventures, and associates: deferred tax assets are recognized if the reversal is under the entity's control and is also probable. Deferred tax liabilities are recognized unless their reversal is controlled and not probable.

Tax positions are analyzed periodically and, if any positions are considered unlikely to be accepted by the tax authorities, a provision is booked for the most probable amount in order to cover the risk. Assets/liabilities resulting from uncertain tax treatments are included in current or deferred tax assets or liabilities in the consolidated statement of financial position.

11.1 Income tax expense

(in € millions)	**2025**	**2024**
Current tax expense	(546)	(753)
Deferred tax benefit/(expense)	(48)	198
INCOME TAX	**(594)**	**(555)**

Current tax includes €37 million of withholding tax on royalties and retained earnings distributed between Group companies (2024: €55 million).

The Group's tax proof is presented in the table below:

(in € millions)	**2025**	**2024**
Income before taxes	**2,258**	**2,445**
Tax calculated using domestic tax rates applicable to income in the respective countries	(424)	(510)
Tax effect of:		
▪ untaxed transactions	(46)	(67)
▪ deferred tax assets not recognized during the year	(21)	(20)
▪ net change in unrecognized deferred tax assets	4	36
▪ changes in tax rates	(22)	23
▪ taxes with no tax base (tax credits, withholding tax, etc.)	(51)	(34)
▪ Other items	(35)	19
INCOME TAX	**(594)**	**(555)**
Effective tax rate	*26.3%*	*22.7%*

The Group has operations in various countries that have different tax laws and rates. The weighted average domestic tax rate of Group companies may therefore vary from year to year depending on the relative size of taxable incomes.

In 2025, the effective tax rate stood at 26.3% (2024: 22.7%). The year-on-year increase in this rate was mainly attributable to a surtax in France for 2025 and the change in deferred taxes in Mexico. On December 14, 2022, the European Union adopted a directive implementing the OECD's Pillar Two reform. France voted for the transposition of this directive into domestic law as part of the Finance Bill for 2024. The Pillar Two rules therefore apply to all entities effectively controlled by Compagnie Générale des Établissements Michelin as of January 1, 2024. The impact of applying Pillar Two amounted to €8 million in 2025, versus €16 million in 2024.

The difference between effective tax rates and theoretical rates (18.8%) is particularly due to unrecognized deferred tax assets, withholding taxes, tax credits and other taxes not based on income.

The utilization of deferred tax assets is periodically reviewed at the tax entity level and may lead to the recognition of previously unrecognized deferred tax assets.

11.2 Deferred tax

Deferred taxes in the consolidated statement of financial position are as follows:

(in € millions)	December 31, 2025	December 31, 2024
Deferred tax assets	971	1,081
Deferred tax liabilities	(509)	(544)
NET DEFERRED TAX ASSET	**461**	**537**

Deferred tax assets and liabilities at the end of the period, before netting, are as follows:

(in € millions)	December 31, 2025	December 31, 2024
Employee benefit obligations	356	438
Inventories	142	137
Financial instruments	78	68
Provisions	83	84
Unused tax losses	224	304
Goodwill and intangible assets	(264)	(295)
Lease liabilities	168	188
Right-of-use assets	(153)	(172)
Property, plant and equipment	(388)	(439)
Other	215	226
NET DEFERRED TAX ASSET	**461**	**537**

Deferred tax assets have been recognized for tax loss carryforwards to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilized, taking into account the restrictions applicable in local tax jurisdictions. The probability that unused tax losses will be utilized is assessed according to the entity and its taxable profit projections. These projections are prepared using assumptions that are consistent with the short- and medium-term budgets prepared by Group entities.

The change in the net deferred tax asset over the period is as follows:

(in € millions)	2025	2024
At January 1	**537**	**435**
Translation adjustments	(17)	(8)
Deferred tax benefit/(expense)	(48)	198
Tax recognized in other comprehensive income	(32)	12
Changes in scope of consolidation	21	(100)
Other	-	(1)
AT DECEMBER 31	**461**	**537**

The decrease in the net deferred tax asset in 2025 was primarily due to the year-on-year change in employee benefit obligations and the utilization of tax loss carryforwards during the year.

The deferred income tax recognized in other comprehensive income is as follows:

(in € millions)	December 31, 2025	December 31, 2024
Post-employment benefits	80	117
Unconsolidated equity investments and other financial instruments	(25)	(30)
Financial instruments	1	1
Energy derivatives	1	-
TOTAL DEFERRED TAX RECOGNIZED IN OTHER COMPREHENSIVE INCOME	**57**	**89**

Unrecognized deferred tax assets break down as follows:

(in € millions)	December 31, 2025	December 31, 2024
Deductible temporary differences	**61**	**79**
Tax losses:		
▪ of which expiring in less than one year	7	5
▪ of which expiring between one to five years	32	40
▪ of which expiring in more than five years	11	13
▪ of which no expiration	413	430
Total tax losses	**463**	**489**
Tax credits	**9**	**10**
TOTAL UNRECOGNIZED DEFERRED TAX ASSETS	**533**	**578**

Unrecognized deferred tax assets in the amount of €533 million mainly concern the tax losses of companies in the United Kingdom and India that are not certain of generating sufficient taxable profit in the coming years, and that are subject to restrictions concerning the use of the losses:

- United Kingdom: tax losses can be carried forward indefinitely but only 50% of the loss can be set off against taxable profit in excess of £5 million;
- India: operating tax loss carryforwards expire after eight years but there is no limit on the remaining balance.

Deferred taxes in France are measured using the French statutory rate (25.83% for 2025) and are recognized based on projections of future taxable profits.

11.3 Current taxes

Current taxes in the consolidated statement of financial position are as follows:

(in € millions)	2025	2024
Taxes receivable (note 7.2)	408	295
Taxes payable (note 7.3)	(247)	(193)
Net total at January 1	**161**	**102**
Current tax expense (note 11.1)	(546)	(753)
Income tax paid	593	806
Changes in scope of consolidation	(1)	5
Translation adjustments and other	(5)	2
Total changes	**41**	**59**
Taxes receivable (note 7.2)	407	408
Taxes payable (note 7.3)	(205)	(247)
NET TOTAL AT DECEMBER 31	**202**	**161**

NOTE 12 INTANGIBLE ASSETS AND PP&E

ACCOUNTING POLICIES

Business combinations and goodwill

When the Group obtains control of an entity, the business combination is valued and accounted for by applying the acquisition method. Goodwill is calculated at the acquisition date as the difference between:

- the fair value of the consideration transferred including, if any, the fair value of contingent consideration; and
- the fair value at the acquisition date of the identifiable acquired assets, the liabilities and contingent liabilities assumed.

The valuation period for a business combination does not exceed 12 months after the acquisition date. Goodwill is allocated to cash-generating units (CGUs) or groups of CGUs that are expected to benefit from the synergies of the combination and that reflect the level at which the Group manages goodwill. Goodwill is tested for impairment annually.

Intangible assets

Intangible assets are recognized at cost. The cost of an intangible asset acquired as part of a business combination is its fair value at the acquisition date.

Intangible assets with indefinite useful lives are not amortized but are tested for impairment at least once a year. Those with finite useful lives are amortized on a straight-line basis over their estimated useful life:

- software 3-7 years
- brands and trademarks: 5-20 years
- customer relationships 5-20 years

CO_2 emission allowances

The Group participates in the European Union's Emissions Trading System. The emission allowances received or purchased are recognized as an intangible asset at their price on the transaction date. For emission allowances that are received rather than purchased, a government grant is recognized in liabilities for the same amount. The cost and liability corresponding to actual emissions and the income corresponding to the use of the government grant are accounted for using the price on the grant date.

Property, plant and equipment (PP&E)

Property, plant and equipment are measured at cost less accumulated depreciation and, when necessary, impairment.

The gross carrying amount includes the cost of acquisition or production cost and other costs directly attributable to the acquisition or the construction of the asset (including borrowing costs). Investment grants are initially accounted for as deferred income and are subsequently recognized as income over the useful life of the related asset.

Repair and maintenance costs are expensed as incurred. Other subsequent expenditures are included in the asset's carrying amount or recognized as a separate asset if the recognition criteria are met.

Property, plant and equipment are depreciated on a straight-line basis, except land, which is not depreciated.

Depreciation of property, plant and equipment reflects the pattern in which the asset's future economic benefits are expected to be consumed. Depreciation is allocated to cost of sales, sales and marketing expenses, research and development expenses or general and administrative expenses.

The following depreciation periods, based on the expected useful lives of the respective assets, are applied throughout the Group:

- buildings and general installations of land and buildings: 25 years
- petrochemical equipment: 25 years
- industrial and commercial equipment: 2-12 years
- computer and telecommunication equipment: 5 years
- vehicles: 5 years
- other: 5-12 years

The useful lives of the assets and their respective residual values are reviewed annually.

When assets are sold or otherwise disposed of, the difference between the net proceeds and the net carrying amounts of the assets is recognized in "Other operating income and expenses".

Impairment of non-financial assets

When there is any indication that the recoverable amount of an asset (goodwill, intangible assets or property, plant and equipment) may be lower than its carrying amount, the recoverable amount of the asset is measured and if needed, an impairment is recognized. Whether there is an indication of impairment or not, an annual impairment test is performed for goodwill, intangible assets with an indefinite useful life and intangible assets not ready for use, by comparing their carrying amount with their recoverable amount.

At individual asset level, indications of impairment generally relate to a fall in market value, technical obsolescence or an anticipated change of use. The recoverable amount is usually based on the market value.

At Group level, non-financial assets (including right-of-use assets, note 13) are combined for impairment testing purposes in the smallest identifiable group of assets that generates cash flows that are largely independent of cash flows from other assets or groups of assets (cash-generating units - CGUs).

For the tire business, CGUs are based on industrial asset groups, generally production plants, working together to manufacture and provide product offerings that meet the needs of customers with similar expectations in homogeneous markets or market segments.

CGUs related to non-tire businesses (Services and Solutions, Experiences, Polymer Composite Solutions and Distribution) generally cover the scope of each of these activities.

CGUs to which goodwill has been allocated are tested annually for impairment or more frequently if events or changes in circumstances indicate a potential impairment loss. For the purpose of impairment testing, goodwill is allocated to a CGU or group of CGUs on the same basis as that used by the Group's management to monitor the performance of the businesses and assess synergies deriving from business combinations.

CGUs to which no goodwill is allocated are tested for impairment only if there is an indication that they may be impaired. In assessing whether there is any indication that a CGU may be impaired, the Group has defined three indicators for the tire business CGUs. They measure respectively the trends (i) in the market served by the CGU, (ii) in financial performance through the cost of sales margin and (iii) in the use of the installed production capacity. For the non-tire business CGUs, as well as for the distribution CGUs, the indicator used to measure trends in financial performance serves as the triggering indicator for an impairment test.

Recoverable amount is the higher of value in use and fair value less costs of disposal.

For most CGUs, recoverable amount is based on value in use, which is equal to estimated future cash flows calculated using the weighted average cost of capital (WACC) as a discount rate. Future cash flows are mainly based on the CGUs' five-year cash flow forecasts plus a terminal value, measured by discounting projected cash flows using the WACC. The discount rate is based on the cost of equity capital derived from the market-expected return on the Company's shares, the cost of debt and a risk premium reflecting the risks associated with the countries where the assets are located. The gearing and the beta are based on data from comparable segments and take into account the specificities of certain activities.

The recoverable amount of the distribution CGUs is measured at fair value less costs of disposal. Since most of these assets are land and buildings, external appraisals or other real estate valuation techniques are applied to measure their fair value.

Any impairment loss is recognized first against goodwill, and any remaining amount is allocated among the other non-current assets, proportionally to their net carrying amounts at the closing date.

When the circumstances which previously caused non-financial assets to be impaired no longer apply, the impairment losses are reversed accordingly. However, goodwill impairment can never be reversed.

Changes in impairment losses, including any reversals, are recognized in "Other operating income and expenses".

12.1 Goodwill and intangible assets

Changes in goodwill and intangible assets are as follows:

(in € millions)	Goodwill	Intangible assets	Total
Gross carrying amounts at January 1, 2024	**3,139**	**4,473**	**7,612**
Translation adjustments	72	49	121
Additions (including new emission allowances: €12 million)	-	290	290
Disposals	-	(97)	(97)
Changes in scope of consolidation	(221)	350	129
Transfers and other	-	(16)	(16)
Gross carrying amounts at December 31, 2024	**2,990**	**5,049**	**8,039**
Translation adjustments	(197)	(166)	(363)
Additions (including new emission allowances: €4 million)	-	258	258
Disposals	-	(106)	(106)
Changes in scope of consolidation	16	(18)	(2)
Transfers and other	-	(24)	(24)
Gross carrying amounts at December 31, 2025	**2,809**	**4,993**	**7,802**
Amortization and impairment at January 1, 2024	**(157)**	**(2,679)**	**(2,836)**
Translation adjustments	(6)	(21)	(27)
Amortization	-	(316)	(316)
Net impairment	(1)	(4)	(5)
Disposals	-	93	93
Changes in scope of consolidation	3	-	3
Transfers and other	-	(2)	(2)
Amortization and impairment at December 31, 2024	**(161)**	**(2,929)**	**(3,090)**
Translation adjustments	11	99	110
Amortization	-	(313)	(313)
Net impairment	(3)	(16)	(19)
Disposals	-	104	104
Changes in scope of consolidation	-	8	8
Transfers and other	1	(2)	(1)
Amortization and impairment at December 31, 2025	**(152)**	**(3,049)**	**(3,201)**
NET CARRYING AMOUNTS AT DECEMBER 31, 2025	**2,657**	**1,944**	**4,601**
Net carrying amounts at December 31, 2024	2,829	2,120	4,949

12.1.1 Goodwill

At December 31, 2025, goodwill allocated to the CGUs or groups of CGUs is as follows:

(in € millions)	December 31, 2025	December 31, 2024
Passenger car tires - global brands CGU group	431	454
Passenger car tires - regional brands CGU	156	175
Light truck and Truck tires CGU group	616	647
Mining tires CGU	215	248
Two-wheel tires CGU	17	18
Beyond-road tires CGU	637	753
Polymer Composite Solutions CGU group	585	534
GOODWILL	**2,657**	**2,829**

Goodwill has been tested for impairment using the following two main assumptions:

- the terminal value takes into account an annual growth rate which depends on the nature of the activities and the countries where the assets are located;
- the CGUs' future cash flows are discounted using the after-tax weighted average cost of capital (WACC) applied to after-tax cash flows. They are determined by geographical region taking into account the features of the business.

After-tax discount rates and perpetual growth rates used in 2025 for terminal value calculations are presented in the table below:

	December 31, 2025		December 31, 2024	
(%)	WACC	Perpetual growth rate	WACC	Perpetual growth rate
Passenger car tires - global brands CGU group	8.6	1.5	8.9	1.5
Passenger car tires - regional brands CGU	8.4	1.2	8.8	1.2
Light truck and Truck tires CGU group	9.1	1.1	9.3	1.1
Mining tires CGU	10.5	1.5	10.2	1.5
Two-wheel tires CGU	8.9	1.6	9.2	1.6
Beyond-road tires CGU	8.6	1.8	8.8	1.8
Polymer Composite Solutions CGU group	9.1	2.5	9.4	2.5

A 50-basis point increase in WACC combined with a 100-basis point decrease in the perpetual growth rate applied to the groups of CGUs would not lead the Group to recognize any amount of impairment.

Projected future cash flows used for impairment testing of fixed assets include capital expenditure to be made to fulfill the Group's energy transition ambitions (note 2.7).

Internal analyses of the effects of climate change have not led to the identification of any significant risk that could lead to an impairment in value of the Group's assets.

For CGUs or groups of CGUs to which goodwill has been allocated, a simulated impairment test has been carried out by limiting estimates of future cash flows to the next 20 years based on constant cash flows after the fifth year for all CGUs. Under this unfavorable scenario, total future cash flows would represent around €130 million less than the value of the Group's assets.

To take into account the effect of applying IFRS 16, right-of-use assets have been included in the assets to be tested, the corresponding lease liabilities have been deducted from the value of the CGUs concerned and values in use include lease payments determined in accordance with IFRS 16.

12.1.2 Intangible assets

In 2025, additions to intangible assets, amounted to €258 million (2024: €290 million), breaking down as follows:

- software: €232 million;
- CO_2 emission allowances: €4 million;
- other: €21 million.

Software

The net carrying amount of software at December 31, 2025 was €776 million (2024: €775 million). Software is initially recognized at cost, including the cost of acquisition or production and other costs directly attributable to the acquisition or production of the software.

Brands and trademarks

At December 31, 2025 the net carrying amount of brands and trademarks was €264 million (2024: €303 million). These amounts correspond mainly to the value of brands and trademarks recognized as part of business combinations less cumulative amortization.

Customer relationships

At December 31, 2025, the net carrying amount of customer relationships in the consolidated statement of financial position was €761 million (2024: €866 million). These amounts correspond primarily to the value of customer lists recognized in connection with business combinations (mainly Fenner, Camso and Flex Composite Group).

CO_2 emission allowances (EU ETS)

At December 31, 2025 the net carrying amount of emission allowances was €69 million (2024: €89 million) for 1.5 million tonnes (2024: 1.8 million tonnes).

Development costs

No tire development costs were capitalized in 2025 or 2024 as the criteria for recognition as intangible assets were not met. To be recognized as an asset, the development costs incurred for a new product or a significant product renewal project must fulfill six criteria. One of these criteria requires the entity to demonstrate the existence of a market for the output of the intangible asset. The existence of a market is demonstrated only when the Group has obtained OEM approval and when the margin generated by the purchase volumes proposed by the manufacturers is in line with Group objectives. In practice, the corresponding development costs are incurred at a stage of the project which is prior to OEM approval.

12.2 Property, plant and equipment

Changes in property, plant and equipment are as follows:

(in € millions)	Land and buildings	Plant and industrial equipment	Other equipment	Total
Gross carrying amounts at January 1, 2024	**7,672**	**23,536**	**1,900**	**33,108**
Translation adjustments	155	457	44	656
Acquisitions	270	1,494	137	1,901
Disposals	(43)	(397)	(65)	(505)
Changes in scope of consolidation	8	(6)	2	4
Transfers and other	(3)	(7)	16	6
Gross carrying amounts at December 31, 2024	**8,059**	**25,077**	**2,034**	**35,170**
Translation adjustments	(383)	(1,336)	(100)	(1,819)
Acquisitions	358	1,229	127	1,714
Disposals	(125)	(896)	(110)	(1,131)
Changes in scope of consolidation	(12)	(91)	(1)	(104)
Transfers and other	14	(24)	9	(1)
Gross carrying amounts at December 31, 2025	**7,911**	**23,959**	**1,959**	**33,829**
Amortization and impairment at January 1, 2024	**(3,727)**	**(15,845)**	**(1,276)**	**(20,848)**
Translation adjustments	(58)	(292)	(24)	(374)
Amortization	(213)	(1,204)	(100)	(1,517)
Net impairment	(29)	(117)	(7)	(153)
Disposals	19	378	62	459
Changes in scope of consolidation	1	5	1	7
Transfers and other	(13)	23	(4)	6
Depreciation and impairment at December 31, 2024	**(4,020)**	**(17,052)**	**(1,348)**	**(22,420)**
Translation adjustments	181	905	65	1,150
Amortization	(216)	(1,165)	(97)	(1,478)
Net impairment	(17)	(43)	(13)	(73)
Disposals	88	846	103	1,037
Changes in scope of consolidation	3	62	1	67
Transfers and other	(7)	18	(3)	8
Depreciation and impairment at December 31, 2025	**(3,987)**	**(16,429)**	**(1,293)**	**(21,709)**
NET CARRYING AMOUNTS AT DECEMBER 31, 2025	**3,924**	**7,530**	**666**	**12,120**
Net carrying amounts at December 31, 2024	4,039	8,025	686	12,750

PP&E in progress amount to €2,349 million (2024: €2,553 million).

Accumulated impairment losses included in total "Depreciation and impairment" at December 31, 2025 amounted to €696 million (2024: €774 million).

NOTE 13 RIGHT-OF-USE ASSETS

ACCOUNTING POLICIES

A contract is, or contains, a lease if it conveys to the lessee in return for a payment or series of payments the right to use an asset for an agreed period of time. The Group assesses whether a contract is or contains a lease on the inception of the lease, which is the earlier of the date of the lease agreement and the date of commitment by the parties to the principal provisions of the lease.

Substantially all of the Group's leases are leases where the Group is the lessee. Leased assets are mainly real estate assets (points of sale for the Group's integrated distribution network, sales and administrative offices), passenger cars and forklifts.

Lease liabilities

Lease liabilities correspond to the present value of future lease payments, excluding variable lease payments that do not depend on an index or a rate.

For contracts that include a lease component and non-lease components (such as services), only the lease component is taken into account in calculating the present value.

The interest rate implicit in the lease is used as the discount rate if it can be readily determined. If the implicit rate cannot be readily determined, each Group entity uses its incremental borrowing rate reflecting its specific credit risk, the currency of the lease and the weighted average maturity of the outstanding lease liability.

Over the life of the contract, the interest expense increases the lease liability while the lease payments reduce it.

The carrying amount of the lease liability and the corresponding right-of-use asset is adjusted to reflect any change in the lease term, any change in the assessment of an option to purchase the underlying asset, any change in the amount that the lessee expects to have to pay to the lessor under the residual value guarantee or any change in future lease payments resulting from a change in an index or a rate used to determine those payments.

Right-of-use assets

Right-of-use assets corresponding to leased property, plant and equipment are initially measured at cost, corresponding to the sum of the present value of the outstanding lease payments at the commencement date. Any lease payments made at or before the commencement date, any initial direct costs and an estimate of costs to be incurred by the Group in dismantling or restoring the underlying asset, are included in the value of the right-of-use asset, less any lease incentives.

The right-of-use asset is depreciated over the shorter of the lease term and the useful life of the leased asset if the transfer of ownership of the leased asset is uncertain or is not provided for in the contract.

Enforceable period

The enforceable period of a lease is determined by taking into account all the economic facts and circumstances (such as contractual terms and conditions for the optional periods compared with market rates, significant leasehold improvements, costs relating to the termination of the lease, such as negotiation costs, relocation costs, costs associated with returning the underlying asset in a contractually specified condition or to a contractually specified location), and contractual options to extend or terminate the lease. Consequently, for leases that are automatically renewable and the 3/6/9-year commercial leases that are common in France, the enforceable period can be longer than the period to the contractual end date. This information is used to determine the most economically relevant end date for the lease. For certain categories of leased assets (mainly vehicles), the Group considers that there is no reasonably certain extension option. Consequently, the duration is selected to coincide with the initial term of the lease. For real estate leases, the Group defines the reasonable end date of the lease, based on the enforceable period, in line with the asset's expected period of use. Accordingly, for leases with a residual term of more than ten years, the first enforceable exit option is chosen unless specific information and economic circumstances lead the Group to define a longer period.

Exceptions

Leases with a term not exceeding 12 months or concerning low-value assets (mainly computers, printers and tools) are not recognized in the consolidated statement of financial position.

The payments related to these leases are expensed on a straight-line basis over the duration of the contracts. Variable lease payments are expensed in the period in which the triggering event or situation occurs.

Right-of-use assets can be analyzed as follows:

(in € millions)	Right-of-use assets Land and buildings	Right-of-use assets Plant and industrial equipment	Right-of-use assets Other equipment	Total
Gross carrying amounts at January 1, 2024	**1,552**	**115**	**329**	**1,996**
Translation adjustments	42	1	7	50
New leases	320	33	61	414
Disposals	(57)	(29)	(37)	(123)
Changes in scope of consolidation	(5)	-	3	(2)
Transfers and other	(31)	(2)	(7)	(40)
Gross carrying amounts at December 31, 2024	**1,821**	**118**	**356**	**2,295**
Translation adjustments	(105)	(6)	(17)	(128)
New leases	138	24	51	213
Disposals	(89)	(21)	(26)	(136)
Changes in scope of consolidation	1	-	-	1
Transfers and other	(15)	(1)	(8)	(24)
Gross carrying amounts at December 31, 2025	**1,751**	**114**	**356**	**2,221**
Depreciation and impairment at January 1, 2024	**(671)**	**(65)**	**(178)**	**(914)**
Translation adjustments	(16)	(1)	(4)	(21)
Amortization	(168)	(28)	(56)	(252)
Net impairment	(15)	-	-	(15)
Disposals	57	29	36	122
Changes in scope of consolidation	4	-	-	4
Transfers and other	2	5	6	13
Depreciation and impairment at December 31, 2024	**(807)**	**(60)**	**(196)**	**(1,063)**
Translation adjustments	42	3	9	55
Amortization	(170)	(23)	(52)	(245)
Net impairment	(4)	(1)	(4)	(8)
Disposals	85	21	26	132
Changes in scope of consolidation	-	-	-	-
Transfers and other	(5)	3	3	1
Depreciation and impairment at December 31, 2025	**(858)**	**(56)**	**(214)**	**(1129)**
NET CARRYING AMOUNTS AT DECEMBER 31, 2025	**893**	**58**	**142**	**1,092**
Net carrying amounts at December 31, 2024	1,014	58	160	1,232

Some leases are recorded directly as an expense in the income statement on a straight-line basis over the life of the lease.

This is the case for:

- Short-term leases, representing an expense of €71 million in 2025 (2024: €60 million);
- leases of low-value assets, representing an expense of €53 million in 2025 (2024: €46 million);
- variable lease payments not taken into account to determine the lease liability, representing an expense of €19 million in 2025 (2024: €18 million).

Undiscounted future lease payments are analyzed by maturity in note 9.

NOTE 14 INVESTMENTS IN EQUITY-ACCOUNTED COMPANIES

ACCOUNTING POLICIES

From the acquisition date to the date that significant influence ceases, the Group's share of its joint ventures' and associates' profits and losses is recognized in the income statement, and its share of movements in other comprehensive income is recognized in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in a joint venture or associate equals or exceeds its interest in the investee, the Group recognizes its share of the investee's negative net worth and, where appropriate, the carrying amount of any loans to the joint venture or associate is reduced by the amount of that negative net worth.

Unrealized gains on transactions between the Group and its joint ventures and associates are eliminated to the extent of the Group's interest in the investee. Unrealized losses are also eliminated unless an impairment loss on the transferred asset arises on the transaction.

The profit resulting from downstream transactions carried out with a joint venture or an associate is deducted from the Group's proportionate share in profit of equity-accounted company.

In the consolidated income statement, the line "Share of profit/(loss) from equity-accounted companies" also includes the impact of other transactions relating to equity-accounted companies, such as the recognition of a gain or loss resulting from a reduction in the Group's percentage interest in the investee, or an impairment loss on securities and loans.

14.1 Investments in equity-accounted companies

Changes in investments in equity-accounted companies are as follows:

(in € millions)	Investments in associates	Investments in joint ventures	Total investments in equity-accounted companies
At January 1, 2024 restated[3]	**251**	**620**	**871**
Share of profit/(loss) from equity-accounted companies	31	(70)	(39)
Impairment[1]	-	-	-
Dividends	(10)	(8)	(18)
Changes in scope of consolidation and changes in percentage interest	(9)	(14)	(23)
Translation adjustments	1	32	33
Other/reclassifications[2]	(14)	39	25
At December 31, 2024 restated[3]	**250**	**599**	**849**
Share of profit from equity-accounted companies	35	200	235
Impairment[1]	-	(126)	(126)
Dividends	(7)	(101)	(108)
Changes in scope of consolidation and changes in percentage interest	2	(1)	1
Translation adjustments	(2)	(65)	(67)
Other/reclassifications[2]	8	138	146
AT DECEMBER 31, 2025	**287**	**644**	**931**

(1) Impairment losses and provisions relating to investments in equity-accounted companies are included in the income statement under "Share of profit/loss from equity-accounted companies".
(2) Mainly comprising the reclassification of impairment losses on loans and provisions booked on investments in equity-accounted companies with a nil value.
(3) Reclassifications of SIPH and SAPH from "Investments in joint ventures" to "Investments in associates".

The main equity-accounted companies are TBC, Solesis and SIPH. All of the other equity-accounted companies represent less significant investments.

The Group's share of profit/(loss) from equity-accounted companies and impairment losses recognized on the Group's investments in these companies relate mainly to the following:

- TBC, which contributed a positive €204 million, including the Group's share of the profit generated from the disposal of the Midas business (note 3);
- Symbio, a company specializing in hydrogen fuel cell systems, whose net contribution was a negative €138 million, including a €121 million impairment loss recognized against the Group's outstanding loans and commitments to Symbio following Stellantis' decision to discontinue its hydrogen-related activities (note 3).

14.2 Information on the main equity-accounted companies

The table below shows the condensed financial statements of the main equity-accounted companies, prepared on a 100% basis:

	2025			2024		
(in € millions)	**TBC**	**Solesis**	**SIPH**	**TBC restated[1]**	**Solesis**	**SIPH**
Country	United States	United States	France	United States	United States	France
% interest	50%	49%	39.26%	50%	49%	41.97%
Sales	2,348	109	704	2,676	109	610
Segment EBITDA	188	29	120	199	29	114
Depreciation, amortization and impairment	(107)	(7)	(26)	(110)	(16)	(28)
Other operating income and expenses	451	(12)	(4)	(18)	(15)	-
Net financial income/(expense)	(23)	(9)	(5)	(60)	(10)	(1)
Taxes	(125)	-	(28)	(6)	-	(22)
NET INCOME/(LOSS)	**386**	**0**	**56**	**5**	**(12)**	**63**
Current assets	1,447	49	313	1,650	49	264
▪ *of which cash and cash equivalents*	*51*	*11*	*41*	*14*	7	9
Non-current assets	693	656	461	1,050	735	455
▪ *of which goodwill*	*90*	*188*	*159*	*149*	212	159
TOTAL ASSETS	**2,140**	**704**	**774**	**2,700**	**784**	**719**
Current liabilities	921	121	130	1,249	133	142
▪ *of which other current financial liabilities*	*114*	*106*	*53*	*328*	118	65
Non-current liabilities	339	272	76	681	296	82
▪ *of which non-current financial liabilities*	*243*	*9*	*63*	*531*	11	61
Total equity	879	311	568	770	355	495
TOTAL LIABILITIES AND EQUITY	**2,140**	**704**	**774**	**2,700**	**784**	**719**
Share of net assets	**440**	**152**	**176**	385	174	154
Elimination of profit from downstream transactions	(23)	-	-	(39)	-	-
INVESTMENTS IN EQUITY-ACCOUNTED COMPANIES	**417**	**152**	**176**	**346**	**174**	**154**

(1) Following a review of TBC's revenue presentation methods, its financial statements for 2024 have been restated. These restatements did not impact segment EBITDA.

- TBC, a joint venture with Sumitomo Corporation, distributes tires in the United States. On June 16, 2025, TBC sold its Midas service business to Mavis, realizing a disposal gain of €358 million (note 3). TBC also approved the distribution of a $200 million dividend, paid in June 2025. The equity-accounted share of TBC's results included in the Group's consolidated net income for 2025 (after eliminating downstream transactions, net of tax) was a profit of €204 million (2024: €10 million profit).
- Solesis, a joint venture with Altaris, is a leading specialist in biomaterials and components for the medical sector. The equity-accounted share of Solesis' results included in the Group's consolidated net income for 2025 was break-even (2024: €6 million loss). Cash corresponding to preference shares is recorded under non-current assets for an amount of €264 million.
- SIPH is an associate that owns and operates rubber plantations in West Africa. The equity-accounted share of SIPH's results included in the Group's consolidated net income for 2025 was a profit of €21 million after deducting income attributable to minority shareholders of subsidiaries (2024: profit of €19 million).

14.3 Financial information about equity-accounted companies

The financial statements of equity-accounted companies other than TBC, Solesis and SIPH, which are not material taken individually, include the following amounts (information presented on a 100% basis):

(in € millions)	2025	2024
Assets	1,724	1,779
Liabilities	1,476	1,442
Sales	2,261	1,856
Net income/(loss)	(60)	(59)

14.4 Transactions with equity-accounted companies (related parties)

Transactions and balances between the Group and its associates and joint ventures are presented in the table below:

(in € millions)	2025	2024
INCOME STATEMENT		
Income for the sale of goods or supply of services	452	632
Expenses for the purchase of products or supply of services	(364)	(338)
STATEMENT OF FINANCIAL POSITION		
Financial liabilities	(8)	(7)
Trade payables	(31)	(33)
Financial assets	262	444
Accounts receivable	281	253

NOTE 15 TOTAL EQUITY

ACCOUNTING POLICIES

Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

Treasury shares are presented separately in reserves. The amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognized as a deduction from equity. When treasury shares are sold, the amount received is recognized as an increase in equity and the resulting surplus or deficit on the transaction is presented within retained earnings.

Earnings per share

Basic earnings per share are calculated by dividing income attributable to the shareholders of the Company by the weighted average number of shares outstanding during the year, excluding shares bought back by the Group and held as treasury shares.

Diluted earnings per share are calculated by adjusting the weighted average number of shares outstanding to assume conversion of all dilutive potential shares.

15.1 Share capital and share premiums

Changes in share capital and share premiums are analyzed in the table below:

(in € millions)	Share capital	Share premiums	Total
At January 1, 2024	**357**	**2,702**	**3,059**
Issuance of shares	3	119	122
Cancellation of shares	(7)	(495)	(502)
Other	-	-	-
At December 31, 2024	**353**	**2,326**	**2,679**
Issuance of shares	2	86	89
Cancellation of shares	(11)	(656)	(668)
Other	-	(9)	(9)
AT DECEMBER 31, 2025	**344**	**1,747**	**2,091**

The €89 million reported under "Issuance of shares" for 2025 mainly concerned the October 28, 2025 BiB'Action employee share ownership plan (note 8.2.2). At December 31, 2025, initial employment payments received for shares purchased under the plan amounted to €38 million. This amount is shown in the consolidated statement of cash flows under "Proceeds from issuance of shares". The balance corresponds for €14 million to matching payments by the Group and for €38 million to the balance payable by employees in 2026.

Changes in outstanding shares are analyzed in the table below:

(number of shares)	Shares issued	Treasury shares	Shares outstanding
At January 1, 2024	**714,958,065**	**161**	**714,958,226**
Issuance of shares	5,266,149	-	5,266,149
Share buybacks	-	(14,476,942)	(14,476,942)
Sales of treasury shares	-	-	-
Cancellation of shares	(14,477,103)	14,476,942	(161)
Other	161	(161)	-
At December 31, 2024	**705,747,272**	**-**	**705,747,272**
Issuance of shares	4,765,751	-	4,765,751
Share buybacks	-	(22,955,073)	(22,955,073)
Sales of treasury shares	-	35,673	35,673
Cancellation of shares	(22,919,400)	22,919,400	-
Other	2,617	-	2,617
AT DECEMBER 31, 2025	**687,596,240**	**-**	**687,596,240**

The 2024 dividend paid to shareholders in 2025 was €1.38 per share. The dividend was paid in full in cash for a net amount of €974 million (2024: €961 million).

The Managing Chairman will propose that shareholders approve the payment of a 2025 dividend in 2026 of €1.38 per share.

15.2 Reserves

(in € millions)	Translation adjustments	Treasury shares	Other reserves	Retained earnings	Total
At January 1, 2024	**(521)**	**-**	**173**	**15,244**	**14,896**
Dividends and other appropriations	-	-	-	(964)	(964)
Share-based payments - current service cost (notes 7 and 8)	-	-	-	61	61[(1)]
Share buybacks	-	(502)	-	-	502
Sale/cancellation of shares	-	502	-	-	(502)
Other		-	-	(2)	(2)
Transactions with the shareholders of the Company	-	-	-	**(905)**	**(905)**
Net income attributable to the shareholders of the Company	-	-	-	**1,884**	**1,884**
Post-employment benefits	-	-	-	*(138)*	(138)
Tax effect - post-employment benefits	-	-	-	*4*	*4*
Equity instruments at fair value through OCI - changes in fair value	-	-	*(44)*	-	*(44)*
Tax effect - equity instruments at fair value through OCI	-	-	*8*	-	*8*
Other	-	-	-	-	-
Other comprehensive income/(loss) that will not be reclassified to the income statement	**-**	**-**	**(36)**	**(134)**	**(170)**
Cash flow hedges - changes in fair value	-	-	*(6)*	-	*(6)*
Tax effect – Cash flow hedges	-	-	*(1)*	-	*(1)*
Currency translation differences	*273*	-		-	*273*
Other	*(39)*	-	*(2)*	*15*	*(26)*
Other comprehensive income/(loss) that may be reclassified to the income statement	**234**	**-**	**(9)**	**15**	**240**
Total comprehensive income	**234**	**-**	**(45)**	**1,765**	**1,954**
At December 31, 2024	**(287)**	**-**	**128**	**16,105**	**15,946**
Dividends and other appropriations	-	-	-	(977)	(977)
Share-based payments - current service cost (notes 6 and 8)	-	-	-	61	61
Share buybacks	-	(668)	-	-	(668)
Sale/cancellation of shares	-	668	-	-	668
Other	-	-	-	(15)	(15)
Transactions with the shareholders of the Company	-	-	-	**(931)**	**(931)**
Net income attributable to the shareholders of the Company	-	-	-	**1,665**	**1,665**
Post-employment benefits	-	-	-	*202*	*202*
Tax effect - post-employment benefits	-	-	-	*(37)*	*(37)*
Equity instruments at fair value through OCI - changes in fair value	-	-	*8*	-	*8*
Tax effect - equity instruments at fair value through OCI	-	-	*5*	-	*5*
Other	-	-	-	-	-
Other comprehensive income/(loss) that will not be reclassified to the income statement	**-**	**-**	**13**	**165**	**178**
Cash flow hedges - changes in fair value	-	-	*(4)*	-	*(4)*
Tax effect – Cash flow hedges	-	-	*1*	-	*1*
Currency translation differences	*(884)*	-	-	-	*(884)*
Other	-	-	-	9	9
Other comprehensive income/(loss) that may be reclassified to the income statement	**(884)**	**-**	**(3)**	**9**	**(878)**
Total comprehensive income	**(884)**	**-**	**10**	**1,839**	**965**
AT DECEMBER 31, 2025	**(1,171)**	**-**	**138**	**17,014**	**15,981**

(1) The difference between the €75 million share-based payment expense (note 8) and the €61 million shown in the table corresponds to the portion of Plan BiB'action matching contributions recognized as proceeds from the issuance of shares.

The Group announced and implemented two share buyback programs for a total of €668 million, taxes on financial transactions included, in the first half of 2025. All of the shares bought back under the agreement were canceled before the end of 2025.

15.3 Earnings per share

	2025	2024
Net income *(in € millions)*, excluding non-controlling interests	1,665	1,884
■ Less, estimated General Partners' profit shares	(3)	(3)
Net income attributable to the shareholders of the Company used to calculate basic earnings per share	**1,662**	**1,882**
Weighted average number of shares outstanding *(thousands of shares)* used to calculate basic earnings per share	**704,018**	**709,850**
■ Plus, adjustment for performance shares	9,075	7,110
Weighted average number of shares used to calculate diluted earnings per share	**713,093**	**716,960**
EARNINGS PER SHARE *(in €)*		
■ Basic	**2.36**	2.65
■ Diluted	**2.33**	2.62

At December 31, 2025, the only potentially dilutive financial instruments consisted of performance shares (note 8.2.1).

No share transactions affecting the weighted average number of shares used to calculate basic earnings per share and diluted earnings per share occurred after the end of the 2025 reporting period.

NOTE 16 COMMITMENTS AND CONTINGENCIES

16.1 Commitments

16.1.1 Capital expenditure commitments

Capital expenditure on the main projects which were contracted but not delivered before December 31, 2025, amounts to €283 million (of which €246 million is likely to be delivered in 2026).

Michelin has signed agreements to acquire Cooley Group, a specialist in industrial coated fabrics, and Tex Tech Industries, a designer and manufacturer of specialty textiles and fabrics, for an aggregate amount of €637 million. The acquisition of Cooley Group closed on January 22, 2026 – the date on which Michelin acquired control – and that of Tex Tech Industries is due to complete later in 2026, subject to the customary adjustments and to anti-trust clearance in the relevant jurisdictions. These acquisitions are being entirely financed from available cash.

16.1.2 Commitments given to joint ventures

At December 31, 2025, guarantees given by the Group to Symbio amounted to €26 million.

16.1.3 Other commitments

The Group has many purchase commitments for goods and services. These commitments are in line with the level of activity expected in the first half of 2026. They are entered into on arm's length terms in the normal course of business.

16.2 Contingencies

16.2.1 Michelin Pension Trust Limited and Fenner Pension Scheme Trustee Limited

Following adoption of the Pensions Act 2004 in the United Kingdom, a multi-annual plan of contributions to UK pension funds (the "Recovery Plan") was established between the Group's UK companies and their pension funds. In order to limit the amount of contributions, the Group issued guarantees to the pension funds to cover the potential contributions to be made by its subsidiaries.

The last Recovery Plan calculations were performed at March 31, 2023 and the next ones will be performed at March 31, 2026.

The amount of the Group's guarantee is equal to the difference, if positive, between the present value of future contributions and the amount of the provision booked in the accounts. At December 31, 2025, the plans were held under buy-in policies and were in surplus, meaning that no future contributions are required. Consequently, the amount of the guarantees given to Michelin Pensions Trust Limited and Fenner Pension Scheme Trustee Limited was equal to zero at that date.

For Michelin Pensions Trust Limited, contributions are payable to the plan if it is underfunded, and if the plan is overfunded, the contributions are deposited in an escrow account.

16.2.2 Other contingencies

In the normal course of business, the Group companies may be involved in administrative proceedings, litigation and claims. Although provisions have been recognized when the risks are established and an outflow of financial resources is probable, there exist uncertainties concerning some of these administrative proceedings, litigation and claims.

In January 2024, the European Commission launched a competition inquiry into the tire industry in Europe. Michelin is one of the manufacturers concerned by the inquiry. In 2024, class actions were filed in the USA and Canada as a direct consequence of this inquiry. However, in April 2024, the Group lodged an appeal with the European Court of First Instance to have the decision authorizing the inspection annulled. On July 9, 2025, the Court partly annulled the European Commission's decision to conduct an inspection by reducing the inspection period.

As a reminder, the Group applies a strict policy of compliance with competition law across all of its businesses and in all of its host countries. In its public communication, the Commission has clearly stated that the opening of this inquiry does not prejudge the inquiry's outcome. At the same time, Michelin has reiterated its right to be presumed innocent. No provision was set aside for this matter at December 31, 2025.

In the opinion of Group management, there are no other governmental, judicial or arbitration proceedings likely to have a material impact on the Group's financial position or cash position.

16.3 Assets pledged as collateral

16.3.1 Property, plant and equipment

PP&E pledged as collateral for debt amounted to €33 million (2024: €33 million).

16.3.2 Financial assets

The €16 million held in an escrow account linked to the pension plan in the United Kingdom (2024: €4 million) is pledged to the pension plans and is therefore not freely available (note 9.4).

Loans and deposits amounting to €9 million (2024: €40 million) are pledged as collateral for debt (note 9.5).

16.3.3 Trade receivables

The Group runs a program whereby certain North American subsidiaries have transferred ownership interests in portfolios of eligible trade receivables. The maximum financing that can be raised from these programs amounts to €424 million (2024: €492 million). Since the Group has substantially retained all the risks and rewards of ownership, the ownership interests in the trade receivable portfolios sold by the North American subsidiaries have not been derecognized. No financing was received from the financial institutions in 2025 under this program. In 2024, €15 million was received and recognized under “Loans from financial institutions and other” (note 9.3) under the European receivables securitization program, which ended in November 2025.

NOTE 17 DERIVATIVES, FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

17.1 Derivative instruments

ACCOUNTING POLICIES

Derivative instruments

Derivative instruments are used to manage financial exposures.

All derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently measured at their fair value. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged (see hedging policy below).

All changes in fair value of derivatives not qualifying as hedges are recorded as financial income or expense in the period in which they arise.

The fair values of listed instruments are based on their market values.

For unlisted instruments, fair values are determined using mathematical models, such as option pricing models, or methods based on discounted future cash flows. These models take into account market data.

Embedded derivatives are recognized separately if they are not closely related to the host contract.

Hedging

Some derivative instruments may be eligible for hedge accounting and designated as either:

- hedges of the fair value of recognized assets or liabilities or a firm commitment (fair value hedges);
- hedges of highly probable forecast transactions (cash flow hedges).

At the inception of the transaction, the Group documents the relationship between the hedging instrument and the hedged item, as well as its risk management objectives and strategies. The Group also documents its assessment, both at inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values of hedged items.

Changes in the fair value of derivatives are accounted for differently depending on the type of hedge.

Fair value hedges

Changes in fair value of derivatives are recorded in financial income and expenses, together with any changes in the fair value of the hedged assets or liabilities that are attributable to the hedged risk.

Cash flow hedges

The effective portion of changes in the fair value of derivatives is recognized in other reserves. The ineffective portion of the gain or loss is recognized immediately in the income statement, in operating income (energy and commodity price hedges) or financial income and expenses (interest and exchange rate hedges).

The effectiveness of the hedge is determined at the beginning of the hedging relationship and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and the hedging instrument. A hedging relationship may become ineffective if the timing of the planned transaction changes from the original estimate.

When options are used to hedge future transactions, only the changes in the options' intrinsic value are designated as hedging instruments. Changes in the intrinsic value and the time value in relation to the hedged item ("aligned time value") are recorded in other reserves.

For forward contracts used to hedge future transactions, the Group designates all the changes in fair value (including the forward points) as hedging instruments. These changes in fair value are recorded in other reserves.

For contingent forward contracts used to hedge future transactions, the instrument qualifies as a cash flow hedge when it can be demonstrated that the underlying future transaction is highly probable.

Amounts accumulated in other reserves are recognized in the income statement over the period during which the hedged item affects the profit and loss, as follows:

- when the hedged item is a non-financial asset (for example, a consolidated investment or an inventory), deferred gains or losses, as well as deferred gains or losses on the time value of the option or contract forward points are included in the initial cost of the asset;

- gains or losses resulting from interest rate hedges are recognized in financial income or expense in the same period as the interest on the hedged loans;
- gains or losses resulting from energy and commodity hedges are recognized in operating income or expense in the same period as the underlying hedged items affect profit or loss.

When a hedging instrument is sold or expires, or when a hedging instrument no longer meets the criteria required to qualify for hedge accounting, the amount accumulated in other reserves at that date is immediately recognized in profit or loss.

Derivatives not qualifying for hedge accounting

The other derivative instruments, while offering effective economic hedging in terms of the Group's financial policy, do not meet the criteria for hedge accounting or have not been treated as hedging instruments (refer to the policy relating to derivative instruments, above). Changes in the market value of these derivatives must therefore be recognized in financial income and expenses. For example, foreign exchange derivatives used to hedge the currency exposure of financial assets and liabilities recognized in the consolidated statement of financial position are not designated as hedging instruments.

17.1.1 Summary of derivative instruments

Derivatives recognized as assets

	December 31, 2025			December 31, 2024		
(in € millions)	Current	Non-current	Total	Current	Non-current	Total
Currency derivatives	64	58	122	42	18	60
Interest rate derivatives	-	1	1	-	-	-
Other	-	-	-	-	-	-
Derivatives not qualifying for hedge accounting	**64**	**59**	**123**	**42**	**18**	**60**
Interest rate derivatives	-	-	-	-	-	-
Derivatives qualifying as fair value hedges	**-**	**-**	**-**	**-**	**-**	**-**
Currency derivatives	-	-	-	-	-	-
Interest rate derivatives	-	-	-	-	-	-
Other	-	-	-	-	1	1
Derivatives qualifying as cash flow hedges	**-**	**1**	**1**	**-**	**1**	**1**
TOTAL DERIVATIVES RECOGNIZED AS ASSETS	**64**	**60**	**124**	**42**	**19**	**61**

The Group holds cash collateral covering its counterparty risk on derivatives with a negative fair value. The amount of collaterals received was €69 million as of December 31, 2025 (2024: €7 million).

Derivatives recognized as liabilities

	December 31, 2025			December 31, 2024		
(in € millions)	Current	Non-current	Total	Current	Non-current	Total
Currency derivatives	11	4	15	33	35	68
Interest rate derivatives	-	1	1	-	-	-
Other	-	-	-	-	-	-
Derivatives not qualifying for hedge accounting	**11**	**5**	**16**	**33**	**36**	**69**
Interest rate derivatives	-	16	16	-	-	-
Derivatives qualifying as fair value hedges	**-**	**16**	**16**	**-**	**-**	**-**
Currency derivatives	3	-	3	-	1	1
Interest rate derivatives	1	-	1	-	-	-
Other	4	3	7	-	-	-
Derivatives qualifying as cash flow hedges	**7**	**3**	**11**	**-**	**1**	**1**
TOTAL DERIVATIVES RECOGNIZED AS LIABILITIES	**18**	**24**	**43**	**33**	**37**	**70**

The Group grants cash collateral to cover counterparty risk on derivatives with a positive fair value. The amount of collaterals transferred was €9 million as of December 31, 2025 (2024: €40 million).

17.1.2 Contractual amounts of derivatives

The contractual amounts of derivative instruments are presented in the table below:

(in € millions)	December 31, 2025 Current	December 31, 2025 Non-current	December 31, 2025 Total	December 31, 2024 Current	December 31, 2024 Non-current	December 31, 2024 Total
Currency derivatives	7,372	1,048	8,421	4,629	1,295	5,924
Interest rate derivatives	145	550	696	152	102	254
Other	-	-	-	-	-	-
Derivatives not qualifying for hedge accounting	**7,518**	**1,598**	**9,116**	**4,781**	**1,397**	**6,178**
Interest rate derivatives	-	1,026	1,026	-	-	-
Derivatives qualifying as fair value hedges	**-**	**1,026**	**1,026**	**-**	**-**	**-**
Currency derivatives	219	-	219	3	77	80
Interest rate derivatives	-	776	776	-	-	-
Other	23	30	53	4	15	19
Derivatives qualifying as cash flow hedges	**243**	**806**	**1,049**	**7**	**92**	**99**
TOTAL	**7,760**	**3,431**	**11,191**	**4,788**	**1,489**	**6,277**

17.1.3 Hedge accounting

Summarized financial data for hedging instruments are set out in the table below:

(in € millions)	Notional amount of the hedging instrument	Carrying amount of the hedging instrument in assets/(liabilities)	Cash flow hedge reserve	Amount recognized in profit or loss	Line item affected in profit or loss
DERIVATIVES QUALIFYING AS FAIR VALUE HEDGES					
Interest rate swaps	1,026	(16)	-	1	Cost of net debt
DERIVATIVES QUALIFYING AS CASH FLOW HEDGES					
Energy and commodity price risk – forward contracts	53	(7)	(7)	-	Operating income
Interest rate swaps	776	-	(12)	(3)	Cost of net debt
Hedges of currency risk on raw materials purchases	3	-	-	-	Operating income
Forward foreign exchange contracts on acquisitions or disposals denominated in foreign currencies	217	(3)	(3)	1	Other operating income/ (expenses)
CURRENT AND NON-CURRENT HEDGING INSTRUMENTS	**2,075**	**(25)**	**(22)**	**(3)**	

In 2025, the Group entered into interest rate swaps representing a total nominal amount of €1 billion to hedge some of its bonds (note 9.3). These swaps, which swap the fixed rate for a variable rate (ESTR), qualify as fair value hedges. At December 31, 2025, the fair value of these swaps recognized in the balance sheet corresponded to a liability of €16 million, and related interest income in an amount of €1 million was recorded in the 2025 income statement.

Gains and losses on cash flow hedges are recorded in equity, under "Other reserves" (note 15). The gains and losses accumulated in the reserve are subsequently reclassified as part of the initial cost of a non-financial asset or transferred to the income statement. At December 31, 2025, the cash flow hedge reserve amounted to a negative €22 million and mainly related to:

- advance hedging of interest rate risks on bond issues for a negative amount of €14 million (note 9.3). These gains and losses are reclassified to the income statement when the interest affects profit or loss.
- interest-rate hedging transactions to swap fixed rates to variable rates (ESTR), corresponding to a positive €2 million.
- hedging transactions to reduce the volatility of energy and raw materials supply costs, corresponding to a negative €7 million (note 17.2.7).

17.2 Financial risk management

17.2.1 Organization of financial risk management

The Corporate Financing Department controls, measures and supervises financial risks for each company and region, as well as at Group level. The Corporate Financing Department reports directly to the Group Finance Department.

One of the Corporate Financing Department's ongoing missions is the formulation of financial risk management policies, monitored on the basis of a full array of internal standards, procedures and authoritative literature. Regional finance managers oversee the implementation of the Group's financial risk management policies by the regional treasury centers. Compliance with financial risk policies is assessed through internal audit reviews to evaluate risk control efficiency and identify areas of improvement.

All strategic decisions regarding Group financial risk hedging policy are made by the Group Finance Department. As a general rule, the Group strictly limits the use of derivatives to the sole purpose of hedging clearly identified exposures.

A Financial Risks Committee is responsible for establishing and validating financial risk management policies, identifying and measuring these risks and validating and monitoring hedging programs. The Financial Risks Committee, which is chaired by a Manager, meets on a monthly basis and includes members of the Group Finance Department and the Corporate Financing Department.

17.2.2 Currency risk management

Currency risk

RISK FACTORS

Currency risk is defined as the impact on financial indicators of fluctuations in the exchange rates of foreign currencies used in the normal course of business. The Group is exposed to currency risks on its foreign currency transactions (transaction risk) and also on the translation of its net investment in foreign subsidiaries (translation risk).

Foreign currency transaction risk arises from the monetary assets and liabilities of the company and its subsidiaries (mainly cash and cash equivalents, receivables, payables and borrowings) that are denominated in foreign currencies. It corresponds to the risk of a change in the exchange rate between the date when these monetary assets and liabilities are recorded in the accounts and the date when they are recovered or settled.

Foreign currency translation risk arises from the Group's net investment in foreign subsidiaries. It corresponds to the risk of a change in the exchange rate used to translate the net investment in the foreign subsidiary into euros during the consolidation process.

During certain operations, the Group may face foreign exchange exposures not recognized in the accounts but which can have a significant impact on the cash flow of the Group. These are future transactions such as the payment of internal Group dividends and internal Group capital increases, or company acquisitions and disposals. In this case, the Group may put in place hedging of its economic foreign exchange risk.

RISK MANAGEMENT RESPONSE

Foreign currency transaction risk

Foreign currency transaction risk is monitored locally by the Company and its subsidiaries.

Each Group company continually calculates its accounting foreign exchange exposure in relation to its functional currency and hedges it systematically. A number of temporary exemptions can, however, be granted by the Group Financial Department when it is not possible to hedge a currency or when it is justified under exceptional market conditions.

Foreign currency payables and receivables of the same type and with equivalent maturities are netted off and only the net exposure is hedged. This is normally carried out through Compagnie Financière Michelin Suisse SA, or, alternatively, through a bank. Compagnie Financière Michelin Suisse SA in turn assesses its own resulting net exposure and hedges it with its banking partners. The main hedging instruments used are forward currency contracts. The structural part of the exposure is hedged with long term instruments (four years maturity maximum) and the operating part is hedged with short term instruments (generally maturity is shorter than or equal to three months). Currency risk monitoring and hedging is based on Group internal standards and procedures. A system to closely monitor foreign currency transaction risk is implemented throughout the Group under the responsibility of the Corporate Financing Department. Gains and losses on foreign currency transactions are tracked on a monthly basis in a detailed management report.

Currency translation risk

The Group does not use hedging instruments to actively manage this risk.

Investments in foreign subsidiaries are booked in the functional currency of the parent company and are not included in the latter's foreign exchange position.

Foreign currency economic risk

The risk is hedged as soon as the transaction is highly probable and is above certain thresholds determined by the Group risk management policy, approved by the Financial Risks Committee. The instruments used are mainly currency options and contingent forward exchange contracts.

Currency risks - quantitative and qualitative data

Foreign currency transaction risk

Net currency hedging positions are presented in the table below:

	December 31, 2025					December 31, 2024				
(in € millions)	**EUR**	**USD**	**THB**	**CAD**	**Other**	**EUR**	**USD**	**THB**	**GBP**	**Other**
Hedges	254	(2,869)	(589)	(375)	(321)	141	(3,270)	(540)	(400)	(298)

"Other" currencies mainly include currency hedges in GBP, AUD and CNY in 2025, and in CAD, AUD and CNY in 2024.

A 1% unfavorable change in exchange rates for the above currencies would not have a material adverse effect on the consolidated income statement. This relatively low sensitivity to foreign currency transaction risk is consistent with the objective described in the foreign currency transaction risk management system.

Because of the low volume of cash flow hedges (note 17.1.1), the sensitivity of equity to currency risk is not material.

Currency translation risk

A breakdown of equity by currency is provided in the following table:

(in € millions)	**December 31, 2025**	**December 31, 2024**
EUR	9,409	8,721
USD	4,466	5,060
GBP	1,025	1,138
CNY	791	1,090
BRL	756	827
THB	759	853
CAD	339	397
AUD	153	154
Other	379	394
TOTAL	**18,076**	**18,634**

17.2.3 Interest rate risk management

Interest rate risk

RISK FACTORS

The Group's income statement may be affected by interest rate risk. An unfavorable change in interest rates may adversely affect future finance costs and cash flows. The Group is in a net debt position and is exposed to the risk of an increase in interest rates on the portion of its debt that is at variable rates It may also be exposed to an opportunity risk in the case of a fall in interest rates, if too great a proportion of debt is at fixed rates, as well as on financial investments, depending on their interest terms.

RISK MANAGEMENT RESPONSE

The objective of interest rate management is to minimize financing costs whilst protecting future cash flows against unfavorable movements in interest rates. For this purpose, the Group uses various derivative instruments available in the market, but restricts itself to the use of "plain vanilla" instruments (mainly interest rate swaps).

Interest rate exposure is analyzed and monitored by the Financial Risks Committee using monthly performance indicators and management reports.

The interest rate position is centralized by currency by the Corporate Financing Department, which is the only department permitted to undertake hedging operations. Interest rate hedging is concentrated on the main currencies. The Financial Risks Committee sets hedging limits by currency, taking into consideration the Group's gearing as hedging needs change in line with this ratio.

Interest rate risk - Quantitative and qualitative data

Net debt at December 31, 2025 breaks down as follows by type of hedge and by currency:

	Net debt before hedging			Currency hedging	Net debt after currency hedging but before interest rate hedging			Interest rate hedging		Net debt after hedging		
(in € millions)	**Fixed**	**Variable**	**Total**		**Fixed**	**Variable**	**Total**	**Fixed**	**Variable**	**Fixed**	**Variable**	**Total**
USD	248	54	**302**	2,186	248	2,240	**2,488**	1,095	(1,095)	1,343	1,145	**2,488**
THB	46	(11)	**36**	376	46	365	**412**	194	(194)	240	171	**412**
CAD	22	140	**161**	191	22	330	**352**	144	(144)	166	186	**352**
GBP	44	(4)	**40**	230	44	226	**270**	47	(47)	91	179	**270**
AUD	32	(19)	**13**	200	32	181	**213**	69	(69)	101	112	**213**
EUR	5,007	(3,226)	**1,781**	(3,628)	5,007	(6,854)	**(1,847)**	(350)	350	4,657	(6,504)	**(1,847)**
Other currencies	105	(6)	**99**	446	105	439	**545**	132	(132)	237	308	**545**
Total before derivatives	**5,505**	**(3,072)**	**2,433**	**-**	**5,505**	**(3,072)**	**2,433**	**1,332**	**(1,332)**	**6,836**	**(4,403)**	**2,433**
Fair value of derivatives included in net debt			**(87)**				**(87)**					**(87)**
NET DEBT (NOTE 9.3)			**2,345**				**2,345**					**2,345**

The main reference rates to which the Group is exposed are Euribor, ESTR and SOFR.

A 1-point parallel shift in the yield curves applied to the net debt components would have the following impact at December 31, 2025:

		Fair value impact			
(in € millions)	**Annualized cash impact recognized in the income statement**	**Recognized in the income statement[1]**	**Recognized in other comprehensive income[2]**	**Not recognized[3]**	**Total equity**
1-point downward shift	**(44)**	(21)	(16)	(213)	**(250)**
1-point increase	**44**	20	16	213	**249**

(1) The Group interest rate policy aims at hedging perfectly identified future cash flows. However, some derivative instruments do not qualify for hedge accounting under IFRS and are measured at fair value through profit or loss.
(2) For derivatives qualifying for hedge accounting (cash flow hedges).
(3) Some fair value impacts are not accounted for since the underlying net debt component is not booked at fair value but at amortized cost.

17.2.4 Liquidity risk management

Liquidity risk

RISK FACTORS

Liquidity is defined as the ability to repay borrowings when they fall due and to find new stable sources of financing so that there is always sufficient money to cover expenses. In the course of its business, the Group is exposed to the risk of having insufficient liquid resources to finance its operations and make the investments needed to drive its growth. It must therefore manage its cash reserves and confirmed lines of credit on a continuous basis.

RISK MANAGEMENT RESPONSE

The Corporate Financing Department is responsible for ensuring that the Group has access to adequate financing and liquidity at the lowest cost. The Group raises financing through long-term debt issues (bonds) on the capital markets, as well as through bank facilities (loans and credit lines), commercial paper programs and receivables securitization programs. The Group has also negotiated confirmed back-up credit lines and maintains cash reserves that are calibrated in order to meet short-term debt refinancing needs. Long-term financing and confirmed back-up credit lines are essentially concentrated at the level of the Group financial holding companies.

Except in the case of particular restrictions or opportunities due to the specific features of local financial markets, the Group companies are financed in accordance with the following model:

- cash pooling with the Group for the management of day-to-day liquidity requirements;
- intercompany credit lines and loans to meet medium and long-term requirements.

For subsidiaries that do not participate in the cash pool, short-term financing is the responsibility of the local treasurer.

The management of liquidity risk is supported by a forecasting system of short-, medium- and long-term financing requirements based on business forecasts and the strategic plans of the operating entities.

As a matter of prudent financial policy, the Group guards against the inclusion in its financial contracts of hard covenants or material adverse change clauses that could affect its ability to draw down credit lines or the facilities' term. At the reporting date, none of the Group's loan agreements included any clauses of this type. Concerning default and acceleration clauses included in the Group's loan agreements, the probability of trigger events occurring is low and the possible impact on the Group's financial position would not be material.

Liquidity risk - Quantitative and qualitative data

At December 31, 2025, the debt repayment schedule (principal and interest) and the maturities of undrawn confirmed credit lines are as follows:

(in € millions)	2026	2027	2028	2029	2030	2031	2032 and beyond
Bonds	92	389	586	87	1,076	552	2,893
Commercial paper	296	-	-	-	-	-	-
Loans from financial institutions and other	319	37	42	38	38	30	36
Lease liabilities	298	220	162	114	83	65	232
Derivative instruments	(49)	(26)	(24)	(1)	(2)	1	15
DEBT REPAYMENT SCHEDULE	**956**	**620**	**766**	**238**	**1,195**	**648**	**3,176**
LONG-TERM UNDRAWN CONFIRMED CREDIT LINES				**2,500**			

This table analyzes principal and interest payments on debt by payment date, as projected using available market data at the reporting date (interest is calculated in each currency on the basis of market rates, and converted into euros at period-end rates). The amounts shown are not discounted.

On May 23, 2022, an addendum to the agreement for the €2,500 million syndicated credit lines was signed. The new agreement provided for a new five-year maturity (2027) with two one-year extension options at the lenders' discretion. These options were exercised in 2023 and 2024, extending the lines' maturity to 2029.

The Group considers that at December 31, 2025 its sources of financing were sufficient to meet the needs of the business:

- cash and cash equivalents for €3,877 million;
- cash management financial assets for €290 million;
- a €2,500 million commercial paper program, of which €250 million had been utilized at December 31, 2025;
- a €594 million (US$700 million) commercial paper program, of which €42 million (US$50 million) had been utilized at December 31, 2025;
- a €424 million (US$500 million) receivables securitization program, utilized based on the availability of sufficient receivables of the required quality, which had not been used at December 31, 2025;
- €2,500 million in confirmed, undrawn lines of credit.

17.2.5 Counterparty risk management

Counterparty risk

RISK FACTORS

Counterparty risk is the risk of a debtor refusing or being unable to fulfill all or part of its obligations. The Group is exposed to counterparty risk on its contracts and financial instruments. Counterparty risk may lead to an impairment loss or a loss of liquidity. The Group is exposed to the risk of impairment losses arising from the investment of available cash in money market instruments and other marketable securities, as well as on finance receivables, derivative instruments and third-party guarantees. It is exposed to the risk of a loss of liquidity on its undrawn confirmed lines of credit.

RISK MANAGEMENT RESPONSE

The Group chooses its banks extremely carefully, particularly when it comes to the management of its cash investments. As it would be inappropriate to add financial risk to the other risks that are associated with its operations, the Group gives priority to the security and the liquidity of its cash investments. Cash investments consist of (i) financial instruments that are subject to no risk or an insignificant risk of changes in value purchased from a sufficiently diversified group of leading banks, and (ii) unrestricted units in diversified money market funds or short-term bond funds.

The Group is also exposed to counterparty risk on derivative instruments used for hedging purposes that have a positive fair value. These hedging instruments and the level of concentration by bank are tracked weekly by Group Treasury and monitored monthly by the Financial Risks Committee.

To limit counterparty risk on hedging instruments, the Group enters into two-way collateral agreements with its main banks.

Counterparty risk - Quantitative and qualitative data

At December 31, 2025, 58% of cash and cash equivalents (including cash management financial assets and borrowing collateral) was invested in money market or short term bond funds to allow for a maximum diversification of the counterparty risk. The balance is invested directly with international banks that meet the counterparty risk management criteria defined by the Group.

Furthermore, most derivatives are contracted with the same banks.

17.2.6 Credit risk management

Credit risk

RISK FACTORS

Credit risks may arise when the Group grants credit to its customers. If a customer becomes insolvent or files for bankruptcy, it may default on the receivables due to the Group and this may have a negative impact on the Group's earnings and cash flows.

RISK MANAGEMENT RESPONSE

The Credit Department, which is part of the Group Financial Department, sets the maximum payment terms and customer credit limits to be applied by the operating companies. It manages and controls credit activity, risk and results, and is also responsible for managing and collecting trade receivables (with the Service to customer team). The main policies and procedures are defined at Group level and are monitored and controlled at both regional and Group level.

Credit risk - Quantitative and qualitative data

At December 31, 2025, net receivable balances from the ten largest customers amounted to €600 million (2024: €410 million). Out of these, five were located in North America, four in Europe and one in Asia and Oceania. At the same date, 86 customers (2024: 97) had been granted credit limits in excess of €10 million. Out of these, 45 were located in Europe, 28 in North America, six in Asia and Oceania, one in South America, four in the Africa, India, Middle East region and two in Central America. No material collateral has been received to limit the related credit risk. In 2025, credit losses represented 0.11% of sales (2024: 0.06%).

17.2.7 Energy and commodity derivatives

The Group's activities expose it to energy and commodity price volatility. In 2025, the Group entered into hedging agreements and set up hedges to reduce the volatility of its energy and commodity purchase costs (note 17.1.2).

The derivatives put in place to hedge energy costs had a nominal value of €49 million at December 31, 2025 and their fair value in the balance sheet represented a €7 million liability. They mature between 2026 and 2030.

The Group did not have any significant hedging contracts in place for other commodities in 2025.

17.2.8 Equity risk management

Equity risk

RISK FACTORS

The Group holds non-controlling interests in companies whose share price fluctuates, among other things, in line with changes in the global stock markets, the multiples applied by the markets to the industries in which these companies operate and their specific economic and financial metrics. Equity investments are made for strategic rather than trading purposes.

Equities are held under a medium- or long-term strategy, and not for short-term trading portfolio management. Equity investments are made for strategic rather than trading purposes. Equities are held under a medium- or long-term strategy, and not for short-term trading portfolio management.

RISK MANAGEMENT RESPONSE

The Group Investments Committee, which comprises representatives from the Finance, Legal Affairs, Mergers & Acquisitions and Strategy Departments, is responsible for ensuring that investment management and monitoring rules are properly applied for its non-controlling interests. To this end, it reviews investments at annual intervals to assess the risk level and actual results compared to defined targets.

Equity risk - Quantitative and qualitative data

Equity risk is the risk of a 10% unfavorable change in the price of equities held by the Group.

(in € millions)	December 31, 2025	December 31, 2024
Carrying amount (note 9.4)	373	373
IMPACT ON EQUITY OF A 10% UNFAVORABLE CHANGE IN THE PRICE OF EQUITIES HELD BY THE GROUP	**(31)**	**(30)**

17.2.9 Capital risk management

The Group's objectives when managing its capital are to protect its ability to continue as a going concern and to ensure its development, so that it can provide returns for shareholders and benefits for other stakeholders.

The main indicator used for capital management purposes is gearing. Gearing corresponds to the ratio of net debt to equity.

(in € millions)	December 31, 2025	December 31, 2024
Net debt (note 9.3)	2,345	3,112
Total equity	18,076	18,634
GEARING	**0.13**	**0.17**

17.3 Classification and fair values of financial assets and liabilities

ACCOUNTING POLICIES

Fair value of financial instruments

Fair value measurements are disclosed by level in the following fair value measurement hierarchy:

- level 1: quoted prices in active markets. The fair value of financial instruments traded in active markets is based on quoted market prices at the date of the consolidated statement of financial position. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments, essentially cash and cash equivalents, as well as quoted unconsolidated equity investments, are included in level 1;
- level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value these instruments are observable, these instruments, essentially cash management financial assets and derivative instruments, are included in level 2;
- level 3: inputs for assets or liabilities that are not based on observable market data (i.e., unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument, essentially non-quoted unconsolidated equity investments, is included in level 3.

Specific valuation techniques used to value, generally internally, financial instruments include:

- quoted market prices or dealer quotes for similar instruments (level 1);
- the fair value of interest rate swaps calculated internally as the present value of the estimated future cash flows based on observable yield curves (level 2); and
- the fair value of forward foreign exchange contracts determined internally using spot exchange rates at the date of the consolidated statement of financial position, applied to discounted future cash flows (level 2).

Other techniques, such as discounted cash flow analysis, are used internally to determine fair value for the remaining financial instruments (level 3).

The Group assesses the counterparty risk included in the fair value of its over-the-counter derivatives for which there is no exchange of collateral. The Group includes the effect of its exposure to the credit risk of the counterparty or the counterparty's exposure to the credit risk of the Group. The valuation for long-term derivatives with no exchange of collateral is based on discounted cash flows using a rate including the counterparty credit risk.

17.3.1 Classification of financial assets

Group financial assets break down as follows between the categories "at fair value through profit or loss (FVTPL)", "at fair value through other comprehensive income (FVOCI)" and "at amortized cost" at December 31, 2025:

(in € millions)	FVTPL	FVOCI	Amortized cost	Total 2025
Trade receivables	-	-	3,459	3,459
Current financial assets	74	-	297	371
Cash and cash equivalents	2,701	-	1,176	3,877
Non-current financial assets	345	373	314	1,032
TOTAL FINANCIAL ASSETS	**3,120**	**373**	**5,246**	**8,739**

Non-current financial assets at fair value through profit or loss consist mainly of Solesis preference shares.

Investments in non-consolidated companies are measured at fair value through other comprehensive income (note 9.4).

17.3.2 Fair value measurement hierarchy

The following tables present Group assets and liabilities measured at fair value at December 31, 2025 and 2024 by level in the fair value measurement hierarchy:

(in € millions)	Level 1	Level 2	Level 3	Total 2025
Cash and cash equivalents	2,701	-	-	2,701
Current financial assets (including derivatives)	9	64	-	74
Non-current financial assets (including derivatives)	39	321	359	719
TOTAL ASSETS	**2,750**	**385**	**359**	**3,493**
Derivative instruments	-	36	-	36
TOTAL LIABILITIES	**-**	**36**	**-**	**36**

(in € millions)	Level 1	Level 2	Level 3	Total 2024
Cash and cash equivalents	2,889	-	-	2,889
Current financial assets (including derivatives)	40	42	-	82
Non-current financial assets (including derivatives)	31	301	356	688
TOTAL ASSETS	**2,960**	**343**	**356**	**3,659**
Derivative instruments	-	70	-	70
TOTAL LIABILITIES	**-**	**70**	**-**	**70**

There has been no significant transfer during these two years between level 1 and level 2.

The following table presents the changes in level 3 instruments for the year ended December 31, 2025:

(in € millions)	
At January 1, 2025	**356**
Acquisitions	7
Disposals	(2)
Gains or losses for the year recognized in other comprehensive income	11
Other	(13)
AT DECEMBER 31, 2025	**359**

NOTE 18 RELATED-PARTY TRANSACTIONS

Management and Supervisory Bodies

In 2025, Florent Menegaux, Managing Chairman and Managing General Partner of Compagnie Générale des Établissements Michelin, received a statutory distribution of €1.2 million in 2024 based on 2024 net income (2024 based on 2023 net income: €1.7 million). He was also awarded compensation of €1.5 million (payroll taxes included) as Chairman of Manufacture Française des Pneumatiques Michelin (2024: €1.5 million). The benefits that vested during the period in respect of a post-employment defined benefit plan amounted to €0.3 million (2024: €0.3 million). In addition, an expense of €1.0 million (2024: €1.1 million) was recognized in the Company's financial statements, corresponding to performance shares granted to Florent Menegaux in respect of years after 2020.

Yves Chapot received compensation of €1.9 million (payroll taxes included) in 2025 as General Manager of Compagnie Générale des Établissements Michelin (2024: €2.4 million). The benefits that vested during the period in respect of a post-employment defined benefit plan amounted to €0.6 million (2024: €0.5 million). A provision of €0.6 million (including payroll taxes) was recognized based on vested rights under the annual variable compensation plan. In addition, an expense of €0.6 million (2024: €0.7 million) was recorded in the Company's financial statements, corresponding to performance shares granted to Yves Chapot in respect of years after 2020.

At December 31, 2025, the Group Executive Committee had nine members (2024: nine members). Employee benefits costs for members of the Group Executive Committee break down as follows:

(in € millions)	2025	2024
Short-term and termination benefits	9.9	14.2
Post-employment benefits	2.1	2.2
Share-based payments	1.7	1.8
COMPENSATION GRANTED TO MEMBERS OF THE GROUP EXECUTIVE COMMITTEE	**13.7**	**18.1**

The aggregate compensation received in 2025 by the members of the Supervisory Board for their duties totaled €1.2 million, of which an aggregate €0.9 million related to their duties carried out in 2024.

NOTE 19 EVENTS AFTER THE REPORTING DATE

On January 22, 2026, Michelin completed its acquisition of Cooley Group, a specialist in industrial coated fabrics, after receiving anti-trust clearance in the relevant jurisdictions.

On February 3, 2026, Michelin announced the acquisition of Flexitallic to develop its leadership in the Sealing segment. Based in Houston, Texas, Flexitallic is a global leader in sealing solutions providing high-performance gaskets to critical sectors such as energy and chemical industry. The transaction is expected to close in first semester 2026, subject to customary closing adjustments and merger control clearance.

NOTE 20 LIST OF CONSOLIDATED COMPANIES

Countries are presented based on the Michelin geographical regions and are listed within each region according to the alphabetical order of the French names.

Companies	Consolidation method	Registered office	Type	% interest
EUROPE				
GERMANY				
Michelin Reifenwerke AG & Co. Kommanditgesellschaft auf Aktien	Full consolidation method	Karlsruhe	Manufacturing & commercial	100
Euromaster GmbH	Full consolidation method	Mannheim	Commercial	100
Euromaster Reifenservice Deutschland GmbH	Full consolidation method	Mannheim	Commercial	100
Advantico GmbH	Full consolidation method	Mannheim	Commercial	60
Michelin Deutschland GmbH	Full consolidation method	Karlsruhe	Financial	100
PTG Reifendruckregelsysteme GmbH	Full consolidation method	Neuss	Commercial	100
Michelin Finanz Gesellschaft für Beteiligungen AG & Co. OHG	Full consolidation method	Karlsruhe	Financial	100
Ihle Tires GmbH	Full consolidation method	Muggensturm	Commercial	100
Tirecorp GmbH	Full consolidation method	Muggensturm	Commercial	100
ProServ Produktionsservice und Personaldienste GmbH	Equity method	Karlsruhe	Miscellaneous	35
Dichtelemente Hallite GmbH	Full consolidation method	Hamburg	Manufacturing & commercial	100
Camso Deutschland GmbH	Full consolidation method	Duisbourg	Commercial	100
Masternaut GmbH	Full consolidation method	Munich	Commercial	100
AUSTRIA				
Michelin Reifenverkaufsgesellschaft m.b.H.	Full consolidation method	Vienna	Miscellaneous	100
Euromaster Reifenservice GmbH	Full consolidation method	Vienna	Commercial	100
Camso Austria GmbH	Full consolidation method	Korneubourg	Commercial	100
BELGIUM				
Michelin Belux SA	Full consolidation method	Zellik	Commercial	100
Michelin R&D Belgium NV	Full consolidation method	Ghent	Financial	100
Eurowheel BVBA	Full consolidation method	Herenthout	Manufacturing	100
ITC International Tire NV	Full consolidation method	Wommelgem	Commercial	100
Industrial International Tire Company NV	Full consolidation method	Wommelgem	Commercial	100
Pennel & Flippo	Full consolidation method	Mouscron	Financial	100
BULGARIA				
Michelin Bulgaria EOOD	Full consolidation method	Sofia	Miscellaneous	100
CROATIA				
Michelin Hrvatska d.o.o.	Full consolidation method	Zagreb	Commercial	100
DENMARK				
Michelin Gummi Compagni A/S	Full consolidation method	Frederiksberg	Miscellaneous	100
SPAIN				
Michelin España Portugal, S.A.	Full consolidation method	Valladolid	Manufacturing & commercial	99.81
Euromaster Automoción y Servicios, SA	Full consolidation method	Madrid	Commercial	100
Nex Tyres, SL	Full consolidation method	Lleida	Commercial	50
Lehigh Spain, SL	Full consolidation method	Barcelona	Miscellaneous	100
Servicios y Asistencia OK24, SL	Full consolidation method	Madrid	Commercial	51
Fundación Michelin España Portugal	Full consolidation method	Valladolid	Miscellaneous	99.81
Rodi Metro, SL	Equity method	Lleida	Miscellaneous	20
Fenner Dunlop SL	Full consolidation method	Esparreguera	Manufacturing & commercial	100
Masternaut Iberica, SL	Full consolidation method	Madrid	Commercial	100

Companies	Consolidation method	Registered office	Type	% interest
ESTONIA				
Technobalt Eesti OÜ	Full consolidation method	Peetri	Manufacturing & commercial	100
FINLAND				
Oy Suomen Michelin Ab	Full consolidation method	Espoo	Miscellaneous	100
Suomen Euromaster Oy	Full consolidation method	Pori	Commercial	100
FRANCE				
Compagnie Générale des Établissements Michelin	Full consolidation method	Clermont-Ferrand	Parent	-
Compagnie Financière Michelin	Full consolidation method	Clermont-Ferrand	Financial	100
Manufacture Française des Pneumatiques Michelin	Full consolidation method	Clermont-Ferrand	Manufacturing & commercial	100
Pneu Laurent	Full consolidation method	Avallon	Manufacturing & commercial	100
Société du Caoutchouc Synthétique Michelin	Full consolidation method	Bassens	Manufacturing	100
Euromaster SNC	Full consolidation method	Montbonnot-Saint-Martin	Commercial	100
Michelin Aircraft Tyre	Full consolidation method	Clermont-Ferrand	Commercial	100
Spika S.A.	Full consolidation method	Clermont-Ferrand	Financial	100
Michelin Air Services	Full consolidation method	Clermont-Ferrand	Miscellaneous	100
Tyredating SAS	Full consolidation method	Lyon	Commercial	100
Ihle France SAS	Full consolidation method	Schiltigheim	Commercial	100
Euromaster Services et Management	Full consolidation method	Clermont-Ferrand	Commercial	100
GIE Michelin Placements	Full consolidation method	Clermont-Ferrand	Financial	100
Société d'Investissements et de Mécanique	Full consolidation method	Montagny	Miscellaneous	100
Michelin Ventures SAS	Full consolidation method	Clermont-Ferrand	Financial	100
Oxymore	Full consolidation method	Montbonnot-Saint-Martin	Commercial	95
Teleflow SAS	Full consolidation method	Mably	Miscellaneous	100
MMM !	Full consolidation method	Paris	Miscellaneous	100
Allopneus	Full consolidation method	Aix-en-Provence	Commercial	100
Call For You	Full consolidation method	Aix-en-Provence	Commercial	100
Log For You	Full consolidation method	Aix-en-Provence	Commercial	100
Watèa SAS	Full consolidation method	Clermont-Ferrand	Commercial	70
Société Internationale de Plantations d'Hévéas	Equity method	Courbevoie	Miscellaneous	39.26
Symbio	Equity method	Fontaine	Miscellaneous	33.33
Taquipneu	Equity method	Montauban	Miscellaneous	22.92
Hympulsion	Equity method	Lyon	Manufacturing & commercial	22.78
Fenner Dunlop SARL	Full consolidation method	Elancourt	Manufacturing & commercial	100
Camso France SAS	Full consolidation method	Le Malesherbois	Commercial	100
Masternaut SAS	Full consolidation method	Boulogne-Billancourt	Commercial	100
Michelin Engineered Polymers	Full consolidation method	Clermont-Ferrand	Manufacturing	100
Michelin Inflatable Solutions	Full consolidation method	Trappes	Miscellaneous	100
Michelin Editions SAS	Equity method	Paris	Miscellaneous	40
SAS Foncière Le Pic	Equity method	Clermont-Ferrand	Miscellaneous	22
Flex Composite Group SA	Full consolidation method	Lille	Financial	100
Orca Sales	Full consolidation method	Lille	Commercial	100
Foncière Centre des Matériaux Durables	Equity method	Clermont-Ferrand	Miscellaneous	22
ASM Clermont Auvergne	Full consolidation method	Clermont-Ferrand	Miscellaneous	100
Michelin Finanz Gesellschaft für Beteiligungen S.A.	Full consolidation method	Clermont-Ferrand	Financial	100
Michelin Invest SA	Full consolidation method	Clermont-Ferrand	Financial	100
Evrest SAS	Full consolidation method	Leers	Financial	100
Pronal France	Full consolidation method	Leers	Manufacturing & commercial	100

Companies	Consolidation method	Registered office	Type	% interest
GREECE				
Elastika Michelin Single Member S.A.	Full consolidation method	Athens	Commercial	100
HUNGARY				
Michelin Hungaria Tyre Manufacture Ltd.	Full consolidation method	Nyíregyháza	Manufacturing & commercial	100
Ihle Magyarország Kft.	Full consolidation method	Komárom	Commercial	100
IRELAND				
Miripro Insurance Company DAC	Full consolidation method	Dublin	Miscellaneous	100
Async Technologies Limited	Equity method	Ennis	Miscellaneous	25
ITALY				
Società per Azioni Michelin Italiana	Full consolidation method	Turin	Manufacturing & commercial	100
Fondazione Michelin Sviluppo	Full consolidation method	Turin	Miscellaneous	100
Euromaster Italia S.r.l.	Full consolidation method	Milan	Commercial	100
MAV S.p.A.	Full consolidation method	Bosentino	Manufacturing & commercial	100
Hallite Italia S.r.l.	Full consolidation method	Collesalvetti	Manufacturing & commercial	100
Fenner Dunlop Italia S.r.l.	Full consolidation method	Milan	Manufacturing & commercial	100
Camso Manufacturing Italy S.r.l.	Full consolidation method	Milan	Manufacturing	100
Camso Italy S.p.A.	Full consolidation method	Ozzero	Commercial	100
Webraska Italia S.r.l.	Full consolidation method	Milan	Miscellaneous	100
TRK S.r.l.	Full consolidation method	Milan	Commercial	100
Black Circles Italy	Full consolidation method	Milan	Commercial	100
FCG Composite Italy S.p.A.	Full consolidation method	Venice	Financial	100
Fait plast SpA	Full consolidation method	Cellatica	Manufacturing & commercial	100
Angeloni Group S.r.l.	Full consolidation method	Venice	Manufacturing & commercial	100
AS Aston Seals	Full consolidation method	Carpi	Manufacturing & commercial	100
LATVIA				
TB Industry SIA	Full consolidation method	Riga	Manufacturing & commercial	100
LITHUANIA				
Technobalta UAB	Full consolidation method	Vilnius	Manufacturing & commercial	100
NORWAY				
Norsk Michelin Gummi AS	Full consolidation method	Oslo	Miscellaneous	100
Fenner Mandals AS	Full consolidation method	Mandal	Manufacturing & commercial	100
NETHERLANDS				
Euromaster Bandenservice BV	Full consolidation method	Deventer	Commercial	100
Michelin Nederland N.V.	Full consolidation method	Drunen	Commercial	100
Transityre BV	Full consolidation method	Breda	Commercial	100
Michelin Distribution BV	Full consolidation method	Breda	Commercial	100
Actor BV	Full consolidation method	Deventer	Commercial	100
MC Projects BV	Equity method	Maastricht	Miscellaneous	50
Dunlop Service BV	Full consolidation method	Klazienaveen	Manufacturing & commercial	100
Fenner Dunlop BV	Full consolidation method	Drachten	Manufacturing & commercial	100
Dunlop Enerka Netherlands B.V.	Full consolidation method	Drachten	Financial	100
Dunlop Service International B.V.	Full consolidation method	Drachten	Financial	100
Camso Nederland BV	Full consolidation method	Nieuwegein	Commercial	100
Masternaut BV	Full consolidation method	Rotterdam	Commercial	100

Companies	Consolidation method	Registered office	Type	% interest
POLAND				
Michelin Polska sp. z o.o.	Full consolidation method	Olsztyn	Manufacturing & commercial	100
Euromaster Polska sp. z o.o.	Full consolidation method	Olsztyn	Commercial	100
Michelin Development Foundation (Fundacja Rozwoju Michelin)	Full consolidation method	Olsztyn	Miscellaneous	100
Dunlop Conveyor Belting Polska sp. z.o.o.	Full consolidation method	Mikołów	Manufacturing & commercial	100
Camso Polska SA	Full consolidation method	Warsaw	Commercial	100
Michelin Speciality Materials Recovery Poland sp. z o.o.	Full consolidation method	Olsztyn	Manufacturing & commercial	100
PORTUGAL				
Michelin-Companhia Luso-Pneu, Limitada	Full consolidation method	Lisbon	Miscellaneous	100
Euromaster Portugal - Sociedade Unipessoal, LDA	Full consolidation method	Lisbon	Commercial	100
Strucflex by Pronal	Full consolidation method	Rio de Moinhos	Manufacturing	100
CZECH REPUBLIC				
Euromaster Česká republika s.r.o.	Full consolidation method	Prague	Commercial	100
Michelin Česká republika s.r.o.	Full consolidation method	Prague	Miscellaneous	100
Ihle Czech, s.r.o.	Full consolidation method	Plzen	Commercial	100
Cemat trading spol s.r.o.	Full consolidation method	Bohumín	Commercial	100
ROMANIA				
Michelin Romania SA	Full consolidation method	Voluntari	Manufacturing & commercial	99.86
Euromaster Tyre & Services Romania S.A.	Full consolidation method	Voluntari	Commercial	100
Ihle Anvelope SRL	Full consolidation method	Pitesti	Commercial	100
UNITED KINGDOM				
Michelin Tyre Public Limited Company	Full consolidation method	Stoke-on-Trent	Manufacturing & commercial	100
ATS Euromaster Limited	Full consolidation method	Birmingham	Commercial	100
Associated Tyre Specialists (Investment) Limited	Full consolidation method	Birmingham	Commercial	100
ATS Property and Real Estate Limited	Full consolidation method	Birmingham	Commercial	100
Blackcircles.com Limited	Full consolidation method	Edinburgh	Commercial	100
Michelin Finance (UK) Limited	Full consolidation method	London	Financial	100
Michelin Lifestyle Limited	Full consolidation method	Stoke-on-Trent	Commercial	100
Michelin Development Limited	Full consolidation method	Stoke-on-Trent	Miscellaneous	100
TFM Holdings Limited	Full consolidation method	Eastleigh	Commercial	100
Fenner Group Holdings Limited	Full consolidation method	Stoke-on-Trent	Financial	100
Fenner International Limited	Full consolidation method	Stoke-on-Trent	Financial	100
J.H. Fenner & Co. Limited	Full consolidation method	Stoke-on-Trent	Manufacturing & commercial	100
Hallite Seals International Limited	Full consolidation method	Stoke-on-Trent	Manufacturing & commercial	100
James Dawson & Son Limited	Full consolidation method	Stoke-on-Trent	Manufacturing & commercial	100
Dunlop Conveyor Belting Investments Limited	Full consolidation method	Stoke-on-Trent	Financial	100
Hall & Hall Limited	Full consolidation method	Stoke-on-Trent	Financial	100
J.H. Fenner & Co (Advanced Engineering Products) Limited	Full consolidation method	Stoke-on-Trent	Financial	100
J.H. Fenner & Co. (India) Limited	Full consolidation method	Stoke-on-Trent	Financial	100
James Dawson (China) Limited	Full consolidation method	Stoke-on-Trent	Financial	100
Fenner Pension Scheme Trustee Limited	Full consolidation method	Stoke-on-Trent	Miscellaneous	100
Vulcanisers International Limited	Full consolidation method	Hull	Financial	100
Camso UK Limited	Full consolidation method	Cowbridge	Commercial	100
Masternaut Group Holdings Limited	Full consolidation method	Marlow	Financial	100
Masternaut Limited	Full consolidation method	Aberford	Commercial	100
Masternaut Bidco Limited	Full consolidation method	London	Financial	100
Masternaut Holdings Limited	Full consolidation method	Marlow	Commercial	100
Masternaut Risk Solutions Limited	Full consolidation method	Marlow	Commercial	100
Canopy Technologies Ltd.	Full consolidation method	Southampton	Financial	100
Canopy Simulations Ltd.	Full consolidation method	Southampton	Miscellaneous	100

Companies	Consolidation method	Registered office	Type	% interest
SERBIA				
Tigar Tyres d.o.o.	Full consolidation method	Pirot	Manufacturing & commercial	100
SLOVAKIA				
Michelin Slovensko, s.r.o.	Full consolidation method	Bratislava	Miscellaneous	100
Ihle Slovakia s.r.o.	Full consolidation method	Bratislava	Commercial	100
Ihle Slovakia Logistic a Servis s.r.o.	Full consolidation method	Bratislava	Commercial	100
CEMAT SRO	Full consolidation method	Martin-Priekopa	Commercial	100
SLOVENIA				
Michelin Slovenija, pnevmatike, d.o.o.	Full consolidation method	Ljubljana	Miscellaneous	100
Ihle pnevmatike, d.o.o.	Full consolidation method	Maribor	Commercial	100
SWEDEN				
Euromaster AB	Full consolidation method	Varberg	Commercial	100
Michelin Nordic AB	Full consolidation method	Stockholm	Commercial	100
Masternaut AB	Full consolidation method	Stockholm	Commercial	100
Scandinavian Enviro Systems AB	Equity method	Gothenburg	Manufacturing & commercial	13.78
SWITZERLAND				
Euromaster (Suisse) SA	Full consolidation method	Givisiez	Commercial	100
Nitor SA	Full consolidation method	Granges-Paccot	Financial	100
Michelin Suisse SA	Full consolidation method	Givisiez	Commercial	100
Compagnie Financière Michelin Suisse S.A.	Full consolidation method	Granges-Paccot	Financial	100
Michelin Recherche et Technique SA	Full consolidation method	Granges-Paccot	Miscellaneous	100
Michelin Mexico Properties Sàrl	Full consolidation method	Granges-Paccot	Financial	100
Michelin Global Mobility S.A.	Full consolidation method	Granges-Paccot	Miscellaneous	100
Camso Schweiz AG	Full consolidation method	Schaffhouse	Commercial	100
TUNISIA				
Strucflex Tunisia	Full consolidation method	Ben Arous	Miscellaneous	100
TURKEY				
Michelin Lastikleri Ticaret A.S.	Full consolidation method	Istanbul	Commercial	100
Euromaster Lastik Ve Servis Limited Sirketi	Full consolidation method	Istanbul	Commercial	100
Camso Lastik Ticaret Limited Sirketi	Full consolidation method	Istanbul	Commercial	100
UKRAINE				
Michelin Ukraine LLC	Full consolidation method	Kyiv	Commercial	100

Companies	Consolidation method	Registered office	Type	% interest
AFRICA/INDIA/MIDDLE EAST				
SOUTH AFRICA				
Michelin Tyre Company South Africa Proprietary Limited	Full consolidation method	Boksburg	Commercial	100
Fenner (South Africa) (Pty) Limited	Full consolidation method	Isando	Financial	100
Fenner Conveyor Belting (South Africa) (Pty) Limited	Full consolidation method	Isando	Manufacturing & commercial	100
Michelin Connected Fleet South Africa (Pty) Limited	Full consolidation method	Boksburg	Miscellaneous	100
ALGERIA				
Société d'Applications Techniques Manufacturings	Full consolidation method	Algiers	Commercial	100
SAUDI ARABIA				
Juffali Tyres Co. Ltd.	Equity method	Jeddah	Commercial	50
CDI Products Arabia Industrial LLC	Full consolidation method	Al Khobar	Manufacturing & commercial	50
CAMEROON				
Société Moderne du Pneumatique Camerounais	Full consolidation method	Douala	Commercial	100
IVORY COAST				
Société Africaine de Plantations d'Hévéas	Equity method	Abidjan	Miscellaneous	18
UNITED ARAB EMIRATES				
Michelin AIM FZCO	Full consolidation method	Dubai	Miscellaneous	100
GHANA				
Dunlop Conveyor Belting Ghana Limited	Full consolidation method	Accra	Manufacturing & commercial	100
INDIA				
Michelin India Private Limited	Full consolidation method	Chennai	Manufacturing	100
Fenner Conveyor Belting Private Limited	Full consolidation method	Madurai	Manufacturing & commercial	100
Hallite Sealing Solutions India Private Limited	Full consolidation method	Bangalore	Manufacturing & commercial	100
Camso India LLP	Full consolidation method	Gurgaon	Commercial	100
KENYA				
Tyre Distribution Africa Limited	Equity method	Nairobi	Miscellaneous	49
MOROCCO				
Fenner Dunlop Maroc SARL	Full consolidation method	Casablanca	Manufacturing & commercial	100
Michelin Maroc SARL	Full consolidation method	Casablanca	Commercial	100
NIGERIA				
Michelin Tyre Services Company Ltd.	Full consolidation method	Lagos	Commercial	95.83
SRI LANKA				
Michelin Lanka (Private) Limited	Full consolidation method	Ja-Ela	Manufacturing	100
Camso Trading (Private) Limited	Full consolidation method	Ja-Ela	Commercial	100
Michelin Business Services Lanka (private) Limited	Full consolidation method	Colombo	Financial	100
NORTH AMERICA				
CANADA				
Michelin North America (Canada) Inc.	Full consolidation method	Laval	Manufacturing & commercial	100
Michelin Retread Technologies (Canada) Inc.	Full consolidation method	New Glasgow	Commercial	100
Michelin Development (Canada) Inc.	Full consolidation method	New Glasgow	Miscellaneous	100
Oliver Rubber Canada Limited	Full consolidation method	Granton, Nova Scotia	Commercial	100
Fenner Dunlop (Bracebridge), Inc.	Full consolidation method	Bracebridge	Manufacturing & commercial	100
Hallite Seals (Canada) Ltd	Full consolidation method	Mississauga	Manufacturing & commercial	100
Camso Inc.	Full consolidation method	Magog	Financial	100
Camso Distribution Canada Inc.	Full consolidation method	Mississauga	Commercial	100
Klinge Tire Management Consultants CA Ltd	Full consolidation method	Toronto	Miscellaneous	100

Companies	Consolidation method	Registered office	Type	% interest
UNITED STATES OF AMERICA				
Michelin North America, Inc.	Full consolidation method	New York	Manufacturing & commercial	100
Michelin Retread Technologies, Inc.	Full consolidation method	Wilmington	Commercial	100
CR Funding Corporation	Full consolidation method	Wilmington	Financial	100
Michelin Corporation	Full consolidation method	New York	Financial	100
Oliver Rubber Company, LLC	Full consolidation method	Wilmington	Manufacturing	100
NexTraq, LLC	Full consolidation method	Wilmington	Commercial	100
Tire Centers West, LLC	Full consolidation method	Wilmington	Commercial	100
Lehigh Technologies, Inc.	Full consolidation method	Wilmington	Commercial	100
TBC Corporation	Equity method	Palm Beach Gardens	Commercial	50
T & W Tire, LLC	Equity method	Oklahoma City	Commercial	25
Snider Tire, Inc.	Equity method	Greensboro	Commercial	25
Fenner Inc.	Full consolidation method	Harrisburg	Manufacturing & commercial	100
Fenner America, Inc.	Full consolidation method	Wilmington	Financial	100
Fenner Advanced Sealing Technologies, LLC	Full consolidation method	Wilmington	Financial	100
American Industrial Plastics, LLC	Full consolidation method	Plantation	Manufacturing & commercial	100
CDI Energy Products, LLC	Full consolidation method	Dallas	Manufacturing & commercial	100
Hallite Seals Americas, LLC	Full consolidation method	Plymouth	Manufacturing & commercial	100
Fenner Medical Holdings Inc.	Full consolidation method	Harrisburg	Financial	100
Fenner Dunlop Conveyor Systems and Services, LLC	Full consolidation method	Harrisburg	Manufacturing & commercial	100
Fenner Dunlop Americas, LLC	Full consolidation method	Harrisburg	Manufacturing & commercial	100
Fenner Dunlop (Port Clinton), LLC	Full consolidation method	Columbus	Manufacturing & commercial	100
Fenner Dunlop (Toledo), LLC	Full consolidation method	Columbus	Manufacturing & commercial	100
Mandals US, LLC	Full consolidation method	Dallas	Manufacturing & commercial	100
Solesis Holdings, LLC	Equity method	Charlotte	Miscellaneous	49
Camso Holding USA, LLC	Full consolidation method	Wilmington	Financial	100
Camso Manufacturing USA, Ltd.	Full consolidation method	Wilmington	Manufacturing	100
Camso USA Inc.	Full consolidation method	Tallahassee	Commercial	100
Industrial Tire/DFW, LLC	Full consolidation method	Irving	Commercial	67
Airflash, Inc.	Full consolidation method	Saratoga	Miscellaneous	100
Achilles Tires USA, Inc.	Full consolidation method	Los Angeles	Commercial	99.97
The Wine Advocate, Inc.	Full consolidation method	Parkton	Miscellaneous	100
Tablet, Inc.	Full consolidation method	Wilmington	Miscellaneous	100
Klinge Tire Management Consultants, Inc.	Full consolidation method	Carson City	Miscellaneous	100
Michelin Mobility Intelligence, Inc.	Full consolidation method	Pittsburgh	Miscellaneous	100
Pennel USA, Inc.	Full consolidation method	Wando	Commercial	100
EGC Operating Company, LLC	Full consolidation method	Chardon	Manufacturing & commercial	100
Pronal (USA)	Full consolidation method	South Daytona	Commercial	60
MEXICO				
Industrias Michelin, SA de CV	Full consolidation method	Querétaro	Manufacturing & commercial	100
Michelin Sascar Mexico SA de CV	Full consolidation method	Querétaro	Commercial	100
Michelin Mexico Services, SA de CV	Full consolidation method	Querétaro	Miscellaneous	100
Camso Distribución México, SA de CV	Full consolidation method	Tultitlan	Commercial	100

Companies	Consolidation method	Registered office	Type	% interest
SOUTH AMERICA				
ARGENTINA				
Michelin Argentina Sociedad Anónima, Industrial, Comercial y Financiera	Full consolidation method	Buenos Aires	Commercial	100
Rodaco Argentina SAU	Full consolidation method	Buenos Aires	Commercial	100
BRAZIL				
Sociedade Michelin de Participações, Indústria e Comércio Ltda.	Full consolidation method	Rio de Janeiro	Manufacturing & commercial	100
Plantações Michelin da Bahia Ltda.	Full consolidation method	Rio de Janeiro	Miscellaneous	100
Plantações E. Michelin Ltda.	Full consolidation method	Rio de Janeiro	Miscellaneous	100
Sascar Tecnologia e Segurança Automotiva S.A.	Full consolidation method	Barueri	Miscellaneous	100
Seva Engenharia Eletrônica S.A.	Full consolidation method	Contagem	Miscellaneous	100
CVB Produtos Industriais Ltda.	Full consolidation method	São Paulo	Manufacturing	100
CHILE				
Michelin Chile Ltda.	Full consolidation method	Santiago	Commercial	100
Conveyor Services SA	Full consolidation method	Antofagasta	Manufacturing & commercial	100
Michelin Specialty Materials Recovery SpA	Full consolidation method	Santiago	Manufacturing & commercial	100
CPS Conveyors SpA	Full consolidation method	Santiago	Commercial	100
COLOMBIA				
Industria Colombiana de Llantas SA	Full consolidation method	Bogotá	Commercial	99.96
ECUADOR				
Michelin del Ecuador S.A.	Full consolidation method	Quito	Commercial	100
PERU				
Michelin del Perú S.A.	Full consolidation method	Lima	Commercial	100
Conveyor Pulleys & Solutions SAC	Full consolidation method	Lima	Commercial	100
VENEZUELA				
Michelin Venezuela, SA	Equity method	Valencia	Commercial	100
SOUTH EAST ASIA/AUSTRALIA/CENTRAL ASIA				
AUSTRALIA				
Michelin Australia Pty Ltd	Full consolidation method	Melbourne	Commercial	100
Klinge Holdings Pty Ltd	Full consolidation method	Brisbane	Miscellaneous	100
Hallite Seals Australia Pty Limited	Full consolidation method	Wetherill Park	Manufacturing & commercial	100
Fenner Dunlop Australia Pty Limited	Full consolidation method	West Footscray	Manufacturing & commercial	100
Fenner Australia Financing Pty Limited	Full consolidation method	West Footscray	Financial	100
Australian Conveyor Engineering Pty Limited	Full consolidation method	West Footscray	Manufacturing & commercial	100
Agile Maintenance Services Pty Limited	Full consolidation method	West Footscray	Financial	100
Belle Banne Conveyor Services Pty Limited	Full consolidation method	West Footscray	Manufacturing & commercial	100
Bearcat Tyres Pty Ltd	Full consolidation method	Girraween	Commercial	100
Conveyor Products & Solutions Pty Ltd	Full consolidation method	Victoria	Manufacturing & commercial	100
Wilvic Australia Pty Ltd	Full consolidation method	Victoria	Manufacturing & commercial	50
Michelin Connected Fleet Australia PTY Ltd.	Full consolidation method	Melbourne	Commercial	100
Tyroola PTY Ltd.	Full consolidation method	Sydney	Commercial	100
Tyroola Holding	Full consolidation method	Sydney	Financial	100
Tyroola International Limited	Full consolidation method	Sydney	Commercial	100

Companies	Consolidation method	Registered office	Type	% interest
INDONESIA				
PT Michelin Indonesia	Full consolidation method	Jakarta	Commercial	99.97
PT Synthetic Rubber Indonesia	Full consolidation method	Jakarta	Manufacturing	55
PT Royal Lestari Utama	Full consolidation method	Jakarta	Miscellaneous	100
PT Lestari Asri Jaya	Full consolidation method	Jakarta	Manufacturing	100
PT Multi Kusuma Cemerlang	Full consolidation method	Jakarta	Manufacturing	100
PT Wanamukti Wisasa	Full consolidation method	Jakarta	Manufacturing	100
PT Multistrada Arah Sarana Tbk	Full consolidation method	Bekasi	Manufacturing & commercial	99.97
PT Kawasan Industri Multistrada	Full consolidation method	Bekasi	Miscellaneous	99.96
KAZAKHSTAN				
Michelin Kazakhstan Limited Liability Partnership	Full consolidation method	Amalty	Commercial	100
MALAYSIA				
Michelin Malaysia Sdn. Bhd.	Full consolidation method	Petaling Jaya	Commercial	100
Michelin Services (S.E.A.) Sdn. Bhd.	Full consolidation method	Petaling Jaya	Miscellaneous	100
Pronal (Malaysia)	Full consolidation method	Kuala Lumpur	Commercial	100
NEW ZEALAND				
Tyreline Distributors Limited	Equity method	Hamilton	Commercial	25
Beau Ideal Limited	Equity method	Te Awamutu	Commercial	25.01
Camso New Zealand Limited	Full consolidation method	Auckland	Commercial	100
Tyroola Limited	Full consolidation method	Auckland	Miscellaneous	100
SINGAPORE				
Michelin Asia (Singapore) Co. Pte. Ltd.	Full consolidation method	Singapore	Commercial	100
Michelin Asia-Pacific Import (SG) Pte. Ltd.	Full consolidation method	Singapore	Commercial	100
Michelin Asia-Pacific Export (SG) Pte. Ltd.	Full consolidation method	Singapore	Commercial	100
Michelin Asia-Pacific Import-Export (SG) Pte. Ltd.	Full consolidation method	Singapore	Commercial	100
Société des Matières Premières Tropicales Pte. Ltd.	Full consolidation method	Singapore	Miscellaneous	100
Wine Advocate Pte. Ltd.	Full consolidation method	Singapore	Commercial	100
Fenner Singapore Pte. Ltd.	Full consolidation method	Singapore	Financial	100
CDI Energy Products Pte. Ltd.	Full consolidation method	Singapore	Manufacturing & commercial	100
THAILAND				
Michelin Siam Company Limited	Full consolidation method	Bangkok	Manufacturing & commercial	100
Michelin Roh Co., Ltd.	Full consolidation method	Bangkok	Miscellaneous	100
NTeq Polymer Co., Ltd.	Equity method	Surat Thani	Miscellaneous	45
VIETNAM				
Michelin Vietnam Company Limited	Full consolidation method	Ho Chi Minh City	Commercial	100
Camso Vietnam Co., Ltd	Full consolidation method	Tan Uyen	Manufacturing	100

Companies	Consolidation method	Registered office	Type	% interest
CHINA				
CHINA				
Michelin Shenyang Tire Co., Ltd.	Full consolidation method	Shenyang	Manufacturing	100
Shanghai Michelin Tire Co., Ltd.	Full consolidation method	Shanghai	Manufacturing	100
Michelin Asia (Hong Kong) Limited	Full consolidation method	Hong Kong	Commercial	100
Michelin (China) Investment Co., Ltd.	Full consolidation method	Shanghai	Commercial	100
Shanghai Suisheng Information Technology Co., Ltd.	Full consolidation method	Shanghai	Commercial	100
Michelin Tyre Research and Development Center	Full consolidation method	Shanghai	Miscellaneous	100
Tyre Plus (Shanghai) Auto Accessories Trading Co., Ltd.	Full consolidation method	Shanghai	Commercial	100
Michelin (Shanghai) Aircraft Tires Trading Co., Ltd.	Full consolidation method	Shanghai	Commercial	100
Dawson Polymer Products (Shanghai) Company Limited	Full consolidation method	Shanghai	Manufacturing & commercial	100
Hallite Shanghai Company Limited	Full consolidation method	Shanghai	Manufacturing & commercial	100
Camso Enterprise Management (China) Co., Ltd.	Full consolidation method	Shanghai	Commercial	100
Wine Advocate (HK) Ltd.	Full consolidation method	Hong Kong	Miscellaneous	100
Fait plast Hong Kong Ltd	Full consolidation method	Hong Kong	Commercial	100
Michelin Engineered Polymers (Shanghai), Co., Ltd.	Full consolidation method	Shanghai	Miscellaneous	100
AS Aston Seals Trading	Full consolidation method	Shanghai	Manufacturing & commercial	100
TAIWAN				
Michelin Tire Taiwan Co., Ltd.	Full consolidation method	Taipei	Commercial	100
JAPAN/KOREA				
JAPAN				
Nihon Michelin Tire Co., Ltd.	Full consolidation method	Tokyo	Commercial	100
SOUTH KOREA				
Michelin Korea Co., Ltd.	Full consolidation method	Seoul	Commercial	100

NOTE 21 STATUTORY AUDITORS' FEES

	Deloitte				PricewaterhouseCoopers			
	Statutory Auditor (Deloitte & Associés)		Network		Statutory Auditor (PricewaterhouseCoopers Audit)		Network	
(in € thousands)	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
STATUTORY AUDIT AND HALF-YEAR REVIEW OF THE INDIVIDUAL AND CONSOLIDATED FINANCIAL STATEMENTS								
■ Issuer [1]	1,357	51%	-	-	1263	55%	-	-
■ Fully consolidated subsidiaries	1311	49%	4,600	100%	1,045	45%	4,662	100%
Sub-total	**2,668**	**100%**	**4,600**	**100%**	**2,308**	**100%**	**4,662**	**100%**
NON-AUDIT SERVICES								
■ Issuer [2]	71	70%	-	-	90	33%	-	-
■ Fully consolidated subsidiaries [2]	30	30%	603	100%	179	67%	892	100%
Sub-total	**101**	**100%**	**603**	**100%**	**269**	**100%**	**892**	**100%**
TOTAL	**2,769**		**5,203**		**2,577**		**5,554**	

(1) Fees for the certification of the 2025 sustainability report are included in statutory audit services and amount to €1,200 thousand for the co-auditors.
(2) Corresponding chiefly to procedures performed in connection with acquisitions or planned acquisitions, diagnostic reviews, tax compliance reviews and certifications issued at the request of the audited companies. Corresponding chiefly to procedures performed in connection with acquisitions or planned acquisitions, diagnostic reviews, tax compliance reviews and certifications issued at the request of the audited companies.

5.2.2 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

(For the year ended December 31, 2025)

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English-speaking readers. This report includes information specifically required by European regulations or French law, such as information about the appointment of Statutory Auditors. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders' Meeting of Compagnie Générale des Etablissements Michelin,
Compagnie Générale des Établissements Michelin
23 place des Carmes-Déchaux
63000 Clermont Ferrand

Opinion

In compliance with the engagement entrusted to us by your Shareholders Meeting, we have audited the accompanying consolidated financial statements of Compagnie Générale des Etablissements Michelin for the year ended December 31, 2025.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2025 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the "Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements" section of our report.

Independence

We conducted our audit engagement in compliance with the independence rules provided for in the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for Statutory Auditors for the period from January 1, 2025 to the date of our report, and, in particular, we did not provide any non-audit services prohibited by Article 5(1) of Regulation (EU) No. 537/2014.

Justification of assessments – Key audit matters

In accordance with the requirements of Articles L. 821-53 and R. 821-180 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgment, were the most significant in our audit of the consolidated financial statements, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, approved in the conditions mentioned above, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Measurement of goodwill

Description of risk

At December 31, 2025, the net value of goodwill totaled €2,657 million, and represented approximately 8% of total assets.

For the purpose of impairment testing in accordance with IAS 36, goodwill is allocated to cash-generating units (CGUs) or to groups of CGUs. Notes 2.8.1 and 12 to the consolidated financial statements describe the methods used by the Group to ensure that the carrying amount of non-current non-financial assets (including goodwill) allocated to CGUs does not exceed their recoverable amount. Note 2.7 specifies how climate risk is recognized by the Group in impairment tests.

For the majority of the assets, this recoverable amount is assessed based on future discounted cash flows, using the forecasts set out in the Group's five-year business plan. For the Distribution CGUs, the recoverable amount is measured based on the fair value of land and buildings, which represent most of their assets, less costs of disposal.

We considered the measurement of goodwill to be a key audit matter due to its materiality in the consolidated statement of financial position and because the determination of its recoverable amount requires judgment, notably for the cash flow projections.

How our audit addressed this risk

With the assistance of our valuation experts, we performed the following procedures with respect to impairment tests:

- examined the compliance of the method applied by the Group with the provisions of IAS 36 "Impairment of Assets";
- reconciled the value of the assets subject to the impairment tests with the consolidated financial statements to ensure that the CGUs cover all of the Group's assets;
- assessed the reasonableness of the cash flow forecasts, with the finance managers of the relevant businesses, in particular with respect to past performance;
- assessed the reasonableness of the discount rates and long-term growth rates used to perform the impairment tests, based on comparable market data;
- carried out our own sensitivity analyses for certain key variables in the valuation model, in particular in relation to climate risks;
- verified the appropriateness of the disclosures provided in Notes 2.8.1 and 12 to the consolidated financial statements.

Specific verifications

As required by legal and regulatory provisions and in accordance with professional standards applicable in France, we have also performed the specific verifications on the information pertaining to the Group presented in the Managing Chairman's management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements

Other verifications and information pursuant to legal and regulatory requirements

Presentation of the consolidated financial statements to be included in the annual financial report

In accordance with professional standards applicable to the Statutory Auditors' procedures for annual and consolidated financial statements presented according to the European single electronic reporting format, we have verified that the presentation of the financial statements to be included in the annual financial report referred to in paragraph I of Article L. 451-1-2 of the French Monetary and Financial Code (*Code monétaire et financier*) and prepared under the Managing Chairman's responsibility, complies with this format, as defined by European Delegated Regulation No. 2019/815 of December 17, 2018. As it relates to consolidated financial statements, our work included verifying that the markups in the financial statements comply with the format defined by the aforementioned Regulation.

On the basis of our work, we conclude that the presentation of the consolidated financial statements to be included in the annual financial report complies, in all material respects, with the European single electronic reporting format.

It is not our responsibility to ensure that the consolidated financial statements to be included by the Company in the annual financial report filed with the AMF correspond to those on which we carried out our work.

Appointment of the Statutory Auditors

We were appointed as Statutory Auditors of Compagnie Générale des Etablissements Michelin by the annual Shareholders Meeting held on May 14, 2004 for PricewaterhouseCoopers Audit and May 7, 2010 for Deloitte & Associés.

At December 31, 2025, PricewaterhouseCoopers Audit and Deloitte & Associés were in the twenty-second and sixteenth consecutive year of their engagement, respectively.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting, unless it expects to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems, relating to accounting and financial reporting procedures.

The consolidated financial statements were approved by the Managing Chairman.

Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements

Objective and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions taken by users on the basis of these consolidated financial statements.

As specified in Article L. 821-55 of the French Commercial Code, our audit does not include assurance on the viability or quality of the Company's management.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditor exercises professional judgment throughout the audit.

He also:

- identifies and assesses the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, design and performs audit procedures in response to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of the internal control procedures relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the consolidated financial statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditor concludes that a material uncertainty exists, he is required to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;
- evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The Statutory Auditor is responsible for the management, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed thereon.

Report to the Audit Committee

We submit a report to the Audit Committee which includes, in particular, a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were the most significant for the audit of the consolidated financial statements and which constitute the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France, as defined in particular in Articles L. 821-27 to L. 821-34 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Audit Committee.

Neuilly-sur-Seine and Paris-La Défense, February 16, 2026

The Statutory Auditors

French original signed by

PricewaterhouseCoopers Audit		Deloitte & Associés	
Itto El Hariri	Fréderic Nusbaumer	Frédéric Gourd	Céline Dubreucq

5.3 FINANCIAL STATEMENTS - COMPAGNIE GÉNÉRALE DES ÉTABLISSEMENTS MICHELIN

5.3.1 BALANCE SHEET

		December 31, 2025			December 31, 2024
ASSETS *(in € thousands)*	**Note**	**Cost**	**Depreciation, amortization & provisions**	**Net**	**Net**
INTANGIBLE ASSETS		**427,379**	**(310,773)**	**116,606**	**118,239**
Concessions, patents, licenses, trademarks, processes, IT solutions, rights and similar assets	4	427,379	(310,773)	116,606	118,239
FINANCIAL ASSETS[1]		**10,886,084**	**(64,837)**	**10,821,247**	**12,365,702**
Investments	4	9,186,048	(64,837)	9,121,211	9,140,720
Other equity interests	4	1	-	1	13,971
Loans	4	1,699,368	-	1,699,368	3,209,973
Other non-current financial assets	4	667	-	667	1,038
TOTAL NON-CURRENT ASSETS (I)		**11,313,463**	**(375,610)**	**10,937,853**	**12,483,941**
RECEIVABLES[2]		**1,687,103**	**-**	**1,687,103**	**1,250,833**
Trade accounts receivables	5	220,847	-	220,847	305,047
Other receivables	5	1,463,894	-	1,463,894	941,997
Prepaid expenses	5	2,362	-	2,362	3,789
MARKETABLE SECURITIES		**2,642,173**	-	**2,642,173**	**2,914,785**
Other marketable securities	6	2,641,669	-	2,641,669	2,914,507
Derivative instruments	6	387	-	387	159
Cash		117	-	117	119
TOTAL CURRENT ASSETS (II)		**4,329,276**	**-**	**4,329,276**	**4,165,618**
Debt issuance costs (III)	7	16,884	-	16,884	19,348
Bond call premiums (IV)	7	13,939	-	13,939	16,601
Conversion losses and valuation differences - Assets (V)					-
TOTAL ASSETS (I+II+III+IV+V)		**15,673,562**	**(375,610)**	**15,297,952**	**16,685,508**

(1) Of which due within one year: €0 thousand.
(2) Of which due within one year: €1,621,426 thousand.

EQUITY AND LIABILITIES *(in € thousands)*	**Note**	**December 31, 2025**	**December 31, 2024**
Share capital (of which paid in: 343,798)	8	343,798	352,874
Paid-in capital in excess of par	8	1,755,895	2,325,852
Revaluation reserve	8	624,772	624,772
Legal reserve	8	37,158	37,158
Other reserves	8	1,244,585	1,244,949
Retained earnings	8	1,433,102	1,193,231
Net income for the year	8	1,373,345	1,216,874
Untaxed reserves	8	61,598	61,598
TOTAL EQUITY AND LIABILITIES (I)		**6,874,253**	**7,057,308**
Provisions for contingencies		-	-
Provisions for charges		-	-
TOTAL PROVISIONS (II)		**-**	**-**
Other bonds	9	4,903,082	5,655,864
Other borrowings and financial liabilities[2]	9	2,778,946	3,046,628
Trade accounts payable	9	374,171	427,768
Accrued taxes and payroll costs	9	77,457	11,700
Other liabilities	9	290,043	486,240
TOTAL LIABILITIES (III)[1]		**8,423,699**	**9,628,200**
Conversion gains and valuation differences - Liabilities (IV)			
TOTAL EQUITY AND LIABILITIES (I+II+III+IV)		**15,297,952**	**16,685,508**

(1) Of which due within one year (excluding advances and deposits received on orders in progress): €3,552,746 thousand.
(2) Of which non-voting loan stock: €0 thousand.

5.3.2 INCOME STATEMENT

(in € thousands)	Note	December 31, 2025	December 31, 2024
REVENUE			
Production sold	10.1	1,898,164	1,797,318
Of which Royalties		*1,898,164*	*1,797,318*
Net sales		**1,898,164**	**1,797,318**
Other revenue	10.2	348,013	173,533
TOTAL REVENUE (I)		**2,246,177**	**1,970,851**
OPERATING EXPENSES			
Other purchases and external charges[1]	10.2	(1,652,011)	(1,617,315)
Taxes other than on income	10.2	(21,746)	(30,760)
Wages and salaries	10.2	(2,009)	(1,970)
Payroll taxes	10.2	(818)	(742)
Depreciation and amortization	10.2	(1,632)	(2,803)
Other expenses	10.2	(331,695)	(156,886)
TOTAL OPERATING EXPENSES (II)		**(2,009,911)**	**(1,810,476)**
NET OPERATING INCOME (I-II)		**236,266**	**160,375**
FINANCIAL INCOME			
Dividends from subsidiaries and affiliates[2]	10.3	1,121,982	1,059,819
Other interest income[2]	10.3	88,915	114,484
Exchange gains	10.3	3,186	1,198
Proceeds from disposals of non-current financial assets	10.3	44,254	-
TOTAL FINANCIAL INCOME (III)		**1,258,337**	**1,175,501**
FINANCIAL EXPENSES			
Amortization, impairment and financial provision charges	10.3	(39,432)	(39,892)
Interest expenses[3]	10.3	(107,923)	(101,950)
Exchange losses	10.3	(1)	(312)
Carrying amount of non-current financial assets sold	10.3	(13,970)	
TOTAL FINANCIAL EXPENSES (IV)		**(161,326)**	**(142,154)**
NET FINANCIAL INCOME (III-IV)		**1,097,011**	**1,033,347**
INCOME BEFORE NON-RECURRING ITEMS AND TAX (I-II+III-IV)		**1,333,277**	**1,193,722**
NON-RECURRING INCOME (V)	10.4	**-**	**195,548**
NON-RECURRING EXPENSES (VI)	10.4	**-**	**(195,958)**
NET NON-RECURRING EXPENSES (V-VI)		**-**	**(410)**
Income tax (VII)	10.5	40,068	23,562
TOTAL INCOME (I+III+V)		**3,504,514**	**3,341,900**
TOTAL EXPENSES (II+IV+VI+VII)		**(2,131,169)**	**(2,125,026)**
NET INCOME		**1,373,345**	**1,216,874**

(1) Including:
– equipment leasing fees: €0 thousand
– real estate leasing fees €0 thousand.

(2) Of which income from related parties: €1,121,361 thousand.

(3) Of which interest paid to related parties: €658 thousand.

NOTES TO THE FINANCIAL STATEMENTS

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NOTE 1 GENERAL INFORMATION

Compagnie Générale des Établissements Michelin (CGEM) is the Group's parent company, which directly or indirectly owns all of its subsidiaries and affiliates.

The financial statements of Compagnie Générale des Établissements Michelin (the Company) have been prepared and are presented in accordance with the legal and regulatory provisions applicable in France based on the general chart of accounts (Plan Comptable Général) governed by Autorité des Normes Comptables regulation 2014-03 of June 5, 2014.

The Company's financial year covers the 12 months from January 1 to December 31.

The following notes and tables form an integral part of the financial statements.

The financial statements were approved for publication by the Managing Chairman on February 11, 2026 after being reviewed by the Supervisory Board.

Unless otherwise specified, all amounts are presented in thousands of euros.

NOTE 2 SIGNIFICANT EVENTS OF THE YEAR

2.1 Redemption of the 2018 bonds

On September 3, 2025, the Company redeemed the 2018 bonds at maturity, for a total of €750 million.

2.2 Share buyback programs

As part of the multi-year share buyback program announced in 2024, during the year the Company signed three agreements with investment services providers to buy back shares.

The first agreement was signed on July 29, 2025 and covered €265 million worth of share buybacks.

The second and third agreements were signed on October 23, 2025 and covered buybacks totaling €400 million.

The agreements were executed in full during the year, with 22,919,400 shares bought back at an average price of €29.1 per share and subsequently canceled.

2.3 Employee share ownership plan (Bib'Action)

In September 2025, the Company launched its "Bib'Action" employee share ownership plan, which closed in October 2025. At the end of the subscription period, 4,039,620 new shares had been issued, resulting in a capital increase of €90 million.

2.4 Partial buyout of non-controlling interests in PT Multistrada

During the year, the Group acquired shares representing 0.33% of the capital of PT Multistrada for €14.9 million, raising its interest in this subsidiary to 99.97%.

PT Multistrada has not been listed on the Indonesian stock market since October 2025.

2.5 Dividends received

In June 2025, the Company received dividends totaling €1 billion from Compagnie Financière Michelin and €18 million from PT Multistrada.

During the year, it also received dividends of €102 million from Fenner Group Holdings Limited.

Dividends received in 2025 from its other subsidiaries totaled €1.5 million.

2.6 Adjustment in respect of 2023 and 2024

In 2023, the Group implemented its new "Odyssey" transfer pricing policy. In 2025, adjustments to the amounts invoiced in 2023 and 2024 gave rise to a €48 million positive adjustment to the Company's total revenue for the year.

2.7 Impairment of Camso Inc. shares

In 2025, the Company wrote down the shares in its subsidiary Camso Inc. by €24 million.

2.8 European Commission inquiry

In January 2024, the European Commission launched an inquiry into competition within the tire industry in Europe. Michelin is one of the manufacturers concerned by the inquiry. In 2024, class actions were filed in the USA and Canada as a direct consequence of this inquiry. However, in April 2024, the Group lodged an appeal with the European Court of First Instance to have the decision authorizing the investigation annulled. On July 9, 2025, the Court partly annulled the European Commission's decision to conduct an investigation by reducing the investigation period. As a reminder, the Group applies a strict policy of compliance with competition law across all of its businesses and in all of its host countries. In its public communication, the Commission has clearly stated that the opening of this inquiry does not prejudge the inquiry's outcome. At the same time, Michelin has reiterated its right to be presumed innocent. No provision has been set aside for this inquiry.

NOTE 3 ACCOUNTING POLICIES

The accounting policies applied are presented in each note.

Regulation ANC 2022-06, approved on December 30, 2023, has amended the Plan Comptable Général with effect from January 1, 2025. The two main changes concern the definition of non-recurring income and expense and the presentation of the financial statement templates. The financial statements for the year ended December 31, 2025 have been prepared and presented in accordance with this new regulation.

Effective from January 1, 2025, in accordance with Article 513-5 of the Plan Comptable Général, non-recurring items include:

- income and expenses directly linked to a major unusual event that would not have been recognized if the event had not occurred;
- accounting entries recorded solely for tax purposes, such as accelerated tax depreciation;
- the effect of changes in accounting methods recognized in the income statement, when their recognition directly in equity is not allowed under French tax rules;
- corrections of errors, except for those concerning entries initially recorded directly in equity.

Applying this change has led to the reclassification of transactions that were previously classified as non-recurring items prior to the application of the new regulation. The main effects of this change are presented in detail below.

- In 2025, disposals of non-current financial assets not directly related to a major unusual event are recognized in financial income and expenses. The disposal proceeds are reported under "Proceeds from disposals of non-current financial assets" for €44,254 thousand, and the assets' book value is reported under "Carrying amount of non-current financial assets sold" for €13,970 thousand. In the 2024 financial statements, disposals of non-current financial assets are recognized in non-recurring income and expenses, with the disposal proceeds reported under "Non-recurring income" for €195,548 thousand and the assets' book value reported under "Non-recurring expenses" for €195,646 thousand;
- In 2025, the Company did not incur any fines or penalties. In 2024, fines and penalties amounting to €410 thousand were included in "Non-recurring expenses".

The 2024 financial statements have not been restated retrospectively to comply with the new rules. However, certain amounts have been reclassified or combined between the lines of the 2024 comparative balance sheet or income statement, to comply with the new financial statement template. The main presentation reclassifications in the comparative column are as follows:

- reclassification of €2,914,507 thousand from "Cash" to "Other marketable securities";
- reclassification of €297,944 thousand from "Other bonds" (formerly "Ordinary bonds and other borrowings") to "Other borrowings and financial liabilities";
- reclassification of €427,768 thousand from "Other liabilities" to "Trade accounts payable".

In addition, the following presentation reclassifications have been made:

- the "Prepaid expenses" line has been reclassified under "Receivables";
- "Deferred charges and bond call premiums" are now presented on two separate lines, "Debt issuance costs" and "Bond call premiums";
- "Exchange gains" and "Exchange losses" are now included in operating income under the captions "Other income" and "Other expenses" respectively.

In addition, shareholder advances to indirect subsidiaries and affiliates reported under "Other loans" at December 31, 2024 in the amount of €324,626 thousand, have been reclassified under "Other receivables" at December 31, 2025.

The balance sheet and income statement for the year ended December 31, 2024, as approved and published, are presented in note 18 below.

NOTE 4 NON-CURRENT ASSETS

ACCOUNTING POLICIES

Intangible assets

"Concessions, patents, licenses, trademarks, processes, IT solutions, rights and similar assets" are stated at historical cost. Expenses incurred for the creation and protection of brands are recognized as expenses for the year. Brands have an indefinite life and are not amortized. Patents and other rights are amortized on a straight-line basis over seven years. If there is any indication that the value of brands, patents or other rights may be impaired, a provision for impairment is recorded.

Research and development costs are recorded as expenses during the year.

Financial assets

Investments are stated at historical cost, except for investments held at the time of the 1976/1978 legal revaluation, which are stated at valuation. Investment acquisition costs are recorded as an expense on the transaction date.

An impairment test is carried out at each reporting date to ensure that the investments' carrying amount does not exceed their fair value. Where this is not the case, a provision for impairment is recorded for the difference.

Fair value is measured on the basis of historical or revalued net book value, as applicable, or on the basis of discounted future cash flows where this method is more appropriate.

Other non-current financial assets ("Other equity interests", "Loans ", "Other non-current financial assets ") are stated at their nominal value and a provision for impairment is recognized to cover any risk of non-recovery.

4.1 Non-current assets

Movements in non-current assets between January 1 and December 31, 2025 were as follows:

		Increase					Decreases					
		Transfers		Additions			Transfers		Disposals			
(in € thousands)	Gross, at January 1, 2025	Between captions	From current assets	Acquisitions	Contributions	Developed internally	Between captions	To current assets	Disposals	Spin-offs	Decommis-sioning	Gross, at December 31, 2025
INTANGIBLE ASSETS	**427,379**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**427,379**
Concessions, patents, licenses, trademarks, processes, IT solutions, rights and similar assets	427,379	-	-	-	-	-	-	-	-	-	-	427,379
FINANCIAL ASSETS	**12,395,359**	**-**	**-**	**15,671**	**-**	**-**	**-**	**(324,626)**	**(1,200,320)**	**-**	**-**	**10,886,084**
Investments	9,170,377	-	-	15,671	-	-	-	-	-	-	-	9,186,048
Other equity interests	13,971	-	-	-	-	-	-	-	(13,970)	-	-	1
Loans	3,209,973	-	-	-	-	-	-	(324,626)	(1,185,979)	-	-	1,699,368
Other non-current financial assets	1,038	-	-	-	-	-	-	-	(371)	-	-	667
TOTAL	**12,822,738**	**-**	**-**	**15,671**	**-**	**-**	**-**	**(324,626)**	**(1,200,320)**	**-**	**-**	**11,313,463**

Research and development expenses recognized during the year amounted to €414,654 thousand.

The increase in investments (including shares in subsidiaries and affiliates) corresponds mainly to the partial buyout of residual non-controlling interests in PT Multistrada for €14,937 thousand.

Other equity interests were reduced by €13,970 thousand following the sale of shares in Siparex et Associés to Spika.

Shareholder advances to indirect subsidiaries and affiliates in the amount of €324,626 thousand were reclassified from "Other loans" to "Other receivables" in 2025.

At December 31, 2025, this item consisted of loans to Compagnie Financière Michelin Suisse, the Group's in-house bank, in the amount of €1,699,368 thousand.

4.2 Amortization

Accumulated amortization of non-current assets can be analyzed as follows at December 31, 2025:

				Increases: Amortization for the year				Decreases			
(in € thousands)	Useful life	Amortization method	Accumulated amortization at January 1, 2025	Amortization of revaluations	Assets amortized by the straight-line method	Assets amortized by other methods	Exceptional amortization charges	Items transferred to current assets	Sold items	Decommissioned items	Accumulated amortization at December 31, 2025
INTANGIBLE ASSETS	**-**	**-**	**(309,140)**	**-**	**(1,633)**	**-**	**-**	**-**	**-**	**-**	**(310,773)**
Concessions, patents, licenses, trademarks, processes, IT solutions, rights and similar assets	7	Straight-line	(309,140)	-	(1,633)	-	-	-	-	-	(310,773)
TOTAL			**(309,140)**	**-**	**(1,633)**	**-**	**-**	**-**	**-**	**-**	**(310,773)**

4.3 Impairment

Impairment losses recognized on non-current assets can be analyzed as follows at December 31, 2025:

(in € thousands)	Impairment at January 1, 2025	Increases: Impairment losses recorded during the year	Decreases: Impairment losses reversed during the year	Impairment at December 31, 2025
FINANCIAL ASSETS	**(29,657)**	**(35,180)**	**-**	**(64,837)**
Investments	(29,657)	(35,180)	-	(64,837)
TOTAL	**(29,657)**	**(35,180)**	**-**	**(64,837)**

Investments were tested for impairment in 2025, leading to the recognition of impairment losses totaling €35,180 thousand (including a €24,254 thousand write-down of Camso Inc. shares).

4.4 Treasury shares

Treasury shares can be analyzed as follows at December 31, 2025:

Financial assets		Movements for the year			
(number of shares and € thousand)	At January 1, 2025	Purchases	Sales	Cancellations	At December 31, 2025
Number of shares held	-	22,955,073	(35,673)	(22,919,400)	-
Cost	-	668,906	(1,098)	(667,808)	-
Impairment	-	-	-	-	-
Net book value	-	668,906	(1,098)	(667,808)	-

As part of the multi-year share buyback program announced in 2024, a total of 22,955,073 shares were bought back during 2025 at an average price of €29.1 and subsequently canceled or delivered under share-based payment plans.

NOTE 5 RECEIVABLES

ACCOUNTING POLICIES

Accounts receivable are stated at nominal value and a provision for impairment is recognized to cover any risk of non-recovery.

Foreign currency receivables are converted at the year-end exchange rate.

5.1 Maturities of receivables

The table below presents the receivables aging analysis at December 31, 2025:

(in € thousands)	Gross	Due within one year	Due beyond one year
Receivables classified as non-current assets	-		
Receivables classified as current assets	1,684,741	1,620,132	64,609
Prepaid expenses	2,362	1,294	1,068
TOTAL AT DECEMBER 31, 2025	**1,687,103**	**1,621,426**	**65,677**

Receivables classified as current assets include current account advances to Group companies for €454,925 thousand, amounts receivable from the intercompany partnership (GIE) for €335,539 thousand, a tax receivable of €189,017 thousand and a VAT receivable of €202,027 thousand.

5.2 Impairment

No impairment losses have been recorded on receivables.

NOTE 6 MARKETABLE SECURITIES

ACCOUNTING POLICIES

Other marketable securities

Other marketable securities correspond to investments in money market funds.

Derivative instruments

At December 31, 2025, the Company had various receivables and payables denominated in foreign currencies, corresponding to outstanding invoices issued by the Company for royalties and services, and outstanding invoices for purchased services not yet paid by the Company. These receivables and payables have been converted into euros at the year-end exchange rate. The Company hedges its foreign exchange risk using forward contracts and currency swaps, which do not qualify for hedge accounting. Unrealized gains and losses on these contracts are recorded in the balance sheet under "Derivative instruments" within marketable securities.

In 2025, the Company also entered into interest rate swaps to convert fixed interest rates on certain bond issues to variable rates. These swaps qualify as fair value hedges. At the same time, other interest rate swaps qualifying as cash flow hedges were entered into to convert certain interest streams back to fixed rates. Realized gains and losses on these contracts are recorded in the balance sheet under "Derivative instruments" within marketable securities in cases where losses and gains on the underlying hedged items have no impact on income.

At December 31, 2025, the Company held a portfolio of investments in money market funds amounting to €2,641,669 thousand.

Derivative instruments amounted to €387 thousand at December 31, 2025. The value in euros of currency derivatives was €501,402 thousand for currency to be received and €503,894 thousand for currency to be delivered. The notional amount of interest rate derivatives qualifying as fair value hedges amounted to €1,026,000 thousand, and that of derivatives qualifying as cash flow hedges to €776,000 thousand.

No impairment losses were recorded on marketable securities.

NOTE 7 DEBT ISSUANCE COSTS AND BOND CALL PREMIUMS

ACCOUNTING POLICIES

Debt issuance costs are recognized as assets and amortized through financial expense on a straight-line basis over the life of the debt.

Bond call premiums are amortized on a straight-line basis over the life of the bonds.

NOTE 8 EQUITY

ACCOUNTING POLICIES

Paid-in capital in excess of par

This item corresponds to premiums on shares issued for cash or on conversion of bonds, after deducting issuance costs net of tax. When shares are canceled, the difference between their purchase cost and par value is recorded as a deduction from paid-in capital in excess of par.

Untaxed reserves

Substantially all untaxed reserves correspond to reinvested capital gains qualifying for rollover relief under the former Article 40 of the French general tax code (Code général des impôts).

On December 31, 2025, the Company's capital comprised 687,596,240 shares with a par value of €0.5. All outstanding shares are registered and fully paid.

8.1 Number and value of shares by class

The breakdown of shares by class at December 31, 2025 is as follows:

(in € thousands)	Number of shares	Par value	Comments/Rights
Common stock	373,093,560	0.5	
Common stock with double voting rights	314,502,680	0.5	
AT DECEMBER 31, 2025	**687,596,240**		

8.2 Shares issued during the year

Share capital and paid-in capital in excess of par break down as follows:

(in € thousands)	Number of shares		Share capital	Paid-in capital in excess of par	Total
At January 1, 2025	**705,747,272**	**shares**	**352,874**	**2,325,852**	**2,678,726**
Performance shares	728,748	shares delivered	364	-	364
BIB'Action	4,039,620	shares issued	2,020	86,343	88,363
Share cancellations	(22,919,400)	treasury shares canceled	(11,460)	(656,300)	(667,760)
AT DECEMBER 31, 2025	**687,596,240**	**SHARES**	**343,798**	**1,755,895**	**2,099,693**

During the year, the Company's share capital was reduced by €9,076 thousand.

8.3 Dividend

	2025	2024
Recommended dividend per share[1]	1.38	1.38
Number of shares with dividend rights	687,596,240	705,747,959

(1) Subject to approval by shareholders at the Annual Shareholders Meeting on May 22, 2026.

The Company has recommended paying a dividend of €1.38 per share. This recommendation is subject to approval by the shareholders at the Annual Shareholders Meeting on May 22, 2026.

8.4 Statement of changes in equity

The 2025 statement of changes in equity is presented below:

(in € thousands)	Amount at January 1, 2025	Appropriation of 2024 net income	Dividends	Share issues	Share cancellations	Net income for the year	Other	Amount at December 31, 2025
Paid-in capital	352,874			2,384	(11,460)			343,798
Paid-in capital in excess of par	2,325,852			86,343	(656,300)			1,755,895
Revaluation reserve	624,772							624,772
Legal reserve	37,158							37,158
Other reserves	1,244,949			(364)				1,244,585
Retained earnings	1,193,231	1,216,874	(973,932)				(3,071)	1,433,102
Net income for the year	1,216,874	(1,216,874)				1,373,345		1,373,345
Untaxed reserves	61,598							61,598
TOTAL EQUITY	**7,057,308**	**-**	**(973,932)**	**88,363**	**(667,760)**	**1,373,345**	**(3,071)**	**6,874,253**

NOTE 9 LIABILITIES

ACCOUNTING POLICIES

Borrowings and other financial liabilities are stated at their nominal value.

Liabilities denominated in foreign currencies are converted into euros at the year-end exchange rate.

The following table analyzes liabilities by maturity at December 31, 2025:

(in € thousands)	Gross	Due within one year	Due in one to five years	Due beyond five years
Borrowings	7,682,028	2,817,698	1,800,000	3,064,330
Trade accounts payable	374,171	367,548	6,623	
Other liabilities	367,500	367,500		
TOTAL AT DECEMBER 31, 2025	**8,423,699**	**3,552,746**	**1,806,623**	**3,064,330**

Borrowings include:

- Bonds: for €4,903,082 thousand (including €38,753 thousand in accrued interest). No new bonds were issued by the Company in 2025. The 2018 bonds were redeemed at maturity in 2025, reducing bond debt by €750,000 thousand;
- Negotiable European Commercial Paper (NEU CP) and US Commercial Paper (US CP): €292,448 thousand. Drawdowns under these programs were stable over the year;
- A current account advance from Compagnie Financière Michelin Suisse for €2,485,146 thousand.

Trade payables correspond to intra-group payables for €364,243 thousand.

Other liabilities include €158,137 thousand in current account advances and €77,458 thousand in accrued taxes and payroll costs (mainly VAT).

NOTE 10 NOTES TO THE INCOME STATEMENT

ACCOUNTING POLICIES

Conversion of foreign currencies

Revenues and expenses in foreign currencies are converted at the transaction date exchange rate.

Foreign currency receivables and payables are converted at the year-end exchange rate.

In accordance with regulation ANC 2015-05 dated July 2, 2015, separate accounting treatments are applied to commercial transactions in foreign currencies and financial transactions in foreign currencies:

- exchange gains and losses on commercial transactions are included in operating income and expenses;
- exchange gains and losses on financial transactions are included in financial income and expenses.

Revenue

Revenue is mainly made up of:

- royalties on trademarks and technology licensed by CGEM;
- fees for management services and for development and process engineering work contracted out by the Company to other Michelin subsidiaries.

Taxes

CGEM is the parent company of a tax group comprising twenty-four companies in the 2025 tax year. Each company in the tax group records the income tax expense that it would have incurred if it had been taxed on a stand-alone basis. There is no difference between the tax recorded by the individual companies and the tax that would have been incurred in the absence of group relief. The saving or additional expense arising from the election for group relief is recorded separately in the financial statements of the Company in its capacity as parent company.

10.1 Revenue

Revenue consists entirely of royalties received from related companies, as follows:

(in € thousands)	2025	2024
Companies in France	(18,159)	(140,715)
Companies outside France	1,916,323	1,938,033
TOTAL	**1,898,164**	**1,797,318**

Application of the Odyssey transfer pricing policy led to a €100,846 thousand increase in the Company's revenue in 2025 compared with the previous year. The policy takes into account the residual impact of restructuring costs relating to the closure of the Vannes and Cholet plants in 2024, leading to the issuance of credit notes for amounts in excess of reinvoiced costs in 2025.

10.2 Net operating income

At €236,266 thousand, **net operating income** was up €75,891 thousand year-on-year.

Revenue rose by €275,326 thousand to €2,246,177 thousand, mainly as a result of top line growth of €100,846 thousand and positive exchange differences of €181,980 thousand.

Operating expenses came to €2,009,911 thousand, an increase of €199,435 thousand that was mainly due to higher Odyssey costs (up €34,695 thousand) and negative exchange differences (up €175,513 thousand).

10.3 Net financial income

At €1,097,011 thousand, **net financial income** was €63,665 thousand higher year-on-year.

Financial income was up €82,836 thousand at €1,258,337 thousand, with the €102,441 thousand increase in dividends received from the subsidiary Fenner Group Holdings Limited more than compensating for the €25,569 thousand decline in interest income for the year.

Financial expenses came to €161,326 thousand in 2025, up €19,172 thousand on the previous year (after taking into account the net book value of Siparex et Associés shares sold to Spika for €13,970 thousand).

10.4 Non-recurring items

The Company did not record any non-recurring items in 2025.

10.5 Income tax

The breakdown of the corporate income tax recorded in the 2025 financial statements is as follows:

(in € thousands)	**Net income before tax**	**Taxes**	**Net**
Income before non-recurring items	1,333,277	49,203	1,284,074
Tax credits		(2,417)	2,417
Withholding tax		1,806	(1,806)
Other income/(expenses)		167	(167)
Group relief		(88,827)	88,827
	1,333,277	**(40,068)**	**1,373,345**

In the absence of non-recurring items in 2025, income tax expense was calculated on the Company's total income before non-recurring items and tax. The 2025 income tax base amounted to €162,140 thousand, of which €49,203 thousand was taxed at the standard rate. This amount was covered in full by foreign tax credits.

The Company does not use any tax planning measures to reduce its income tax charge.

Tax credits break down as follows:

(in € thousands)	**Amount**
Research tax credits	417,084
Sponsorship tax credits	2,000,000
Foreign tax credits (withholding tax)	62,066,151
TOTAL	**64,483,235**

10.6 Net income

The Company ended 2025 with net income of €1,373,345 thousand, an increase of €156,471 year-on-year that was mainly due to increases in operating income (up €75,891 thousand) and net financial income (up €63,665 thousand).

NOTE 11 COMPENSATION PAID TO THE MEMBERS OF MANAGEMENT AND THE GOVERNANCE BODIES

As per its Bylaws, the Company is administered by one or several Managers. Managers who are General Partners are entitled to a share of the income distributed among all the General Partners in accordance with the provisions of the Bylaws. The General Manager is paid fixed and variable compensation.

In 2025, Florent Menegaux, Managing Chairman and Managing General Partner of Compagnie Générale des Établissements Michelin, received a statutory distribution of €1.2 million based on 2024 net income (2024 based on 2023 net income: €1.7 million).

Yves Chapot received compensation of €1.9 million (payroll taxes included) in 2025 as General Manager of Compagnie Générale des Établissements Michelin (2024: €2.4 million).

The compensation paid in 2025 to the members of the Supervisory Board for their services in 2025 amounted to €1.2 million, of which €0.9 million was for in respect of 2024.

NOTE 12 BREAKDOWN OF EMPLOYEES BY CATEGORY

Employee category	Average number of employees during the year
Production operators	-
Administrative employees, technicians and supervisors	-
Managers and engineers	2
TOTAL	**2**

NOTE 13 INFORMATION ON RELATED PARTIES

All related-party transactions are on arm's length terms.

NOTE 14 OFF-BALANCE SHEET COMMITMENTS AND OTHER OFF-BALANCE SHEET TRANSACTIONS

(in € thousands)	Amount at December 31, 2025	Of which to related parties
Currency derivatives: currency to be received	501,402	-
Currency derivatives: currency to be delivered	503,894	-
Interest rate instruments qualifying as fair value hedges	1,026,000	-
Interest rate instruments qualifying as cash flow hedges	776,000	-
Syndicated line of credit	2,500,000	-
TOTAL	**5,307,296**	

At December 31, 2025, the value in euros of the currency derivatives was as follows:

- currency to be received: €501,402 thousand;
- currency to be delivered: €503,894 thousand.

At December 31, 2025, the value in euros of interest rate derivatives was as follows:

- derivatives qualifying as fair value hedges: €1,206,000 thousand;
- derivatives qualifying as cash flow hedges: €776,000 thousand.

On May 23, 2022, the agreement for the €2,500,000 thousand syndicated credit lines was amended. The new agreement provided for a new five-year maturity (2027) with two one-year extension options at the lenders' discretion. These options were exercised in 2023 and 2024, extending the lines' maturity to 2029.

No other commitments have been given or received by the Company.

NOTE 15 SHARE-BASED PAYMENTS

Share grants and performance share plans

Details of current bonus and performance share plans (Excellence, Recognition) are provided in Chapter 6 of the 2025 Universal Registration Document.

Two performance share plans (Excellence and Recognition) were launched during the year.

Changes in the number of share grants and performance share rights outstanding are as follows:

	2025	2024
At January 1	**8,858,553**	**7,303,830**
Granted	3,260,649	3,107,516
Forfeited	(868,912)	(621,054)
Exercised (Vested)	(728,748)	(931,739)
AT DECEMBER 31	**10,521,542**	**8,858,553**

Excellence Plan

In November 2025, 2,714,681 rights to performance shares were granted to Group employees and the Managers. The rights are subject to a four-year vesting period ending in November 2029 without any lock-up period. The shares will vest provided that the performance conditions (stock market performance, environmental and CSR performance, operating performance) are met.

Recognition Plan

In November 2025, the Group granted 545,968 free share rights to employees, with a 4-year vesting period ending in November 2029 and no lock-up period. The shares will vest automatically at the end of the period provided that the employees concerned are still employed by the Group at that date. As the allocation per employee does not exceed 250 shares, they are not subject to any performance conditions.

The number of outstanding bonus or performance share rights per year of grant is as follows:

	Vesting date		Lock-up period		Number of share grants or performance share rights outstanding December 31, 2025	Number of share grants or performance share rights outstanding December 31, 2024
Grant date	**France**	**Other countries**	**France**	**Other countries**		
2021	2025	2025	None	None		739,796
2022	2026	2026	None	None	1,090,125	1,816,589
2023	2027	2027	None	None	2,570,583	2,634,989
2023	2027	2027	None	None	543,165	559,663
2024	2028	2028	None	None	2,556,937	2,589,138
2024	2028	2028	None	None	500,083	518,378
2025	2029	2029	None	None	2,714,681	
2025	2029	2029	None	None	545,968	
NUMBER OF SHARE GRANTS OR PERFORMANCE SHARE RIGHTS OUTSTANDING					**10,521,542**	**8,858,553**

NOTE 16 EVENTS AFTER THE REPORTING DATE

No material events occurred between the reporting date and the date when the financial statements were authorized for issue by the Managing Chairman

NOTE 17 LIST OF SUBSIDIARIES AND AFFILIATES

(in € thousands unless otherwise specified)	Equity[1][2]	% interest	Book value of shares[3] Cost	Book value of shares[3] Net	Net loans and advances granted by the Company[3]	Commitments given by the Company[3]	Last published revenue[2][3]	Last published income/ (loss)[2][3]	Dividends received during the year[3]	Comments
SUBSIDIARIES (OVER 50%-OWNED)										
Camso Inc.	436,829	100%	354,316	330,062	-	-	33,723	(15,235)	-	
Magog (Canada)	*(USD)*									
Camso (Vietnam)	35,701	100%	29,840	28,569	-	-	36,700	1,836	858	
Tan Uyen (Vietnam)	*(USD)*									
Compagnie Financière Michelin	19,969,158	100%	6,849,410	6,849,410	-	-	665	1,871,167	1,000,000	
in Clermont-Ferrand (France)										
Fenner Group Holdings Limited	61,218	100%	1,365,554	1,365,554	-	-	-	9,549	102,441	
Stoke-On-Trent (United Kingdom)	GBP									
Masternaut Bidco Limited	111,427	100%	85,974	51,400	-	-	-	-	-	
London (United Kingdom)										
Rodaco Argentina S.A.U.	(259,551)	100%	4,838	192	-	-	2,347,281	(622,811)	-	
Buenos Aires (Argentina)	*(USD)*									
PT Multistrada Arah Sarana Tbk	381,000	99.97%	495,988	495,988	-	-	389,344	32,625	18,062	
Bekasi (Indonesia)	*(USD)*									
Michelin AIM FCZO	1,577	100%	37	37	-	-	6,923	359	-	
Dubai (United Arab Emirates)	*(AED)*								-	
A. TOTAL SUBSIDIARIES			**9,185,957**	**9,121,212**	**-**	**-**			**1,121,361**	
AFFILIATES (10%-50% OWNED)										
Aggregate information			91	0	-	-	-	-	-	
B. TOTAL AFFILIATES			**91**	**0**	**-**	**-**	**-**	**-**	**-**	
C. TOTAL SUBSIDIARIES AND AFFILIATES (A+B)			**9,186,048**	**9,121,212**	**-**	**-**			**1,121,361**	

(1) In thousands of local currency units.
(2) Most recent fiscal year.
(3) (in €).

NOTE 18 2024 CONSOLIDATED FINANCIAL STATEMENTS

ASSETS *(in € thousands)*	December 31, 2024 Cost	Depreciation, amortization & provisions	Net	December 31, 2023 Net
Intangible assets	427,379	(309,140)	118,239	119,516
Investments	12,395,359	(29,657)	12,365,702	11,282,052
NON-CURRENT ASSETS	**12,822,738**	**(338,797)**	**12,483,941**	**11,401,568**
Receivables	1,247,045		1,247,045	1,349,583
Derivative instruments	43,064	(42,906)	158	250
Cash	2,914,626		2,914,626	1,176,393
Prepaid expenses	3,789		3,789	4,922
CURRENT ASSETS	**4,208,524**	**(42,906)**	**4,165,618**	**2,531,148**
Deferred charges and bond call premiums	42,847	(6,898)	35,949	25,375
Conversion losses				
TOTAL ASSETS	**17,074,109**	**(388,601)**	**16,685,508**	**13,958,092**

LIABILITIES *(in € thousands)*	December 31, 2024	December 31, 2023
Share capital	352,874	357,479
Paid-in capital in excess of par	2,325,852	2,701,774
Revaluation reserve	624,772	624,772
Reserves	1,282,107	1,282,573
Retained earnings	1,193,231	1,885,645
Net income	1,216,874	272,053
Untaxed reserves	61,598	61,598
TOTAL EQUITY	**7,057,308**	**7,185,894**
Convertible bonds		
Ordinary bonds and other borrowings	5,953,808	4,930,951
Other financial liabilities	2,748,686	949,606
Accrued taxes and payroll costs	11,700	3,531
Other liabilities	914,006	888,110
Derivative instruments	-	-
LIABILITIES	**9,628,200**	**6,772,198**
Conversion gains		
TOTAL EQUITY AND LIABILITIES	**16,685,508**	**13,958,092**

Income statement

(in € thousands)	2024	2023
Revenue (royalties)	1,797,318	1,790,853
Other revenue	20,627	10,308
Exchange gains	152,906	170,713
REVENUE	**1,970,851**	**1,971,874**
External charges	(1,617,315)	(1,506,991)
Taxes other than on income	(30,760)	(1,272)
Payroll costs	(2,712)	(3,502)
Depreciation and amortization	(2,803)	(46,070)
Other expenses	(1,652)	(1,341)
Exchange losses	(155,234)	(169,828)
OPERATING EXPENSES	**(1,810,476)**	**(1,729,004)**
NET OPERATING INCOME	**160,375**	**242,870**
Dividends from subsidiaries and affiliates	1,059,819	82,028
Interest income	114,484	126,223
Provision reversals	-	-
Exchange gains	1,198	4,540
FINANCIAL INCOME	**1,175,501**	**212,791**
Amortization and provision expense	(39,892)	(82,547)
Interest expense	(101,950)	(95,682)
Exchange losses	(312)	(1,403)
FINANCIAL EXPENSE	**(142,154)**	**(179,632)**
NET FINANCIAL INCOME	**1,033,347**	**33,159**
INCOME BEFORE NON-RECURRING ITEMS AND TAX	**1,193,722**	**276,029**
Non-recurring income	195,548	2,475,763
Non-recurring expenses	(195,958)	(2,460,627)
NET NON-RECURRING INCOME/(EXPENSE)	**(410)**	**15,136**
Income tax	23,562	(19,112)
NET INCOME	**1,216,874**	**272,053**

5.3.3 STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

(For the year ended December 31, 2025)

To the Shareholders of Compagnie Générale des Etablissements Michelin

Compagnie Générale des Établissements Michelin
23 place des Carmes-Déchaux
63000 Clermont Ferrand

Opinion

In compliance with the engagement entrusted to us by your annual Shareholders' general meeting, we have audited the accompanying financial statements of Compagnie Générale des Établissements Michelin for the year ended December 31, 2025.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of Compagnie Générale des Établissements Michelin as at December 31, 2025 and of the results of its operations for the year then ended in accordance with French accounting principles

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors Responsibilities for the Audit of the Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with the independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for statutory auditors, for the period of January 1, 2025 to the date of our report and specifically we did not provide any prohibited non audit services referred to in article 5(1) of Regulation (EU) No 537/2014.

Observation

Without qualifying the opinion expressed above, we draw your attention to Note 3 "Comparability of the financial statements" to the notes to the parent company financial statements, which describes the impacts arising from the change in accounting method related to the first-time application of ANC Regulation No. 2022-06.

Justification of Assessments – Key Audit Matters

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Valuation of shares in subsidiaries and affiliates

Risk identified

As of December 31, 2025, the carrying amount of shares in subsidiaries and affiliates was recorded for a net book value of €9,121 million, representing 60% of total assets. The securities are recognized at historical cost, increased by the impact of value adjustments made in accordance with the law where applicable.

As indicated in note 4 of financial statements, the Company evaluates at the end of each period the inventory value of shares in subsidiaries and affiliates. This inventory value is based either on the net assets (adjusted if necessary) or on the profitability and outlook of the investee as well as its usefulness for the investor company. In the event of a lasting decline in the inventory value to an amount below the carrying amount, an impairment loss is recognized.

To estimate the inventory value of the shares, management exercises judgment when choosing the items to be taken into consideration, depending on the relevant subsidiary or affiliate.

Accordingly, we deemed the measurement of shares in subsidiaries and affiliates to be a key audit matter due to materiality of these assets in the balance sheet, the degree of judgment required by management and the uncertainties inherent in determining the cash flow assumptions particularly as regards the probability and time frame of achieving the forecasts used by management.

How our audit adressed this risk

Concerning shares with a material value or which carry a specific risk of impairment, our audit work consisted in: f:

- for valuations based on historical data: verifying that the net asset figures used are consistent with the relevant entities' financial statements and that any adjustments made were based on probing documentation.
- for valuations based on forecast data, obtaining forecasted discounted cash flow from operations prepared by management for the relevant entities' operation and assessing the consistency of the assumptions with business trends.

Our work also consisted in assessing, with the help of our valuation experts, the reasonableness of the perpetual growth rates and discount rates used by management

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to Shareholders.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report prepared by the Managing Chairman and in the other documents with respect to the financial position and the financial statements provided to the Shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D.441-6 of the French Commercial Code (code de commerce).

Report on Corporate Governance

We attest that the Supervisory Board's report on corporate governance sets out the information required by Article L. 225-37-4, L.22-10-10 and L.22-10-9 of the French Commercial Code (code de commerce).

Concerning the information given in accordance with the requirements of Article L. 22-10-9 of the French Commercial Code (code de commerce) relating to remunerations and benefits received by or awarded to the corporate officers and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from controlled companies which are included in the scope of consolidation. Based on these procedures, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your company considered likely to have an impact in the event of a takeover bid or exchange offer, provided pursuant to Article L. 22-10-11 of the French Commercial Code (code de commerce), we have agreed this information to the source documents communicated to us. Based on these procedures, we have no observations to make on this information.

Other information

In accordance with French law, we have verified that the required information concerning the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report

Report on Other Legal and Regulatory Requirements

Format of presentation of the financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (code monétaire et financier), prepared under the responsibility of the Managing Chairman's, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018.

Based on the work we have performed, we conclude that the presentation of the financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Compagnie Générale des Établissements Michelin by the annual Shareholders' Meetings held on May 14, 2004 for PricewaterhouseCoopers Audit and on May 7, 2010 for Deloitte & Associés.

In the December 31, 2025, PricewaterhouseCoopers Audit was in the 22nd year of its uninterrupted assignment and Deloitte & Associés in the 16th year.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Managing Chairman.

Statutory auditors' responsibilities for the audit of the financial statements

Objective and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L. 821-55 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the company or the quality of management of affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.821-27 to L.821-34 of the French Commercial Code and in the French Code of Ethics for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine and Paris-La-Défense, February 16, 2026

The Statutory Auditors

French Original signed by

PricewaterhouseCoopers Audit		Deloitte & Associés	
Itto El Hariri	Frédéric Nusbaumer	Frédéric Gourd	Celine Dubreucq

5.3.4 STATUTORY AUDITORS' SPECIAL REPORT ON RELATED-PARTY AGREEMENTS

(Annual Shareholders Meeeting for the approval of the financial statements for the year ended December 31, 2025)

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English-speaking readers. This report includes information specifically required by European regulations or French law, such as information about the appointment of Statutory Auditors. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders' Meeting of Compagnie Générale des Etablissements Michelin
Compagnie Générale des Établissements Michelin
23 place des Carmes-Déchaux
63000 Clermont-Ferrand

In our capacity as Statutory Auditors of Compagnie Générale des Établissements Michelin, we hereby report to you on related-party agreements.

It is our responsibility to report to shareholders, based on the information provided to us, on the main terms and conditions of agreements that have been disclosed to us or that we may have identified as part of our engagement, as well as the reasons given as to why they are beneficial for the Company, without commenting on their relevance or substance or identifying any undisclosed agreements. Under the provisions of Article R. 226-2 of the French Commercial Code (Code de commerce), it is the responsibility of the shareholders to determine whether the agreements are appropriate and should be approved.

Where applicable, it is also our responsibility to provide shareholders with the information required by Article R. 226-2 of the French Commercial Code in relation to the implementation during the year of agreements already approved by the Annual Shareholders Meeting.

We performed the procedures that we deemed necessary in accordance with professional standards applicable in France to such engagements.

AGREEMENTS TO BE SUBMITTED FOR THE APPROVAL OF THE ANNUAL SHAREHOLDERS MEETING

Agreements authorized and entered into during the year

We were not informed of any agreements authorized and entered into during the year to be submitted for the approval of the Annual Shareholders Meeting pursuant to the provisions of Article L. 226-10 of the French Commercial Code

AGREEMENTS ALREADY APPROVED BY THE ANNUAL SHAREHOLDERS MEETING

We were not informed of any agreement already approved by the Annual Shareholders Meeting which remained in force during the year

Neuilly-sur-Seine and Paris La Défense, February 16, 2026

The Statutory Auditors

French original signed by

PricewaterhouseCoopers Audit		Deloitte & Associés	
Itto El Hariri	Frédéric Nusbaumer	Frédéric Gourd	Céline Dubreucq

5.3.5 STATEMENT OF CHANGES IN EQUITY

(in € thousands and € per share)	2025	2024
NET INCOME		
Accounting profit		
Total: Net income/(loss)	1,373,345	1,216,874
Per share: Net income/(loss)	2.00	1.72
RECOMMENDED TOTAL DIVIDEND PAYOUT	**948,882[1]**	**973,931[1]**
Recommended dividend per share	1.38[1]	1.38[1]

(1) Subject to approval by shareholders at the Annual Meeting on May 22, 2026.

Statement of changes in equity

(in € thousands)	2025	2024
A) 1. Equity at prior year-end before dividends	7,057,308	7,185,894
2. Dividend approved by the Annual Shareholders Meeting	(973,931)	(964,466)
B) Equity at January 1, 2025 after dividends	6,083,377	6,221,428
C) Movements for the year:		
1. Change in capital	(9,076)	(4,605)
2. Change in paid-in capital in excess of par	(569,958)	(375,922)
3. Change in reserves and retained earnings[1]	(3,435)	(467)
4. Net income	1,373,345	1,216,874
D) Equity at December 31, 2025 before dividends	6,874,253	7,057,308
E) TOTAL CHANGES IN EQUITY DURING THE YEAR	**(183,055)**	**(835,880)**
F) of which changes due to changes in Group structure	0	0
G) TOTAL CHANGES IN EQUITY DURING THE YEAR EXCLUDING CHANGES IN GROUP STRUCTURE	**(183,055)**	**(835,880)**

(1) Excluding appropriation of net income.

5.3.6 APPROPRIATION OF INCOME

(in €)	2025	2024	% change
Recommended dividend per share	1.38	1.38	-

Appropriation of net income *(in € thousands)*	2025	204
AMOUNT TO BE APPROPRIATED		
Retained earnings brought forward from prior year		1,433,102
Net income		1,373,345
RECOMMENDED APPROPRIATIONS		
Dividend	948,882	
Statutory share of income attributed to the General Partners	2,944	
Retained earnings	1,854,621	-
AVAILABLE AT DECEMBER 31, 2025	**2,806,447**	**2,806,447**

5.3.7 FIVE-YEAR FINANCIAL SUMMARY

(in € thousands and in € per share, unless otherwise specified)	2021	2022	2023	2024	2025
CAPITAL AT DECEMBER 31					
Share capital	357,061	357,059	357,479	352,874	343,798
Number of common shares outstanding	714,121,800	714,117,414	714,958,226	705,747,272	687,596,240
RESULTS OF OPERATIONS					
Sales of goods	959,769	1,010,962	1,790,853	1,797,318	1,898,164
Earnings before tax, depreciation, amortization and provisions (EBTDA)	635,133	426,055	419,782	1,236,007	1,374,342
Income tax	18,811	(48,236)	(19,112)	23,562	40,068
Net income	584,192	544,575	272,053	1,216,874	1,373,345
PER-SHARE DATA					
Earnings per share after tax, before depreciation, amortization and provision expenses (EBDA)	0.86	0.66	0.56	1.78	1.94
Basic earnings per share	0.82	0.76	0.38	1.72	2.00
Dividend per share[1]	1.13	1.25	1.35	1.38	1.38
EMPLOYEE DATA					
Average number of employees	2	2	2	2	2
Total payroll	3,190	2,603	3,502	2,712	2,827

5.4 ADDITIONAL INFORMATION

5.4.1 PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

Person responsible for the Universal Registration Document and the Annual Financial Report

Florent Menegaux, Managing Chairman

Statement by the person responsible for the Universal Registration Document and the Annual Financial Report

I hereby declare that the information contained in the Universal Registration Document is in accordance with the facts and no information has been omitted that would be likely to affect its import.

I further declare that, to the best of my knowledge, the annual and consolidated financial statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer and the undertakings included in the consolidation, that the Report of the Managers included on page 551 gives a true and fair view of the development and performance of the business and the financial position of the issuer and the undertakings included in the consolidation, together with a description of the main risks and uncertainties they face, and that it has been prepared in accordance with sustainability reporting standards.

Clermont-Ferrand, April 3, 2026

Florent Menegaux,

Managing Chairman

5.4.2 STATUTORY AUDITORS

5.4.2.1 Statutory Auditors

Under French law, the accounts of listed companies are required to be audited by two independent Statutory Auditors. The purpose of this requirement is to provide assurance that the financial statements have been properly prepared and comply with the true and fair view principle.

The Statutory Auditors are appointed by the Annual Shareholders Meeting for a six-year term, based on a recommendation made by the Supervisory Board following a selection process overseen by the Audit Committee. They may be re-appointed for successive terms. They test the fairness of financial statements and carry out all of the statutory audit work required by law. Michelin does not ask them to perform any other engagements that might impair their independence.

The Statutory Auditors of Compagnie Générale des Établissements Michelin, Michelin's holding Company are:

PricewaterhouseCoopers Audit

Registered member of the Compagnie régionale des Commissaires aux Comptes de Versailles

63, rue de Villiers

92208 Neuilly-sur-Seine

Represented by Itto El Hariri and Frédéreic Nusbaumer

Deloitte & Associés

Registered member of the Compagnie régionale des Commissaires aux Comptes de Versailles

6, place de la Pyramide

92908 Paris-La Défense

Represented by Frédéric Gourd and Céline Dubreucq

There are no legal or financial ties of any sort between the two firms or the lead partners.

5.4.2.2 Fees paid to the Statutory Auditors of Compagnie Générale des Établissements Michelin (CGEM)

Fees paid to the Statutory Auditors are disclosed in note 21 to the consolidated financial statements.

5.4.3 STATEMENTS INCORPORATED BY REFERENCE

In accordance with Article 19 of Regulation (EU) No. 2017/1129 of the European Parliament and of the Council of June 17, 2017, this Universal Registration Document incorporates by reference the following information to which readers are invited to refer:

- the management report, the consolidated financial statements and the parent company financial statements for the year ended December 31, 2024, as well as the relevant Statutory Auditors' reports, presented in the Universal Registration Document filed with the AMF on April 4, 2025 under number D. 25-0229;
- the management report, the consolidated financial statements and the parent company financial statements for the year ended December 31, 2023, as well as the relevant Statutory Auditors' reports, presented in the Universal Registration Document filed with the AMF on April 5, 2024 under number D. 24-0256;

The information included in said Universal Registration Documents, other than the items cited above, are superseded or updated by the information included in the 2024 Universal Registration Document. Said Universal Registration Documents are available for consultation at the Company's registered office or on its website www.michelin.com.

06





CHAPTER 06

INVESTOR RELATIONS

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6.1 INFORMATION ABOUT THE COMPANY(1)

Legal and commercial name of the Company

- Compagnie Générale des Établissements Michelin.

Place of registration and registration number

- The Company is registered in the Clermont-Ferrand Trade and Companies Register under number 855 200 887.
- LEI code: 549300SOSI58J6VIW052.

Date of incorporation and term

- The Company was incorporated on July 15, 1863. Its term will end on December 31, 2050, unless it is wound up before that date or its term is extended.

Summary organization chart



The Group's parent company is Compagnie Générale des Établissements Michelin (CGEM), which directly or indirectly owns all of its subsidiaries and associates, in particular:

- Compagnie Financière Michelin (CFM), a direct subsidiary of CGEM located in France, which owns most of the Group's companies;
- Manufacture Française des Pneumatiques Michelin (MFPM), an indirect subsidiary of CGEM located in France, whose activities include acting as the Group's corporate headquarters and its Technology Center.

In addition to its role as parent company, CGEM also holds Michelin's intellectual property assets.

Registered office

- The Company's registered office is located at 23, place des Carmes-Déchaux, 63000, Clermont-Ferrand (Puy-de-Dôme), France.
- Phone: + 33 (0)4 73 32 20 00.
- Corporate website: www.michelin.com

Legal form and governing law

- The Company is a partnership limited by shares (*société en commandite par actions*) governed by Articles L. 226-1 to L. 226-14 of the French Commercial Code (*Code de commerce*).

Main business

- Managing subsidiaries and other interests held in any and all countries.

These two functions have led CGEM to sign trademark & technology licenses and service agreements with the Group's main manufacturing companies. Services include both support services and higher value-added contributions such as the research centers' development and process engineering work and the contributions of the corporate functions and business lines. From an organizational standpoint, these services are performed by certain CGEM subsidiaries (mainly MFPM, in France).

Since January 1, 2023, the CGEM subsidiaries responsible for the high value-added contributions have been paid a fee determined by the residual profit split method (an internationally recognized method recommended by the OECD).

In addition to CGEM's licensing and service transactions, other internal transactions are carried out between Group subsidiaries in a variety of areas (e.g., exchanges of intangible assets, provision of various services, supply of equipment, raw materials, finished and semi-finished products, etc.). Transfer prices for these transactions are also determined in accordance with OECD recommendations (see *the OECD's Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations, 2022 edition*).

(1) See also Chapter 2 for information on the Company's Bylaws.

6.2 SHARE INFORMATION

6.2.1 THE MICHELIN SHARE

Traded on the Euronext Paris stock exchange

- Compartment A;
- Eligible for the SRD deferred settlement system;
- ISIN: FR001400AJ45;
- Par value: €0.50;
- Traded in units of: 1.

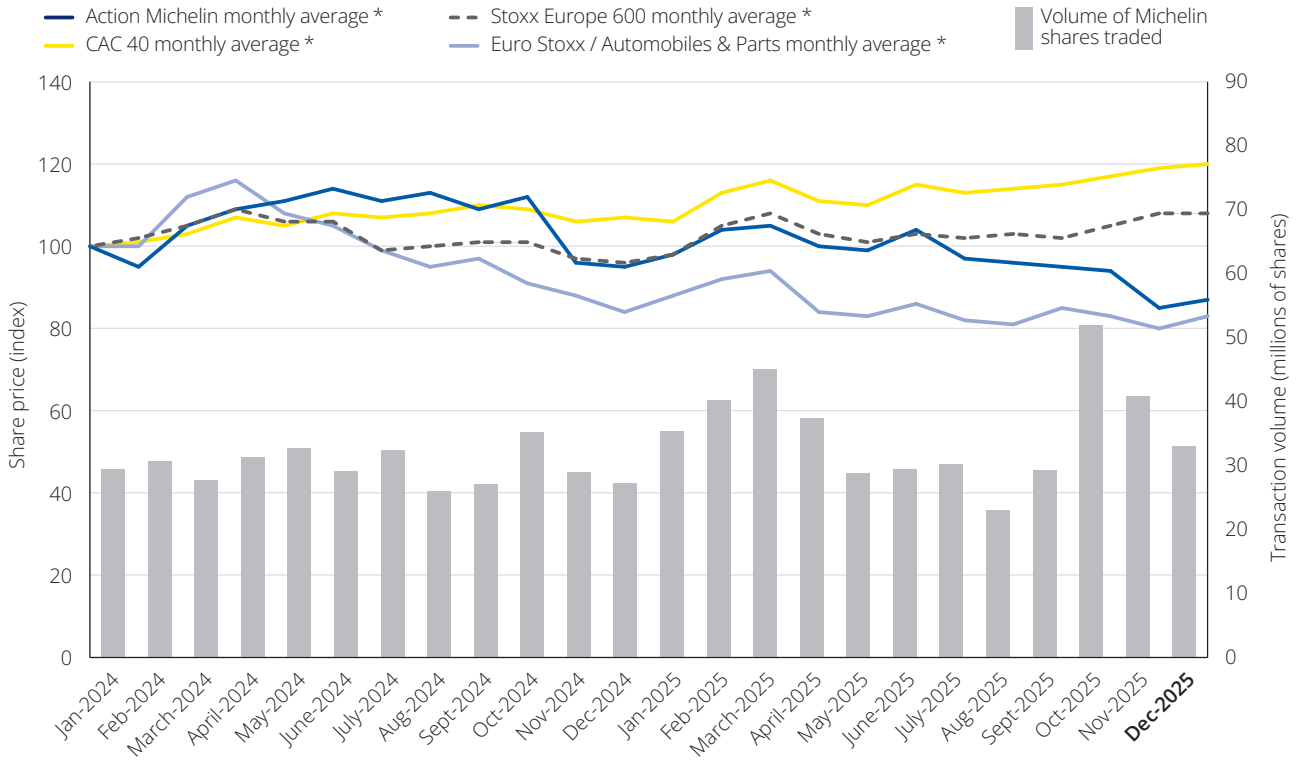
Indices

The Michelin share is included in two leading stock market indices:

- CAC 40: 1.10% of the index at December 31, 2025;
- Stoxx Europe 600:

MICHELIN SHARE PERFORMANCE AND TRADING VOLUMES

According to statistical data collected by Euronext Paris.



* *Standardized monthly averages (base 100 = January 1, 2024)*

6.2.2 DETAILED SHARE DATA

According to statistical data collected by Euronext Paris.

Share price (in €)	2025	2024	2023	2022	2021[1] (restated)	2021 (reported)
Session high	35.70	38.52	32.65	38.93	36.50	146.00
Session low	25.51	30.06	25.60	21.99	25.83	103.30
High/low ratio	1.40	1.28	1.28	1.77	1.41	1.41
Closing price, end of period	28.31	31.80	32.46	25.99	36.04	144.15
Average closing price over the period	31.30	34.26	28.87	28.53	32.44	129.75
Change in the Michelin share price over the period	-10.97%	-2.03%	24.92%	-27.89%	37.35%	37.35%
Change in the CAC 40 index over the period	10.42%	-2.15%	16.52%	-9.50%	28.85%	28.85%
Change in the Stoxx Europe 600 index over the period	16.66%	5.98%	12.73%	-12.90%	22.25%	22.25%
Average daily Stoxx Europe 600 share price	549.43	507.51	457.04	434.40	449.58	449.58
Market capitalization (at period-end, in € billions)	**19.47**	**22.44**	**23.21**	**18.56**	**25.74**	**25.74**
Average daily trading volume over the period[2]	1,666,021	1,408,288	1,419,300	1,844,574	1,743,820	435,955
Average shares outstanding	704,969,648	712,283,891	714,258,055	713,400,033	713,512,772	178,378,193
Volume of shares traded over the period	424,835,390	360,521,846	366,179,447	475,900,118	449,905,428	112,476,357

(1) Only the 2021 share data have been restated ("2021 restated") to reflect the four-for-one stock split on June 16, 2022.
(2) Volumes traded on the Euronext platform.

6.2.3 PER-SHARE DATA

(in € per share, except ratios)	2025	2024	2023	2022	2021 (restated)	2021 (reported)
Net asset value per share	26.3	26.4	25.1	24.0	20.9	83.9
Basic earnings per share	2.36	2.65	2.77	2.81	2.58	10.31
Diluted earnings per share[1]	2.33	2.62	2.75	2.79	2.56	10.24
PRICE EARNINGS RATIO	**12.0**	**12.0**	**11.7**	**9.3**	**14.0**	**14.0**
Dividend per share	1.38[2]	1.38	1.35	1.25	1.125	4.50
Payout ratio[3]	57%	52%	49%	44%	44%	44%
Yield[4]	4.9%	4.3%	4.2%	4.8%	3.1%	3.1%

(1) Earnings per share adjusted for the impact of the exercise of outstanding dilutive instruments on net income and average shares outstanding.
(2) 2025 dividend subject to approval by the Annual Shareholders Meeting on May 22, 2026.
Only the 2021 share data have been restated ("2021 restated") to reflect the four-for-one stock split on June 16, 2022. Prior-year figures correspond to the reported dividend.
(3) The Group's dividend policy consists of routinely distributing around 50% of net income, a rate that may be adjusted in the event of a systemic crisis.
(4) Dividend divided by the December 31 share price.

6.2.4 CAPITAL AND OWNERSHIP STRUCTURE

At December 31, 2025, Michelin's share capital amounted to €343,798,120

	At December 31, 2025			At December 31, 2024			At December 31, 2023		
	Number of shareholders	% of shares outstanding[2]	% of voting rights[2]	Number of shareholders	% of shares outstanding[2]	% of voting rights[2]	Number of shareholders	% of shares outstanding[2]	% of voting rights[2]
French institutional investors	5,040	17.9%	20.5%	4,311	20.6%	23.6%	4,497	20.4%	24.0%
Non-resident institutional investors		68.4%	65.1%		65.8%	61.5%		67.0%	61.8%
Individual shareholders(including former employees)[1]	169,402	10.7%	11.5%	173,611	11.0%[1]	12.2%	170,391	10.5%	11.9%
Employee share ownership plan	77,755	3.1%	2.9%	80,261	2.6%	2.7%	71,621	2.1%	2.3%
TOTAL	**252,197**	**687,596,240 SHARES[3]**	**1,002,098,920 VOTING RIGHTS**	**258,183**	**705,747,272 SHARES[3]**	**998,581,514 VOTING RIGHTS**	**246,509**	**714,958,226 SHARES[3]**	**990,275,053 VOTING RIGHTS**

(1) **The 1.3% of outstanding shares owned by former employees** at December 31, 2025 has been included in the percentage of shares held by individual shareholders**.**
(2) Percentages rounded to the nearest tenth.
(3) All fully paid up.

In accordance with the Company Bylaws, shares held in the same name for at least four years carry double voting rights.

To the Company's knowledge, no material portion of its issued capital has been pledged.

At December 31, 2025, 687,596,240 shares were held by the public, for which theoretical voting rights were identical to exercisable rights.

As of December 31, 2025, to the best of the Company's knowledge:

- BlackRock Inc. held 6.12% of the share capital and less than 5% of the voting rights;
- Capital Group Companies, Inc. held 5.07% of the share capital and 3.48% of the voting rights;
- Mage Invest held 4.41% of the share capital and 6.03% of the voting rights;
- no other shareholder directly or indirectly holds more than 5% of the share capital and voting rights;
- there are no shareholders' agreements or pacts.

Significant changes since January 1, 2026

The following main legal or statutory disclosure threshold has been crossed since January 1, 2026:

Capital Group Companies, Inc., acting on behalf of its clients and the funds it manages, has made several disclosures that it has crossed the legal threshold of 5% of the share capital and 5% of the voting rights. Most recently, it disclosed on March 18, 2026 that on March 17, 2026, it had crossed the threshold of 10% of the share capital and held, on that date, on behalf of the said clients and funds, 68,976,811 shares representing the same number of voting rights, i.e., 10.03% of the Company's share capital and 6.93% of its voting rights (AMF notice ref. 226C0343).

There has been no material change in the Company's ownership structure over the last three years.

6.3 INVESTOR RELATIONS

Every shareholder has access to clear, comprehensive, transparent information, tailored to his or her individual needs.

In particular, extensive information about our business operations, strategy and financial performance may be found in a wide variety of regulatory filings, such as press releases, the Universal Registration Document including the annual financial report, the interim financial report and the Company Bylaws.

All of these publications are readily available in French and English at www.michelin.com in the Investors section and on request from the Investor Relations Department.

Michelin maintains a close dialogue with its institutional shareholders, meeting some 440 of them in 2025. The Group is also deepening its relations with ESG investors through the organization of a dedicated roadshow attended by management and the monthly ESG virtual series attended by the Group's ESG experts. During the annual Governance Roadshows, the Chair of the Supervisory Board presents Michelin's corporate governance and social, societal and environmental issues directly to the main investors.

All these interactions enable us to maintain a conversation with the financial community, including analysts, institutional investors, ESG investors, proxy advisors, rating agencies and other stakeholders.

At the same time, Michelin has continued to strengthen its ties with individual shareholders by organizing a number of dedicated events. In 2025, the Group took part in roundtable discussions on CSR issues at the Université Catholique de Lille and in the BoursoLive trade show, a leading digital event for investors, as well as organizing a conference in Paris specifically for shareholders, attended by some 150 participants.

Shareholder dialogue has also been reinforced through the publication of regular newsletters and through new partnerships with universities.

Last but not least, the Annual Shareholders Meeting is an important event in the investor relations calendar. The notice of meeting sent to all shareholders and the main proxy advisors includes a description of the procedure to be followed in order to take part in the vote on the resolutions tabled at the meeting. Some 900 shareholders attended the Annual Shareholders Meeting of May 16, 2025.

6.4 DOCUMENTS ON DISPLAY

Historical financial information, Universal Registration Documents (Registration Documents), Notices and Minutes of Shareholders Meetings, the Company Bylaws, and all of the regulatory filings within the meaning of Article 221-1 of the AMF General Regulations (particularly press releases, quarterly reports and the interim and annual reports), may be viewed in French or English at www.michelin.com. They are also available on the French website of record (www.info-financiere.fr) and, if necessary, at the Company's registered office.

6.5 ADDITIONAL SHARE INFORMATION

6.5.1 CHANGES IN SHARE CAPITAL

Year	Transaction	Change in capital		
		Number of shares	**Capital** *(in €)*	**Share premium** *(in €)*
2021	Vesting of performance shares	180,976	361,952	0
	Exercise of stock options	9,388	18,776	461,514
	At December 31, 2021	**178,530,450**	**357,060,900**	
2022	Vesting of performance shares	12	24	
	Adjusted for the four-for-one stock split	714,121,848	357,060,924	-
	Vesting of performance shares	450,012	225,006	0
	Employee share issue	3,872,090	1,936,045	74,017,026
	Cancellation of shares	(4,326,536)	(2,163,268)	(118,196,732)
	At December 31, 2022	**714,117,414**	**357,058,707**	
2023	Vesting of performance shares	704	352	
	Vesting of performance shares	1,840	920	
	Vesting of performance shares	838,268	419,134	
	At December 31, 2023	**714,958,226**	**357,479,113**	
2024	Cancellation of shares	(11,721,769)	(5,860,884)	(398,977,536)
	Employee share issue	4,334,410	2,167,205	119,543,027
	Vesting of performance shares	929,110	464,555	
	Cancellation of shares	(2,755,334)	(1,377,667)	(93,784,170)
	Vesting of performance shares	2,629	2,629	
	At December 31, 2024	**705,747,272**	**352,873,636**	
2025	Vesting of performance shares	1,514	757	
	Employee share issue	4,039,620	2,019,810	87,619,358
	Vesting of performance shares	726,131	363,066	
	Cancellation of shares	(22,919,400)	(11,459,700)	(656,200,300)
	Vesting of performance shares	1,103	551	
	AT DECEMBER 31, 2025	**687,596,240**	**343,798,120**	

6.5.2 POTENTIAL SHARES

6.5.2 a) Outstanding securities convertible, exchangeable, redeemable or otherwise exercisable for shares

Options to purchase new shares of common stock

Please refer to the detailed information in section 6.5.3.

Performance shares

Please refer to the detailed information in section 6.5.4.

6.5.2 b) Estimated maximum number of potential new shares at December 31, 2025

	Capital *(in €)*
ISSUED CAPITAL AT DECEMBER 31, 2025	**343,798,120**

Stock options outstanding as of December 31, 2025

The last plan launched in 2012 expired in 2021 and no exercisable stock options remain.

Performance shares outstanding at December 31, 2025

Grant date	Vesting period ends	Performance shares outstanding	Capital
November 17, 2022 *(Excellence, Managers)*	November 17, 2026	1,090,125	
November 16, 2023 *(Recognition)*	November 16, 2027	543,165*	
November 17, 2023 *(Excellence, Managers)*	November 17, 2027	2,570,583*	
November 14, 2024 *(Recognition)*	November 14, 2028	500,083*	
November 15, 2024 *(Excellence, Managers)*	November 15, 2028	2,556,937*	
November 13, 2025 *(Recognition)*	November 13, 2029	545,968*	
November 14, 2025 *(Excellence, Managers)*	November 14, 2029	2,714,681*	
TOTAL PERFORMANCE SHARES OUTSTANDING		**10,521,542**	**5,260,771**

MAXIMUM POTENTIAL SHARES AS OF DECEMBER 31, 2025	**349,058,891** **UP 1.53%** **versus issued capital**

* *Before applying the rate of achievement of the performance conditions.*

6.5.3 STOCK OPTIONS

6.5.3 a) Stock option plans in effect at December 31, 2025 (Table 8 of the AFEP/MEDEF Corporate Governance Code)

The corporate officers did not receive any stock options in respect of their positions under one of the plans adopted by the Company which, since December 31, 2021, had all expired.

6.5.3 b) Stock options granted and exercised during the year

Stock options granted by CGEM[1] to the ten grantees other than Managers who received the greatest number of options and options exercised by the ten grantees other than Managers who exercised the greatest number of options	**Number of options granted/exercised**	**Exercise price** *(in €)*	**End of exercise period**	**Date granted by the Managers**
Options granted	0	-	-	-
Options exercised (new shares issued)	0	-	-	-

(1) No options have been granted by any qualifying company apart from CGEM. The last plan launched in 2012 expired in 2021 and no exercisable stock options remain.

6.5.3 c) Special Report of the Managing Chairman

No stock options were granted during the year.

No Manager holds non-exercisable stock options.

Clermont-Ferrand, February 11, 2026

Florent Menegaux

Managing Chairman

6.5.4 SHARE GRANTS AND PERFORMANCE SHARES

6.5.4 a) Share grants and performance share plans in effect at December 31, 2025 (Table 9 of the AFEP/MEDEF Corporate Governance Code)

VESTED PLANS AND PLANS IN EFFECT IN 2025

	Plan 14 (Excellence)	Plan 15 (Managers)	Plan 16 (Excellence)
Date of the shareholder authorization	June 23, 2020	June 23, 2020	June 23, 2020
Date granted by the Managers	November 17, 2021	November 17, 2021	November 17, 2022
Number of rights granted	1,222,508	55,980	1,791,414
O/w to:			
■ Florent Menegaux[1] (Managing Chairman)	-	33,588	-
■ Yves Chapot[1] (General Manager)	-	22,392	-
Vesting date (in years)	November 17, 2025 (4 years)	November 17, 2025 (4 years)	November 17, 2026 (4 years)
End of lock-up period (in years)	N/A	N/A	N/A
Performance conditions[2] (period over which criteria are applied: 3 years)	■ Michelin share price outperforms the Euro Stoxx 600 index by at least 5 points, comparing the average closing price in 2020 and in 2023 ■ Corporate social responsibility objective: – i-MEP below 88 points in 2023 – average change in employee engagement rate of more than 1 point over the 2021-2023 period ■ Average annual growth in revenue (excluding tires and distribution) of at least 8% over the 2020-2021, 2021-2022 and 2022-2023 periods ■ Return on capital employed (ROCE) of at least 11% in 2023	■ Michelin share price outperforms the Euro Stoxx 600 index by at least 5 points, comparing the average closing price in 2020 and in 2023 ■ Corporate social responsibility objective: – i-MEP below 88 points in 2023 – average change in employee engagement rate of more than 1 point over the 2021-2023 period ■ Average annual growth in revenue (excluding tires and distribution) of at least 8% over the 2020-2021, 2021-2022 and 2022-2023 periods ■ Return on capital employed (ROCE) of at least 11% in 2023	■ Michelin share price outperforms the Euro Stoxx 600 index by at least 5 points, comparing the average closing price in 2021 and in 2024 ■ Corporate social responsibility objective: – i-MEP below 83 points in 2024 – average change in employee engagement rate of more than 1 point over the 2022-2024 period ■ Average annual growth in revenue (excluding tires and distribution) of more than 10% over the 2021-2022, 2022-2023 and 2023-2024 periods ■ Return on capital employed (ROCE) strictly above 11% in 2024
Number of vested shares at December 31, 2025	691,830	34,708	814
Number of canceled or voided share rights	530,678	21,272	766,390
NUMBER OF PERFORMANCE SHARES OUTSTANDING AT DECEMBER 31, 2025	**0**	**0**	**1,024,210**
Performance conditions: achievement rate	62%	62%	61%

(1) Granted in his capacity as Manager
(2) On a like-for-like consolidated basis, excluding changes in exchange rates for the financial criteria.

Plan 17 (Managers)	Plan 18 (Recognition)	Plan 19 (Excellence)
June 23, 2020	May 12, 2023	May 12, 2023
November 17, 2022	November 16, 2023	November 17, 2023
108,056	577,018	2,575,723
67,983	-	-
40,073	-	-
November 17, 2026 (4 years)	November 16, 2027 (4 years)	November 17, 2027 (4 years)
N/A	N/A	N/A
■ Michelin share price outperforms the Euro Stoxx 600 index by at least 5 points, comparing the average closing price in 2021 and in 2024 ■ Corporate social responsibility objective: – i-MEP below 83 points in 2024 – average change in employee engagement rate of more than 1 point over the 2022-2024 period ■ Average annual growth in revenue (excluding tires and distribution) of more than 10% over the 2021-2022, 2022-2023 and 2023-2024 periods ■ Return on capital employed (ROCE) strictly above 11% in 2024	N/A	■ Michelin share price outperforms the Euro Stoxx 600 index by at least 5 points, comparing the average closing price in 2022 and in 2025 ■ Corporate social responsibility objective: – i-MEP below 80 points in 2025 – employee engagement rate exceeding 84.5% in 2025 ■ Average annual growth in revenue (excluding tires and distribution) of more than 12% over the 2022-2023, 2023-2024 and 2024-2025 periods ■ Return on capital employed (ROCE) of at least 12% in 2025
0	810	2,757
42,141	33,043	106,645
65,915	**543,165**	**2,466,321**
61%	N/A	39%

	Plan 20 (Managers)	Plan 21 (Recognition)	Plan 22 (Excellence)	Plan 23 (Managers)
Date of the shareholder authorization	May 12, 2023	May 12, 2023	May 12, 2023	May 12, 2023
Date granted by the Managers	November 17, 2023	November 14, 2024	November 15, 2024	November 15, 2024
Number of rights granted	104,262	518,378	2,496,117	93,021
O/w to:				
■ Florent Menegaux[1] (Managing Chairman)	65,164	-	-	58,138
■ Yves Chapot[1] (General Manager)	39,098	-	-	34,883
Vesting date (in years)	November 17, 2027 (4 years)	November 14, 2028 (4 years)	November 15, 2028 (4 years)	November 15, 2028 (4 years)
End of lock-up period (in years)	N/A	N/A	N/A	N/A
Performance conditions[2] (period over which criteria are applied: 3 years)	■ Michelin share price outperforms the Euro Stoxx 600 index by at least 5 points, comparing the average closing price in 2022 and in 2025 ■ Corporate social responsibility objective: – i-MEP below 80 points in 2025 – employee engagement rate exceeding 84.5% in 2025 ■ Average annual growth in revenue (excluding tires and distribution) of more than 12% over the 2022-2023, 2023-2024 and 2024-2025 periods ■ Return on capital employed (ROCE) of at least 12% in 2025	N/A	■ Michelin share price outperforms the Euro Stoxx 600 index by at least 5 points, comparing the average closing price in 2023 and in 2026 ■ Corporate social responsibility objective: – i-MEP below 77 points in 2026 – average employee engagement rate exceeds 85% in 2024, 2025 and 2026 ■ Average annual growth in revenue (excluding tires and distribution) of more than 8% over the 2023-2024, 2024-2025 and 2025-2026 periods ■ Return on capital employed (ROCE) of at least 12% in 2026	■ Michelin share price outperforms the Euro Stoxx 600 index by at least 5 points, comparing the average closing price in 2023 and in 2026 ■ Corporate social responsibility objective: – i-MEP below 77 points in 2026 – average employee engagement rate exceeds 85% in 2024, 2025 and 2026 ■ Average annual growth in revenue (excluding tires and distribution) of more than 8% over the 2023-2024, 2024-2025 and 2025-2026 periods ■ Return on capital employed (ROCE) of at least 12% in 2026
Number of vested shares at December 31, 2025	0	0	0	0
Number of canceled or voided share rights	0	18,295	32,201	0
NUMBER OF SHARE GRANTS OR PERFORMANCE SHARES OUTSTANDING AT DECEMBER 31, 2025	**104,262**	**500,083**	**2,463,916**	**93,021**
Performance conditions: achievement rate	39%	N/A	-	-

(1) Granted in his capacity as Manager.
(2) On a like-for-like consolidated basis, excluding changes in exchange rates for the financial criteria.

	Plan 24 (Recognition)	Plan 25 (Excellence)	Plan 26 (Managers)
Date of the shareholder authorization	May 12, 2023	May 12, 2023	May 12, 2023
Date granted by the Managers	November 13, 2025	November 14, 2025	November 14, 2025
Number of rights granted	545,968	2,608,948	105,733
O/w to:			
■ Florent Menegaux[1] (Managing Chairman)	-	-	66,083
■ Yves Chapot[1] (General Manager)	-	-	39,650
Vesting date (in years)	November 13, 2029 (4 years)	November 14, 2029 (4 years)	November 14, 2029 (4 years)
End of lock-up period (in years)	N/A	N/A	N/A
Performance conditions[2] (period over which criteria are applied: 3 years)	N/A	■ Michelin share price outperforms the Euro Stoxx 600 index by at least 5 points, comparing the average closing price in 2024 and in 2027 ■ Environmental and CSR performance: – over 7% improvement in rolling resistance in 2027 vs 2020 – renewable and recycled materials rate (RRMR) greater than 35% in 2027 – average Group employee engagement rate over the period 2025-2027 greater than 85% ■ Average annual growth in revenue (excluding tires and distribution) of more than 6% over the 2024-2025, 2025-2026 and 2026-2027 periods ■ Return on capital employed (ROCE) of at least 12% in 2027	■ Michelin share price outperforms the Euro Stoxx 600 index by at least 5 points, comparing the average closing price in 2024 and in 2027 ■ Environmental and CSR performance: – over 7% improvement in rolling resistance in 2027 vs 2020 – renewable and recycled materials rate (RRMR) greater than 35% in 2027 – average Group employee engagement rate over the period 2025-2027 greater than 85% ■ Average annual growth in revenue (excluding tires and distribution) of more than 6% over the 2024-2025, 2025-2026 and 2026-2027 periods ■ Return on capital employed (ROCE) of at least 12% in 2027
Number of vested shares at December 31, 2025	0	0	0
Number of canceled or voided share rights	0	0	0
NUMBER OF SHARE GRANTS OR PERFORMANCE SHARES OUTSTANDING AT DECEMBER 31, 2025	**545,968**	**2,608,948**	**105,733**
Performance conditions: achievement rate	N/A	-	-

(1) Granted in his capacity as Manager.
(2) On a like-for-like consolidated basis, excluding changes in exchange rates for the financial criteria.

6.5.4 b) Share grants and performance shares granted during the year

A total of 2,714,681 rights to one performance share and 545,968 rights to one bonus share were granted during the year.

	Number of shares granted	Date granted by the Managers
Performance shares granted by CGEM to the ten grantees other than Managers who received the greatest number of shares	165,589	November 14, 2025

6.5.4 c) Special Report of the Managing Chairman

November 13, 2025 Plan (Recognition)

The Annual Shareholders Meeting of May 12, 2023 authorized the grant of shares without consideration to employees of the Company (including the Managers and the Chair of the Supervisory Board) and of related companies within the meaning of Articles L. 225-197-1 *et seq.* of the French Commercial Code, with the number of shares that may be granted limited to 1.5% of issued capital. The authorization includes the possibility of granting up to 250 shares without performance conditions to more of the Group's production operators, technicians and middle managers, subject only to a service condition, in order to continue increasing their engagement and give them a stake in the Group's results.

This authorization was used in 2025 to grant 545,968 rights to one new share of common stock to 4,563 grantees.

November 14, 2025 Plan (Excellence)

The Annual Shareholders Meeting of May 12, 2023 authorized the grant of performance shares to employees of the Company (including the Managers and the Chair of the Supervisory Board) and of related companies within the meaning of Articles L. 225-197-1 *et seq.* of the French Commercial Code, with the number of shares that may be granted limited to 1.5% of issued capital.

This authorization was used in 2025 to grant 2,714,681 rights to one new share of common stock to 2,521 grantees.

The performance condition is based on three objectives that together demonstrate effective deployment of the Group's Michelin in Motion strategy.

All grantees are expected to fulfill three performance criteria, as set out in the report detailing the related resolution of the May 12, 2023[(1)] Shareholders Meeting.

These criteria are as follows:

- **Michelin's share performance compared with the Stoxx Europe 600 index**: the difference between average closing prices of the Michelin share for 2024 and for 2027 must exceed or be equal to the difference between the closing Stoxx Europe 600 indexes for these same years by at least 5 points. *Vesting prorated to the achievement rate between the threshold of 0 and the targeted 5 points;*
- **Environmental and CSR performance: employee engagement rate, rolling resistance, renewable and recycled materials rate.** Three indicators: improvement in rolling resistance (RR), renewable and recycled materials rate (RRMR) and employee engagement rate:
  - the renewable and recycled materials rate (RRMR) is calculated for DB1, DB2 and DB3 products, based on rubber compounds or rubber-coated fabrics with metal or textile reinforcements. The indicator is determined by dividing the quantity of renewable and recycled materials received in a calendar year by the total quantity of raw materials purchased and received by the Group. In this way, it tracks the reduction in the use of primary materials and the increase in materials circularity. It is expressed as a %. The RRMR must be greater than 35% in 2027. *Result calculated on a straight-line basis between the threshold of 31% and the targeted 35%,*

(1) Please refer to pages 455 to 457 of the 2022 Universal Registration Document.

- the improvement in rolling resistance (RR) is measured by the tire energy efficiency index (TEEI). The TEEI is used to track the progress made by the Group in reducing its tires' rolling resistance, thereby helping to reduce the vehicles' fuel consumption and hence their CO_2 emissions. Tire rolling resistance (RR) must have improved by more than 7% in 2027 versus the 2020 baseline for DB1, DB2 and DB3 products. *Result calculated on a straight-line basis between the threshold of 6% and the targeted 7%,*
- since 2013, the annual "Moving Forward Together: Your Voice for Action" survey has measured the employee engagement rate. The average employee engagement rate must exceed 85% in 2025, 2026 and 2027. *Result calculated on a straight-line basis between the threshold of 83% and the targeted 85%;*

- **operating performance: this criterion is based on two indicators: revenue growth excluding tires and distribution,** and total consolidated return on capital employed (ROCE) (i.e., including acquisitions and equity-accounted companies):
  - the growth in the new business revenue indicator (like-for-like growth excluding tires and distribution) measures the Group's ability to grow its new businesses (as opposed to its historical core business). The average growth in new business revenue from 2024 to 2025, from 2025 to 2026 and from 2026 to 2027 must exceed 6%. Result calculated on a straight-line basis between the threshold of 2% and the targeted 6%, with the average for the period 2024/2025, 2025/2026 and 2026/2027 greater than 6%. *Result calculated on a straight-line basis between the threshold of 2% and the targeted 6%,*
  - total consolidated ROCE (including acquisitions, related goodwill and equity-accounted companies) measures the robustness of the Group's performance. It must exceed 12% in 2027. *Result calculated on a straight-line basis between the threshold of 10.5% and the targeted 12%.*

Provided that the grantee was still employed by the Group at the end of the vesting period (or qualified for an exemption from this requirement under French law or in the cases decided by the Managers), if the achievement rate for all of the above criteria was 100% (with each criteria accounting for 20%, except for RRMR (10%) and RR (10%)), then 100% of the performance shares would vest.

Fulfillment of performance conditions under the performance share plans that vested in 2025

FULFILLMENT OF PERFORMANCE CONDITIONS UNDER THE NOVEMBER 17, 2021 PERFORMANCE SHARE PLAN FOR EMPLOYEES AND THE MANAGERS

Criteria		*Weighting*	Results 2023 vs. 2020				Achievement rate
Share price performance	■ **Michelin share price** must **outperform the Stoxx Europe 600 index by at least 5 points**, comparing the average closing price in 2020 and in 2023 ■ Vesting prorated to the achievement rate between the threshold of 0 and the targeted 5 points	*30%*	-4.6 points				0%
			2021	**2022**	**2023**	**Average**	
Corporate social responsibility performance	■ Industrial-*Michelin Environmental Performance* - **i-MEP**[1] must be **below 88 points** in 2023 ■ Result calculated on a straight-line basis between the threshold of 92 and the targeted 88 points	*20%*	92.6 points	88.8 points	83.9 points		20%
	■ Change in **average employee engagement rate** must exceed **1 point** a year on a like-for-like consolidated basis over the 2021-2023 period ■ Vesting prorated to the achievement rate between the threshold of 0.0 and the targeted 1.0 point	*20%*	-2.0 points	+2.8 points	+1.0 point	0.6 points[1]	11.7%
Operating performance	■ Average annual growth in **revenue**, like for like excluding tires and distribution, must **be** at least 8% over the 2020-2021, 2021-2022 and 2022-2023 periods ■ Result calculated on a straight-line basis between the threshold of 3% and the targeted 8%	*15%*	+7.7%	+22.0%	10%	13.2%	15%
	■ **Total consolidated ROCE** (including acquisitions, related goodwill and equity-accounted companies) must **be at least 11% in 2023** ■ Result calculated on a straight-line basis between the threshold of 10% and the targeted 11%	*15%*	10.3%	10.8%	11.4%		15%
TOTAL							**62%**

(1) Calculation based on unrounded figures.

In conclusion, the performance conditions were partially met and a total of 62% of the performance shares vested.

Note that in accordance with the approved "say on pay" policy, the vesting period will end for all grantees in November 2025 and the Managers must retain 40% of the vested shares for as long as they remain in office.

Fulfillment of performance conditions under performance share plans in effect in 2025

FULFILLMENT OF PERFORMANCE CONDITIONS UNDER THE NOVEMBER 17, 2022 PERFORMANCE SHARE PLAN FOR EMPLOYEES AND THE MANAGERS

Criteria		*Weighting*	Results				Achievement rate
			2024 vs. 2021				
Share price performance	■ **Michelin share price** must **outperform the Stoxx Europe 600 index by at least 5 points**, comparing the average closing price in 2021 and in 2024 ■ Vesting prorated to the achievement rate between the threshold of 0 and the targeted 5 points	*30%*	-6.6 points				0%
			2022	**2023**	**2024**	**Average**	
Corporate social responsibility performance	■ Industrial-*Michelin Environmental Performance* - **i-MEP**[1] must be **below 83 points** in 2024 ■ Result calculated on a straight-line basis between the threshold of 87 and the targeted 83 points	*20%*			82.6 points		20%
	■ Change in average **employee engagement rate** must **exceed 1 point** a year on a like-for-like consolidated basis over the 2022-2024 period ■ Result calculated on a straight-line basis between the threshold of 0.0 and the targeted 1.0 point	*20%*	**+2.8 points**[2]	+1.0 point[2]	+1.2 points[2]	1.7 points[2]	20%
Operating performance	■ Average annual **growth in revenue**, like for like excluding tires and distribution, **must** exceed 10% over the 2021-2022, 2022-2023 and 2023-2024 periods ■ Result calculated on a straight-line basis between the threshold of 5% and the targeted 10%	*15%*	**+22.0%**	10.0%	-3.5%	9.5%	14%
	■ **Total consolidated ROCE** (including acquisitions, related goodwill and equity-accounted companies) **must exceed 11% in 2024** ■ Result calculated on a straight-line basis between the threshold of 10% and the targeted 11%	*15%*			10.5%		7%
TOTAL							**61%**

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

Given that the performance conditions were partially met, no more than 61% of the performance shares will vest.

Note that in accordance with the approved "say on pay" policy, the vesting period will end for all grantees in November 2026 and the Managers must retain 40% of the vested shares for as long as they remain in office.

FULFILLMENT OF PERFORMANCE CONDITIONS UNDER THE NOVEMBER 17, 2023 PERFORMANCE SHARE PLAN FOR EMPLOYEES AND THE MANAGERS

Criteria		*Weighting*	Results 2025 vs. 2022				Achievement rate
Share price performance	■ Michelin share price must outperform the Stoxx Europe 600 index by at least 5 points between 2022 and 2025 (based on average closing prices for the two years) ■ Vesting prorated to the achievement rate between the threshold of 0 and the targeted 5 points	*30%*	-26.7 points				0%
			2023	**2024**	**2025**	**Average**	
Corporate social responsibility performance	■ Industrial-Michelin Environmental Performance - i-MEP(1) must be below 80 points in 2025 ■ Result calculated on a straight-line basis between the threshold of 86 and the targeted 80 points.	*20%*			78.3 points		20%
	■ The employee engagement rate must exceed 84.5% in 2025. ■ Result calculated on a prorated basis between 83% and 84%, capped at 16% Result calculated on a prorated basis between 84% and 84.5%, capped at 20%	*20%*			84.4%		19.20%
Operating performance	■ Average annual growth in revenue, like for like excluding tires and distribution, must exceed 12% over the 2022-2023, 2023-2024 and 2024-2025 periods ■ Result calculated on a straight-line basis between the threshold of 7% and the targeted 12%	*15%*	10%	-3.5%	4.4%	3.6%	0%
	■ Total consolidated ROCE (including acquisitions, related goodwill and equity-accounted companies) must exceed 12% in 2025 ■ Result calculated on a straight-line basis between the threshold of 10% and the targeted 12%	*15%*	11.4%		9.2%		0%
TOTAL							**39%**

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

Given that the performance conditions were partially met, no more than 39% of the performance shares will vest.

Note that in accordance with the approved "say on pay" policy, the vesting period will end for all grantees in November 2026 and the Managers must retain 40% of the vested shares for as long as they remain in office.

INTERIM FULFILLMENT OF PERFORMANCE CONDITIONS UNDER THE NOVEMBER 15, 2024 PERFORMANCE SHARE PLAN FOR EMPLOYEES AND THE MANAGERS

Criteria		*Weighting*	Interim results		
			2025 vs. 2023		
Share price performance	■ Michelin share price must outperform the Stoxx Europe 600 index by at least 5 points, between 2023 and 2026 (based on the average closing prices for the two years) ■ Vesting prorated to the achievement rate between the threshold of 0 and the targeted 5 points	*20%*	-16.7 points		
			2024	**2025**	**2026**
Corporate social responsibility performance	■ Industrial-Michelin Environmental Performance - i-MEP[(1)] must be below 77 points in 2026 ■ Vesting prorated to the achievement rate between the threshold of 83 and the targeted 77 points	*20%*	82.6 points	78.3 points	-
	■ The average employee engagement rate for 2024, 2025 and 2026 must exceed 85% in 2026 ■ Result calculated on a pro-rated basis between 83% and 85%	*20%*	84.7%	84.4%	-
Operating performance	■ Average annual growth in revenue, like for like excluding tires and distribution, must exceed 8% over the 2023-2024, 2024-2025 and 2025-2026 periods ■ Result calculated on a straight-line basis between the threshold of 3% and the targeted 8%	*20%*	-3.5%	4.4%	-
	■ Total consolidated ROCE (including acquisitions, related goodwill and equity-accounted companies) must exceed 12% in 2026 ■ Result calculated on a straight-line basis between the threshold of 10% and the targeted 12%	*20%*	10.5%	9.2%	-

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

INTERIM FULFILLMENT OF PERFORMANCE CONDITIONS UNDER THE NOVEMBER 14, 2025 PERFORMANCE SHARE PLAN FOR EMPLOYEES AND THE MANAGERS

Criteria		*Weighting*	Interim results 2025 vs. 2024		
Share price performance	■ Michelin share price must outperform the Stoxx Europe 600 index by at least 5 points between 2024 and 2027 (based on average closing prices for the two years) ■ Vesting prorated to the achievement rate between the threshold of 0 and the targeted 5 points	*20%*	-21.1 points		
			2025	**2026**	**2027**
Corporate social responsibility performance	■ Tire rolling resistance (RR)[1] must have improved by more than 7% in 2027 vs the 2020 baseline. ■ Result calculated on a straight-line basis between the threshold of 6% and the targeted 7%	*10%*	5.8%		
	■ The Renewable and Recycled Materials Rate (RRMR)[1] must be greater than 35% in 2027. ■ Result calculated on a straight-line basis between the threshold of 31% and the targeted 35%	*10%*	32%		
	■ The average employee engagement rate must exceed 85% in 2025, 2026 and 2027. ■ Result calculated on a straight-line basis between the threshold of 83% and the targeted 85%	*20%*	84.4%		
Operating performance	■ Average annual growth in revenue, like for like excluding tires and distribution, must exceed 6% over the 2025, 2026 and 2027 periods ■ Result calculated on a straight-line basis between the threshold of 2% and the targeted 6%	*20%*	4.4%		
	■ Total consolidated ROCE (including acquisitions, related goodwill and equity-accounted companies) must exceed 12% in 2027 ■ Result calculated on a straight-line basis between the threshold of 10.5% and the targeted 12%	*20%*	9.2%		

(1) See the presentations of these indicators in the following sections of the 2024 Universal Registration Document: 4.6.4.1 (pp. 255-256) for renewable materials and 4.2.1.2, 4.2.2.3 and 4.2.3 (pp. 198-202) for rolling resistance; based on reported annual figures including acquisitions as from the fourth year of inclusion in the consolidated financial statements.

Performance shares vested and delivered

Note that during 2025:

the two Managers received 105,733 performance share rights (one received 66,083 and the other received 39,650);

- the two Managers received 34,708 performance shares (one received 20,825 and the other received 13,883);
- the ten employees other than Managers who were granted the greatest number of share rights:
  - received 165,589 performance share rights,
  - received 74,238 fully vested performance shares.

Clermont-Ferrand, February 11, 2026

Florent Menegaux

Managing Chairman

6.5.5 EMPLOYEE SHARE OWNERSHIP

Michelin offers all its employees the opportunity to become shareholders, through attractive schemes that are renewed each year. Increasing the percentage of capital that they hold helps employees identify more closely with the Group's strategy and rewards their vital contribution to its success.

In 2025, the employee share ownership plan was deployed in 44 countries and offered to over 115,000 eligible employees. Over half of them chose to take part, including more than 4,500 employees who became shareholders for the first time.

With 3.1% of the capital held by employees, plus a further 1.3% held by former employees, these plans are a valuable driver of employee engagement and a pillar of Michelin's corporate culture.

These results illustrate our teams' engagement and the Group's determination to make this system a lasting feature of our human resources policy, in order to strengthen our share-owning culture worldwide.

The Euronext FAS IAS index comprises SBF 120 companies that actively promote employee share ownership and employee participation in their governance structure. Michelin's inclusion in this index since October 2025 illustrates its commitment to giving employees a stake in the value created by the Group and its leadership in this area.

6.5.6 INFORMATION CONCERNING A SHARE BUYBACK PROGRAM CURRENTLY IN EFFECT

The following information includes the disclosures reported in the Managing Chairman's Report in compliance with Article L. 225-211 of the French Commercial Code.

	Authorization to buy and sell Company stock granted by shareholders at the May 17, 2024 Annual Meeting	**Authorization to buy and sell Company stock granted by shareholders at the May 16, 2025 Annual Meeting**
Resolution valid up to	18 months	18 months
Maximum purchase price per share (excluding costs)	€55	€55
Total purchases authorized up to	10% of issued share capital	10% of issued share capital
Authorized purposes of the purchases[1]	Employee share ownership Maintaining a liquid market Share grants without consideration Cancellation Acquisitions, mergers, de-mergers or asset contributions	Employee share ownership Maintaining a liquid market Share grants without consideration Cancellation Acquisitions, mergers, de-mergers or asset contributions
Number of shares bought back during the year	36,500 shares	22,918,573 shares
Analysis by purpose	35,673 repurchased shares were allocated to employee share ownership plans 827 repurchased shares were canceled	0 repurchased shares were allocated to employee share ownership plans 22,918,573 repurchased shares were canceled
Number of shares held at December 31, 2024	0 shares	
Average share buyback price	€34.0013	€29.0158
Average exercise price	N/A	N/A
Total cost of shares repurchased	€1,242,537	€665,000,000
Transaction fees	-	-
Use of derivative instruments	None - no open positions at December 31, 2025	

(1) Including any market practices that may be authorized in the future.

6.5.6 a) Market value of treasury shares at December 31, 2025

No shares were held at December 31, 2025.

	Treasury shares bought back and sold during the year	
	Buybacks	**Sales/transfer**
Number of shares	22,955,073	35,673
Average transaction price per share *(in €)*	29.0237	34.0013
Average exercise price	N/A	N/A
Total cost of transactions *(in €)*	666,242,537	1,212,928

Derivative instruments were not used to buy back shares. The Company did not have any open buy or open sell positions in its own stock at December 31, 2025.

6.5.7 DESCRIPTION OF THE SHARE BUYBACK PROGRAM SUBMITTED FOR SHAREHOLDER APPROVAL AT THE ANNUAL SHAREHOLDERS MEETING OF MAY 22, 2026

The following description has been prepared in accordance with Articles 241-1 et seq. of the General Regulations of the French securities regulator (AMF) and with European Commission regulations.

Date of the Annual Shareholders Meeting at which the share buyback program is submitted for approval

May 22, 2026

Purposes of the new share buyback program

The objectives of the share buyback program are as follows:

- to purchase shares for sale or allocation to employees of Group companies in accordance with the conditions set down by law, including (i) on exercise of stock options, (ii) under performance share plans and (iii) by way of transfer and/or employer matching contributions, directly or indirectly, in connection with employee rights issues;
- to maintain a liquid market for the Company's shares through a liquidity contract with an independent investment services provider, using the market practices authorized by the AMF on June 22, 2021;
- to purchase shares for allocation on exercise of rights attached to securities redeemable, convertible, exchangeable or otherwise exercisable for shares of the Company;
- to purchase shares to be held and subsequently sold, exchanged or otherwise transferred in connection with external growth transactions. The maximum number of shares purchased for the purpose of being held and subsequently sold or exchanged in connection with a merger, de-merger or asset contribution shall not exceed 5% (five percent) of the Company's share capital;
- to implement any other market practices that may be authorized in the future;
- to acquire shares for cancellation under a shareholder-approved capital reduction.

Maximum percentage of issued capital, maximum number and characteristics of the shares the Company proposes to buy back and maximum purchase price

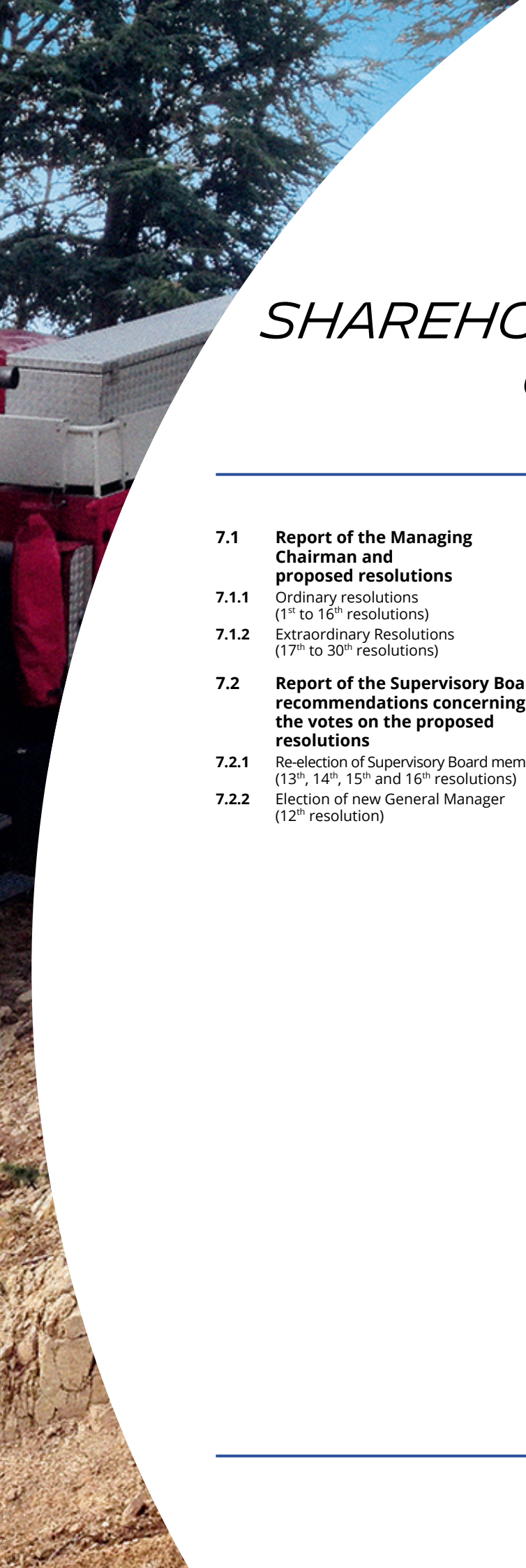
The Company would be authorized to buy back up to 10% of the total shares outstanding, i.e., 68,759,624 shares at the date of this report. Based on the maximum purchase price of €55.00 per share, this would correspond to a maximum theoretical amount of €3,781,779,320. In accordance with the law, when shares are bought back for the second purpose listed above, the number of shares used to calculate the 10% limit is the number bought back less the number sold during the course of the program. Pursuant to Article L. 22-10-62 *et seq.* and L. 225-210 *et seq.* of the French Commercial Code, the total value of shares held in treasury may not exceed the amount of available reserves (other than the legal reserve) recorded in the Company's balance sheet at December 31, 2025.

Duration of the share buyback program

Subject to shareholder approval, the shares may be bought back at any time during the 18 months from the May 22, 2026 Annual Shareholders Meeting, i.e., until the close of trading on November 22, 2027. Effective as from the Annual Shareholders Meeting of May 22, 2026, this authorization would replace the similar authorization granted by shareholders at the Annual Shareholders Meeting of May 16, 2025.



07



CHAPTER 07

ANNUAL SHAREHOLDERS MEETING OF MAY 22, 2026

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7.1 REPORT OF THE MANAGING CHAIRMAN AND PROPOSED RESOLUTIONS

Ongoing dialogue between shareholders and issuers, both before and after Annual Shareholders Meetings, is essential to enable shareholders to effectively exercise their role, and for companies to enhance their communications.

One of the ways that companies can improve the effectiveness of such dialogue is by making efforts to clearly communicate the content, rationale and import of the resolutions submitted for shareholder approval.

The resolutions proposed by the Company will be included in the Notice of Meeting published in the *Bulletin des annonces légales obligatoires*. Each shareholder will also be sent a copy of the Notice of Meeting within the period prescribed by law.

7.1.1 ORDINARY RESOLUTIONS (1ST TO 16TH RESOLUTIONS)

1ST AND 2ND RESOLUTIONS - EXPLANATORY STATEMENT

- **Approval of the Company's financial statements for the year ended December 31, 2025**
- **Appropriation of net income for the year ended December 31, 2025 and approval of the recommended dividend**

The 1st and 2nd resolutions concern the approval of the Company's 2025 financial statements and appropriation of net income for the year.

Shareholders are invited to approve the transactions reflected in the Company's income statement and balance sheet, as presented, and to appropriate net income for the year which amounts to €1,373,345,118.97.

After deducting €2,943,900.00 attributable to the General Partners in accordance with the Bylaws, the balance of €1,370,401,218.97, plus €1,433,102,367.53 in retained earnings brought forward from prior years, represents a total of €2,803,503,586.50 available for distribution to shareholders.

We are recommending paying a dividend of €1.38 per share in respect of the year ended December 31, 2025.

In order to qualify for the dividend payment, beneficiaries must be shareholders of record at midnight (CEST) on May 27, 2026 (the record date).

The ex-dividend date will be May 26, 2026.

The dividend will be paid as from May 28, 2026.

If the 9th resolution *(Approval of the components of the compensation paid or awarded to Florent Menegaux for the year ended December 31, 2025)* is not approved by this Shareholders Meeting, the amount attributable to the General Partners, referred to above, shall be added to the amount available for distribution, as provided for in Article 12.1 of the Bylaws, and shall be appropriated to retained earnings, which will be increased to €1,857,564,675.30.

If the Company holds any of its own shares on the dividend payment date, the distributable profit corresponding to the unpaid dividend on said shares shall be appropriated to retained earnings.

FIRST RESOLUTION

- **Approval of the Company's financial statements for the year ended December 31, 2025**

Having considered the reports of the Managing Chairman, the Statutory Auditors and the Supervisory Board, the Ordinary Shareholders Meeting approves the Company's financial statements for the year ended December 31, 2025 which show net income for the period of €1,373,345,118.97.

The Ordinary Shareholders Meeting approves the transactions reflected in these financial statements and referred to in these reports, including those relating to the various provision accounts.

SECOND RESOLUTION

■ Appropriation of net income for the year ended December 31, 2025 and approval of the recommended dividend

On the recommendation of the Managing Chairman (as approved by the Supervisory Board), the Ordinary Shareholders Meeting notes that the total amount available for distribution is as follows:

- net income for the year: €1,373,345,118.97;
- share of profits attributed to the General Partners in accordance with the Bylaws: €2,943,900.00;
- balance: €1,370,401,218.97;
- plus retained earnings brought forward from prior years: €1,433,102,367.53;
- represents a distributable amount of: €2,803,503,586.50;

And resolves:

- to pay an aggregate dividend of: €948,882,811.20;
  representing €1.38 per share;
- to appropriate to retained earnings the balance of €1,854,620,775.30

The dividend will be paid as from May 28, 2026.

If the ninth resolution *(Approval of the components of the compensation paid or awarded to Florent Menegaux for the year ended December 31, 2025)* is not approved by this Shareholders Meeting, the amount attributable to the General Partners, referred to above, shall be added to the amount available for distribution, as provided for in Article 12.1 of the Bylaws, and shall be appropriated to retained earnings, which will be increased to €1,857,564,675.30.

If the Company holds any of its own shares on the dividend payment date, the distributable profit corresponding to the unpaid dividend on said shares shall be appropriated to retained earnings.

For individual shareholders domiciled in France for tax purposes, the tax treatment of the dividend will be as follows:

- in application of Article 200 A of the French General Tax Code (*Code général des impôts*), dividends paid to individual shareholders domiciled in France for tax purposes are subject to a 31.40% (thirty-one point four zero percent) flat tax comprising 12.80% (twelve point eight zero percent) for income tax and 18.60% (eighteen point six zero percent) for social security contributions. This flat tax does not discharge the individual from other tax liabilities;
- the 12.80% flat tax will be applied automatically unless the taxpayer makes an irrevocable election to pay income tax at the graduated rate on all dividend income. The election must be made each year, when the taxpayer's personal income tax return is filed;
- the two-step method of paying tax on dividends is maintained.

In accordance with Article 119 *bis* of the French General Tax Code, dividends paid to shareholders not domiciled in France for tax purposes are subject to withholding tax at the rate applicable to the country in which the shareholder is domiciled.

As required under Article 243 *bis* of the French General Tax Code, shareholders note that dividends paid for the past three years were as follows:

Year	Total dividend payout *(in €)*	Dividend per share *(in €)*[1]
2022	892,646,767.50	1.25
2023	965,193,387.75	1.35
2024	973,931,235.36	1.38

(1) The full amount of the dividend was eligible for the 40% tax allowance provided for in Article 158-3-2° of the French General Tax Code.

3RD RESOLUTION - EXPLANATORY STATEMENT

■ Approval of the consolidated financial statements for the year ended December 31, 2025

The purpose of the 3rd resolution is to approve the consolidated financial statements for the year ended December 31, 2025, which show net income for the period of €1,663,968 thousand.

The 2025 Universal Registration Document, which can be downloaded from Michelin's website (www.michelin.com), contains an analysis of the consolidated financial statements and year-on-year changes.

THIRD RESOLUTION

■ Approval of the consolidated financial statements for the year ended December 31, 2025

Having considered the reports of the Managing Chairman, the Statutory Auditors and the Supervisory Board, the Ordinary Shareholders Meeting approves the consolidated financial statements for the year ended December 31, 2025, which show net income for the period of €1,663,968 thousand.

4TH RESOLUTION - EXPLANATORY STATEMENT

■ Related-party agreements

As no related-party agreements were entered into during 2025, shareholders are invited to place on record that there are no such agreements to approve.

In addition, no related-party agreements approved in previous years remained in force during 2025.

FOURTH RESOLUTION

■ Related-party agreements

Having considered the Statutory Auditors' special report on related-party agreements governed by Article L. 226-10 of the French Commercial Code (*Code de commerce*), the Ordinary Shareholders Meeting approves said report and places on record that no such agreements requiring shareholder approval were entered into or were in force in 2025.

5TH RESOLUTION - EXPLANATORY STATEMENT

■ Authorization for the Managers, or either of them, to put in place a share buyback program, except during a public offer period, based on a maximum purchase price per share of €55

In the 5th resolution, shareholders are invited to renew the authorization granted to the Company to buy back its own shares over a period of 18 months. The maximum purchase price per share under this authorization would be €55 and the maximum number of shares purchased would not exceed 10% of the total shares.

This authorization is in line with the authorizations given for the same purpose by the Ordinary Shareholders Meetings of May 17, 2024 and May 16, 2025.

In 2025, these authorizations were used to buy back 22,919,400 shares(1).

Details of the new buyback program are provided in section 6.5.7.

The proposed authorization could not be used during a public offer period.

(1) See detailed description of the buyback program in section 6.5.6 of the 2025 Registration Document.

FIFTH RESOLUTION

■ Authorization for the Managers, or either of them, to put in place a share buyback program, except during a public offer period, based on a maximum purchase price per share of €55

Having considered the reports of the Managing Chairman and the Supervisory Board, as well as the description of the share buyback program drawn up in accordance with the requirements of the General Regulations of the French securities regulator (*Autorité des marchés financiers* – AMF), the Ordinary Shareholders Meeting authorizes the Managers, or either of them, in accordance with Articles L. 22-10-62 *et seq.* and L. 225-210 *et seq.* of the French Commercial Code, to put in place a program for the Company to buy back its own shares at a maximum purchase price per share of €55 (fifty-five euros).

In the event of any corporate actions, such as a bonus share issue paid up by capitalizing reserves or a stock split or reverse stock split, the above maximum purchase price will be adjusted accordingly.

The number of shares that may be bought back under this authorization may not represent more than 10% (ten percent) of the total shares outstanding at the time of each transaction. The total number of shares that may be purchased for the purpose of maintaining a liquid market, as set out below, will be calculated after deducting the number of shares sold over the duration of the share buyback program. In addition, the Company may not hold more than 10% (ten percent) of its own share capital at any time.

Based on the share capital at December 31, 2025, the maximum amount invested in the program would not exceed €3,781,779,320 (three billion, seven hundred and eighty-one million, seven hundred and seventy-nine thousand, three hundred and twenty euros), corresponding to 10% (ten percent) of the Company's share capital, or 68,759,624 (sixty-eight million, seven hundred and fifty-nine thousand, six hundred and twenty-four) shares purchased at the maximum price of €55 (fifty-five euros) per share.

The objectives of the share buyback program are as follows:

- to purchase shares for sale or allocation to employees of Group companies in accordance with the conditions set down by law, including (i) on exercise of stock options, (ii) under performance share plans and (iii) by way of transfer and/or employer matching contributions, directly or indirectly, in connection with employee rights issues;
- to maintain a liquid market for the Company's shares through a liquidity contract with an independent investment services provider, using the market practices authorized by the AMF on June 22, 2021;
- to purchase shares for allocation on exercise of rights attached to securities redeemable, convertible, exchangeable or otherwise exercisable for shares of the Company;
- to purchase shares to be held and subsequently sold, exchanged or otherwise transferred in connection with external growth transactions. The maximum number of shares purchased for the purpose of being held and subsequently sold or exchanged in connection with a merger, de-merger or asset contribution shall not exceed 5% (five percent) of the Company's share capital;
- to implement any other market practices that may be authorized in the future;
- to acquire shares for cancellation under a shareholder–approved capital reduction.

The purchase, sale or transfer of shares may be effected at any time, except during a public offer period, and by any method, on the basis and within the limits prescribed by the laws and regulations in force on the transaction date(s), via regulated markets, multilateral trading facilities, systematic internalizers or over-the-counter, including through (i) block purchases or sales, (ii) public offers of purchase or exchange, (iii) the use of options or other forward financial instruments traded via regulated markets, multilateral trading facilities, systematic internalizers or over-the-counter, or (iv) the allocation of shares on conversion, redemption, exchange or exercise of securities carrying rights to the Company's shares or by any other means, either directly or via an investment services provider. The entire buyback program may be implemented through a block trade.

The Managers, or either of them, shall have full powers – which may be delegated – to (i) place buy and sell orders, (ii) enter into any and all agreements, (iii) make any and all filings, (iv) carry out all other formalities, (v) allocate or reallocate the purchased shares to any of the various purposes of the program and (vi) generally, do everything necessary to carry out the share buyback program.

This authorization shall be valid for a period of 18 months from the date of this Meeting.

6TH AND 7TH RESOLUTIONS - EXPLANATORY STATEMENT

■ 2026 Compensation Policy for the Managers and the Supervisory Board members

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 22, 2026 to approve the 2026 Compensation Policy applicable to (i) the Managers and (ii) the Supervisory Board.

The 2026 Compensation Policy is described in the Corporate Governance Report presented in section 2.3 of the 2025 Universal Registration Document.

The Compensation Policy applicable to the Managers and the Supervisory Board is determined and revised in accordance with the relevant laws and regulations.

SIXTH 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 Ordinary Shareholders Meeting, in application of Article L. 22-10-76 II of the French Commercial Code, approves the Compensation Policy applicable to the Managers, as presented in the Corporate Governance Report set out in sections 2.3.1 and 2.3.2 of the Company's 2025 Universal Registration Document.

SEVENTH 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 Ordinary 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 2.3.1 and 2.3.3 of the Company's 2025 Universal Registration Document.

8TH, 9TH, 10TH & 11TH RESOLUTIONS - EXPLANATORY STATEMENT

■ Information about the compensation packages of the corporate officers and about the individual compensation paid or awarded to the Managers and the Chair of the Supervisory Board in 2025

In accordance with the applicable laws and regulations, the General Partners and the Supervisory Board are submitting to the Ordinary Shareholders Meeting the required disclosures concerning the compensation paid or awarded in 2025 to the Managers and the Supervisory Board.

In 2026, the General Partners and the Supervisory Board are submitting to the Ordinary Shareholders Meeting for approval:

- information about the components of the compensation paid or awarded to the corporate officers for 2025 (8th resolution);
- components of the individual compensation paid or awarded to the Managers and the Chair of the Supervisory Board in 2025, in respect of their service during the year, i.e., to:
  - Florent Menegaux, Managing General Partner and Managing Chairman (9th resolution),
  - Yves Chapot, General Manager (10th resolution),
  - Barbara Dalibard, Chair of the Supervisory Board (11th resolution).

These compensation components were determined in accordance with the principles described in the 2025 Compensation Policy(1) presented and approved at the Ordinary Shareholders Meeting of May 16, 2025.

(1) See section 2.3 of the 2024 Universal Registration Document, pages 108 *et seq.*

EIGHTH RESOLUTION

■ Approval of the disclosures concerning the compensation packages of the corporate officers

Having noted the agreement of the General Partners and considered the report of the Supervisory Board, the Ordinary 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 2.4.1 to 2.4.5 of the Company's 2025 Universal Registration Document.

NINTH RESOLUTION

■ Approval of the components of the compensation paid or awarded to Florent Menegaux for the year ended December 31, 2025

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, 2025 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 2.5.2 of the Company's 2025 Universal Registration Document.

TENTH RESOLUTION

■ Approval of the components of the compensation paid or awarded to Yves Chapot for the year ended December 31, 2025

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, 2025 or awarded in respect of that year to Yves Chapot, General Manager, as set out in section 2.5.3 of the Company's 2025 Universal Registration Document.

ELEVENTH RESOLUTION

■ Approval of the components of the compensation paid or awarded to Barbara Dalibard for the year ended December 31, 2025

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, 2025 or awarded in respect of that year to Barbara Dalibard, Chair of the Supervisory Board, as set out in section 2.5.1 of the Company's 2025 Universal Registration Document.

12TH RESOLUTION – EXPLANATORY STATEMENT

■ Election of Philippe Jacquin as General Manager

The 12th resolution concerns the election of Philippe Jacquin as General Manager of the Company for a four-year term expiring at the close of the Shareholders Meeting to be called to approve the financial statements for the year ending December 31, 2029.

Philippe Jacquin's election will ensure the continuity of the Company's governance, following the decision by Yves Chapot, General Manager and Chief Financial Officer, not to stand for re-election when his term expires at the close of this Annual Shareholders Meeting.

The Non-Managing General Partner, SAGES, and the Managing Chairman, Florent Menegaux, would like to thank Yves Chapot for his contribution to the Company's development during his two terms of office.

In accordance with the Company's Bylaws and corporate governance rules, SAGES launched a rigorous and detailed selection process several months ago, in close cooperation with the Managing Chairman and the Supervisory Board.

This process ended with the decision by SAGES to propose the election of Philippe Jacquin as General Manager, with the unanimous support of the Supervisory Board. Philippe Jacquin indicated in advance that he would accept his election and that he was not subject to any measures that could prevent him from serving as General Manager.

Philippe Jacquin was born in 1972 and is a French national. He is currently a member of the Michelin Group Executive Committee and is Executive Vice President, Research & Development, supervising the Innovation & Partnerships Corporate Department.

He graduated from the Ecole Nationale des Ponts et Chaussées in 1996.

He joined Michelin in 1998 as Earthmover Technical Survey Engineer, becoming Product Development Engineer in 2000, then Material & Process Development Manager for these same activities in 2003.

In 2007, he became Passenger Car Winter Tires Development Manager and in 2009, took on the role of Passenger Car Original Equipment Technical Director in North America.

In 2012, he became European Technical Director for Heavy Truck tires, and in 2015, Marketing Director.

In 2018, he was appointed Long Distance Transportation Marketing Director.

In 2019, he became Development & Pre-Development Director worldwide for Passenger Car tires, 2-Wheeler tires and Motorsport tires for all Original Equipment and Replacement markets.

Philippe Jacquin joined the Group Executive Committee in 2024 as Executive Vice President, Research & Development, supervising the Innovation & Partnerships Corporate Department.

TWELFTH RESOLUTION

■ Election of Philippe Jacquin as General Manager

On the recommendation of the Non-Managing General Partner, having considered the report of the Chief Executive Officer and the favorable opinion expressed by the Supervisory Board, and noted the agreement of both of the General Partners, the Ordinary General Meeting elects Philippe Jacquin as General Manager for a four-year term expiring at the close of the Ordinary Shareholders Meeting to be called to approve the financial statements for the year ending December 31, 2029.

Philippe Jacquin indicated in advance that he would accept his election and that he was not subject to any measures that could prevent him from serving as General Manager.

13TH, 14TH, 15TH & 16TH RESOLUTIONS - EXPLANATORY STATEMENT

■ Election and re-election of Supervisory Board members

The 13th, 14th, 15th and 16th resolutions concern the election and re-election of Supervisory Board members.

■ Michelin's Supervisory Board plays a vital role for the Group

The current members of Michelin's Supervisory Board are Barbara Dalibard, Aruna Jayanthi, Catherine Soubie, Monique Leroux, Delphine Roussy, Patrick de la Chevardière, Jean-Christophe Laourde, Thierry Le Hénaff, Wolf–Henning Scheider, Jean-Michel Severino and Pascal Vinet.

The members elected by the Ordinary Shareholders Meeting all have very solid business experience acquired through working with leading corporations, as well as a good knowledge of the Company.

The members representing employees have in-depth knowledge of the Company and the Michelin Group.

The members of the Supervisory Board actively participate in and contribute to the work of both the Board and its Committees. This is illustrated by their 100% attendance rate at scheduled Board and Committee meetings held in 2025.

The Supervisory Board members perform their duties with total freedom of judgment.

A summary of the work carried out by the Supervisory Board in 2025 is included in section 2.2 of the Corporate Governance Report presented in the 2025 Universal Registration Document.

■ Michelin's General Partners do not take part in the election or re-election of Supervisory Board members

Compagnie Générale des Établissements Michelin is a *société en commandite par actions* (partnership limited by shares) and as such its Supervisory Board is entirely made up of non-executive members (89% of whom are independent) who represent the shareholders.

With a view to clearly separate management and supervisory powers, no General Partner may play a role in the nomination process – neither the Managing General Partner (who serves in an executive capacity), nor the Non–Managing General Partner, SAGES (which is responsible for ensuring the Company's continuity of leadership).

The General Partners are not involved in decisions to recommend candidates for election to the Supervisory Board at Shareholders Meetings.

Likewise, in accordance with the law and the Company's Bylaws, the General Partners may not take part in any votes cast at Shareholders Meetings concerning the election or re-election of Supervisory Board members and their shares are not included in the quorum for the related resolutions.

■ The Supervisory Board is recommending that shareholders re-elect three Supervisory Board members and elect one new member

The Supervisory Board unanimously decided (with the interested parties abstaining) to recommend and ask the Managing Chairman to propose to the Shareholders Meeting (i) the re-election of Thierry Le Hénaff (13th resolution), Monique Leroux (14th resolution) and Jean-Michel Severino (15th resolution) and (ii) the election of Anne-Sophie Lotgering as a new member (16th resolution).

The candidate review and selection process, the criteria applied by the Compensation and Appointments Committee and a presentation of the candidates are set out in the report of the Supervisory Board on the proposed resolutions for election (see the Notice of Meeting for the May 22, 2026 Annual Shareholders Meeting and section 7.2.1 of the 2025 Universal Registration Document).

THIRTEENTH RESOLUTION

■ Re-election of Thierry Le Hénaff as a member of the Supervisory Board

Having considered the reports of the Managing Chairman and the Supervisory Board, the Ordinary Shareholders Meeting re-elects Thierry Le Hénaff as a member of the Supervisory Board for a four-year term expiring at the close of the Ordinary Shareholders Meeting to be called to approve the financial statements for the year ending December 31, 2029.

Thierry Le Hénaff indicated in advance that he would accept his re-election and that he was not subject to any measures that could prevent him from serving as a member of the Supervisory Board.

FOURTEENTH RESOLUTION

■ Re-election of Monique Leroux as a member of the Supervisory Board

Having considered the reports of the Managing Chairman and the Supervisory Board, the Ordinary Shareholders Meeting decides to renew the term of office of Monique Leroux as a member of the Supervisory Board for a two–year term expiring at the close of the Ordinary Shareholders Meeting to be called to approve the financial statements for the year ending December 31, 2027.

Monique Leroux indicated in advance that she would accept her re-election and that she was not subject to any measures that could prevent her from serving as a member of the Supervisory Board.

FIFTEENTH RESOLUTION

■ Re-election of Jean-Michel Severino as a member of the Supervisory Board

Having considered the reports of the Managing Chairman and the Supervisory Board, the Ordinary Shareholders Meeting re-elects Jean-Michel Severino as a member of the Supervisory Board for a four-year term expiring at the close of the Ordinary Shareholders Meeting to be called to approve the financial statements for the year ending December 31, 2029.

Jean-Michel Severino indicated in advance that he would accept his re-election and that he was not subject to any measures that could prevent him from serving as a member of the Supervisory Board.

SIXTEENTH RESOLUTION

■ Election of Anne-Sophie Lotgering as a member of the Supervisory Board

Having considered the reports of the Managing Chairman and the Supervisory Board, the Ordinary Shareholders Meeting elects Anne-Sophie Lotgering as a member of the Supervisory Board for a four-year term expiring at the close of the Ordinary Shareholders Meeting to be called to approve the financial statements for the year ending December 31, 2029.

Anne-Sophie Lotgering indicated in advance that she would accept her re-election and that she was not subject to any measures that could prevent her from serving as a member of the Supervisory Board.

7.1.2 EXTRAORDINARY RESOLUTIONS (17TH TO 30TH RESOLUTIONS)

The 17th to 26th resolutions concern authorizations for the Managers to make certain decisions to issue shares and securities carrying rights to shares. The purpose of these financial authorizations is to give the Company the necessary flexibility to choose the type and timing of the issues, based on the Company's needs, the conditions prevailing in the French or international markets and the opportunities arising in those markets.

The resolutions fall into two main categories: issues with pre-emptive subscription rights and issues without pre-emptive subscription rights.

In the case of a share issue, shareholders automatically have a pre-emptive subscription right, exercisable pro rata to their interest in the Company's capital during a period of at least five trading days from the opening of the subscription period. These pre-emptive subscription rights are detachable and negotiable.

For some of the financial resolutions, the Managers are seeking an authorization to cancel these pre-emptive subscription rights to enable them to decide to issue certain types of securities, notably when speed is of the essence to place the securities on the best possible terms.

The authorizations sought by the Managers are in line with standard practice in France.

These authorizations would be given for a fixed period and would be subject to monetary ceilings, beyond which any further share issues would have to be authorized by a new extraordinary shareholder resolution. The main ceilings are as follows:

- a blanket ceiling of €120 million, i.e., less than 35% of the Company's share capital at December 31, 2025, that is common to all issues of shares and/or securities carrying rights to shares; and
- a sub-ceiling of €34 million, i.e., less than 10% of the Company's share capital at December 31, 2025, that is common to all issues of shares and/or securities carrying rights to shares without pre-emptive subscription rights.

In addition to these resolutions, the 19th to 23rd resolutions could not be used in the event of a public offer made by a third party for the Company's shares.

The financial authorizations given in resolutions 17 to 23 and 25 of the Shareholders Meeting of May 17, 2024 have not been used.

The purpose of the 28th and 29th resolutions is to align the provisions of the Bylaws with Government Order no. 2024–934 of October 15, 2024 and Decree no. 2026-94 of February 13, 2026.

The 30th resolution concerns powers to carry out formalities.

17TH RESOLUTION - EXPLANATORY STATEMENT

- **Authorization for the Managers, or either of them, to issue shares and/or equity securities carrying rights to other equity securities and/or other securities carrying rights to shares, with pre-emptive subscription rights for existing shareholders**

In the 17th resolution, shareholders are invited to authorize the Managers to increase the Company's capital by issuing ordinary shares and/or other equity securities carrying rights to other equity securities, or other securities carrying rights to shares, with pre-emptive subscription rights for existing shareholders. Note that the authorization could not be used during a public offer period.

The aggregate par value of shares issued under this authorization would not exceed €120,000,000.00 (one hundred and twenty million euros), representing less than 35% of the Company's current share capital, and the aggregate nominal value of debt securities issued with immediate or deferred rights to shares would be capped at €2,500,000,000.00 (two billion five hundred million euros).

This new resolution renews the authorization given at the Annual Shareholders Meeting of May 17, 2024 (17th resolution), which has not been used.

The blanket ceiling on the issuance of shares, other equity securities or other securities carrying rights to shares, with or without pre-emptive subscription rights, is set in the 25th resolution.

SEVENTEENTH RESOLUTION

■ Authorization for the Managers, or either of them, to issue shares and/or equity securities carrying rights to other equity securities and/or other securities carrying rights to shares, with pre-emptive subscription rights for existing shareholders

Having considered the Managing Chairman's report, the Statutory Auditors' special report and the report of the Supervisory Board, and having noted the approval of both of the General Partners, the Extraordinary Shareholders Meeting resolves, in accordance with Articles L. 225-129 *et seq.* of the French Commercial Code – notably Article L. 225-129-2 and Articles L. 22-10-49 and L. 228-91 *et seq.*:

- to authorize the Managers, or either of them, to decide, except during a public offer period, to carry out one or several issues of shares of the Company and/or equity securities carrying rights to other equity securities and/or other securities carrying rights to shares with pre-emptive subscription rights. The issues may be carried out in France or abroad, be denominated in euros or foreign currency, and be paid up in cash or by capitalizing certain liquid and callable debts, or, in whole or in part, by capitalizing reserves, net income or additional paid-in capital;
- and resolves:
  - that the aggregate par value of the shares issued under this authorization, either immediately or on conversion, exchange, redemption or exercise of securities carrying rights to shares, shall not exceed €120,000,000.00 (one hundred and twenty million euros), representing less than 35% (thirty-five percent) of the Company's current share capital. This ceiling shall not include the par value of any additional shares to be issued in accordance with the applicable laws, regulations, or contractual provisions in order to protect the rights of existing holders of securities carrying rights to shares or of other rights to the Company's shares,
  - that the securities carrying rights to shares to be issued under this authorization may notably consist of equity securities and/or debt securities or equity- or debt-linked securities or securities allowing the issue of intermediate debt securities. They may take the form of dated or undated, subordinated or unsubordinated notes. However, this authorization may not be used to issue preference shares or securities with immediate or deferred rights to preference shares,
  - that the aggregate nominal amount of debt securities carrying rights to shares issued under this authorization shall not exceed €2,500,000,000.00 (two billion five hundred million euros) or the equivalent at the issue date in a foreign currency,
  - that shareholders shall have a pre-emptive right to subscribe the securities and/or debt securities issued under this authorization, pro rata to their existing shareholdings. The Managers, or either of them, may also give shareholders a pre-emptive right to subscribe any shares and/or securities not taken up by other shareholders. In this case, if the issue is oversubscribed, this secondary pre-emptive right will also be exercisable pro rata to the existing shareholdings of the shareholders concerned,
  - if the entire issue is not taken up by shareholders exercising their pre-emptive rights, that the Managers, or either of them, may take one or more of the following courses of action, in the order of their choice: (i) limit the amount of the issue to the subscriptions received, provided that at least three-quarters of the issue is taken up, (ii) freely allocate all or some of the unsubscribed securities among the investors of its choice, or (iii) offer them for subscription by the public in the French market and/or a foreign market and/or the international market,

- that for any issues of stock warrants, the Managers, or either of them, shall have the authority to determine the number and characteristics of the warrants and to decide, at their discretion and on the terms and conditions that they shall determine, that the warrants may be redeemable or callable, or that they shall be allocated without consideration to shareholders pro rata to their interests in the Company's capital,
- that the Managers, or either of them, shall have full powers – which may be delegated in accordance with the applicable laws and regulations – to use this authorization, including to (i) set the characteristics, amount(s), timing, price(s) and other terms and conditions of the issue(s), which may be carried out on one or more occasions in France and/or abroad and/or in the international market, (ii) suspend any issue(s) where appropriate, (iii) determine the issue date(s), subscription period(s) and cum-rights date(s), as well as the method and timeframe for paying up the shares, (iv) apply for the listing of the new shares on the markets of their choice, (v) place on record the amount of the capital increase(s) resulting from the share issues, (vi) carry out – directly or through a representative – all operations and formalities related to the capital increase(s) and, at their discretion, enter into any and all agreements for the purpose of completing the issue(s), and (vii) charge the costs of the capital increase(s) against the related premiums and deduct from the premiums the amounts necessary to increase the legal reserve to 10% (ten percent) of the new capital after each issue.

This authorization shall be valid for a period of 26 months from the date of this Meeting. It supersedes any authorization previously granted for the same purpose.

18TH RESOLUTION - EXPLANATORY STATEMENT

■ **Authorization for the Managers, or either of them, to issue shares and/or equity securities carrying rights to other equity securities and/or other securities carrying rights to shares through a public offer not governed by Article L. 411-2, paragraph 1, of the French Monetary and Financial Code, without pre-emptive subscription rights for existing shareholders**

The 18th resolution concerns the issuance of ordinary shares and/or equity securities carrying rights to other equity securities and/or other securities carrying rights to shares without pre-emptive subscription rights for existing shareholders. Note that the authorization could not be used during a public offer period.

In all cases, the issue price of the shares would be at least equal to the weighted average price quoted for the Company's shares over the last three trading sessions on the regulated market of Euronext Paris preceding the opening of the offer period, less a possible discount of no more than 10% (ten percent).

The aggregate par value of shares issued under this authorization would not exceed €34,000,000.00 (thirty-four million euros), representing less than 10% of the current share capital, and the aggregate nominal value of securities carrying immediate or deferred rights to shares would be capped at €2,500,000,000.00 (two billion five hundred million euros).

This resolution renews the authorization given at the Annual Shareholders Meeting of May 17, 2024 (18th resolution), which has not been used.

The blanket ceiling on issues of shares and equity securities or other securities carrying rights to shares, with or without pre-emptive subscription rights, is set in the 25th resolution.

EIGHTEENTH RESOLUTION

■ Authorization for the Managers, or either of them, to issue shares and/or equity securities carrying rights to other equity securities and/or other securities carrying rights to shares through a public offer not governed by Article L. 411-2, paragraph 1, of the French Monetary and Financial Code, without pre-emptive subscription rights for existing shareholders

Having considered the Managing Chairman's report, the Statutory Auditors' special report and the report of the Supervisory Board, and having noted the approval of both of the General Partners, the Extraordinary Shareholders Meeting resolves, in accordance with Articles L. 225-129 *et seq.* of the French Commercial Code – notably Articles L. 225-135, L. 225-136, and Articles L. 22-10-49, L. 22-10-51 and L. 228-91 *et seq.*:

- to authorize the Managers, or either of them, to decide, except during a public offer period, to carry out one or several issues of shares of the Company and/or equity securities carrying rights to other equity securities and/or other securities carrying rights to shares without pre-emptive subscription rights, through a public offer not governed by Article L. 411-2, paragraph 1, of the French Monetary and Financial Code. The issues may be carried out in France or abroad, be denominated in euros or foreign currency, and be paid up in cash or by capitalizing certain liquid and callable debts, or, in whole or in part, by capitalizing reserves, net income or additional paid-in capital;
- and resolves:
  - that the aggregate par value of the shares issued under this authorization either immediately or on conversion, exchange, redemption or exercise of securities carrying rights to shares shall not exceed €34,000,000.00 (thirty-four million euros), representing less than 10% (ten percent) of the Company's current share capital. This ceiling shall not include the par value of any additional shares to be issued in accordance with the applicable laws, regulations, or contractual provisions in order to protect the rights of existing holders of securities carrying rights to shares or of other rights to the Company's shares,
  - that the securities carrying rights to shares to be issued under this authorization may notably consist of equity securities and/or debt securities or equity- or debt-linked securities or securities allowing the issue of intermediate debt securities. They may take the form of dated or undated, subordinated or unsubordinated notes. However, this authorization may not be used to issue preference shares or securities with immediate or deferred rights to preference shares,
  - that the aggregate nominal amount of debt securities carrying rights to shares issued under this authorization shall not exceed €2,500,000,000.00 (two billion five hundred million euros) or the equivalent in a foreign currency,
  - that shareholders shall not have a pre-emptive right to subscribe the securities issued under this authorization,
  - if the issue of shares, other equity securities or other securities is not taken up in full, that the Managers, or either of them, may take one or more of the following courses of action, in the order of their choice: (i) limit the amount of the issue to the subscriptions received, provided that at least three-quarters of the issue is taken up, (ii) freely allocate all or some of the unsubscribed securities among the investors of its choice, or (iii) offer all or some of the unsubscribed securities for subscription by the public,
  - (i) the issue price of the shares shall be at least equal to the weighted average of the prices quoted for the Company's shares over the three trading sessions on the regulated market of Euronext Paris preceding the opening of the offer period, less a discount of no more than 10% (ten percent), and (ii) the issue price of securities carrying rights to shares shall be set in such a way that the amount received by the Company at the issue date plus the amount to be received on conversion, exchange, redemption or exercise of said securities shall be, for each share issued, at least equal to the minimum price defined in point (i) above,

- that the Managers, or either of them, shall have full powers – which may be delegated in accordance with the applicable laws and regulations – to use this authorization, including to (i) set the characteristics, amount(s), timing, price(s) (within the above limits) and other terms and conditions of the issue(s), which may be carried out on one or more occasions in France and/or abroad and/or in the international market, (ii) suspend any issue(s) where appropriate, (iii) determine the issue date(s), subscription period(s) and cum-rights date(s), as well as the method and timeframe for paying up the shares, (iv) apply for the listing of the new shares on the markets of their choice, (v) place on record the amount of the capital increase(s) resulting from the share issues, (vi) carry out – directly or through a representative – all operations and formalities related to the capital increase(s) and, at their discretion, enter into any and all agreements for the purpose of completing the issue(s), and (vii) charge the costs of the capital increase(s) against the related premiums and deduct from the premiums the amounts necessary to increase the legal reserve to 10% (ten percent) of the new capital after each issue.

This authorization shall be valid for a period of 26 months from the date of this Meeting. It supersedes any authorization previously granted for the same purpose.

19TH RESOLUTION - EXPLANATORY STATEMENT

■ **Authorization for the Managers, or either of them, to issue shares and/or equity securities carrying rights to other equity securities and/or other securities carrying rights to shares through an offer governed by Article L. 411-2, paragraph 1, of the French Monetary and Financial Code, without pre-emptive subscription rights for existing shareholders**

In addition to the 18th resolution, the purpose of the 19th resolution is to submit to a separate vote by shareholders a proposed authorization for the Managers, or either of them, to issue shares and/or securities carrying rights to shares through offers governed by paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code (*Code monétaire et financier*). This authorization could not be used during a public offer period. This authorization would give the Company the necessary flexibility to rapidly raise funds from qualified investors.

This resolution renews the authorization given at the Annual Shareholders Meeting of May 17, 2024 (19th resolution), which has not been used.

NINETEENTH RESOLUTION

■ **Authorization for the Managers, or either of them, to issue shares and/or equity securities carrying rights to other equity securities and/or other securities carrying rights to shares through an offer governed by Article L. 411-2, paragraph 1, of the French Monetary and Financial Code, without pre-emptive subscription rights for existing shareholders**

Having considered the Managing Chairman's report, the Statutory Auditors' special report and the report of the Supervisory Board, and having noted the approval of both of the General Partners, the Extraordinary Shareholders Meeting resolves, in accordance with Articles L. 225-129 *et seq.* of the French Commercial Code – notably Articles L. 225-135, L. 225-136 and, L. 22-10-49 and L. 228-91 *et seq.* – and paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code:

- to authorize the Managers, or either of them, to decide, except during a public offer period, to carry out one or several issues of shares of the Company and/or equity securities carrying rights to other equity securities and/or other securities carrying rights to shares without pre-emptive subscription rights. The issues may be carried out in France or abroad, be denominated in euros or foreign currency, and be paid up in cash or by capitalizing certain liquid and callable debts, or, in whole or in part, by capitalizing reserves, net income or additional paid-in capital;

- and resolves:
  - that the aggregate par value of the shares issued under this authorization either immediately or on conversion, exchange, redemption or exercise of securities carrying rights to shares shall not exceed €34,000,000.00 (thirty-four million euros), representing less than 10% (ten percent) of the Company's current share capital. This ceiling shall not include the par value of any additional shares to be issued in accordance with the applicable laws, regulations, or contractual provisions in order to protect the rights of existing holders of securities carrying rights to shares or of other rights to the Company's shares,
  - that the securities carrying rights to shares to be issued under this authorization may notably consist of equity securities and/or debt securities or equity- or debt-linked securities or securities allowing the issue of intermediate debt securities. They may take the form of dated or undated, subordinated or unsubordinated notes. However, this authorization may not be used to issue preference shares or securities with immediate or deferred rights to preference shares,
  - that the aggregate nominal amount of debt securities issued under this authorization shall not exceed €2,500,000,000.00 (two billion five hundred million euros) or the equivalent at the issue date in a foreign currency,
  - that issues of shares and securities carried out pursuant to this authorization shall be included in the ceilings for such issues set in the eighteenth resolution of this Meeting,
  - that shareholders shall not have a pre-emptive right to subscribe the securities issued under this authorization,
  - if the issue of shares, other equity securities or other securities is not taken up in full, that the Managers, or either of them, may take one or more of the following courses of action, in the order of their choice: (i) limit the amount of the issue to the subscriptions received, provided that at least three-quarters of the issue is taken up, (ii) freely allocate all or some of the unsubscribed securities among the investors of its choice, or (iii) offer all or some of the unsubscribed securities for subscription by the public,
  - (i) the issue price of the shares shall be at least equal to the weighted average of the prices quoted for the Company's shares over the three trading sessions on the regulated market of Euronext Paris preceding the opening of the offer period, less a discount of no more than 10% (ten percent), and (ii) the issue price of securities carrying rights to shares shall be set in such a way that the amount received by the Company at the issue date plus the amount to be received on conversion, exchange, redemption or exercise of said securities shall be, for each share issued, at least equal to the minimum price defined in point (i) above,
  - that the Managers, or either of them, shall have full powers – which may be delegated in accordance with the applicable laws and regulations – to use this authorization, including to (i) set the characteristics, amount(s), timing, price(s) (within the above limits) and other terms and conditions of the issue(s), which may be carried out on one or more occasions in France and/or abroad and/or in the international market, (ii) suspend any issue(s) where appropriate, (iii) determine the issue date(s), subscription period(s) and cum-rights date(s), as well as the method and timeframe for paying up the shares, (iv) apply for the listing of the new shares on the markets of their choice, (v) place on record the amount of the capital increase(s) resulting from the share issues, (vi) carry out – directly or through a representative – all operations and formalities related to the capital increase(s) and, at their discretion, enter into any and all agreements for the purpose of completing the issue(s), and (vii) charge the costs of the capital increase(s) against the related premiums and deduct from the premiums the amounts necessary to increase the legal reserve to 10% (ten percent) of the new capital after each issue.

This authorization shall be valid for a period of 26 months from the date of this Meeting. It supersedes any authorization previously granted for the same purpose.

20TH RESOLUTION - EXPLANATORY STATEMENT

- **Authorization for the Managers, or either of them, for issues of shares and/or securities carrying rights to shares representing up to 10% of the capital in any 12-month period without pre-emptive subscription rights pursuant to the eighteenth and nineteenth resolutions, to set the issue price by the method decided by the Shareholders Meeting**

Within a limit of 10% of the Company's capital, over any 12-month period, the purpose of the 20th resolution is to authorize the Managers, in the event of issues of shares or securities carrying rights to ordinary shares without pre–emptive subscription rights pursuant to the 18th and 19th resolutions, not to apply the minimum pricing rules for ordinary shares provided for in those resolutions.

The purpose of this authorization is to enable the Company to raise funds under the best possible conditions in a context of highly volatile financial markets.

Under this authorization, and by way of derogation from the minimum pricing rules set by the above-mentioned resolutions, the issue price of the shares could be at least equal to either of the following two amounts, at the option of the Managers: (i) the volume-weighted average share price for the last trading session preceding the pricing date; or (ii) the volume-weighted average share price for the trading session when the issue price is set; in both cases less a discount of no more than 10%.

The aggregate amount by which the capital could be increased (excluding premiums) under this authorization would be capped at the equivalent of 10% of the capital and the securities issued pursuant to this resolution would be included in the ceilings provided for in the two proposed resolutions referred to above, and also in the blanket ceiling set in the 25th resolution. This resolution could not be used during a public offer period.

This resolution renews the authorization given at the Annual Shareholders Meeting of May 17, 2024 (20th resolution), which has not been used.

TWENTIETH RESOLUTION

- **Authorization for the Managers, or either of them, for issues of shares and/or securities carrying rights to shares representing up to 10% of the capital in any 12-month period without pre-emptive subscription rights pursuant to the eighteenth and nineteenth resolutions, to set the issue price by the method decided by the Shareholders Meeting**

Having considered the Managing Chairman's report, the Statutory Auditors' special report and the report of the Supervisory Board, and having noted the approval of both of the General Partners, the Extraordinary Shareholders Meeting resolves, in accordance with Article L. 225-136 of the French Commercial Code:

- to authorize the Managers, or either of them, except during a public offer period, for share issues without pre-emptive subscription rights carried out pursuant to the eighteenth and nineteenth resolutions of this Shareholders Meeting, to set the issue price according to the following conditions:
  - that the amount is at least equal to (i) the volume-weighted average share price on the Euronext Paris regulated market for the last trading session preceding the pricing date; or (ii) the volume-weighted average share price on the Euronext Paris regulated market for the trading session when the issue price is set; in both cases less a discount of no more than 10%,
  - that the issue price of securities carrying rights to shares and the number of shares to be issued on conversion, exchange, redemption or exercise of each security carrying rights to shares shall be set in such a way that the amount received by the Company at the issue date of the securities plus the amount to be received for each share issued on conversion, exchange, redemption or exercise of said securities shall be at least equal to the minimum price defined above;

- that, in accordance with the law, the aggregate amount of share issues (excluding premiums) that may be carried out immediately or in the future pursuant to this authorization shall not exceed 10% (ten percent) of the share capital per 12-month period (with aggregate issuance in relation to this limit determined as of the date on which the issue price of the shares and/or securities carrying rights to shares is set), and said aggregate amount shall be included in the ceilings set in the eighteenth and nineteenth resolutions of this Meeting. These ceilings shall not include the par value of any additional shares to be issued in accordance with the applicable laws, regulations and contractual provisions in order to protect the rights of existing holders of securities carrying rights to shares or of other rights to the Company's shares;
- that the securities with rights to shares issued under this authorization may consist of debt securities or debt-linked securities, or securities allowing the issue of intermediate debt securities. The aggregate nominal amount of debt securities issued immediately or in the future under this authorization shall not exceed €2,500,000,000.00 (two billion five hundred million euros) or the equivalent in any other currency and shall be included in the ceilings on debt issues set in the eighteenth and nineteenth resolutions of this Meeting;
- that, if this authorization is used by the Managers, or either of them, they shall issue an additional report, certified by the Statutory Auditors, describing the final terms of the transaction and providing information to assess the actual impact on the shareholder's situation;
- that this authorization is given for a period of 26 months, as from the date of this Meeting.

21ST RESOLUTION - EXPLANATORY STATEMENT

■ Authorization for the Managers, or either of them, to increase the number of securities to be issued in the event that an issue, with or without pre-emptive subscription rights, is oversubscribed

The purpose of the 21st resolution is to authorize the Managers, or either of them, to increase the number of securities to be issued in the event that an issue carried out under the 17th, 18th, 19th or 20th resolutions is oversubscribed. It could not be used during a public offer period. The additional securities would not exceed 15% of the original issue and would be offered at the same price as for the original issue. They would be included in the ceilings set in the resolution concerned.

This resolution renews the authorization given at the Annual Shareholders Meeting of May 17, 2024 (21st resolution), which has not been used.

TWENTY-FIRST RESOLUTION

■ Authorization for the Managers, or either of them, to increase the number of securities to be issued in the event that an issue, with or without pre-emptive subscription rights, is oversubscribed

Having considered the Managing Chairman's report, the Statutory Auditors' special report and the report of the Supervisory Board, and having noted the approval of both of the General Partners, the Extraordinary Shareholders Meeting resolves, in accordance with Article L. 225-135-1 of the French Commercial Code:

- to authorize the Managers, or either of them, to increase the number of shares and/or securities carrying rights to shares issued with or without pre-emptive subscription rights under the seventeenth, eighteenth, nineteenth and twentieth resolutions of this Shareholders Meeting. Any such additional shares and/or other securities (i) shall be issued within 30 days of the end of the subscription period for the original issue, (ii) shall not represent more than 15% (fifteen percent) of the original issue, (iii) shall be offered at the same price as for the original issue, and (iv) shall be included in the respective ceilings set in the seventeenth, eighteenth, nineteenth and twentieth resolutions.

This authorization shall be valid for a period of 26 months from the date of this Meeting. It supersedes any authorization previously granted for the same purpose.

22ND RESOLUTION - EXPLANATORY STATEMENT

■ Authorization for the Managers, or either of them, to increase the Company's capital by capitalizing reserves, income or additional paid-in capital

The purpose of the 22nd resolution is to authorize the Managers, or either of them, to increase the Company's capital by up to €80,000,000.00 (eighty million euros) by capitalizing reserves or additional paid-in capital. Note that the authorization could not be used during a public offer period.

This resolution renews the authorization given at the Annual Shareholders Meeting of May 17, 2024 (22nd resolution), which has not been used.

TWENTY-SECOND RESOLUTION

■ Authorization for the Managers, or either of them, to increase the Company's capital by capitalizing reserves, income or additional paid-in capital

Having considered the reports of the Managing Chairman and the Supervisory Board, and having noted the approval of both of the General Partners, the Extraordinary Shareholders Meeting resolves, in accordance with Articles L. 225-129, L. 225-130 and L. 22-10-50 of the French Commercial Code:

- to authorize the Managers, or either of them, to increase the Company's capital, on one or more occasions except during a public offer period, by a maximum of €80,000,000.00 (eighty million euros) by issuing bonus shares and/or raising the par value of existing shares, to be paid up by capitalizing reserves, income or additional paid-in capital. This amount shall not include the par value of any additional shares to be issued in accordance with the applicable laws, regulations and contractual provisions in order to protect the rights of existing holders of securities carrying rights to shares or of other rights to the Company's shares;
- that if new shares are issued, the Managers, or either of them, shall be authorized to decide that rights to fractions of shares shall be non-transferable and non-tradable and that the corresponding shares shall be sold in accordance with Articles L. 225-130 and L.22-10-50 of the French Commercial Code. In such a case, the sale proceeds shall be allocated among the rights holders within 30 days of the date when the whole number of shares allotted to them is recorded in their securities account;
- that the Managers, or either of them, shall have full powers – which may be delegated in accordance with the applicable laws and regulations – to use this authorization, including to (i) determine the timing and terms and conditions of the capital increase(s), (ii) determine the subscription period(s) and cum-rights date(s) as well as the method and timeframe for paying up shares, (iii) apply for the listing of the new shares on any market chosen by them, (iv) place on record the amount of the capital increase(s) resulting from the issue of shares, (v) carry out – directly or through a representative – all operations and formalities related to the capital increase(s) and, at their discretion, charge the costs of the capital increase(s) against the related premiums and deduct from the premiums the amounts necessary to increase the legal reserve to 10% (ten percent) of the new capital after each capital increase.

This authorization shall be valid for a period of 26 months from the date of this Meeting. It supersedes any authorization previously granted for the same purpose.

23RD RESOLUTION - EXPLANATORY STATEMENT

■ **Authorization for the Managers, or either of them, to increase the Company's capital by issuing ordinary shares, without pre-emptive subscription rights for existing shareholders, in connection with a stock-for-stock offer or in payment of contributed assets**

The 23rd resolution concerns issues of shares, without pre-emptive subscription rights for existing shareholders, in connection with a stock-for-stock offer or in payment of contributed assets in connection with an external growth transaction. Shares issued in payment of contributed assets would be limited to the equivalent of 10% of the Company's capital and would be included in the ceiling specified in the 18th resolution.

This resolution, which could not be used during a public offer period, renews the authorization given at the Annual Shareholders Meeting of May 17, 2024 (23rd resolution), which has not been used.

TWENTY-THIRD RESOLUTION

■ **Authorization for the Managers, or either of them, to increase the Company's capital by issuing ordinary shares, without pre-emptive subscription rights for existing shareholders, in connection with a stock-for-stock offer or in payment of contributed assets**

Having considered the reports of the Managing Chairman and the Supervisory Board and having noted the approval of both of the General Partners, the Extraordinary Shareholders Meeting resolves:

- to authorize the Managers, or either of them, to issue ordinary shares, except during a public offer period:
  - in connection with a stock-for-stock offer carried out in accordance with Article L. 22-10-54 of the French Commercial Code, or
  - as payment for shares or securities carrying rights to shares of another company contributed to the Company in transactions not governed by Article L. 22-10-54 of the French Commercial Code, in which case the number of shares issued shall be based on the report of the Expert Appraiser of Capital Contributions (*Commissaire aux apports*) and shall not exceed 10% (ten percent) of the Company's capital.

  The aggregate par value of shares issued under this authorization shall be included in the ceiling specified in the eighteenth resolution of this Meeting;
- that the Managers, or either of them, shall have full powers – which may be delegated in accordance with the applicable laws and regulations – to use this authorization, including to (i) determine the timing and terms and conditions of the capital increase(s), (ii) determine the subscription period(s) and cum-rights date(s) as well as the method and timeframe for paying up shares, (iii) approve the value attributed to the acquired stock, (iv) apply for the listing of the new shares on any market chosen by them, (v) place on record the amount of the capital increase(s) resulting from the issue of shares, (vi) carry out – directly or through a representative – all operations and formalities related to the capital increase(s) and, at their discretion, charge the costs of the capital increase(s) against the related premiums and deduct from the premiums the amounts necessary to increase the legal reserve to 10% of the new capital after each capital increase.

This authorization shall be valid for a period of 26 months from the date of this Meeting. It supersedes any authorization previously granted for the same purpose.

24TH RESOLUTION - EXPLANATORY STATEMENT

■ **Authorization for the Managers, or either of them, to carry out a rights issue for members of a Group employee shareholder plan and/or restricted share issues, without pre-emptive subscription rights for existing shareholders**

The 24th resolution concerns rights issues for employees who are members of a Group employee shareholder plan. The issues would be limited to an aggregate par value of €6,875,960.00 (six million eight hundred and seventy-five thousand nine hundred and sixty euros), representing less than 2% of the Company's current share capital.

This resolution would replace, with the same ceiling, the authorization granted for the same purpose at the Annual Shareholders Meeting of May 17, 2024 (24th resolution), which was used to launch an employee shareholder plan in 2025(1).

TWENTY-FOURTH RESOLUTION

■ **Authorization for the Managers, or either of them, to carry out a rights issue for members of a Group employee shareholder plan and/or restricted share issues, without pre-emptive subscription rights for existing shareholders**

Having considered the report of the Managing Chairman, the Statutory Auditors' special report and the report of the Supervisory Board, and having noted the approval of both of the General Partners, the Extraordinary Shareholders Meeting resolves:

- to authorize the Managers, or either of them, pursuant to Articles L. 3332-18 *et seq.* of the French Labor Code (*Code du travail*) and Articles L. 225-129-6 and L. 225-138-1 of the French Commercial Code, to carry out one or more rights issues for members of an employee shareholder plan of the Company or of French or foreign related companies within the meaning of Article L. 225-180 of the French Commercial Code and Article L. 3344-1 of the French Labor Code;
- and resolves:
  - that existing shareholders shall waive their pre-emptive right to subscribe any shares to be issued under this authorization,
  - that the aggregate par value of shares issued under this authorization shall not exceed €6,875,960.00 (six million eight hundred and seventy-five thousand nine hundred and sixty euros), representing less than 2% (two percent) of the Company's current share capital. This ceiling shall not include the par value of any additional shares to be issued in accordance with the applicable laws, regulations or contractual provisions in order to protect the rights of existing holders of securities carrying rights to shares or of other rights to the Company's shares,
  - that the issue price of the shares offered under this authorization shall be set by the Managers, or either of them, in accordance with Article L. 3332-19 of the French Labor Code and shall not reflect a discount of more than 30% (thirty percent) on the average of the opening prices quoted for the Company's shares on Euronext Paris over the 20 trading days preceding the date on which the opening date of the subscription period is decided. The Managers, or either of them, may reduce or cancel this discount if appropriate, in order to take into account, inter alia, locally applicable tax, labor law or accounting restrictions,
  - that employees may be given free shares in place of the discount, in accordance with Article L. 3332-21 of the French Labor Code,
  - that the Managers, or either of them, may also decide that employer matching payments will be made in the form of free shares or securities with rights to shares instead of cash, subject to the limits set out in Article L. 3332-21 of the French Labor Code,

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(1) For information about the results of the 2025 plan, see section 6.5.5 of the 2025 Universal Registration Document.

- that the Managers, or either of them, shall have full powers – which may be delegated in accordance with the applicable laws and regulations – to use this authorization, including to (i) set the characteristics, amount, and terms and conditions of the issue(s), (ii) determine whether the shares will be purchased directly by employees or through a corporate mutual fund, (iii) set the issue date(s), subscription period(s) and cum-rights date(s) as well as the method and timeframe for paying up the shares, (iv) apply for the listing of the new shares on any markets chosen by them, (v) set any length-of-service conditions to be met by beneficiaries, (vi) place on record the amount of the capital increase(s) resulting from the rights issues, (vii) carry out – directly or through a representative – all operations and formalities related to the capital increase(s) and, at their discretion, charge the costs of the capital increase(s) against the related premiums and deduct from the premiums the amounts necessary to increase the legal reserve to 10% (ten percent) of the new capital after each issue.

In accordance with the applicable legal and regulatory provisions, the authorization provided for in this resolution shall also cover sales of shares to members of a Group employee shareholder plan.

This authorization shall be valid for a period of 26 months from the date of this Meeting. It supersedes any authorization previously granted for the same purpose.

25TH RESOLUTION - EXPLANATORY STATEMENT

■ Blanket ceilings on issues of shares, securities carrying rights to shares or debt securities

The purpose of the 25th resolution is to set a blanket ceiling (excluding premiums) of €120,000,000.00 (one hundred and twenty million euros) – or the equivalent of less than 35% of the Company's current capital – on share issues carried out pursuant to the 17th, 18th, 19th, 20th, 21st and 23rd resolutions.

It also sets at €2,500,000,000.00 (two billion five hundred million euros) the blanket ceiling on issues of debt securities carrying immediate or deferred rights to shares carried out pursuant to the 17th, 18th, 19th, 20th and 21st resolutions.

This resolution renews the ceilings set by the Annual Shareholders Meeting of May 17, 2024 (25th resolution), which has not been used.

TWENTY-FIFTH RESOLUTION

■ Blanket ceilings on issues of shares, securities carrying rights to shares or debt securities

Having considered the reports of the Managing Chairman and the Supervisory Board and having noted the approval of both of the General Partners, the Extraordinary Shareholders Meeting resolves:

- that:
  - the aggregate par value of shares issued under the seventeenth, eighteenth, nineteenth, twentieth, twenty-first and twenty-third resolutions, either immediately or on conversion, exchange, redemption or exercise of securities carrying rights to shares, shall not exceed €120,000,000.00 (one hundred and twenty million euros), representing less than 35% (thirty-five percent) of the Company's capital as of the date of this Meeting. This ceiling shall not include the par value of any additional shares to be issued in accordance with the applicable laws, regulations or contractual provisions in order to protect the rights of existing holders of securities carrying rights to shares or of other rights to the Company's shares,
  - the aggregate nominal amount of debt securities carrying immediate or deferred rights to shares, issued under the seventeenth, eighteenth, nineteenth twentieth and twenty-first resolutions of this Shareholders Meeting shall not exceed €2,500,000,000.00 (two billion five hundred million euros) or the equivalent in foreign currency.

This authorization shall be valid for a period of 26 months from the date of this Meeting. It supersedes any authorization previously granted for the same purpose.

26TH RESOLUTION - EXPLANATORY STATEMENT

■ Authorization to grant new or existing bonus shares to the employees and the Managers of the Company and the employees of Group subsidiaries, without pre-emptive subscription rights for existing shareholders

The 14th resolution of the Annual Shareholders Meeting of May 12, 2023, was used to launch nine performance share plans over the period 2023-2025(1).

Following on from the resolution adopted in 2023, the purpose of this year's resolution would be to:

- take into account the change in Michelin's business and the Michelin in Motion strategy;
- align the performance criteria with market practices and improve the Group's ability to attract and retain talent, particularly in view of the performance achievement rates observed at the end of the plans' vesting periods. Achievement rates for Michelin's historical performance share plans have ranged from 25% to 75%, with an average of less than 55%.

In light of this, the following are proposed:

- adjustments to the indicators and their respective weightings;
- a reduction in the vesting period to three years (vs. four years under the previous plan), without any change in the three-year performance measurement period.

In order to raise the engagement of the Group's production operators, technicians and middle managers, and give them a genuine stake in the Group's results, a limited number of shares without performance conditions (up to 250 shares per person and per plan, as previously) would once again be granted to eligible employees in these categories. No bonus shares without performance conditions would be granted to the chief executives of Group subsidiaries or other entities, the Group's top 600 managers or the members of the Group Executive Committee. For managers in these categories who are eligible for an individual allocation of more than 250 shares, the performance conditions would apply to all the shares granted.

This resolution would allow bonus or performance shares (new or existing shares) to be granted to the employees and Managers of the Company, and the employees of other French and foreign Group companies.

Concerning bonus or performance share grants to employees, the Managing Chairman would draw up the list of recipients, the number of shares and the grant conditions and criteria, based on the favorable opinion of the Supervisory Board on the recommendation of the Compensation and Appointments Committee.

The performance shares would be subject to a three-year vesting period and would be subject to the fulfillment of performance criteria measured over three years.

The performance criteria would be structured in a similar manner to those in the 2023 authorization and would be based on three objectives reflecting different aspects of the Group's Michelin in Motion strategy.

The performance criteria applicable under the previously approved and updated authorization would be adapted as follows:

- adaptation of the stock market criterion, with the Total Shareholder Return (TSR) indicator used in place of Michelin share price performance alone;
- rebalancing of the CSR performance weighting and the operating performance weighting;
- changes in operating performance indicators, with the revenue growth indicator broken down between growth in Polymer Composite Solutions revenue and growth in Tires and Services revenue.

The proposed three objectives are as follows:

- a stock market performance objective: increase in Total Shareholder Return (TSR);

(1) For details of the plans' characteristics and the achievement rates for the performance criteria and indicators, see section 6.5.4 of this Universal Registration Document.

- a corporate social responsibility objective (three indicators): improvements in rolling resistance (RR), the renewable and recycled materials rate (RRMR) and the employee engagement rate;
- an operating performance objective (three indicators): growth in Polymer Composite Solutions reporting segment revenue, growth in Tires & Services revenue (Consumer, Transportation, Specialty reporting segments) and growth in return on capital employed (ROCE).

The 2026 quantified indicators are presented below.

Ex-ante: in line with the Company's consistent practice, in future years comparable quantified indicator levels based on the corresponding strategic roadmaps will be disclosed at the start of each new fiscal year in the Universal Registration Document for the previous fiscal year, in order to cover the entire three-year vesting period of the performance share plan introduced in the new fiscal year. For 2026, this information is disclosed in section 2.3.2.3 of the 2025 Universal Registration Document (Managers' Variable Compensation Policy).

Ex-post: in line with the Company's consistent practice, the following information will be disclosed in the annual Universal Registration Document:

- the number of shares, the vesting rates and the detailed quantified indicators for shares that vested and were delivered during the reporting year to the Managers and employees under plans which expired during that year (for 2025, this information is provided in the tables in sections 6.5.4 a) and 6.5.4 c) of the 2025 Universal Registration Document);
- intermediate quantified indicators for performance shares granted to the Managers and employees that have not yet vested (for 2025, this information is provided in the tables in sections 6.5.4 a) and 6.5.4 c) of the 2025 Universal Registration Document);
- quantified indicators for performance shares granted to employees and the Managers during the reporting year (for 2025, this information is provided in sections 6.5.4 a), 6.5.4 b) and 6.5.4 c) of the 2025 Universal Registration Document for the Managers and employees, and in sections 2.4.3.3 and 2.4.4.3 of that document for the Managers).

The total number of bonus and/or performance shares granted under this authorization would not exceed 1.5% of the Company's capital on the date of the Shareholders Meeting that approved the related resolution (identical to the previous authorized ceiling) (10,313,943 shares based on the capital at December 31, 2025).

In line with Company practice, any share issues that may be required upon delivery of bonus or performance shares to employees would not have a dilutive impact on the capital because the issues would be offset by the implementation of programs to buy back and subsequently cancel a number of shares at least equal to the number of shares delivered to employees.

As for the previous approved authorization, this authorization would be given for a period of 38 months.

Performance shares awarded to the Managers would also be subject to the following rules:

- the awards would be decided annually by the Managing Chairman on the proposal of the General Partners, based on performance conditions and criteria determined by the Supervisory Board;
- the total performance share rights awarded during the period of validity of the above resolution would be capped at 0.1% of the Company's share capital and included in the resolution's 1.5% cap referred to above, as was already the case under the previous authorization;
- the annual Compensation Policy would set the maximum amount of the performance share awards in relation to the recipient's fixed compensation, such that, under the 2026 Compensation Policy, the value of performance share rights granted during the year would not exceed 140% of the Managing Chairman's fixed annual compensation and 120% of the fixed annual compensation of the General Manager in office on the grant date;
- the Managers would be required to hold 40% of the vested shares for as long as they remained in office;
- in addition, concerning the Managing Chairman and General Partner:
  - the vested performance shares would be delivered to him only if Profit Shares were distributed in respect of the year preceding the one in which the shares are issued,
  - the consolidated net income used to determine the directors' fees will include, over the vesting period, the accounting expense related to this allocation of shares;

- 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 departure from the Group before the end of the vesting period, he would retain a number of performance share rights initially awarded to him prorated over the time served in office during the vesting period, which would continue to run during and beyond the end of his term[(1)].

First criterion: Financial performance objective - change in Total Shareholder Return (TSR) relative to the Stoxx Europe 600 Net Return.

TSR is a financial performance indicator that measures total shareholder return over a given period. It reflects movements in the share price and dividends reinvested in the company. The change in TSR thus reflects the overall performance of the Michelin share relative to that of the Stoxx Europe 600 Net Return index, including both the growth in the share price and the return distributed to shareholders (dividends).

Michelin's TSR is calculated according to the standard method used by major financial data providers, which takes into account changes in the share price as well as dividends received and reinvested.

It is part of the Profit component of the Michelin in Motion strategy for profitable and sustainable growth, and has a 20% weighting.

This indicator takes into consideration the (i) annual average of the daily closing prices for the year preceding the three-year period under review, including dividends paid in that year, and (ii) annual average of the daily closing prices for the last year of the three-year period under review, including dividends paid each year during the period (closing prices quoted on Euronext Paris for Michelin shares, and closing prices quoted for the Stoxx Europe 600 Net Return index).

This indicator, which has a 20% weighting, would be calculated as follows:

- if Michelin's TSR was at least 5 points higher than the Stoxx Europe 600 Net Return, the achievement rate would be 100% and the maximum 20% of performance share rights would vest;
- if Michelin's TSR was less than 5 points higher than the Stoxx Europe 600 Net Return, the number of vested performance shares would be calculated on a straight line basis between 0% and 100% of 20%;
- if Michelin's TSR was less than the Stoxx Europe 600 Net Return, the achievement rate would be 0% and no performance shares would vest.

For example, for a performance share plan launched in 2026 with a three-year vesting period spanning the years 2026, 2027 and 2028, the indicator performance would correspond to the change in performance between the average share price for 2025 and the average share price for 2028, including the dividends paid in 2025, 2026, 2027 and 2028.

Second criterion: Corporate social responsibility objective - improvements in rolling resistance (RR), the renewable and recycled materials rate (RRMR) and the employee engagement rate.

This objective would have a weighting of 30%, with each indicator weighted at 10%.

The first indicator, **improvement in rolling resistance (RR)** measures Michelin's contribution to Scope 3 / Use (the most significant) CO_2 emissions and is part of the Planet component of the Michelin in Motion strategy. Energy efficiency is deeply embedded in the DNA of Michelin, which pioneered the development of low rolling resistance tires. Today, the Group remains as committed as ever to continuously improving product performance. Using a tire on an internal combustion vehicle requires additional energy that entails the burning of fuel and therefore the release of greenhouse gases. After reducing the rolling resistance of its tires by 50% between 1992 and 2020, Michelin's objective now is to further reduce it by 10% in 2030 compared with 2020.

This indicator and its calculation method are presented annually in the Sustainability Statement; for example, for 2025, in sections 4.2.1.2 and 4.2.2.3 of the 2025 Universal Registration Document.

In 2025, rolling resistance improved by 4.3%, in line with the target.

(1) In the event of disability or death, all the performance shares would vest immediately without being prorated and without the vesting period being applied.

The environmental performance of the manufacturing indicator covers the Group's current business scope[1]. It has a weighting of 10% and would be taken into account as follows:

- if the improvement in rolling resistance (final year of the vesting period vs. 2020 baseline) was greater than 9%, the achievement rate would be 100% and 10% of the performance shares would vest;
- if the improvement in rolling resistance (final year of the vesting period vs. 2020 baseline) was between 8% and 9%, the number of vested performance shares would be calculated on a straight line basis between 30% and 100% of 10%;
- if the improvement in rolling resistance (final year of the vesting period vs. 2020 baseline) was less than 8%, the achievement rate would be 0% and no performance shares would vest.

For example, for a performance share plan launched in 2026 with a vesting period covering the three years 2026, 2027 and 2028, the improvement in rolling resistance would be assessed in 2028 relative to the 2020 baseline.

The second indicator is the improvement in the **renewable and recycled materials rate (RRMR)**, which is central to the transformation of Michelin's manufacturing operations and also measures the CO_2 emissions of its raw material suppliers. This indicator is part of the Planet component of the Michelin in Motion strategy. The Group has set the objective of achieving a 100% renewable or recycled materials rate (RRMR) by 2050, with an intermediate target of using 40% renewable or recycled materials in its tires by 2030. This objective is measured based on the RRMR, corresponding to the weight of renewable and recycled materials received expressed as a percentage of the total weight of raw materials received. It tracks the reduction in the use of primary materials and the increase in materials circularity.

This indicator and its calculation method are presented annually in the Sustainability Statement; for example, for 2025, in section 4.6.4.1 of the 2025 Universal Registration Document.

In 2025, the RRMR was 32%.

The environmental performance of the manufacturing indicator covers the Group's current business scope [1]. It has a weighting of 10% and would be taken into account as follows:

- if the RRMR for the last year of the three-year vesting period was more than 37%, the achievement rate would be 100% and the maximum 10% of the performance shares would vest;
- if the RRMR for the last year of the three-year vesting period was between 34% and 37%, the number of vested performance shares would be calculated on a straight line basis between 30% and 100% of 10%;
- if the RRMR for the last year of the three-year vesting period was less than 34%, the achievement rate would be 0% and no performance shares would vest.

For a performance share plan launched in 2026 with a three-year vesting period covering the years 2026, 2027 and 2028, the indicator would be determined based on the 2028 RRMR.

The third indicator, **employee engagement**, remains more than ever an important driver of operational excellence and the achievement of the Company's performance objectives under the People component of the Michelin in Motion strategy covering the strategy's social and societal dimensions. Michelin has set the particularly ambitious objective of becoming a world-class leader in this area by reaching and maintaining an 85% employee engagement rate. Since 2013, the annual "Moving Forward Together: Your Voice for Action" survey has measured employees' engagement rate and opinions about their work, including employees of newly acquired companies four years after joining the Group.

The action taken, gains made to date and the detailed employee engagement calculation method are presented in sections 4.8.1. and 4.8.3 of the 2025 Universal Registration Document. In 2025, employee engagement stood at 84.4%.

The environmental performance of the manufacturing indicator covers the Group's current business scope[1]. It has a weighting of 10% and would be taken into account as follows:

- if the average engagement rate exceeded 85%, the achievement rate would be 100% and the maximum 10% of the performance shares would vest;
- if the average engagement rate was between 83% and 85%, the number of vested performance shares would be calculated on a straight line basis between 30% and 100% of 10%;
- if the average engagement rate was less than 83%, the achievement rate would be 0% and no performance shares would vest.

For example, for a performance share plan launched in 2026 with a three-year vesting period covering the years 2026, 2027 and 2028, the average engagement rate would be the average rate for the three years 2026, 2027 and 2028.

(1) The companies acquired by Michelin would be taken into account in the indicators' rate of progression as from the fourth year in which they are included in the consolidated financial statements.

Third criterion: Operating performance objective based on growth in Polymer Composite Solutions reporting segment revenue, growth in Tires & Services revenue (Consumer, Transportation, Specialty reporting segments) and growth in return on capital employed (ROCE).

The three indicators are part of the Profit component of the Michelin in Motion strategy for ambitious, profitable and sustainable growth. They have a total weight of 50%.

The first indicator, **growth in Polymer Composite Solutions revenue** ("PCS revenue" in € millions, like-for-like) measures the Group's ability to grow its Polymer Composite Solutions business.

In 2025, Polymer Composite Solutions revenue amounted to €1,245 million.

This indicator has a weighting of 15% and would be taken into account as follows:

- if average PCS revenue growth exceeded 5%, the achievement rate would be 100% and the maximum 15% of performance shares would vest;
- if average PCS revenue growth was between 3% and 5%, the number of vested performance shares would be calculated on a straight line basis between 30% and 100% of 15%;
- if average PCS revenue growth was less than 3%, the achievement rate would be 0% and no performance shares would vest.

This indicator would be assessed as the average annual growth for a rolling three-year period starting from the year in which the plan is launched. For a performance share plan launched in 2026 with a three-year vesting period from 2026 to 2028, the average would be calculated based on the annual growth rate between the years 2025/2026, 2026/2027 and 2027/2028.

The second indicator, **growth in Tires & Services revenue (Consumer, Transportation, Specialty reporting segments)** ("Tires & Services revenue" in € millions, like-for-like excluding the raw materials effect), measures the Michelin Group's ability to grow its non-core businesses.

For 2025, Tires & Services revenue was €24,747 million.

This indicator has a weighting of 15% and would be taken into account as follows:

- if average Tires & Services revenue growth exceeded 2.5%, the achievement rate would be 100% and the maximum 15% of performance shares would vest;
- if average Tires & Services revenue growth was between 1% and 2.5%, the number of vested performance shares would be calculated on a straight line basis between 30% and 100% of 15%;
- if average Tires & Services revenue growth was less than 1%, the achievement rate would be 0% and no performance shares would vest.

This indicator would be assessed as the average annual growth for a rolling three-year period starting from the year in which the plan is launched. For a performance share plan launched in 2026 with a three-year vesting period from 2026 to 2028, the average would be calculated based on the annual growth rate between the years 2025/2026, 2026/2027 and 2027/2028.

The third indicator concerns the Group's **return on capital employed (ROCE)** (including acquisitions, related goodwill, and companies accounted for by the equity method) for the last year of the three-year vesting period ("final ROCE"). This indicator measures the robustness of the Group's performance.

In 2025, ROCE stood at 9.2%.

The indicator has a weighting of 20% and would be taken into account as follows:

- if the final ROCE exceeded 12%, the achievement rate would be 100% and the maximum 20% of performance shares would vest;
- if the final ROCE was between 10% and 12%, the number of vested performance shares would be calculated on a straight line basis between 30% and 100% of 20%;
- if the final ROCE was less than 10%, the achievement rate would be 0% and no performance shares would vest.

For example, for a performance share plan launched in 2026 with a three-year vesting period covering the years 2026, 2027 and 2028, the final ROCE would be the ROCE for 2028.

TWENTY-SIXTH RESOLUTION

- **Authorization to grant new or existing bonus shares to the employees and the Managers of the Company and the employees of Group subsidiaries, without pre-emptive subscription rights for existing shareholders**

Having considered the report of the Managing Chairman, the Statutory Auditors' special report and the report of the Supervisory Board, and having noted the approval of the General Partners, the Extraordinary Shareholders Meeting resolves:

- to authorize the Managers, or either of them, in accordance with Articles L. 225-197-1 *et seq.* of the French Commercial Code, to grant new or existing shares without consideration to the Managers and selected employees of the Company and selected employees of related entities within the meaning of Article L. 225-197-2 of said Code, on the basis defined below;
- that any share grants to the Managers must be authorized by the Supervisory Board;
- that for share grants to employees, the Managers, or either of them, shall draw up the list of grantees and determine the number of shares to be granted and the grant conditions and criteria provided that (i) annual grants of more than two hundred and fifty (250) shares to any single grantee shall be subject in their entirety to performance conditions determined with the favorable opinion of the Company's Supervisory Board and (ii) annual grants of up to two hundred and fifty (250) shares to any single grantee shall not be subject to performance conditions;
- that the shares shall be subject to a vesting period set by the Managers, or either of them, which shall be at least three years and may be followed by a lock-up period set by the Managers, or either of them, for certain grantees;
- that the performance shares shall vest before the end of the above vesting period and that all restrictions on their sale shall be lifted in the event of the grantee's death or if the grantee is affected by a category 2 or 3 disability as defined in Article L. 341-4 of the French Social Security Code (*Code de la sécurité sociale*);
- that, if the decision is made to deliver new free shares to grantees, the successive share issues carried out when the performance shares vest shall be paid up by capitalizing reserves, profit or additional paid-in capital, and that existing shareholders shall waive their pre–emptive right to subscribe for said new shares;
- and resolves:
  - the shares granted pursuant to this authorization shall not represent more than 1.5% (one point five percent) of the Company's capital at December 31, 2025,
  - the shares granted to the Managers pursuant to this authorization shall not represent more than 0.1% (zero point one percent) of said capital and shall be included in the 1.5% ceiling referred to above;
- that the Managing Partners, or any one of them, shall have the broadest powers, within the above-defined limits and the limits resulting from the law, to:
  - provide for the possibility of temporarily suspending the performance share rights on the basis prescribed by the applicable laws and regulations,
  - place on record the dates on which the performance shares vest and the dates on which the restrictions on their sale are lifted, in accordance with this resolution and taking into account the legal restrictions,
  - record the shares in a registered share account in the grantee's name,
  - provide for the possibility of adjusting the number of performance shares during the vesting period in order to protect the rights of grantees following any corporate actions carried out by the Company,
  - generally, do everything useful or necessary to implement this authorization, carry out any and all filing and other formalities, place on record the resulting capital increases and amend the Bylaws to reflect the new capital.

This authorization is given to Managers for a period of 38 months from the date of this Meeting. It supersedes any authorization previously granted for the same purpose.

27TH RESOLUTION - EXPLANATORY STATEMENT

■ Authorization for the Managers to reduce the Company's capital by canceling shares

In the 27th resolution, shareholders are invited to authorize the Managers, or either of them, for a period of 24 months, to reduce the Company's capital by canceling shares purchased under shareholder-approved buyback programs.

This authorization would replace the authorization granted for the same purpose at the Annual Shareholders Meeting of May 16, 2025 (14th resolution).

A total of 22,919,400 shares acquired under the shareholder-approved buyback programs were canceled in 2025(1).

TWENTY-SEVENTH RESOLUTION

■ Authorization for the Managers to reduce the Company's capital by canceling shares

Having considered the report of the Managing Chairman, the Statutory Auditors' special report and the report of the Supervisory Board, and having noted the approval of the General Partners, the Extraordinary Shareholders Meeting resolves:

- to authorize the Managers, or either of them, to:
  - cancel, at their sole discretion, on one or more occasions, all or some of the shares purchased under shareholder-approved buyback programs, provided that the number of shares canceled does not exceed 10% (ten percent) of the Company's capital,
  - charge the difference between the cost of the canceled shares and their par value against any available premium or reserve account;
- to grant the Managers, or either of them, full powers – which may be delegated in accordance with the law – to (i) carry out the capital reduction(s) following the cancellation(s) of shares authorized under this resolution, (ii) make the corresponding accounting entries, (iii) amend the Bylaws to reflect the new capital and (iv) generally, carry out all necessary formalities.

This authorization shall be valid for a period of 24 months from the date of this Meeting. It supersedes any authorization previously granted for the same purpose.

28TH RESOLUTION - EXPLANATORY STATEMENT

■ Alignment of the Bylaws with Government Order no. 2024-934 of October 15, 2024

The purpose of the 28th resolution is to bring Article 15.2 of the Bylaws concerning Supervisory Board members representing employees, into line with Government Order no. 2024-934 of October 15, 2024.

This statutory adaptation would not lead to any change in the current composition of the Supervisory Board, which comprises two members representing employees, one of whom is a woman and the other a man.

TWENTY-EIGHTH RESOLUTION

■ Alignment of the Bylaws with Government Order no. 2024-934 of October 15, 2024

Having considered the reports of the Managing Chairman and the Supervisory Board and having noted the approval of both of the General Partners, the Extraordinary Shareholders Meeting resolves:

- to amend Article 15.2 of the Bylaws *"Supervisory Board members representing employees"* by inserting the following paragraph after the second paragraph: "*The trade union(s) designate(s) the member(s) representing the employees in accordance with the gender balance requirements of the applicable laws and regulations*";
- to grant the Managers, or either one of them, full powers – which may be delegated in accordance with the law – to carry out, directly or through an agent, all transactions and formalities that may be useful or necessary to implement this resolution.

(1) The transactions are described in section 6.5.6 of the 2025 Universal Registration Document.

29TH RESOLUTION - EXPLANATORY STATEMENT

■ Alignment of the Bylaws with Decree no. 2026-94 of February 13, 2026 on the modernization of the shareholder communication procedures of certain commercial companies

The purpose of the 29th resolution is to simplify and adapt Article 22 of the Bylaws to the requirements of Decree no. 2026-94 of February 13, 2026, which modernizes the methods of communication between companies and their shareholders.

TWENTY-NINTH RESOLUTION

■ Alignment of the Bylaws with Decree no. 2026-94 of February 13, 2026

Having considered the reports of the Managing Chairman and the Supervisory Board and having noted the approval of both of the General Partners, the Extraordinary Shareholders Meeting resolves:

- To amend Article 22 of the Bylaws:
  - by replacing the text of the 6th paragraph: *"Shareholders may vote by correspondence or by proxy on the basis prescribed by the relevant laws and regulations,"* with the following text: *"Shareholders participate in the General Shareholders Meetings and may vote by correspondence or by proxy on the basis prescribed by the relevant laws and regulations.",*
  - by deleting the 11th paragraph: *"The electronic proxy or vote and the acknowledgement of receipt thereof represent written evidence enforceable against all claims from third parties and may be revoked only in accordance with the applicable laws and regulations. If any shares are sold before midnight CEST on the third business day preceding the Meeting, the corresponding electronic proxy or vote will be revoked or modified accordingly by the Company.",*
  - by deleting the 17th paragraph: *"Only those shareholders registered as shareholders in the Company's books two days at least before the date of the Meeting shall be entitled to participate in the Meeting.";*
- to grant the Managers, or either one of them, full powers – which may be delegated in accordance with the law – to carry out, directly or through an agent, all transactions and formalities that may be useful or necessary to implement this resolution.

30TH RESOLUTION - EXPLANATORY STATEMENT

■ Powers

The purpose of the 30th resolution is to give powers to carry out the formalities related to the Annual Shareholders Meeting.

THIRTIETH RESOLUTION

■ Powers to carry out formalities

The shareholders give full powers to the bearer of an original, copy or extract of the minutes of this Ordinary and Extraordinary Shareholders Meeting to carry out all legal and administrative formalities and to make all filings and publish all notices required by the applicable laws.

SUMMARY OF FINANCIAL AUTHORIZATIONS SUBMITTED FOR SHAREHOLDER APPROVAL

Corporate action	Applicable ceilings *(nominal amount)*	Duration *(expiration date)*
Issuance of shares and/or securities carrying rights to shares, with pre-emptive subscription rights (17th resolution)	shares: €120 million (less than 35% of issued capital) debt securities: €2.5 billion	26 months (*July 2028*)
Issuance of shares and/or securities carrying rights to shares, through a public offer, without pre-emptive subscription rights (18th resolution)	shares: €34 million (less than 10% of issued capital) debt securities: €2.5 billion	26 months *(July 2028)*
Issuance of shares and/or securities carrying rights to shares through an offer governed by paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code (*Code monétaire et financier*), without pre-emptive subscription rights (19th resolution)	shares: €34 million (less than 10% of issued capital)(1) debt securities: €2.5 billion(1)	26 months *(July 2028)*
Determination of the issue price of shares to be issued without pre-emptive subscription rights under the 18th and 19th resolutions (20th resolution)	shares: €34 million (less than 10% of issued capital)(1) debt securities: €2.5 billion(1)	26 months *(July 2028)*
Authorization to increase the number of shares issued in the event that an issue (with or without pre-emptive subscription rights) is oversubscribed (21st resolution)	15% of the original issue(2)	26 months *(July 2028)*
Issuance of new shares paid up by capitalizing reserves, income or additional paid-in capital (22nd resolution)	€80 million	26 months *(July 2028)*
Issuance of shares for a stock-for-stock offer or in payment for contributed assets (23rd resolution)	€34 million (less than 10% of issued capital)(1)	26 months *(July 2028)*
Employee rights issue (24th resolution)	€6.8 million (less than 2% of issued capital)	26 months *(July 2028)*
Blanket ceilings on all the authorizations to issue shares and debt securities carrying rights to shares (except for share issues carried out under the 22nd and 24th resolutions) (25th resolution)	shares: €120 million (less than 35% of issued capital) debt securities: €2.5 billion	26 months *(July 2028)*
Employee share issues, without pre-emptive rights (26th resolution)	1.5% of the issued capital	38 months *(July 2029)*
Share buyback program (5th resolution)	68.7 million shares at a maximum price of €55 per share	18 months *(November 2027)*
Capital reduction by canceling shares (27th resolution)	10% of the issued capital	24 months (*May 2028*)

(1) Included in the ceiling set in the 18th resolution (issuance through a public offer without pre-emptive subscription rights).
(2) 17th to 20th resolutions.

7.2 REPORT OF THE SUPERVISORY BOARD: RECOMMENDATIONS CONCERNING THE VOTES ON THE PROPOSED RESOLUTIONS

7.2.1 RE-ELECTION OF SUPERVISORY BOARD MEMBERS (13TH, 14TH, 15TH AND 16TH RESOLUTIONS)

Compagnie Générale des Établissements Michelin is a *société en commandite par actions* (partnership limited by shares) and as such its Supervisory Board is entirely made up of non-executive members (89% of whom are independent) who represent the shareholders.

With a view to clearly separating powers, no General Partner may play a role in the nomination process – neither Florent Menegaux, Managing Chairman, nor SAGES, the Non-Managing General Partner, which is responsible for ensuring the Company's continuity of leadership.

The General Partners are not involved in decisions to recommend candidates for election to the Supervisory Board at Shareholders Meetings.

In addition, French law and the Company's Bylaws prohibit the General Partners from taking part in the vote at Shareholders Meetings to elect members of the Supervisory Board and their shares are not included in the quorum for the related resolutions.

Thierry Le Hénaff, Monique Leroux and Jean-Michel Severino have informed the Supervisory Board of their intention to stand for re-election when their current terms expire at the close of the Annual Shareholders Meeting of May 22, 2026.

On the recommendation of its Compensation and Appointments Committee, the Board proposes that the Annual Shareholders Meeting:

- re-elects Thierry Le Hénaff (four-year term), Monique Leroux (two-year term) and Jean-Michel Severino (four-year term) as Supervisory Board members (13th, 14th and 15th resolutions respectively);
- elects Anne-Sophie Lotgering as a new member of the Supervisory Board (16th resolution).

Re-election of Supervisory Board members

Thierry Le Hénaff

Arkema
51 Esplanade du Général de Gaulle
92800 Puteaux - La Défense - France

Thierry Le Hénaff, a French national, is currently Chairman and Chief Executive Officer of Arkema(1).

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.

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.

He held 1,600 Michelin shares as of December 31, 2025.

He has served as an independent member of the Supervisory Board since 2018, was a member of the Audit Committee between 2018 and May 2021, and has been the Senior Independent Member of the Board and member of the Compensation and Appointments Committee since May 2021.

He was most recently re-elected at the Annual Shareholders Meeting of May 13, 2022 by a majority of 98.68% of the votes cast.

Thierry Le Hénaff:

- does not have any family ties with either the Managers or any other member of the Supervisory Board;
- is not currently and never has been an employee of Michelin or any of its subsidiaries;
- is not an executive officer of a company in which Michelin, directly or indirectly, has a seat on the Board, or in which an executive officer of Michelin has a seat on the Board;

(1) Listed company.

- has not been an auditor of Michelin in any of the past five years;
- is not a shareholder or an executive officer of SAGES, one of Michelin's General Partners;
- is not a customer, supplier or banker that is material for Michelin or that derives a significant portion of its business from Michelin.

The Board examined Thierry Le Hénaff's candidature for re-election for a four-year term based on the above-mentioned criteria, assessing in particular:

- the appropriateness of his re-election;
- his managerial experience within a major international group;
- his proven ability to support the transformation of an industrial group, while making it a global leader in its main activities;
- his contribution to the diversity and experience represented on the Board;
- his involvement in the work of the Audit Committee and, since May 2021, both in leading the executive sessions of the Board as the Senior Independent Member and in the work of the Compensation and Appointments Committee;
- his availability and attendance rate at meetings of the Board and its Committees; Thierry Le Hénaff's overall attendance rate at meetings of the Supervisory Board and the Committees of which he was a member during the last three years (the period used by the Board to assess the attendance rate of incumbent Board members) was higher than 95%;
- his independence and the absence of any conflicts of interest, confirmed by the analysis of the Compensation and Appointments Committee[1].

On the recommendation of the Compensation and Appointments Committee, the Supervisory Board decided to recommend that Thierry Le Hénaff be re-elected for a further four-year term. Thierry Le Hénaff did not take part in the Board's discussion or vote.

Monique Leroux

Michelin
112 avenue Kléber
75016 Paris, France

Monique Leroux, a Canadian national, is a company director. She is a Companion of the Canadian Business Hall of Fame and Investment Industry Hall of Fame. She sits on the Boards of Directors of the companies Bell (BCE)[2] and Couche-Tard (ATD)[2].

Monique Leroux is a Companion 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 12 Canadian universities in recognition of her contribution to the business sector and also to the community.

Monique Leroux chaired Canada's National Industrial Strategy Board in 2020 as part of a special mandate from the Canadian government on economic recovery, and also served as a member on the Board of Directors of S&P Global from 2016 to 2022.

Monique Leroux held 4,000 Michelin shares as of December 31, 2025.

She has served as an independent member of the Supervisory Board since October 2015 and member of the Audit Committee since 2017. Since 2020, she has been Chair of the Corporate Social Responsibility Committee (CSR Committee).

She was most recently re-elected at the Annual Shareholders Meeting of May 13, 2022 by a majority of 99.65% of the votes cast.

Monique Leroux:

- does not have any family ties with either the Managers or any other member of the Supervisory Board;
- is not currently and never has been an employee of Michelin or any of its subsidiaries;
- is not an executive officer of a company in which Michelin, directly or indirectly, has a seat on the Board, or in which an executive officer of Michelin has a seat on the Board;
- has not been an auditor of Michelin in any of the past five years;
- is not a shareholder or an executive officer of SAGES, one of Michelin's General Partners;
- is not a customer, supplier or banker that is material for Michelin or that derives a significant portion of its business from Michelin.

The Board examined Monique Leroux's candidature for re-election for a two-year term based on the above-mentioned criteria, assessing in particular:

- the appropriateness of her re-election for a two-year term, in view of her ten years' service on the Board;
- her commitment to the work of the Board and the Audit Committee and, since December 2020, her leadership of the CSR Committee as its Chair;
- her excellent understanding of the challenges facing the Group;
- her experience in the areas of accounting, finance and internal control;
- her attendance, availability and involvement in Board and Committee meetings, in particular as Chair of the CSR Committee; Monique Leroux's attendance rate in 2021 at meetings of the Supervisory Board and the Committees of which she was a member during the last three years (the period used by the Board to assess the overall attendance of incumbent Board members) was 100%;

(1) See detailed disclosures in section 2.2.6 of the 2025 Universal Registration Document.
(2) Listed company.

- the fact that she is an independent member of the Board and has no conflicts of interest;
- the expertise and experience she brings to the Board; the Committee felt that Monique Leroux will continue to give the Group the benefit of her broad experience, gained in particular during her time as a partner of EY (Canada) and as Chair of the Board and Chief Executive Officer (from 2008 to 2016) of Desjardins Group, Canada's leading cooperative financial group, which she helped to build into one of the world's most robust financial institutions after a period of dynamic growth under her stewardship.

On the recommendation of the Compensation and Appointments Committee, the Supervisory Board decided to recommend that Monique Leroux be re-elected for a further two-year term. Monique Leroux did not take part in the Board's discussion or vote.

Jean-Michel Severino

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

Jean-Michel Severino, a French national, 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 was 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.

He is Chairman of the Supervisory Board of Investisseurs et Partenaires (I&P), an investment firm specialized in financing for African SMEs and start-ups.

He is also Vice President and a Senior Fellow of the Foundation for Studies and Research on International Development (FERDI), a French think tank engaged in international discussions on sustainable development matters, and a member of the French Academy of Technologies.

Jean-Michel Severino held 1,600 Michelin shares as of December 31, 2025.

He has served as an independent member of the Supervisory Board since November 2020, as a member and Chairman of the Compensation and Appointments Committee since May 2024 and as a member of the Corporate Social Responsibility (CSR) Committee since 2020.

He was most recently re-elected at the Annual Shareholders Meeting of May 13, 2022 by a majority of 99.88% of the votes cast.

Jean-Michel Severino:

- does not have any family ties with either the Managers or any other member of the Supervisory Board;
- is not currently and never has been an employee of Michelin or any of its subsidiaries;
- is not an executive officer of a company in which Michelin, directly or indirectly, has a seat on the Board, or in which an executive officer of Michelin has a seat on the Board;
- has not been an auditor of Michelin in any of the past five years;
- is not a shareholder or an executive officer of SAGES, one of Michelin's General Partners;
- is not a customer, supplier or banker that is material for Michelin or that derives a significant portion of its business from Michelin.

The Board examined Jean-Michel Severino's candidature for re-election for a four-year term based on the above-mentioned criteria, assessing in particular:

- the appropriateness of his re-election;
- his expertise, especially in the areas of social environment, human resources and governance;
- his good knowledge of the world of manufacturing;
- his international experience;
- his attendance, availability and involvement in Board and Committee meetings, in particular as Chairman of the Compensation and Appointments Committee; his attendance rate at meetings of the Supervisory Board and the Committees of which he was a member during the last three years (the period used by the Board to assess the attendance rate of incumbent Board members) was 100%;
- the fact that he is an independent member of the Board and has no conflicts of interest.

On the recommendation of the Compensation and Appointments Committee, the Supervisory Board decided to recommend that Jean-Michel Severino be re-elected for a further four-year term. Jean-Michel Severino did not take part in the Board's discussion or vote.

Election of a new Supervisory Board member

As part of the Supervisory Board succession planning process and to maintain and enhance its expertise in the area of IT/AI/cybersecurity, the Board decided to propose to the Annual Shareholders Meeting of May 22, 2026, the election of an additional member with expertise in these areas.

Anne-Sophie Lotgering

Michelin
112, avenue Kléber, 75016 Paris

Anne-Sophie Lotgering was born in 1974 and has joint Dutch and French nationality. As Chief Executive Officer Europe of NTT DATA Inc. and a member of its Executive Leadership Team, she is responsible for managing the IT integration services business of the NTT Group which employs over 13,000 people.

Anne-Sophie Lotgering holds a bachelor's degree in history of art and a master's degree in history from Université Paris-Sorbonne and a post-graduate degree in history from University College London. She has a very international culture, having lived and worked in the United States and many countries in Asia, Africa and Europe. She speaks four languages, English, French, Dutch and German.

Anne-Sophie Lotgering has worked for a variety of major international companies, including Orange (2002-2017, 2018-2020), Microsoft (2017-2018), Proximus (2020-2025) and now NTT DATA Inc, acquiring experience in the fields of telecommunications and above all IT services (Cloud, Cybersecurity, Data Centers, AI).

She has led major internal transformation projects in preparation for technological developments, as well as critical digital transformation programs for customers operating in various sectors, including industry 4.0 and logistics management.

She does not hold any position in any other listed company.

The Compensation and Appointments Committee considered that her profile was an excellent fit with the skills and expertise of the Board members (identified in the Board skills matrix as well as those related to sustainability matters[(1)]) and that the main strengths she would bring to the Supervisory Board would be:

- her very solid professional and technical skills in IT/AI/ Cyber Security;
- her successful track record as a senior executive within a major international group operating in highly competitive sectors, not only in Europe but also in a global corporate environment;
- her experience in M&A;
- the skills and experience she would bring to the Board; in particular, the Committee considered that Anne-Sophie Lotgering would provide the Supervisory Board with the following expertise, presented according to the classification established by the Supervisory Board in its detailed expertise matrix:
  - IT, AI and Cyber Security: 24 years' experience in IT services companies including NTT, Orange, Proximus and Microsoft; management of an IT integration services business for the NTT Group with over 13,000 employees,
  - International Management: CEO Europe and member of the Executive Leadership Team of NTT DATA, former CEO and member of the Executive Committee of Proximus NXT IT,
  - Financial expertise: experience in M&A activities, including at Proximus, where she was responsible for integrating the Group's various B2B activities in the Benelux countries;
- her availability and commitment to participate actively in the work of the Board and its Committees;
- an absence of conflicts of interest with the Company.

The Supervisory Board considers that Anne-Sophie Lotgering qualifies as an independent member because:

- she does not have any close family ties with either the Managers or any member of the Supervisory Board;
- she is not currently and never has been an employee of Michelin or any of its subsidiaries;
- she has not been a member of the Supervisory Board for more than 12 years;
- she is not an executive officer of a company in which Michelin, directly or indirectly, has a seat on the Board, or in which an executive officer of Michelin has a seat on the Board;
- she has not been an auditor of Michelin in any of the past five years;
- she is not a shareholder or an executive officer of SAGES, one of Michelin's General Partners;
- she is not a customer, supplier or banker that is material for Michelin or that derives a significant portion of its business from Michelin.

On the recommendation of the Compensation and Appointments Committee, the Supervisory Board has decided to recommend that Anne-Sophie Lotgering be elected for a four-year term.

If shareholders elect Anne-Sophie Lotgering to the Supervisory Board, its members plan to appoint her as a member of the Audit Committee.

Anne-Sophie Lotgering has agreed to stand for election and join the Board.

Anne-Sophie Lotgering undertakes to acquire 800 Michelin shares before the Annual Shareholders Meeting of May 22, 2026 and, if elected at this Meeting, she undertakes to acquire a further 800 shares so that she holds the minimum number of shares required by the Supervisory Board's internal rules.

(1) See detailed disclosures in section 2.1.3.3 of the 2025 Universal Registration Document.

Summary of the Supervisory Board's Report to the Annual Shareholders' Meeting

Including the members proposed for election at the Annual Shareholders Meeting and the Board's planned changes to the membership of its Committees, the Board and its Committees would be constituted as follows:

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 (P)	⊖	-	2008	2013[2] 2015[3] 2019 2023	2027	17	2,740	French	67	F
Aruna Jayanthi	✓	Audit	2015	2019 2023	2027	10	1,600	Indian	63	F
Patrick de la Chevardière	✓	Audit (P)	2020	2024	2028	5	1,600	French	68	M
Jean-Christophe Laourde (RS)	⊖	Corporate Social Responsibility	2020	2024	2028[4]	5	505	French	50	M
Thierry Le Hénaff (MR)	✓	Compensation and Appointments	2018	2022 2026	2030	7	1,600	French	62	M
Monique Leroux	✓	Audit Corporate Social Responsibility (P)	2015[5]	2018 2022 2026	2028	10	4,000	Canadian	71	F
Delphine Roussy (RS)	⊖	Compensation and Appointments	2020	2024	2028[4]	5	1,636	French	43	F
Wolf-Henning Scheider	✓	Audit Corporate Social Responsibility	2021	2025	2029	4	1,600	German	63	M
Jean-Michel Severino	✓	Corporate Social Responsibility Compensation and Appointments (P)	2020[6]	2022 2026	2030	5	1,600	French	68	M
Catherine Soubie	✓	Audit	2024	-	2028	1	1,600	French	60	F
Pascal Vinet	✓	Compensation and Appointments	2024	-	2028	1	1,600	French	63	M
Anne-Sophie Lotgering	✓	Audit	2026		2030	0	800	Dutch & French	52	F

(P): Chair (MR): Senior Independent Member (RS): Members 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) Appointed pursuant to the Bylaws and not elected by the shareholders.
(5) 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.
(6) 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.

7.2.2 ELECTION OF NEW GENERAL MANAGER (12TH RESOLUTION)

Yves Chapot is standing down from his position as General Manager when his current term expires. Having noted his decision, the Chair of the Supervisory Board and her fellow Board members would like to thank Yves Chapot for his contribution to the development of the Company and his unflagging commitment to preserving the Company's robustness and resilience in an extremely unsettled environment. They particularly appreciated the quality and transparency of their exchanges with him and the relevance and depth of his analyses.

In accordance with the Company's Bylaws, a rigorous and detailed selection process was launched with the Non-Managing General Partner, SAGES, in close cooperation with the Supervisory Board and its Compensation and Appointments Committee.

Together, they selected an international leadership advisory firm to provide them with all its expertise throughout this process, which began in September 2023.

With the consultants' help, and that of the Managers, they monitored and analyzed the development of some 20 of the Group's top executives, who were each given a personalized development plan.

Over the past two years, the various options were assessed during frequent brainstorming sessions, to ensure the best possible development trajectory for Michelin in the years to come.

At the end of the process, the Supervisory Board expressed its unanimous support for SAGES' proposal to submit a resolution to the Company's Annual General Meeting electing Philippe Jacquin as General Manager for a four-year term.

Philippe Jacquin indicated in advance that he would accept his election and that he was not subject to any measures that could prevent him from serving as General Manager.

Philippe Jacquin was born in 1972 and is a French national. He is currently a member of the Michelin Group Executive Committee and is Executive Vice President, Research & Development, supervising the Innovation & Partnerships Corporate Department.

He graduated from the Ecole Nationale des Ponts et Chaussées in 1996.

He joined Michelin in 1998 as Earthmover Technical Survey Engineer, becoming Product Development Engineer in 2000, then Material & Process Development Manager for these same activities in 2003.

In 2007, he became Passenger Car Winter Tires Development Manager and in 2009, took on the role of Passenger Car Original Equipment Technical Director in North America.

In 2012, he became European Technical Director for Heavy Truck tires, and in 2015, Marketing Director.

In 2018, he was appointed Long Distance Transportation Marketing Director.

In 2019, he became Development & Pre-Development Director worldwide for Passenger Car tires, 2-Wheeler tires and Motorsport tires for all Original Equipment and Replacement markets.

Philippe Jacquin joined the Group Executive Committee in 2024 as Executive Vice President, Research & Development, supervising the Innovation & Partnerships Corporate Department.

The Supervisory Board considered that this candidate had considerable strengths, including:

- his deep knowledge of the Group's businesses and, in particular, his international experience in technical innovation and product development, which are key drivers of the value created by Michelin;
- his ability to establish constructive and inspiring working relationships with the Managing Chairman and the entire management team, to support the successful ongoing deployment of Michelin in Motion;
- the guarantee of management continuity and permanence.

Consequently, the Supervisory Board unanimously recommends that shareholders approve the election of Philippe Jacquin as General Manager, by voting in favor of the 12th resolution.

7.2.3 APPROVAL OF THE COMPENSATION OF THE CORPORATE OFFICERS (6TH TO 11TH RESOLUTIONS)

The policy and the components of the corporate officer compensation packages were presented to the corresponding Annual Shareholders Meetings by the Chair of the Compensation and Appointments Committee.

In 2026, the General Partners and the Supervisory Board are submitting to the Annual Shareholders Meeting for approval:

- the 2026 Compensation Policy applicable to (i) the Managers (6th resolution) and (ii) the Supervisory Board (7th resolution)(1);
- the information about the compensation of the Managers and the Chair of the Supervisory Board (8th resolution) and the individual compensation paid or awarded to them (9th to 11th resolutions) for 2025(2).

We concur with the proposal of the Compensation and Appointments Committee and recommend that shareholders adopt the corresponding proposed resolutions.

7.2.4 APPROVAL OF THE FINANCIAL STATEMENTS, RELATED-PARTY AGREEMENTS AND FINANCIAL AUTHORIZATIONS (1ST TO 5TH, 17TH TO 23RD AND 25TH RESOLUTIONS)

Concerning the other ordinary resolutions, the accounting and financial information communicated to shareholders and the Managing Chairman's report present the Group's operations and results for 2025 (for the purposes of the 1st, 2nd and 3rd ordinary resolutions).

We have no comments on the Statutory Auditors' reports on the financial statements.

As no new related-party agreements requiring shareholder approval were entered into in 2025, shareholders are asked to place on record that there are no such agreements to approve (4th resolution).

Before asking shareholders to approve the financial statements of the Company, the consolidated financial statements and the proposed appropriation of net income, we would like to commend the Managers and the other members of the management team for their engagement and resilience in a persistently turbulent environment. We would also like to thank them for the transparency of the analyses shared within the Board, and we reaffirm our total confidence in their ability to implement the Board's vision in the years ahead.

In light of the year's performances, we support the Managing Chairman's proposal to set the dividend at €1.38 per share (2nd resolution).

The Company wishes to renew its share buyback program on similar terms as for the previous program (5th resolution).

An authorization to cancel shares bought back under the program is also being sought to replace the authorization granted at the 2025 Meeting (14th resolution).

Other extraordinary resolutions (17th to 23rd and 25th resolutions) are also proposed to renew – on the same or very similar terms – the financial authorizations granted at the May 17, 2024 Annual Shareholders Meeting, which are needed by the Group to support implementation of its strategy. In addition, shareholders will be asked to renew the previous authorization to carry out rights issues for members of a Group employee shareholder plan (24th resolution).

A resolution is also being proposed to grant bonus shares or performance shares to employees of Group subsidiaries and to the Company's Managers (26th resolution). These grants would be made:

- to the Managers, on the recommendation of the General Partners, after the performance conditions and criteria have been determined by the Supervisory Board;
- to employees, by decision of one of the Managers, based on the favorable opinion of the Supervisory Board on the recommendation of the Compensation and Appointments Committee.

(1) Detailed policy described in the Supervisory Board's Corporate Governance Report; see section 2.3 of the 2025 Universal Registration Document.
(2) Detailed disclosures in the Supervisory Board's Corporate Governance Report; see sections 2.4 and 2.5 of the 2025 Universal Registration Document.

7.2.5 ALIGNMENTS OF THE BYLAWS (28TH AND 29TH RESOLUTIONS)

Alignment of the Bylaws with Government Order no. 2024-934 of October 15, 2024 concerning Supervisory Board members representing employees

The purpose of the 28th resolution is to bring Article 15.2 of the Bylaws concerning Supervisory Board members representing employees, into line with Government Order no. 2024-934 of October 15, 2024.

This statutory adaptation would not lead to any change in the current composition of the Supervisory Board, which comprises two members representing employees, one of whom is a woman and the other a man.

Alignment of the Bylaws with Decree no. 2026-94 of February 13, 2026 on the modernization of the shareholder communication procedures of certain commercial companies

In the 29th resolution, shareholders are asked to bring Article 22 of the Bylaws into line with Decree no. 2026-94 of February 13, 2026, which modernizes communications between commercial companies and their shareholders.

We recommend that shareholders adopt the proposals submitted by the Managing Chairman for their approval by voting in favor of the corresponding ordinary and extraordinary resolutions.

February 10, 2026

The Supervisory Board

7.3 STATUTORY AUDITORS' REPORT

7.3.1 STATUTORY AUDITORS' REPORT ON THE ISSUE OF SHARES AND/OR VARIOUS SECURITIES, WITH OR WITHOUT PRE-EMPTIVE SUBSCRIPTION RIGHTS

(Combined Shareholders Meeting of May 22, 2026 - 17th, 18th, 19th, 20th, and 21st resolutions)

This is a free translation into English of the statutory auditors' report issued in the French language and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders Meeting,

Compagnie Générale des Etablissements Michelin
23 Place des Carmes-Déchaux
63000 Clermont-Ferrand

In our capacity as Statutory Auditors of Compagnie Générale des Etablissements Michelin, and pursuant to Articles L. 228-92 and L. 225-135 *et seq.* of the French Commercial Code (*Code de commerce*), we hereby report to you on the proposed delegations of authority to the Managers, or either of them, to carry out various issues of shares and/or securities, which are submitted to you for approval.

On the basis of his report, the Managing Chairman invites the shareholders:

- to delegate to the Managers, or either of them, for a period of 26 months, from the date of this Annual Shareholders Meeting, the authority to carry out, except during a public offer period, the following transactions and to set the final terms and conditions thereof, and, where appropriate, to cancel shareholders' preemptive subscription rights:
  - the issue, with pre-emptive subscription rights (17th resolution), of shares and/or equity securities carrying rights to other equity securities and/or other securities carrying rights to shares,
  - the issue, without pre-emptive subscription rights (18th resolution), of shares and/or equity securities carrying rights to other equity securities and/or other securities carrying rights to shares through a public offer not governed by Article L. 411-2, paragraph 1, of the French Monetary and Financial Code,
  - the issue, without pre-emptive subscription rights (19th resolution), of shares and/or equity securities carrying rights to other equity securities and/or other securities carrying rights to shares through an offer governed by Article L. 411-2, paragraph 1, of the French Monetary and Financial Code, and within the annual legal limit of 30% of the capital;
- authorize the Managers, under the 20th resolution, and as part of the implementation of the delegations referred to in the 18th and 19th resolutions, to set the issue price within the limit of 10% of the capital in any 12-month period.

The aggregate nominal amount of the shares that may be issued under the 17th, 18th, 19th, 20th, 21st and 23rd resolutions, immediately or in the future may not, under the 25th resolution, exceed €120,000,000, it being specified that the nominal amount of the shares that may be issued, either immediately or in the future, may not exceed:

- €120,000,000 under the 17th resolution;
- €34,000,000 under either the 18th or 19th resolution.

Under the 25th resolution, the aggregate nominal amount of debt securities that may be issued under the 17th, 18th, 19th, 20th and 21st resolutions may not exceed €2,500,000,000, this amount also constituting the individual ceiling for each of the 17th, 18th, 19th and 20th resolutions.

These ceilings take into account the additional securities to be issued under the delegations of authority sought in the 17th, 18th, 19th and 20th resolutions, in accordance with Article L. 225-135-1 of the French Commercial Code, in the event that the shareholders adopt the 21st resolution.

It is the responsibility of the Managing Chairman to prepare a report in accordance with Articles R. 225-113 *et seq.* of the French Commercial Code. Our responsibility is to express an opinion on the fairness of the information taken from the financial statements, on the proposed cancellation of the shareholders' pre-emptive subscription rights, and on certain other information relating to these transactions, which is presented in this report.

We performed the procedures that we considered necessary in accordance with the professional standards applicable in France to such engagements. These procedures consisted in verifying the information provided in the Managing Chairman's report relating to these transactions and the methods used to set the issue price of the shares to be issued.

Subject to a subsequent examination of the terms and conditions of the issues, we have no matters to report as regards the information provided in the Managing Chairman's report on the methods used to set the issue price of the equity securities to be issued under the 18th, 19th and 20th resolutions.

In addition, as this report does not stipulate the methods used to set the issue price of the shares to be issued under the 17th resolution, we do not express an opinion on the basis used to calculate the issue price.

Since the final terms and conditions of the issues have not been set, we do not express an opinion in this respect, or, consequently, on the proposed cancellation of the shareholders' preemptive subscription rights under the 18th and 19th resolutions.

In accordance with Article R. 225-116 of the French Commercial Code, we will prepare an additional report if and when the Managers, or either of them, use the delegations of authority to issue equity securities carrying rights to other equity securities, securities carrying rights to equity securities to be issued or shares without preemptive subscription rights.

Neuilly-sur-Seine and Paris-La Défense, April 2, 2026

The Statutory Auditors
French original signed by

PricewaterhouseCoopers Audit		Deloitte & Associés	
Itto El Hariri	Frédéric Nusbaumer	Frédéric Gourd	Céline Dubreucq

7.3.2 STATUTORY AUDITORS' REPORT ON THE RIGHTS ISSUE RESERVED FOR MEMBERS OF A GROUP EMPLOYEE SHAREHOLDER PLAN

(Shareholders Meeting of the May 22, 2026 - 24th resolution)

This is a free translation into English of the statutory auditors' report issued in the French language and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders Meeting of Compagnie Générale des Etablissements Michelin,

Compagnie Générale des Établissements Michelin
23 place des Carmes-Déchaux
63000 Clermont-Ferrand

In our capacity as Statutory Auditors of your company, and pursuant to Articles L. 225-135 *et seq.* of the French Commercial Code (*Code de commerce*), we hereby report to you on the proposed delegation of authority to the Managers, or anyone of them, to increase the capital by issuing, without pre-emptive subscription rights, ordinary shares reserved for members of an employee shareholder plan of the Company or of French and foreign companies related to the Company within the meaning of Article L. 225-180 of the French Commercial Code and Article L. 3344-1 of the French Labor Code (*Code du travail*), for a maximum amount of €6,875,960, which is submitted to you for approval.

This rights issue is submitted to the shareholders for approval pursuant to the provisions of Article L. 225-129-6 of the French Commercial Code and Articles L. 3332-18 *et seq.* of the French Labor Code.

On the basis of his report, the Managing Chairman invites the shareholders to delegate to the Managers, or anyone of them, for a period of 26 months from the date of this meeting, the authority to increase the capital and cancel shareholders' pre-emptive subscription rights to the shares to be issued. Where applicable, the Managing Chairman will be responsible for setting the final terms and conditions of this transaction.

It is the responsibility of the Managing Chairman to prepare a report in accordance with Articles R. 225-113 and R. 225-114 of the French Commercial Code.

It is our responsibility to express an opinion on the fairness of the financial information taken from the financial statements, on the proposed cancellation of the shareholders' pre-emptive subscription rights, and on certain other information relating to the issue, which is presented in this report. We performed the procedures that we considered necessary in accordance with the professional standards applicable in France to such engagements. These procedures consisted in verifying the information provided in the Managing Chairman's report relating to this transaction and the methods used to set the issue price of the shares to be issued.

Subject to a subsequent examination of the terms and conditions of the proposed rights issue, we have no matters to report as regards the information provided in the Managing Chairman's report on the methods used to set the issue price of the ordinary shares to be issued.

Since the final terms and conditions of the rights issue have not been set, we do not express an opinion in this respect or, consequently, on the proposed cancellation of shareholders' pre-emptive subscription rights.

In accordance with Article R. 225-116 of the French Commercial Code, we will pepare an additional report if and when the Managers or either of them use this delegation of authority.

Neuilly-sur-Seine and Paris La Défense, April 2, 2026

The Statutory Auditors
French Original signed by

PricewaterhouseCoopers Audit		Deloitte & Associés	
Itto El Hariri	Frédéric Nusbaumer	Frédéric Gourd	Céline Dubreucq

7.3.3 STATUTORY AUDITORS' REPORT ON THE AUTHORIZATION TO GRANT EXISTING OR NEWLY ISSUED FREE SHARES

(Combined Shareholders Meeting of May 22, 2026 - 26th resolution)

This is a free translation into English of the statutory auditors' report issued in the French language and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders Meeting,

Compagnie Générale des Etablissements Michelin
23, place des Carmes-Déchaux
63000 Clermont Ferrand

In our capacity as Statutory Auditors of your company (the "Company"), and in compliance with Articles L. 225-197-1 of the French Commercial Code (*Code de commerce*), we hereby report on the proposed authorization to grant existing or newly issued free shares to beneficiaries to be determined from among employees and Managers of the Company, and the employees of entities affiliated with it the meaning of Article L. 225-197-2 of the French Commercial Code, a transaction upon which you are called to vote.

The total number of shares that may be granted under this authorization may not exceed 1.5% of the Company's share capital as at 31 December 2025, it being specified that the shares granted to the Company's Managers under this authorization may not exceed 0.1% of said share capital and will be included in the above-mentioned 1.5% cap.

Based on his report, your Managing Chairman proposes that you authorize the Managers, or one of them, for a period of 38 months as from the date of this Shareholders Meeting, to grant existing or newly issued free shares, it being specified that any grant of free shares to the Managers must be decided by resolution of your Supervisory Board.

It is the responsibility of the Managing Chairman to prepare a report on this transaction, which he wishes to be authorized to carry out. It is our responsibility to report to you, where applicable, any comments we may have on the information provided to you concerning the proposed transaction.

We performed the procedures that we considered necessary in accordance with the professional standards applicable in France to such engagements. These procedures consisted mainly in verifying that the proposed terms and conditions set out in the report of the Managing Chairman comply with the legal provisions in force.

We have no matters to report as regards the information provided in the Managing Chairman's report relating to the proposed authorization to grant free shares.

Neuilly-sur-Seine and Paris-La Défense, April 2, 2026

The Statutory Auditors
French Original signed by

PricewaterhouseCoopers Audit		Deloitte & Associés	
Itto El Hariri	Frédéric Nusbaumer	Frédéric Gourd	Céline Dubreucq

7.3.4 STATUTORY AUDITORS' REPORT ON THE SHARE CAPITAL DECREASE

(Shareholders Meeting of May 22, 2026 – 27th resolution)

This is a free translation into English of the statutory auditors' report issued in the French language and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders' Meeting
Compagnie Générale des Établissements Michelin
23 place des Carmes-Déchaux
63000 Clermont-Ferrand

In our capacity as Statutory Auditors of your Company and pursuant to the provisions of Article L. 22-10-62 of the French Commercial Code (*Code de commerce*) concerning share capital reductions carried out by cancellation of shares purchased, we hereby report to you on our assessment of the reasons for and the terms and conditions of the proposed share capital decrease

Your Managing Chairman proposes that you delegate to the Managers, or anyone of them, for a period of 24 months from this Shareholders Meeting, the authority to cancel, up to a maximum of 10% of the share capital in any 24-month period, the shares purchased by the Company pursuant to the authorization to purchase its own shares under the provisions of the above-mentioned Article of the French Commercial Code.

We performed the procedures that we considered necessary to comply with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement. Those procedures consisted in examining whether the reasons for and the terms and conditions of the proposed share capital decrease, which does not interfere with the equal treatment of shareholders, are due and proper.

We have no matters to report on the reasons for or terms and conditions of the proposed share capital decrease.

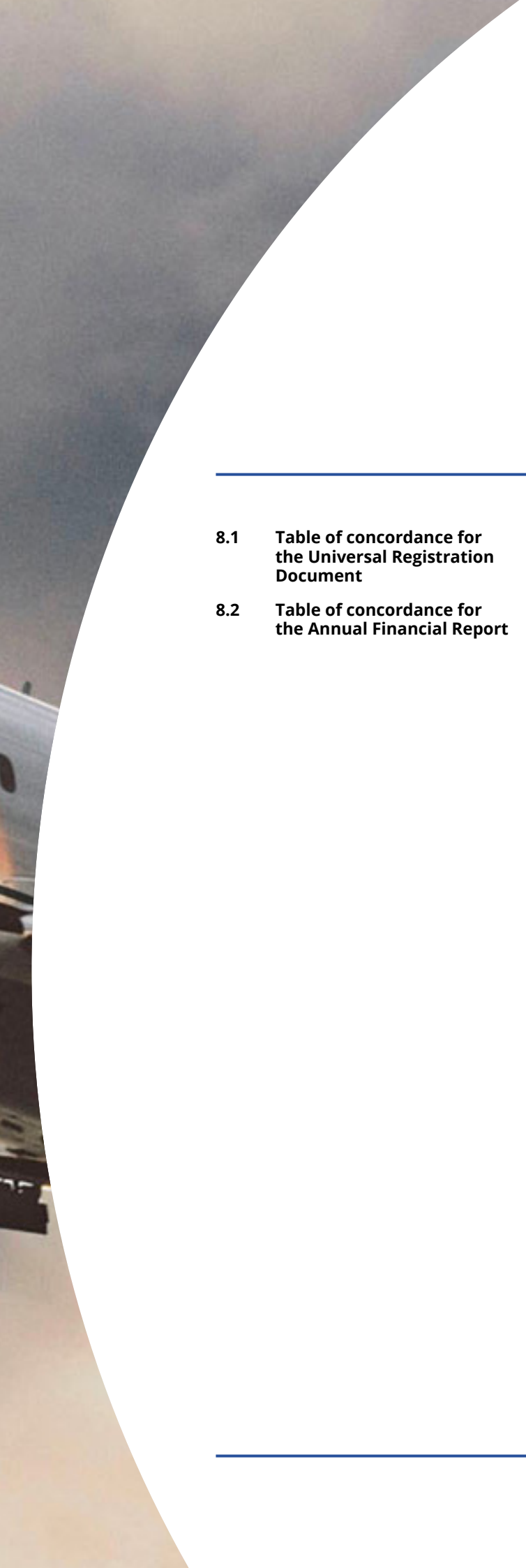
Neuilly-sur-Seine and Paris-La Défense, April 2, 2026

The Statutory Auditors
French Original signed by

PricewaterhouseCoopers Audit		Deloitte & Associés	
Itto El Hariri	Frédéric Nusbaumer	Frédéric Gourd	Céline Dubreucq

08





CHAPTER 08

TABLES OF CONCORDANCE

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8.1 TABLE OF CONCORDANCE FOR THE UNIVERSAL REGISTRATION DOCUMENT

In order to make the Universal Registration Document easier to navigate, the following table cross-references the key information required under Annex 1 of European Regulation No. 2019/980 supplementing European Regulation No. 2017/1129.

Section headings provided under Annex 1 of Commission Delegated Regulation (EU) No. 2019/980	Section
1. Persons responsible for the Universal Registration Document	5.4.1
2. Statutory Auditors	5.4.2
3. Risk factors	3
4. Information about the issuer	6.1
5.1. Principal activities	1
5.2. Principal markets	5.1.1; 5.1.2
5.3. Important events	5.1.8
5.4. Strategy and objectives	1
5.5. Extent of dependence on patents, licenses, industrial, commercial or financial contracts or new manufacturing processes	N/A
5.6. Basis for any statements by the issuer regarding its competitive position	5.1.1
5.7. Investments	5.1.5 b); 5.1.5 c)
6.1. Brief description of the Group	6.1
6.2. List of significant subsidiaries	5.2 (note 20) 5.3 (note 17)
7.1. Financial condition	5.1
7.2. Operating results	5.1.3
8.1. Information concerning capital resources	5.1.4; 5.1.6; 5.2; 6.5.1; 6.5.2
8.2. Sources and amounts of cash flows	5.1.4; 5.1.5; 5.2
8.3. Information on borrowing requirements and funding structure	5.1.4; 5.2 (note 9)
8.4. Restrictions on the use of capital resources that have materially affected, or could materially affect the Company	N/A
8.5. Anticipated sources of funds needed to fulfill Management's firm commitments and planned property, plant and equipment	N/A
9. Regulatory environment	4.10.3; 5.1.1 a)
10. Trend information	5.1.7; 5.1.11
11. Profit forecasts or estimates	5.1.7
12.1. Information on the members of the administrative, management and supervisory board	2.1; 2.2
12.2. Conflicts of interest	2.1.5; 2.2.6
13.1. Remuneration and benefits in kind	2.3; 2.5
13.2. Total amounts set aside or accrued to provide pension, retirement or similar benefits	2.3; 2.5
14.1. Date of expiration of current terms of office	2.1
14.2. Service contracts to which members of the administrative, management and supervisory board are bound	2.1.5
14.3. Information on the Committees	2.2.9; 2.2.10; 2.2.11
14.4. Statement of compliance with the applicable corporate governance regime	2.1.3.2
14.5. Potential material impacts on corporate governance	2.1

Section headings provided under Annex 1 of Commission Delegated Regulation (EU) No. 2019/980	Section
15.1. Number of employees	4.8.5; 5.1.3 c)
15.2. Corporate officer shareholdings and stock options	2.3-2.8 ; 6.5.3 ; 6.5.4
15.3. Arrangements for involving the employees in the capital	4.8.4.3; 6.5.5
16.1. Shareholders holding more than 5% of the share capital or voting rights	2.11
16.2. Statement as to whether shareholders have different voting rights	2.10.6; 2.11; 6.2.4
16.3. Control over the issuer	2.11
16.4. Arrangement, known to the issuer, the implementation of which may at a subsequent date result in a change in control	2.13
17. Related party transactions	5.2 (note 18)
18.1. Historical financial information	5.1.14; 5.2; 5.3
18.2. Interim and other financial information	N/A
18.3. Auditing of historical financial information	5.2.2; 5.3.3
18.4. Pro forma financial information	N/A
18.5. Dividend policy	6.2.3
18.6. Legal and arbitration proceedings	5.2 (note 7.3.3; note 16.2.2)
18.7. Significant change in the issuer's financial position	5.1.11
19.1. Share capital	6.5
19.1.1. Issued capital and authorized capital	6.5
19.1.2. Shares not representing capital	N/A
19.1.3. Shares held by the issuer or its subsidiaries	6.5.6; 6.5.7
19.1.4. Convertible securities, exchangeable securities or securities with warrants	6.5.3
19.1.5. Acquisition rights and/or obligations attached to authorized but unissued capital, or any undertaking to increase the capital	6.5
19.1.6. Options on the capital relating to members of the Group	6.5.3
19.1.7. A history of share capital	6.5.1
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19.2.1. Register and corporate purpose	2.10
19.2.2. Rights, preferences and restrictions attached to shares	2.10
19.2.3. Provisions that could delay, defer or prevent a change in control	N/A
20. Material contracts	5.1.9
21. Documents available	6.4

8.2 TABLE OF CONCORDANCE FOR THE ANNUAL FINANCIAL REPORT

In order to make the Annual Financial Report easier to navigate, the following table cross-references the key information required by Article L. 451-1-2 of the French Monetary and Financial Code (*Code monétaire et financier*).

Section headings provided under Article L. 451-1-2 of the French Monetary and Financial Code	Section
1. Annual financial statements	5.3
2. Consolidated financial statements	5.2
3. Management report including the report on sustainability information (table of concordance)	8.4
4. Corporate governance report	2
5. Statement by the person responsible for the Annual Financial Report	5.4.1
6. Statutory Auditors' report on the annual financial statements	5.3.3
7. Statutory Auditors' report on the consolidated financial statements	5.2.2
8. Limited assurance report on sustainability information	4.12

8.3 TABLE OF CONCORDANCE WITH THE AMF TABLES ON CORPORATE OFFICER COMPENSATION

The following cross-reference table has been drawn up in order to put information on compensation into perspective with regard to the breakdown of such information in the 11 tables recommended by the AMF in its guide for the preparation of Universal Registration Documents (see also the AFEP-MEDEF Code).

Remuneration tables in the AMF recommendations	2.6.1
Table 1 Summary of compensation, options and shares granted to each executive officer	2.6.1.1
Table 2 Summary of compensation paid to each executive officer	2.6.1.2; 2.6.1.3
Table 3 Directors' fees and other compensation received by the non-executive officers	2.6.1.4; 2.4.1
Table 4 Stock options granted during the year to executive officers by the issuer and any other Group company	2.6.1.5
Table 5 Stock options exercised during the year by the executive officers	2.6.1.6
Table 6 Performance shares granted to the executive officers	2.6.1.7
Table 7 Performance shares that became available to each corporate officer	2.6.1.8
Table 8 History of stock option grants	2.6.1.9; 6.5.3 a)
Table 9 Stock options granted to and exercised by the ten employees other than executive officers who received the greatest number of options	2.6.1.10; 6.5.4 a)
Table 10 Past awards of free shares	2.6.1.11; 2.6.2
Table 11 Commitments related to the termination of the duties of an executive officer	2.6.1.12

8.4 TABLE OF CONCORDANCE BETWEEN THE MANAGEMENT REPORT AND THE CORPORATE GOVERNANCE REPORT

To make the management report easier to navigate, the following table cross-references the key information required by Articles L. 225-100, L. 22-10-35, L. 22-10-36, L. 232-1 and R. 225-102 *et seq.* of the French Commercial Code (*Code de commerce*), as well as the specific section of the management report dedicated to corporate governance, pursuant to sub–paragraph 6 of Article L. 225-37 *et seq.* and Article L. 22-10-8 *et seq.* of the French Commercial Code.

Content of the 2025 management report	Reference text	Section
Position and activity of the Group in 2025		
Position of the Company over the year and objective and comprehensive analysis of the changes in business, results and financial position of the Company and the Group, in particular its debt situation, in relation to the volume and complexity of its business	Articles L. 232-1, II, L. 233-6 and L. 233-26 of the French Commercial Code	5.1
Key financial performance indicators	Articles L. 232-1, II-4 of the French Commercial Code	1; 5.1
Key non-financial performance indicators relating to the Company's and the Group's specific operations	Articles L. 232-1, II-4 and L. 233-26 of the French Commercial Code	1; 5.1.12
Material events arising since the beginning of the 2026 fiscal year	Articles L. 232-1, II and L. 233-26 of the French Commercial Code	5.1.7
Foreseeable change in the situation of the Company and the Group and future prospects	Articles L. 232-1, II and L. 233-26 of the French Commercial Code	5.1.7
Names of the major shareholders and holders of voting rights at Shareholders Meetings, and changes during the year	Article L. 233-13 of the French Commercial Code	2.11; 6.2.4; 6.5
Existing branches	Article L. 232-1, II-3 of the French Commercial Code	5.2 (note 20); 6.1
Significant shareholdings in companies with their registered office in France	Article L. 233-6 paragraph 1 of the French Commercial Code	5.2 (note 20)
Disposals of cross-shareholdings	Articles L. 233-29, L. 233-30 and R. 233-19 of the French Commercial Code	N/A
Hedge accounting and financial instruments	Article L. 232-1, II-6 of the French Commercial Code	5.2 (note 17)
Essential intangible resources	Article L. 232-1, II-7 of the French Commercial Code	1
Installations on the list required under Article L. 515-36 of the French Environmental Code (Code de l'environnement)	Article L. 232-1-1 of the French Commercial Code	N/A
Research and development activity	Articles L. 232-1, II and L. 233-26 of the French Commercial Code	5.1.3 c)
Table of the Company's financial results over each of the last five years	Article R. 225-102 of the French Commercial Code	5.1.14
Information on payment deadlines for suppliers and clients	Article D. 441-4 of the French Commercial Code	5.1.10
Amount of inter-company loans granted and the Statutory Auditor's statement	Articles L. 511-6 and R. 511-2-1-3 of the French Monetary and Financial Code	N/A
Internal control and risk management		
Description of the main risks and contingencies to which the Company is exposed	Article L. 232-1, II-5 of the French Commercial Code	3.2
Anti-bribery and corruption system	French Act no. 2016-1691 of December 9, 2016 ("Sapin II")	3.1.6; 4.11

Tables of concordance

Table of concordance between the management report and the corporate governance report

Content of the 2025 management report	Reference text	Section
Duty of care plan and report on its effective implementation	Article L. 225-102-4 of the French Commercial Code	5.1.13
Corporate governance		
Information on remuneration		
Remuneration policy for corporate officers	Article L. 22-10-8, I., paragraph 2 of the French Commercial Code	2.3.1
Remuneration and benefits in kind paid during the financial year or granted in respect of the financial year to each corporate officer	Article L. 22-10-9, I., 1 of the French Commercial Code	2.4
Relative proportion of fixed and variable remuneration	Article L. 22-10-9, I., 2 of the French Commercial Code	2.4.3; 2.4.4
Possibility to request repayment of variable remuneration	Article L. 22-10-9, I., 3 of the French Commercial Code	N/A
Commitments of any kind entered into by the Company for the benefit of its corporate officers concerning the remuneration, compensation and benefits that would be due or potentially due at the time of or following their appointment, loss of office or change in position	Article L. 22-10-9, I., 4 of the French Commercial Code	2.6.1.12
Remuneration paid or allocated by a company included in the scope of consolidation within the meaning of Article L. 233-16 of the French Commercial Code	Article L. 22-10-9, I., 5 of the French Commercial Code	2.4
Ratios between the level of remuneration of each executive corporate officer and the average and median remuneration of company employees	Article L. 22-10-9, I., 6 of the French Commercial Code	2.4.5
Annual changes in remuneration, Company performance, average remuneration of Company employees and the above ratios over the last five years	Article L. 22-10-9, I., 7 of the French Commercial Code	2.4.5
How total remuneration complies with the adopted remuneration policy, including how it contributes to the long-term performance of the Company and how the performance criteria have been applied	Article L. 22-10-9, I., 8 of the French Commercial Code	2.3.1
Procedure for taking into account the vote of the last ordinary Shareholders Meeting provided for in paragraph I of Article L. 22-10-34 of the French Commercial Code	Article L. 22-10-9, I., 9 of the French Commercial Code	2.3.1
Non-compliance with the procedure for implementing the remuneration policy and any deviation from the procedure	Article L. 22-10-9, I., 10 of the French Commercial Code	N/A
Application of the provisions of paragraph 2 of Article L. 225-45 of the French Commercial Code (suspension of payment of directors' remuneration in the event of lack of gender diversity on the Board)	Article L. 22-10-9, I., 11 of the French Commercial Code	N/A
Stock options granted to and held by corporate officers	Article L. 225-185 of the French Commercial Code	N/A
Free shares granted to and held by executive corporate officers	Articles L. 225-197-1 and L. 22-10-59 of the French Commercial Code	2.4.3.3; 2.4.4.3; 6.5.4
Information of governance		
List of positions held and duties performed by each corporate officer in all companies during the reporting period	Article L. 225-37-4, 1 of the French Commercial Code	2.1.2; 2.1.3
Agreements entered into between a corporate officer or a significant shareholder and a subsidiary	Article L. 225-37-4, 2 of the French Commercial Code	N/A
Summary table showing delegations granted by the Shareholders Meeting to increase the share capital currently in force	Article L. 225-37-4, 3 of the French Commercial Code	2.12
General management procedures	Article L. 225-37-4, 4 of the French Commercial Code	2.1
Composition, preparation and organization of the work of the Board	Article L. 22-10-10, 1 of the French Commercial Code	2.2

Content of the 2025 management report	Reference text	Section
Description of the diversity policy, objectives and results, including Supervisory Board gender balance	Article L. 22-10-10, 2 of the French Commercial Code	2.1.3.3
Limitations placed by the Board on the powers of the Managing General Partner	Article L. 22-10-10, 3 of the French Commercial Code	2.1.3.2; 2.2.8
Reference to the AFEP/MEDEF Code and application of the "comply or explain" principle	Article L. 22-10-10, 4 of the French Commercial Code	2.2.8
Specific conditions for shareholder participation in the Shareholders Meeting	Article L. 22-10-10, 5 of the French Commercial Code	2.10.6
Procedure for evaluating current agreements - Implementation	Article L. 22-10-10, 6 of the French Commercial Code	2.9
Main characteristics of the issuer's internal control and risk management systems relating to the preparation and processing of accounting and financial information	Article L. 22-10-10, 7 of the French Commercial Code	3.3
Items likely to have an impact in the event of a takeover bid or exchange offer	Article L. 22-10-11 of the French Commercial Code	2.13
Shareholders' agreements relating to the Company's capital		
Shareholdings and capital		
Structure, changes in the Company's capital and threshold crossings	Article L. 233-13 of the French Commercial Code	2.11; 6.5.1
Purchase and sale of treasury stock	Article L. 225-211 of the French Commercial Code	6.5.6
Employee share ownership at the period end (proportion of share capital represented)	Article L. 225-102, paragraph 1 of the French Commercial Code	6.5.5
Any adjustments made to securities giving rights to share capital in the event of share buybacks or financial transactions	Articles R. 228-90 and R. 228-91 of the French Commercial Code	6.5
Information on transactions by executive corporate officers and related persons in the Company's shares	Article L. 621-18-2 of the French Monetary and Financial Code	2.8; 6.5.4
Dividends paid during the last three financial years	Article 243 bis of the French General Tax Code (Code général des impôts)	5.1.14; 6.2.3; 7.1.1
Sustainability reporting	Article L. 232-6-3 of the French Commercial Code	4
Impact of the issuer's activities on the fight against tax evasion	Article L. 22-10-35, 1 of the French Commercial Code	4 Appendix A
Actions to promote ties between France and its armed forces and support commitment to the national guard reserves	Article L. 22-10-35, 2 of the French Commercial Code	4 Appendix A
Actions to promote to citizen engagement in local democracy	Article L. 22--35, 3 of the French Commercial Code	N/A
Additional information		
Additional tax information	Articles 223 *quater* and 223 *quinquies* of the French General Tax Code	N/A
Injunctions or penalties for anti-competitive practices	Article L. 464-2 of the French Commercial Code	N/A

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Contact: fr-Design_KPMGAdv@kpmg.fr

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COMPAGNIE GÉNÉRALE
DES ÉTABLISSEMENTS MICHELIN

+ 33 (0) 4 73 32 20 00
23, Place des Carmes-Déchaux - 63000 Clermont-Ferrand - France
www.michelin.com

INVESTOR RELATIONS

GUILLAUME JULLIENNE
BENJAMIN MARCUS
NADIA AIT-MOKHTAR
Business Center Paris Trocadero - 112, avenue Kléber - 75116 Paris - France
23, Place des Carmes-Déchaux - 63000 Clermont-Ferrand - France
investor-relations@michelin.com

INDIVIDUAL SHAREHOLDER RELATIONS

GUILLAUME JULLIENNE
ELISABETE ANTUNES
MURIEL COMBRIS-BATTUT
+ 33 (0) 4 73 32 23 05
23, Place des Carmes-Déchaux - 63000 Clermont-Ferrand - France
Toll-free calls in France: 0 800 716 161
actionnaires-individuels@michelin.com

SUSTAINABLE DEVELOPMENT AND IMPACT

PIERRE-MARTIN HUET
+ 33 (0) 4 73 32 20 00
23, Place des Carmes-Déchaux - 63000 Clermont-Ferrand - France

MEDIA RELATIONS

PAUL-ALEXIS BOUQUET
+ 33 (0) 1 45 66 22 22
Business Center Paris Trocadero - 112, avenue Kléber - 75116 Paris - France