May 2025 publication

DUTY OF CARE PLAN

2024

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EDITORIAL BY MICHELIN'S CHIEF EXECUTIVE OFFICER

At Michelin, our duty of care is central to everything we do. Our Group faces risks of different kinds in all of its operations, whether those risks affect our employees' health and safety, the environment, or human rights.

This duty of care plan offers a precise evaluation that is updated each year to reflect the changes in our environment. It is an essential project, and an extensive one given the diversity of Michelin's operations and its vast geographical scope, with a footprint in 174 countries. I would like to thank all the teams that contributed to it.

The application of the European Corporate Sustainability Reporting Directive (CSRD) has added a new framework that further increases companies' responsibility for transparency and sustainable development. The CSRD is very consistent with the commitments we have already made and implemented over the years. This duty of care plan can therefore be read as a supplement to the Sustainability Report.

In this document, you will find all of the reference information on the risks facing Michelin and the actions we have taken to control those risks. Our Group's duty of care approach is key to its future success. Our steady progress, year after year, should foster confidence in our ability to create truly sustainable value.

Florent Menegaux

INTRODUCTION

For the eighth year in a row, Michelin has fulfilled its obligations under the French Duty of Care Act by drafting this plan. The plan sets out the risks associated with the business operations of the Group and its main suppliers and subcontractors with regard to human rights, health and safety, and the environment, along with the measures taken to prevent and mitigate those risks.

The Duty of Care Plan plays a significant part in implementing the Group's values, purpose, and commitment to responsible development in relation to all of its stakeholders.

That commitment is expressed through strategic management organized around six domains and the associated governance structures: Environment, Human Rights, Employee Health and Safety, Social Cohesion and Employee Commitment (created in 2024), Sustainable Finance, and Ethics[1].

The Group's Supervisory Board has a CSR Committee that oversees issues related to Michelin's corporate social responsibility. It meets every four months to examine the Group's sustainability strategy, ambitions, policies, and commitments.

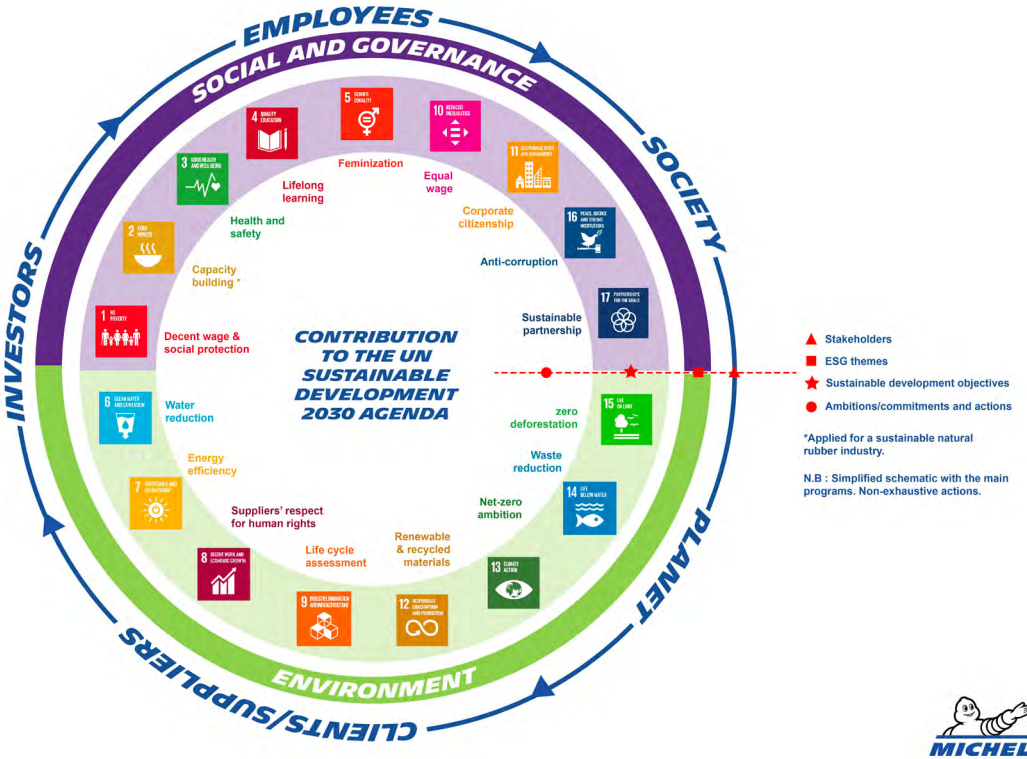
The All Sustainable approach, which promotes a balance between the interdependent and mutually beneficial dimensions of "People, Profit, and Planet," is rooted in the Group's founding documents and policies, in particular the Code of Ethics; the Framework Policy on Human Rights; the Purchasing Principles; the Health, Safety, and Quality of Worklife Policy; the Environmental General Policy Note; and the Diversity, Equity, and Inclusion Policy. In these documents and the associated repositories, the Group has laid down compliance standards that not only meet but often exceed the legal standards of the countries in which it operates.

[1] For details, see the URD 2024, chapter 4.1.2. Governance of sustainability challenges

The duty of care approach which Michelin applies to its operations and value chain is also based on compliance with international standards. Since 2010, the Group has pledged to support the United Nations (UN) Global Compact and has been committed to upholding the UN Guiding Principles on Business and Human Rights, the Fundamental Conventions of the International Labour Organization (ILO) and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.

Some of the topics covered by this plan were discussed at the CSR Committee meetings in 2024. They include the transition and climate adaptation plan, deforestation, wear particles, and human rights in the Group's value chain. Michelin's All Sustainable approach was also on the agenda of the annual meeting of the Executive Committee and its Corporate Stakeholders' Committee, held in France on November 12-13, 2024. During the meeting, the stakeholders were consulted on the Group's strategy of long-lasting product performance and on recycled and renewable materials.

The illustration below highlights the Group's contributions to the UN's 2030 Sustainable Development agenda, including its interactions with its main stakeholders and its commitments to each of the Sustainable Development Goals (SDGs).



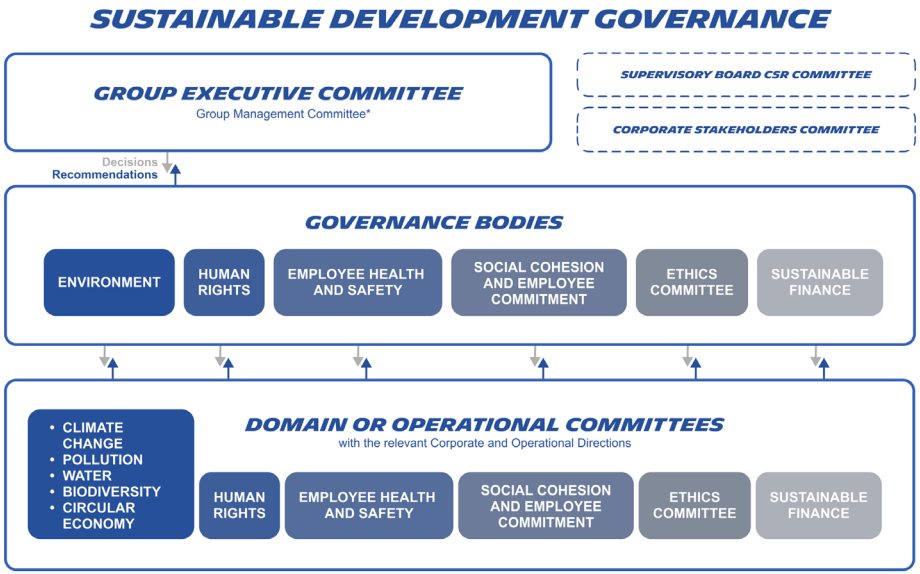
In 2024, the Group carried out a double materiality analysis, as required by the CSRD. The analysis process offered an opportunity to assess the materiality of the impact of certain issues covered by the Duty of Care Plan.

The main items comprising the Duty of Care Plan are published in the 2024 Universal Registration Document (URD), primarily in the Sustainability Report[2], and are set out in a table of concordance[3]. Each chapter of the plan identifies the corresponding section of the Sustainability Report, in which further information can be found.

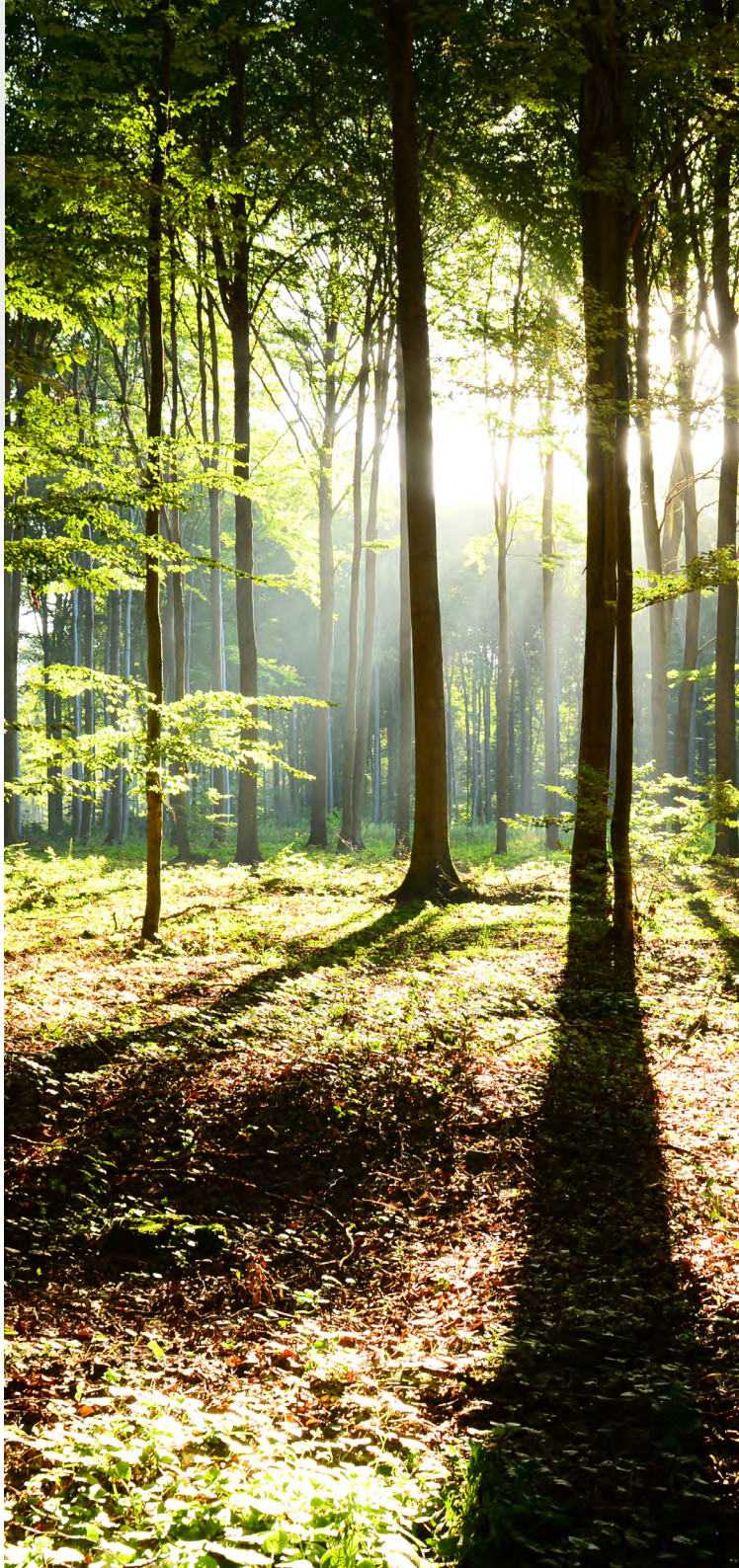
Duty of Care Plan governance

Drafting and monitoring of the plan are coordinated by the Sustainable Development and Impact Department (DCDI), which coordinates with the internal control, risk, environment, purchasing, human resources, legal, and compliance departments. In 2025, these meetings were formalized as a Duty of Care Committee which meets four times per year. It is tasked with:

- Proposing additional actions to take as part of the duty of care, such as identifying new risks, implementing new risk prevention and mitigation measures, and consulting stakeholders.
- Anticipating future regulations on the duty of care in different parts of the world particularly Europe (EU corporate sustainability due diligence directive).
- Coordinating the preparation of the associated documentation.



[2] *cf. URD, Chapters 4 and 2*
[3] *cf. URD Chapter 4.3 on the Duty of Care and the table of concordance*



Background to the Group's business and strategy

Michelin pursues a strategy of sustainable growth in tires, connected mobility solutions, and high-tech materials. With its unrivaled expertise in polymer composites, Michelin is constantly innovating to manufacture very high-quality tires and critical components for demanding sectors including mobility, construction, aeronautics, low-carbon energies, and health care.
Michelin's development is aligned with its All Sustainable approach, putting the balance of human, economic, and environmental concerns at the heart of its growth dynamic. The Group designs solutions that create social and environmental progress recognized by its customers, leveraging its innovation power to create a sustainable future.
The Group has more than 120 manufacturing facilities in over 20 countries in Europe, the Americas, Asia and Africa, and markets its products and services worldwide. Approximately 60% of its 129,800 employees are production operators, while some 6,000 people work in R&D.

The Group's supply chain is complex, with close to 200 types of materials from all over the world used in its tires. Michelin has around 35,000 suppliers located on every inhabited continent. Natural rubber procurement in particular presents specific challenges.

Risk map

Double materiality matrix

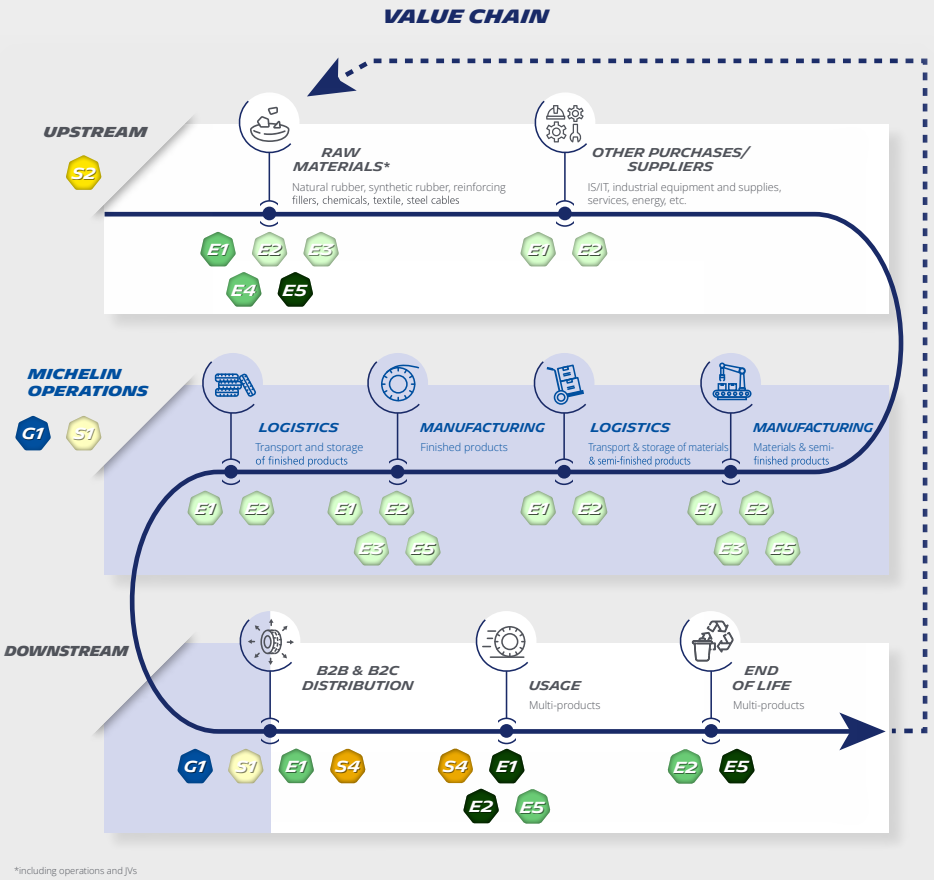
As part of its sustainability report[4], the Michelin Group has developed its own double materiality matrix, which was approved by the Group Executive Committee in April 2024. The matrix, which is available on the right, identifies the Group's main positive and negative impacts on the environment and on society, as well as the risks and development opportunities for its operations.

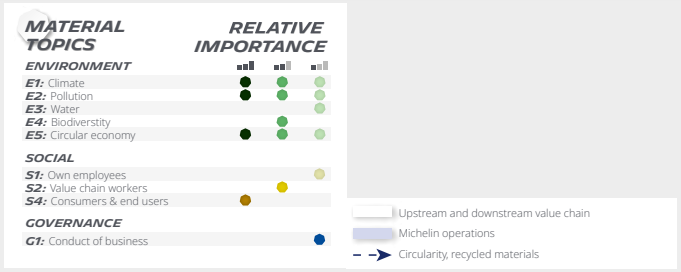
The double materiality analysis was developed with the assistance of a third party in order to ensure that it is both relevant and reliable. Numerous internal and external stakeholders affected by Michelin's operations were also consulted during the impact materiality assessment, including the Group's corporate stakeholders' committee.

SUSTAINABILITY STAKES FROM THE DOUBLE MATERIALITY ASSESSMENT

[4] *cf. URD, chapter 4.1.4*

The diagram below positions the different subjects identified as material by the double materiality analysis throughout the Group's value chain.

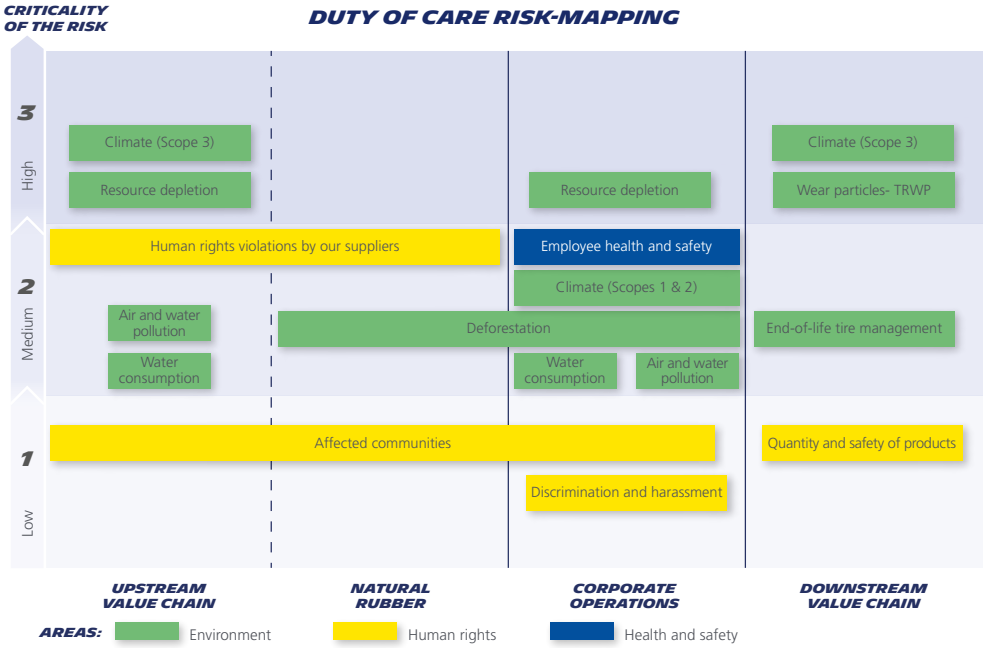




Duty of care Risk-mapping methodology

The "duty of care" risk map presented below was developed on the basis of the Group's double materiality analysis, which was carried out within the framework of the CSRD. However, unlike the double materiality matrix, it focuses exclusively on negative material impacts, presenting the risks the Group presents for people and the environment. These risks have been identified and evaluated in terms of probability and severity, without taking into account the mitigation measures implemented by Michelin. The Group used the following matrix to evaluate negative impacts:

- Real: materiality depends on the severity of the impact, as defined by its magnitude, extent, and irremediable nature
- Potential: determined by severity and probability. In the case of a potential negative impact on human rights, severity takes priority over probability



- In order to meet the duty of care requirements, certain impacts that were identified as non-material based on the double materiality matrix have been added to this map, including the risk of discrimination and harassment or the consequences of our operations for local communities. These issues, which are central to the Group's values, fall within the scope of Michelin's responsibility and are therefore covered by the plan.

• Certain issues covered by the plan do not appear on the risk map because they were identified as positive impacts or financial risks by the double materiality analysis. These issues include freedom of association, decent wage (positive impacts) and privacy and personal data protection (financial risk). However, given that these issues could, in the absence of preventive measures taken by the group, have a negative impact on its ecosystem, they are discussed in detail below.

Each risk that appears in this duty of care plan is presented in a table and accompanied by an inset that identifies the corresponding section in the sustainability report, where applicable. The inset also indicates the timeframe within which the impact could occur and the value chain phase involved.

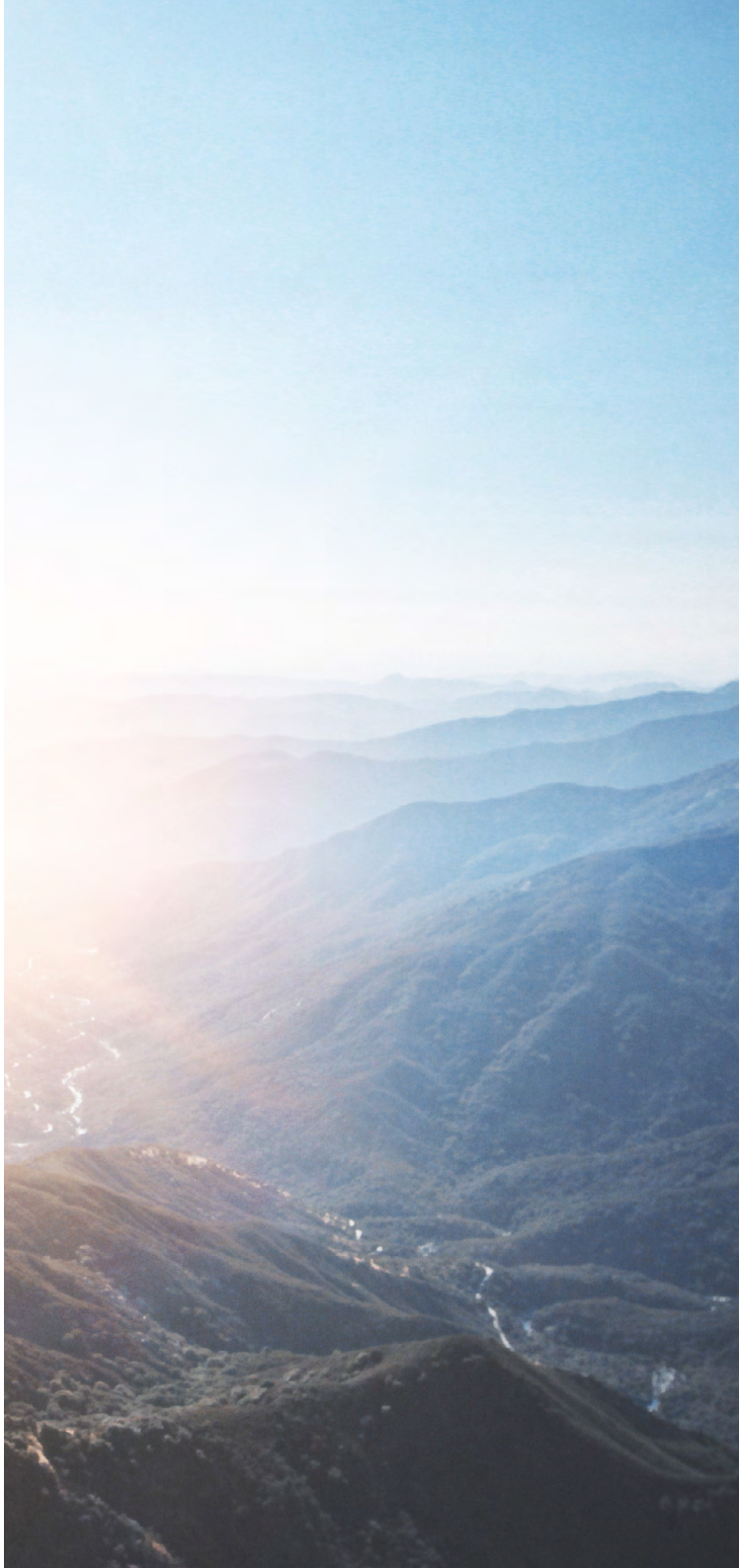
Scope of the plan and risk control in newly acquired companies

The scope of the duty of care plan is all of the Michelin Group's businesses, subsidiaries, and majority-owned joint ventures, along with its tier 1 suppliers and lower ranked suppliers on the natural rubber supply chain.

For the past decade the Group's growth strategy has involved acquiring new companies. Each acquisition is subject to prior due diligences, depending on the company's specific risks (particularly human rights, ethical, environmental, health, safety, regulatory compliance, tax, legal, product liability, and cybersecurity risks) with the support of internal and/or external specialists. A member of the Sustainable Development and Impact Department assists the Mergers and Acquisitions team with identifying CSR and environmental risks. The technical representatives of the Personnel Department and the Planning, Prevention, and Protection Direction carry out a targeted evaluation to assess respectively human rights and health and safety risks. If any deviations from the Group's standards are identified, appropriate mitigation and prevention measures are implemented based on a post-acquisition assessment carried out within 100 days and internal audits.

An integration plan specific to each of these companies, led by a project manager and coordinated by the integration managers in each domain, is designed and implemented under the supervision of a member of the Group Executive Committee and the M&A (Mergers and Acquisitions) department. The Supervisory Board is informed at least twice yearly of these operations, as laid out in its rules and regulations.

Once all regulatory compliance measures have been applied and the company has been incorporated into the scope for calculation of Group CSR reporting indicators, the subsidiaries apply the general section of the Group's Environment Policy as it is updated. They are also subject to the Framework Policy on Human rights and the Group's Code of Ethics.



Procedure for incorporating recently acquired companies into CSR reporting

To enable tracking of the new companies' progress on social and environmental issues, principles for incorporating these companies into the Group's CSR reporting were defined in 2022, along with the associated timeframes:

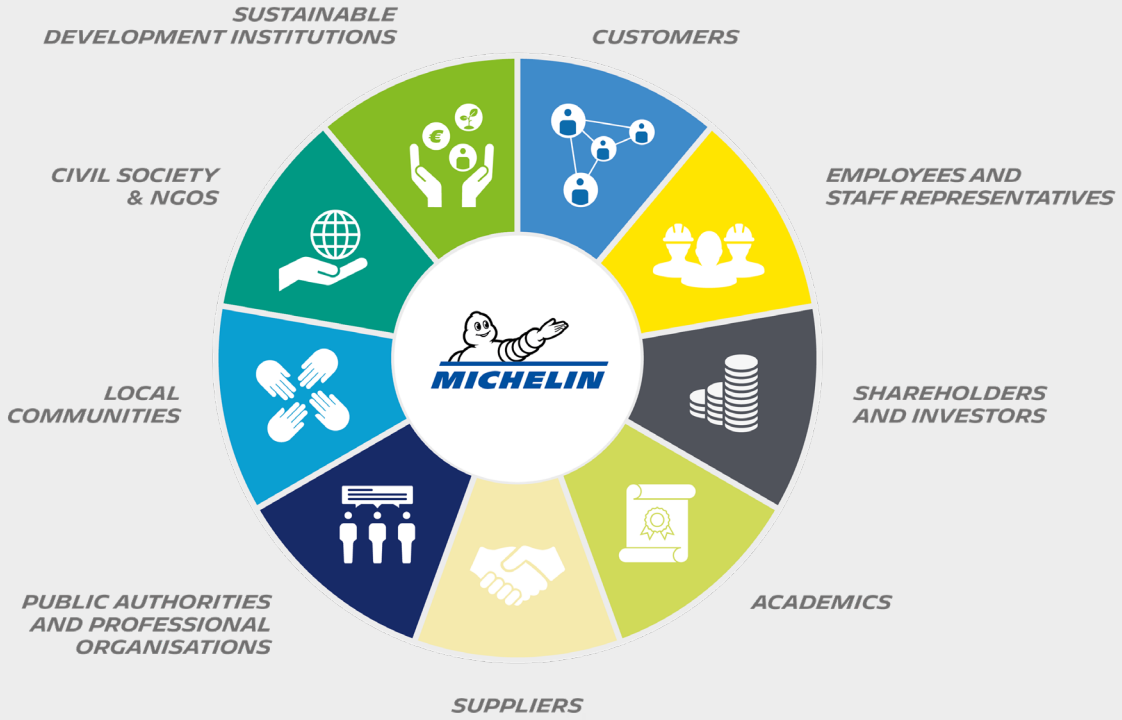
- The scope of coverage of the consolidated indicators depends on their relevance to the business sector, the materiality of their impact, and the maturity of the company;
- In the majority of cases, this integration takes place within three years after closing. However, for certain indicators that require information systems to be installed for their calculation and consolidation and/or an adjustment to the type of business, incorporation can take up to five years after closing;
- Health and safety or ethics indicators need to be managed right from the first year.

These rules have applied since 2022 and some companies acquired earlier (Camso, Multistrada, Fenner, Lehigh, and the Euromaster subsidiaries in particular) are now fully or partially incorporated into the Group's indicators.

As part of the application of the CSRD in January 2025, actions were taken to ensure reporting of the following core KPIs: decent wage, TRIR, number of reports to the ethics hotline, and scope 1 & 2 CO_2 emissions.

Stakeholder dialogue

Building a relationship of trust between Michelin and its stakeholders is an opportunity for the Group to more effectively anticipate and usefully challenge its commitments and actions in favor of sustainable development and to bolster its duty of care approach. Michelin has long maintained an ongoing dialogue with all of its stakeholders. Every year, the relevant Group departments organize formalized, regular contacts with each category of stakeholder: customers, investors, staff representatives, suppliers, public authorities, local communities, international organizations, and NGOs.



STAKEHOLDERS	MAIN SUBJECTS COVERED	EXAMPLES OF 2024 CONTACTS WHICH AIMED TO TAKE STAKEHOLDERS' INTERESTS INTO ACCOUNT
CORPORATE STAKEHOLDERS' COMMITTEE	Impact, sustainable performance, double materiality matrix, recycled and renewable materials, decent wage, etc.	In-person meeting on November 12-13, 2024 focused on long-lasting product performance and renewable and recycled materials. Online consultation on the double materiality matrix in March 2024.
CIVIL SOCIETY AND NGOS WWF, Transport et Environnement, FIDH, etc.	Human rights, anti-corruption efforts, value chain, natural rubber, climate change, biodiversity, circular economy.	Consultation of NGOs including WWF, Transport et Environnement, and Europe Climate Foundation on technical subjects related to the industry decarbonization plan, biomaterials, and deforestation. Meeting of the Stakeholders' Committee on natural rubber in Indonesia in February 2025.
CUSTOMERS	Security, durability, rolling resistance, braking, climate change, energy, water, human rights, responsible purchasing, taxonomy	Customer satisfaction assessment Workshops in Michelin regions/countries
EMPLOYEES / STAFF REPRESENTATIVES	"All Sustainable" approach, social dimension	Global Works Council meeting in October
SHAREHOLDERS AND INVESTORS	"All Sustainable" approach, materials and composites, technological leadership	- Capital Markets Day (May 2024) - Annual roadshow (October) dedicated to Governance - Roadshow dedicated to ESG issues (November)
SUPPLIERS	"All Sustainable" approach, responsible purchasing, natural rubber, raw materials, Climate, CO_2 and energy, human rights, health and safety	- "Responsible Supplier Relationships" label renewed in 2024 - CSR questionnaire developed for raw materials other than natural rubber
PUBLIC AUTHORITIES AND PROFESSIONAL ORGANIZATIONS	Product regulation, circular economy, industrial footprint, value chain, non-financial reporting, and sustainability standards	Support for: - the creation of a rolling resistance threshold to exclude the most energy-hungry tires from sale in the state of California - the implementation of an abrasion limit in the Euro 7 regulation to reduce tire particle emissions - the end of legal waste status for end-of-life tires to enable greater circularity in Europe - the creation of a global carbon price Proposals for an operational implementation of the European regulation on deforestation that avoids negative impacts on the value chain
ACADEMIA (IDDRI, CIRAIG, Ellen McArthur Foundation, ITF, Carbone 4, Sciences Po, HEC, World Resources Institute, etc.)	Life cycle analysis, natural rubber, sustainable mobility, materials, social footprint assessment, value sharing, technical levers for decarbonization, biodiversity, water, pollution, TRWPs (Tire and Road Wear Particles).	- Relationships with academics on emerging subjects: biomaterials, avoided emissions, social LCA (life cycle analysis), value sharing - Corporate Business Partnership (CBP) with International Transport Forum (OCDE) researchers
INSTITUTIONS LINKED TO SUSTAINABLE DEVELOPMENT (Global Compact, WBCSD, International Chamber of Commerce, EPE, EDH, Orée, C3D, etc.)	All ESG subjects	- Worked with the office of the Chairman of the French Global Compact network to roll out the SDGs in France - Attended the September 2024 Climate Week, including the summit of the United Nations Global Compact leaders - Attended the biodiversity COP16, through Orée - Made active contributions to the EPE 2030 working group on the environmental transition
LOCAL COMMUNITIES	Local communities, equal opportunity, biodiversity, heritage, diversity, local economies, human rights	- Contacts with the business, academic, and non-profit organization communities around our facilities.

Finally, Michelin presented the CSRD and the sustainability report preparation process to the Michelin European Works Council (CEEM) on October 15, 2024[5]. A consultation is planned for 2025.

[5] *See Section S1 – Company Personnel in the sustainability report for a presentation of the CEEM.*

1 HUMAN RIGHTS RISKS

1.1 *Human rights violations by our suppliers*
1.2 *Discrimination and harassment*
1.3 *Freedom of association*
1.4 *Personal data protection*
1.5 *Living wage and social protection*
1.6 *Affected communities*
1.7 *User safety*

1. HUMAN RIGHTS RISKS

The Group employs more than 129,800 people in 63 countries and operates more widely, in 174 countries with very diverse legislation and cultures. Its employees, the local communities around the facilities, its suppliers and also its consumers may be exposed to the risk of human rights violations. While they are low within the Group itself, the risks of forced labor, child labor, and illegal labor are present in agricultural supply chains, including the natural rubber supply chain.

To identify its risks, Michelin has consulted the *VeriskMaplecroft* dataset of countries that present a risk for human rights. It has also carried out a targeted analysis of forced labor among the highest-risk suppliers.

129,800

Michelin's employees in 63 countries

Michelin is committed to upholding human rights in all its businesses and in every host community. The Group recognizes international human rights standards, particularly the United Nations guiding principles on corporations and human rights as well as the OECD Guidelines for Multinational Enterprises. Since 2010, Michelin has been a signatory to the United Nations Global Compact, an initiative set up and led by the United Nations, which encourages enterprises to adopt a socially-responsible attitude through 10 principles.

Michelin applies the principles and fundamental rights of workers promoted by the ILO and covered by the following conventions:

- Freedom of Association and the right to collective bargaining (ILO conventions 87 and 98);
- The abolition of all forms of forced labor (ILO conventions 29 and 105);
- The effective abolition of child labor (ILO conventions 138 and 182);
- The abolition of employment discrimination (ILO conventions 100 and 111);
- Fair and favorable working conditions (ILO conventions 1, 14, 106, 132, and 138).

These principles and guidelines form the basis for a number of internal reference documents, particularly the Code of Ethics, the various Personnel policies (Diversities & Inclusion, Social Dialogue, etc.) and the Michelin Purchasing Principles. In 2023, a framework policy on human rights was circulated in the company and posted on the Group's website. The policy sets out Michelin's principles on nine subjects: discrimination, harassment, health and safety, decent wage and social protection, freedom of association, privacy and personal data, child labor, forced labor, and impact on local communities (https://www.michelin.com/durable/entreprise/societe)

Following the launch of a decent wage program, all Group companies earned Living Wage Global Employer certification from the FairWage Network in 2023. The certification was renewed in 2024, guaranteeing that 100% of employees receive compensation at least equivalent to the "living wage" benchmarks[6].
New companies will be covered by future certifications, starting in February 2025. These companies represent 3.5% of Group employees and, based on internal estimates, are considered to be at decent wage levels.

POLICY ROLL-OUT AND TRAINING

To complete this acculturation and prevention program, a self-assessment resource for human rights risks was created and rolled out and the first e-learning on human rights risks was developed. It was made available to all employees, and 88% of the 600 top Group executives have completed the module to date.

Since 2023, a network has brought together all the human rights officers in all of the Group's major industrial countries. It meets 10 times per year to ensure that the human rights risk prevention and duty of care process is applied Group-wide. The network is coordinated by the Group's human rights manager.

Stakeholder dialogue

TYPES OF STAKEHOLDERS	EXAMPLES OF STAKEHOLDERS	EXAMPLE OF TOPICS ADDRESSED
INTERNATIONAL ORGANIZATION	World Business Council for Sustainable Development (WBCSD) – BCTI (formerly B4IG)	Diversity, equity, and inclusion; Human rights; Decent wage; Just transition; Inequality
FRENCH NON-PROFIT	EDH (*Entreprise pour Droits de l'Homme*)	Human rights and Duty of Care; freedom of association and collective bargaining Transport-related human rights risks - Stakeholder dialogue: launch and working meetings - Supply chain and supplier engagement: launch and working meetings - New technologies: launch and working meetings
	Anvie	The humanities in the workplace; Diversity, Equity, and Inclusion
INTERNATIONAL ORGANIZATION - FRENCH NETWORK	Global Compact Human Rights Club - France Network	Mental health in the workplace Digital accessibility
INTERNATIONAL ORGANIZATION	Global Deal	Social dialogue, decent wage
INTERNATIONAL ORGANIZATION	Fair Wage Network	Decent Wage

GOVERNANCE

The **Human Rights Governance body** approves the Group's human rights policy, ambitions, and strategy. It is chaired by the Chief People Officer, who is a member of the Executive Committee, and co-chaired by the Executive Vice President, Engagement and Brands. It also comprises the following members:

• The Corporate Directions: the Vice President, Public Affairs; the General Counsel; the Group Chief Compliance Officer; the Vice President, Sustainable Development and Impact; the Corporate Internal Audit, Risk Management, Internal Control and Quality Director; the Corporate Planning, Prevention and Protection Director.

• The Operational Directions: the Executive Vice President, Manufacturing (a member of the Executive Committee) and the Chief Procurement Officer.

The governance body is coordinated by the Chief Social Development Officer.

A multidisciplinary operational committee also meets 10 times per year. Its members are representatives of the Sustainable Development and Impact, Purchasing, Internal Control, Audit and Risk Management, Social Dialogue, Public Affairs, Legal and Compliance, Industry, and Personnel Departments. It prepares an annual action plan that engages Michelin in a continuous improvement process.

[6] All of the Group's companies are included in the scope of this certification, which represents 100% of employees. However, newly acquired companies have 1 to 3 years to achieve decent wage compliance. In 2024, based on internal estimates, the Group assessed their wage levels as decent.

Operational monitoring

Numerous KPIs and objectives for 2030 are used to monitor the implementation of this policy with the goal of achieving the Group's six human rights ambitions. In 2024, they were reformulated in order to better address stakeholders' expectations for human rights.

They are listed below:
1 - A company where everyone thrives in safety
2 - A company offering a fair wage and supportive employee benefits
3 - A company with a supply chain that provides decent work for its employees
4 - A company that welcomes all forms of diversity
5 - A company that takes into account the opinion of its stakeholders
6 - A company whose presence benefits its local communities.

GOALS	INDICATOR	2019	2020	2021	2022	2023	2024	2030 Target
1 - A company where everyone is safe to flourish	TRIR	6.90	5.75	6.27	5.21	4.91	**5.01**	
2 - A company that offers employees fair wages and robust benefits	% of employees receiving a decent wage in the countries in which the Group operates	-	-	95%	98.5%	100%	**100%**[7]	**100% IN 2025**
	% of employees covered by basic social protection: health insurance, disability/death insurance and parental leave for a birth/adoption	-	-	New in 2021	-	-	**98%**	**100% IN 2025**
3 - A company whose supply chain offers decent work for all of its employees	% of assessed suppliers that meet the Group's human rights standards	85%	86%	89%	89%	91%	**93%**	**≥ 95%**
	% of the natural rubber volume used by the Group that is assessed against human rights criteria, using *RubberWay*® with a representative sample of farmers	20%	30%	41%	58%	69%	**80%**	**80% FROM 2025 ONWARDS**
	Number of small-scale rubber planters whose working conditions and/or means of existence have improved as a result of remediation projects	-	-	New in 2021	467	1,855	**6,783**	**30,000**
4 - A company that welcomes all forms of diversity	IMDI (composite inclusion and diversity indicator)	-	60	65	70	72	**73**	**80/100 POINTS**
5 - A company that takes its stakeholders' opinion into account	% of employees who replied positively to the question in Michelin's Forward Together survey: "I feel as if my opinion counts and my ideas are taken into account in my company"	-	-	69%	71%	72%	**73%**	**80%**
6 - A company whose presence benefits local communities	Number of employee volunteer actions	-	-	5,000	10,900	19,700	**18,963**	-

[7] *100% of Michelin employees receive a decent wage within the scope assessed by the Fair Wage Network. New companies will be incorporated for future certifications (starting in February 2025). They currently have 1 to 3 years to reach the level required for certification.*

1.1. HUMAN RIGHTS VIOLATIONS BY OUR SUPPLIERS

(See details in the Sustainability Report, Section 4.9)

The procedure for preventing this risk is mainly set out in Part 4 of this plan: "Risks linked to suppliers' CSR practices".

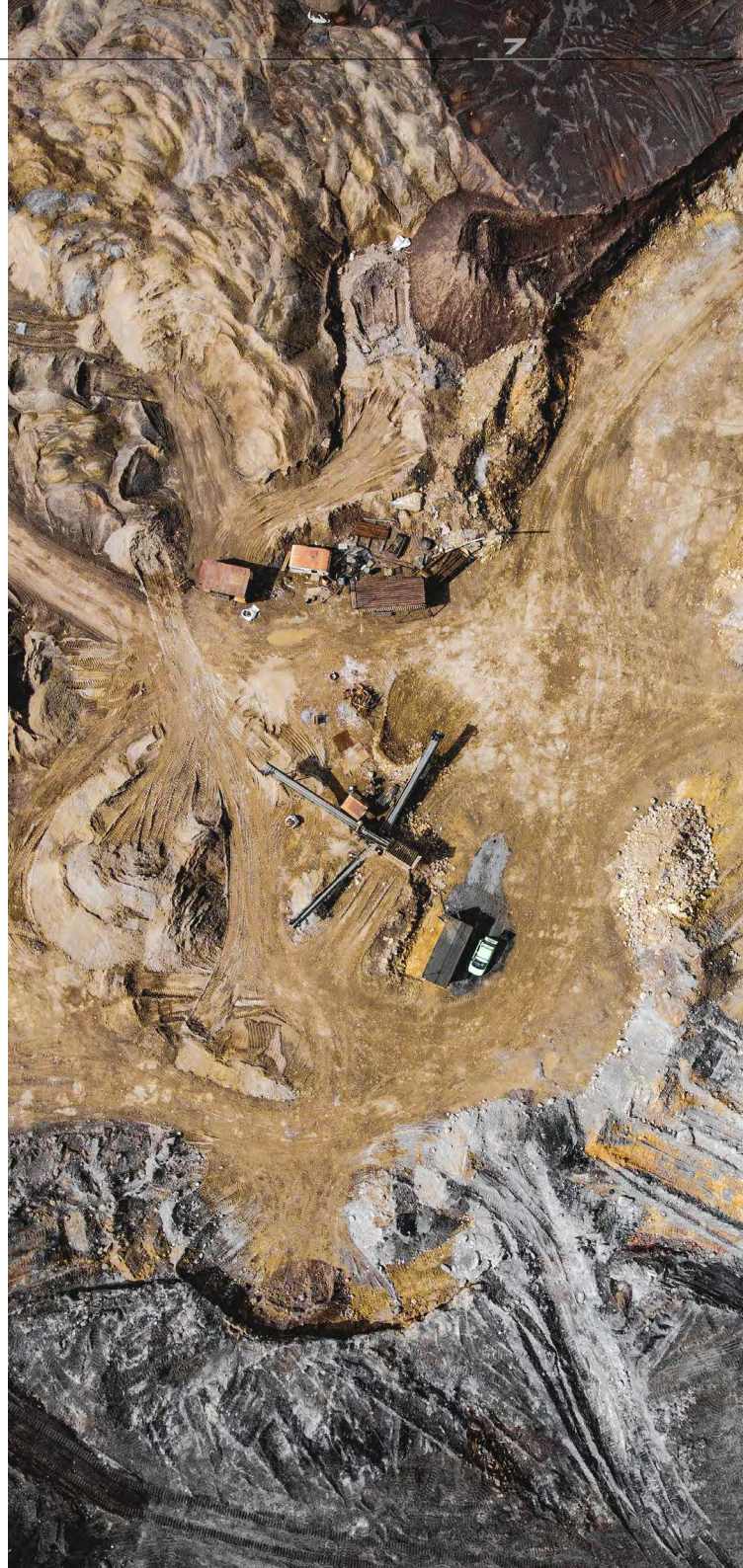
DESCRIPTION OF THE RISK	CORRESPONDENCE WITH THE CSRD
The risks of human rights violations at our suppliers' facilities include: • The risk of child labor, forced labor, and illegal work, more specifically in the natural rubber supply chain • The risk of sourcing for certain minerals (used in very small quantities by the Group) financing armed conflicts • The risk of accidents and injuries • More broadly, risks related to working conditions and workers' rights	**S2 – WORKERS IN THE VALUE CHAIN** **IRO titles:** • Violations of workers' rights in the value chain, including child labor, forced labor, and illegal labor • Contribution to armed conflicts • Death, disability, injury, and occupational illness • Working conditions, equal treatment and opportunity for all, other work-related rights Upstream Medium term / Short term Negative impact

Operational monitoring

Michelin's initiatives on this subject are tracked with the help of different indicators listed in the table of human rights objectives for 2030 (see page 14). More specifically, in 2021 a dedicated indicator was introduced in supplier CSR assessments to assess their "social & human rights" performance.

	2022	2023	2024
Number of suppliers assessed on their CSR maturity	1,121	1,121	1,323
% of assessed suppliers confirmed as compliant with Michelin's "social and human rights" standards.	89%	91%	93%

93%
OF SUPPLIERS
Compliant level
"Social and human rights" theme



Focus on child labor and forced labor

Bans on child labor and forced labor, formalized in the Human Rights Policy, express the Group's intention to uphold and ensure suppliers' compliance with the ILO Fundamental Conventions Nos. 138 and 182 on the prevention of child labor throughout the value chain, from the Michelin plant to its suppliers.

Specific measures are also in place for suppliers. All of their contracts include a copy of the Michelin Purchasing Principles, which enjoin them to uphold the fundamental conventions of the ILO and, in particular, not to employ minors. Specific guidelines with respect to forced labor and child labor were added to the principles in 2020.

IDENTIFYING HIGH-RISK AREAS FOR CHILD LABOR IN THE NATURAL RUBBER SUPPLY CHAIN

In the natural rubber supply chain, the *RubberWay*® mobile app deployed by the Group in ten countries since 2017 has collected data from 249,963 rubber-tree farmers concerning their possible use of child labor and the circumstances in which it may occur (occasional help, after school, full time, etc.). Although this phenomenon remains very marginal, an even closer analysis by district (geographical or administrative unit) was performed to detect any particular local occurrences that might require remedial or preventive measures. Several projects have been launched since 2020 (in Indonesia, Sri Lanka, Thailand, and Brazil) as part of a holistic approach.
These projects are helping to improve the living and working conditions of small-scale rubber planters and prevent all of the risks related to human rights (See 4.6 Specific risks of natural rubber).

Conflict minerals

Michelin diligently tracks the origin of certain minerals used in its products, even if the quantities are very small. Commonly referred to as "conflict minerals," they include gold, tin, tantalum and tungsten. Michelin has also incorporated cobalt into its tracking program.

Michelin exercises its duty of care by applying the related OECD recommendations and using the applications developed by the Responsible Minerals Initiative (RMI). The company identifies the materials and components used in the composition of its products that contain these minerals or their derivatives and periodically asks the suppliers of these materials and component to complete the RMI Conflict Minerals/Cobalt Reporting Template. Michelin then checks these forms and inventories against the lists drawn up by the RMI. For all of these minerals, the forms returned by our suppliers enable Michelin to verify that the reporting supplier works with RMI-approved smelters.

1.2. DISCRIMINATION AND HARASSMENT

DESCRIPTION OF THE RISK	CORRESPONDENCE WITH THE CSRD
The risks of bullying, sexual harassment, or discrimination in the Group may concern not only relations among employees themselves, whether they are from different levels of the org chart or not, but also other stakeholders who may either be the victim or the perpetrator of bullying or harassment, including interns, service technicians, customers, and suppliers. These issues can lead to unequal treatment in terms of employment access, compensation, training access, or career path (assignments, qualification, classification, promotion) and cause psychological or physical harm.	S1 – OWN WORKFORCE **IRO title:** Discrimination and harassment Corporate operations Short term Negative impact

a. Discrimination

Risk prevention and mitigation measures

Keenly aware of the risk that prejudice, whether conscious or unconscious, can generate for our employees and external stakeholders, the Group has a longstanding structured approach to promote diversity, equity, and inclusion, as well as a zero-tolerance policy for harassment and discrimination.

A new Diversity, Equity, and Inclusion (DEI) policy was published and deployed to all geographical regions in 2024. It lays out the different corporate actors' roles and responsibilities on these issues, as well as monitoring indicators and the Group's DEI principles. It clearly reaffirms our reasons for taking action on DEI:

1. Fostering well-being through inclusion and equitable treatment of all our employees,
2. Performance through collective intelligence,
3. Exercising our social responsibility on these issues.

GOVERNANCE

A multi-layered global organization structures the management of DEI issues. The initiative is chaired by the Vice President, *Sustainable Development and Impact Department (DCDI)*, and managed by a Steering Committee comprising the Chief People Officer and the managers of several departments (training, recruitment, social dialogue, sustainable development, and impact). The policy outlines are approved by the Personnel Management and Social Cohesion governance body, formed in 2024.

An international "Diversity, Equity, and Inclusion" network comprising the DEI managers of each geographical region has also been formed, and meets every six weeks. It is chaired by the Group Diversity, Equity, and Inclusion Coordinator, who ensure that each region addresses every aspect of diversity, sets goals, and contributes to improving the Group's indicators.

Numerous training and awareness-raising sessions are conducted to foster a culture of inclusion and ensure that people are treated on the sole basis of their skills, avoiding any bias resulting from prejudice or discriminatory stereotypes. The "Bias and Stereotypes" training launched in 2021 has now been completed by virtually all Group managers, about 30,000 people. Targeted modules have also been integrated into manager and talent training programs. In 2024, it was verified that all geographical regions offered training on these issues.
In addition, since 2020, the Group has used a composite diversity and inclusion management indicator (IMDI), which includes 12 sub-indicators. It is applied to all 9 geographical regions.

OPERATIONAL MONITORING

IMDI figures[8] for the Group:

	2021	2022	2023	2024	2030 Goal
IMDI	65	70	72	***73***	***80***
The five themes composing the IMDI					
GENDER EQUALITY IN THE WORKPLACE	58.7	69.2	73.9	***73.7***	***80***
IDENTITY (AGE, RELIGION, SEXUAL ORIENTATION, ETC.)	73	70.7	77.7	***80.3***	***80***
MULTINATIONAL MANAGEMENT	76.6	76.2	73.6	***76.4***	***80***
DISABILITY	56.2	66.7	66.6	***65.6***	***80***
EQUAL OPPORTUNITY (INTERNAL PROMOTION)	64.1	66.6	68.1	***70.1***	***80***

+1 POINT
IMDI 2024

The composite IMDI indicator continued to progress in 2024, with a 1-point increase compared to 2023 (from 72 to 73). The KPIs that saw the strongest progress in 2024 were the percentage of women among the 600 top Group executives (24.3% vs. 21.5% in 2023) and the perception of inclusion and equity by employees[9].

80 POINTS
2030 Goal

[8] *Composite indicator calculated as a number of points out of a total of 100.*
[9] *Measured by 2 questions on the annual Moving Forwards Together survey.*

Gender diversity

Michelin intends to ensure gender equality in the workplace by making all positions accessible to every employee and ensuring strict wage parity. The percentage of women in the consolidated workforce is steadily rising, reflecting efforts to recruit women, ergonomic adaptations, and a focus on career paths. Women passed the 20%[10] mark for the first time in late 2024.

A specific action plan in each region aims to continue increasing the percentage of women in management. The percentage of women in management roles [11] increased continually from 2013 to 2024 and is now at 30.4%. To maintain this dynamic and break the glass ceiling, the Group aims to reach 35% women among the top 600 executives[12] by 2030. Furthermore, four of the eleven Executive Committee members are women. The Supervisory Board also has eleven members, four of whom are women, including its chair.
Michelin applies a policy of non-discrimination and equal pay for equivalent profiles and positions. In 2024, the overall gender pay gap stood at -2.8%, across a sample of 45,000 employees (management, staff, technician, and supervisor positions).

OPERATIONAL MONITORING

THEME	INDICATOR	2021	2022	2023	2024	2030 Goal
GENDER EQUALITY IN THE WORKPLACE	% of women in managerial or supervisory jobs	28.9%	29.4%	30.1%	***30.4%***	***35%***
	% of women in senior management and executive roles	17.2%	18.8%	21.5%	***24.3%***	***35%***
	% women in total employees	19.2%	19.3%	19.6%	***20.3%***	-
	Gender pay gap, categories 1 to 4	3.45%	2.61%	2.5%	***2.8%***	***< 2.2%***

Identity

Michelin strives to foster acceptance and respect for people's differences so that they can feel comfortable in the company. Apart from the dissemination of the "Bias and Stereotypes" training course, the Group's geographical regions handle this issue in a manner tailored to their context.

OPERATIONAL MONITORING

	2020	2021	2022	2023	2024	2030 Goal
Question in the Forward Together Survey: "In my workplace, I am treated with respect, regardless of who I am and irrespective of my position."	83%	84%	85%	85%	***86%***	***80%***
Question in the Forward Together Survey: "In my workplace, I think that people are treated fairly (for the distribution of work, promotions, etc.) whatever their background, personal attributes or other differences."	62%	65%	67%	68%	***70%***	***80%***

LOCAL EXAMPLES IN 2024

• Intergenerational issues were addressed during debates and presentations or were the topic of training in almost all regions worldwide (**France, China, Mexico, Brazil, Italy, etc.**).

• **France** organized 12 internal presentations on DEI issues, raising awareness among 2,500 people. LGBTQ+ and intergenerational issues and ethnic origins were on the agenda for the first time.

• **Brazil** organized a "Dress as Yourself" event to affirm the company's openness to different styles of dress.

• **India** set up focus groups with 120 people to address the issue of inclusion and equal treatment.

• A webinar on diseases that are most common in men was held in **Poland**.

[10] 20.3 % end of 2024
[11] Employees with a level of individual responsibilities of A to N, according to the Hay method used by the Group.
[12] Employees with a level of individual responsibilities of A to G, according to the Hay method used by the Group. These are the 600 executives with the highest levels of responsibility.

Inclusion of people with disabilities

Michelin has for many years led an initiative aimed at recruiting people with disabilities or retaining employees who become disabled at some point in their career. In countries that impose hiring quotas for people with disabilities, Michelin's systematic objective is to achieve or exceed those levels.

The Group's target for all countries with over 1,000 employees to have at least 2% of staff with disabilities by 2030 has pushed new countries to explore avenues for progress and to exchange best practices. In Thailand, for example, in 2024 the Laem Chabang factory took the initiative of hiring people who are hard of hearing and training other factory employees on how to work with them. In Mexico, the first accessibility study of a manufacturing facility was completed. Neurodiversity was the subject of awareness raising sessions in several countries. In France, the share of people with disabilities continues to hold steady at over 6%.

OPERATIONAL MONITORING

	2020	2021	2022	2023	2024	2030 Goal
Share of countries with a workforce of over 1,000 employees, of whom ≥2% have a disability	46.7%	46.7%	35.7%	35.3%	***33.3%***	***100%***
Share of countries or entities with a workforce of over 1,000 employees which have appointed an Ambassador with expert knowledge of the issues involved in disability in the workplace	60%	60%	97.6%	97.9%	***97.9%***	***100%***

New countries and new companies have been added to or removed from the calculation scope of the share of countries with over 1,000 employees with at least 2% of employees with disabilities in every year since 2021. This explains the continuous drop in this indicator since 2021.

Multinational management

The Group is keen to foster the emergence of local management wherever it operates. To this end, special attention is paid to seeking out local managers in the growth regions (South America, Southeast Asia, China, India/MiddleEast).

OPERATIONAL MONITORING

In 2024, the percentage of managers from a growth region reached a record of 86.7%.

Moreover, Michelin has set itself the objective that, by 2030, half of the Group's top 100 most senior executives will be non-French nationals. In 2024, non-French nationals represented 33%.

Equal opportunity

Internal promotion, which drives social mobility, is one of the Group's strongest values. This is why the new IMDI indicator includes a career-development target for employees hired as production operators.

At the same time, Michelin is also striving to foster the social integration of people experiencing long-term unemployment in the districts where it operates. In France, the Group organizes mentoring for young people from underprivileged backgrounds in middle schools, high schools, and post-secondary schools, in collaboration with numerous non-profits. 88 people have started these work-study programs since 2020. 50% of them signed a contract with the company at the end of their program.
Since 2019, this approach has been extended to welcoming refugees in several countries, including France and Poland. In 2024, Michelin Mexico also joined the program and made a commitment to the United Nations High Commissioner for Refugees.

OPERATIONAL MONITORING

	2020	2021	2022	2023	2024	2030 Goal
Percentage of CAT 1 to CAT 4[13] employees who began their career in CAT 5 (production operators)	13.4%	13.4%	14.8%	15.5%	***16.2%***	***20%***

[13] *Management and non-management personnel categories*

b. Harassment

Risk prevention and mitigation measures

40,000 EMPLOYEES

Had completed the e-learning course on harassment

GOVERNANCE

The Group's "harassment" risk is handled by a governance body that is supported by the Group Ethics Committee and Human Rights Governance and meets twice per year. It monitors and ensures the effectiveness of the harassment prevention program and all the actions it entails.

Since 2022, the harassment prevention program has been structured around the same pillars as the other existing Group compliance programs

- A specific paragraph in the Code of Ethics and dedicated policies and repositories on harassment prevention,
- A strong commitment from top management to "Zero tolerance" for harassment and regular communications on harassment issues (both at the Group and Regional levels),
- The roll-out of training courses (e-learning and in-person),
- The implementation of specific internal controls and the completion of internal audits on the issue,
- Regular reporting to the dedicated governance structure.

In 2024, the Group updated its existing internal control on harassment and continued its awareness-raising efforts and its exploration of ways to support people involved in an investigation. New categories were created in the Ethics Hotline[14] to better distinguish between allegations of bullying, sexual harassment, and inappropriate behavior. The whistleblowing and reporting mechanisms are described in chapter 5 of the duty of care plan.

By the end of 2024, over 40,000 Group employees had completed the e-learning course on harassment, 94% of the target[15].

1.3. FREEDOM OF ASSOCIATION

DESCRIPTION OF THE RISK	CORRESPONDENCE WITH THE CSRD
The maturity of social dialogue can vary greatly among the Group's various host countries. Particular attention is paid to dialogue in countries whose culture or legislation does not encourage consultation with personnel.	S1 – OWN WORKFORCE
	IRO title: Promoting open and constructive social dialogue
	Corporate operations
	Medium term
	Positive impact[16]

[14] The Group hotline for ethics reports, see chapter 5.
[15] The 2024 target was set on December 31, 2023 based on companies that had InTouch on that date: for Categories 1 to 4: 42,599 employees. InTouch is the Group's Human Resources IT system, which is published by Workday. The target will be updated in 2025 based on changes in the roll-out of InTouch and employee categorization in InTouch in 2024.
[16] Promoting open and constructive social dialogue can have a positive impact on workers' living conditions, since it enhances their sense of belonging and gives them the opportunity to be heard.

Risk prevention and mitigation measures

Michelin's Employee Relations Policy recognizes the positive contribution of freedom of association and collective bargaining within the Group, as well as that of staff representation that is independent of Management and capable of making recommendations and ensuring that employees' needs are taken into account in all host countries. In this document, Michelin provides assurance that no discrimination or negative impact will affect employees who accept the responsibility of serving as staff representatives.

The Chief Social Development Officer promotes the application of this policy worldwide and is also tasked with coordinating action plans for social dialogue, where it falls short of Group standards.

In addition, every manager receives training in the legal aspects of social dialogue. Compliance with the commitments in the Social Dialogue Policy is also verified by an internal control process.

Michelin has also been a member of the Global Deal since 2017 and actively participates in its French platform set up by the Ministry of Labor, which draws together numerous French companies with international establishments.

Michelin also worked closely with IndustriALL Global Union to set up a **Michelin Global Works Council** in 2020. In 2023, the Committee began its second three-year term with an expanded scope, welcoming new representatives from India, Sri Lanka, Indonesia, and Australia. The committee, which is made up of 49 representatives from 19 countries, met for a plenary session in October 2024 in Clermont-Ferrand (France). Their discussions focused mainly on non-tire activities and crucial issues facing the Group, such as geopolitics and artificial intelligence. Social issues were also addressed, particularly during the Q&A sessions.

In compliance with the European Regulations, the Group also has a Michelin European Works Council (CEEM), made up of 32 staff representatives from 16 EU member states. It meets twice per year.

The idea of social dialogue as a broader and deeper sharing of the issues involved in drawing up the Group's strategy is gradually seeping into all of the Group's managerial practices. The Michelin Group gives all of its social partners the information they need to forge an objective opinion of the situation based on solid arguments and confidently express it within the social dialogue framework.

The social dialogue managers of the major industrial countries meet regularly to share the changes in the social climate in their regions, as well as best practices and local experiences. The Chief Social Development Officer coordinates this network, which covers 15 countries

Risk of labor disputes during Group restructuring operations

Restructuring is a fact of business life, an exceptional, yet in certain circumstances unavoidable event that must be undertaken to ensure the company's viability.
The Group Employee Relations policy specifies that if restructuring is necessary, it must be conducted in a sustainable way, announced as early as possible, and follow the process negotiated with the staff representatives. If the Group must restructure, it should ensure that all of the employees concerned are reassigned and offset its economic impact on local communities by conducting revitalization initiatives.
Regular meetings of the local directors and staff representatives, during which precise economic and social information is shared, are held in all industrial countries. The issues are discussed transparently, creating a climate that fosters responsible and informed conversations during negotiations.

Operational monitoring: Social dialogue indicators

Number of countries and employees represented on the European and Global Works Councils in 2024:

69%

% of host countries (> 100 employees) with a staff representative body[17]

- Total number of countries in which the Michelin Group has over 100 employees: 29.
- Total number of countries represented on the European and World Works Councils: 20[18].

89%

% of employees equipped with a staff representative body

- Total number of Michelin Group employees: 129,800[19].
- Total number of Michelin Group employees in the countries represented on the European and World Works Councils: 114,458.

The quality of social dialogue can also be gauged by the employee engagement rate, which is measured each year by the annual "Moving Forward Together" survey of all Group employees. In 2024, 92% of employees (about 110,000) took the survey, a one-point increase over the previous year. In 2024, the overall employee engagement rate increased by one point, to 85%, achieving the Group's 2030 goal for the indicator. Progress was consistent across all employee categories surveyed: managers, administrative employees, and production operators.

1.4. PERSONAL DATA PROTECTION

DESCRIPTION OF THE RISK	CORRESPONDENCE WITH THE CSRD
In light of the development of information and communication technologies, it is essential for the Michelin Group to protect the personal data of its customers, employees, candidates, shareholders, suppliers, and other partners. These actions aim to prevent the risk of personal data security breaches, i.e. the destruction, loss, alteration of or unauthorized access to data, which constitutes a violation of confidentiality, privacy, and individual rights.	G1 – BUSINESS CONDUCT
	IRO title: Reputational damage and fines for non-compliance with data protection regulations in the event of the loss, theft, unavailability, or fraudulent use of personal data
	Corporate operations Downstream value chain
	Short and medium term
	Financial Risk

[17] *Consolidated headcount as of 12/31/2024*
[18] *Represented countries with over 100 employees, excluding Slovakia, Czech Republic, and Norway*
[19] *Pountries with over 100 employees, excluding RLU*

GOVERNANCE

In line with its own personal data protection policy, the Group has established governance based on a Group Personal Data Protection Committee, a Data Protection Officer (DPO), corporate and local legal specialists (known as Data Privacy Managers/DPO), cybersecurity experts (known as Privacy Operation Partners) and operational relays (known as Privacy Champions). A standard description of the roles and responsibilities involved in data protection risk management has been defined and rolled out across the Regions and certain specific Business Lines. These partners work together to ensure compliance with the Group directive and the applicable regulations, including European Regulation 2016/679 on data protection (GDPR).

The Group takes personal data protection seriously (in particular the data belonging to its customers, employees, job candidates, shareholders and suppliers).

Risk assessment system

All Group companies that process personal data undergo an annual review to identify their level of risk. The Privacy Managers/DPO then carry out an annual self-assessment of compliance with the Group directive and the level of maturity of each Group company's level of risk management maturity, based on the identified risk level. Specific action plans may be defined and implemented, depending on the level of maturity achieved.

Risk prevention and mitigation measures

Michelin has implemented a Group directive on personal data protection that aims to ensure that all Group companies comply with the applicable national data privacy regulations and to determine the minimum level of personal data protection required within the Group and how it should be achieved. The directive does not replace existing national laws; it is intended to complement them.

This directive is based on the following six pillars:

- Harmonized application of the **key principles of personal data protection** (described below),
- **Robust governance** to guarantee personal data protection (described below),
- A **strong training and awareness-raising program**,
- **Effective management of data breaches by dedicated teams**
- **Management of international transfers of personal data**. The Group also has internal rules (BCR[20]) governing personal data transfers.
- **Control and auditing** of compliance with this directive to ensure that it is effectively applied. Personal data protection is built into the Group's internal control activity and is subject to periodic internal audits.

[20] *Binding Corporate Rules*

Each Michelin Group company must apply the following key principles, which aim to protect each individual's personal data, particularly that of its customers, employees, job applicants, shareholders, and supplier :

As part of their business relationship with the Group and their various related operations, suppliers may collect and process personal data in various ways, either as the data controller or as a data processor. In compliance with the Group Purchasing Principles, each supplier undertakes to adhere to and uphold the highest standards in personal data protection.

KEY PRINCIPLES OF PERSONAL DATA PROTECTION

- Personal data will be processed **lawfully, fairly and transparently** in relation to the data subject
- Personal data will be collected for **specified, explicit and legitimate purposes** and will not be further processed in a way incompatible with those purposes
- Personal data must **be adequate, relevant and limited to what is necessary** for the purposes for which they are processed
- Personal data must **be accurate and, if necessary, kept up to date**
- Personal data will **not be kept longer than necessary** for the purposes for which they are processed
- The principles of **'privacy by default' and 'privacy by design'** 'must be respected
- Personal Data will be processed in such a way as **to guarantee an appropriate level of security, and in particular protection against unauthorised or unlawful processing and against accidental loss, destruction or damage, using appropriate technical or organisational measures**
- **The rights of data subjects** with regard to their personal data **must be respected**

1.5. LIVING WAGE AND SOCIAL PROTECTION

(See details in the Sustainability Report, Section 4.8.4.1 and 4.8.5.2)

DESCRIPTION OF THE RISK	CORRESPONDENCE WITH THE CSRD
Certain countries do not guarantee a minimum wage and basic social protection for all employees. To address that reality, Michelin strives to prevent the risk of its employees earning too little to meet their needs and those of their family in every location where it operates[21].	S1 – OWN WORKFORCE **IRO title:** A living wage and basic social protection Corporate operations Medium term Positive impact[22]

Risk prevention and mitigation measures

To enable all employees to earn a decent living, Michelin's compensation policies cover a wide variety of supplementary income sources, including bonuses and discretionary and non-discretionary profit-sharing systems. The Group also protects employees from the financial consequences of an accident or illness and, in many countries, offers opportunities to save for retirement.

Living Wage

In 2020, with support from the Fair Wage Network expert, Michelin developed a methodology for analyzing the pay scales of the employees of Group companies. Since 2021, Michelin has set out to check pay levels across the Group and ensure that all of its employees receive sufficient compensation to access decent living conditions. Employees' pay must enable them and their family to cover such basic needs as food, housing, their children's education, and health care.

Michelin has been certified as a "Living Wage Global Employer" by FairWage Network for all of its companies worldwide since 2024.

[21] In the CSRD, the Michelin Group presented a decent wage as a positive impact, since its voluntary commitment to "fast forward" the Global Compact and its 2030 goals means committing to going far beyond meeting minimal legal standards.
[22] Michelin has a positive impact on society by guaranteeing all of its employees a decent wage and basic social protection.

Benefits and social protection

The objective of the Group's benefits policy is to support all employees and their families at key moments in their lives.

With that goal in mind, in 2022, Michelin launched its Michelin One Care Program, a minimum set of social benefits for all employees. 98% of all employees are currently covered, and roll-out of the program should be completed in 2025. The program embodies the Group's objective of topping up national benefits programs to:

- Provide every employee with time off for a new arrival in the family
- Financially protect an employee's family in the event of their death
- Facilitate health care for employees and their family.

Each Group company has a benefits policy that completes this basic level of protection with a wider array of enhanced benefits tailored to local needs and legislation and the economic situation.

1.6. AFFECTED COMMUNITIES

DESCRIPTION OF THE RISK	CORRESPONDENCE WITH THE CSRD
The Michelin Group operates on numerous sites worldwide, including 83 industrial tire manufacturing facilities and 45 composite polymer solution manufacturing facilities. Michelin also operates logistics and office facilities and rubber plantations. There are several types of risks to affected communities, which occur during different phases of the facility life cycle. These risks include • Risks to local residents' property rights • Exposure to air pollution generated by a facility's operations (e.g. CO_2, VOCs), • Risk related to water withdrawal, • Risks to the wood resources required for local communities' subsistence crops, particularly around rubber plantations, • Risks to the specific rights of indigenous and tribal communities. These risks can affect communities' economic, social, and cultural rights. Used tire management can also affect local residents' health.	S3 – AFFECTED COMMUNITIES **Relevant IRO titles:** • Health of communities around plantations, waste outlets, and manufacturing facilities • Property rights, freedom of expression; free and informed prior consent and impact on human rights activists • Access to forest and non-forest resources Corporate operations Downstream value chain Medium term Negative impact

Michelin is concerned about its potential impact on the local population around its plantations and its manufacturing, logistics, and office facilities. The Group's guiding principles are published in its Code of Ethics and reviewed in the Framework Policy on Human Rights. These principles aim to prevent any negative impact on local communities, including the most vulnerable groups.

To that end, Michelin strives to identify, prevent, and correct the potential environmental, social, and human rights impacts of its manufacturing facilities on these communities. This duty of care process runs throughout the facility construction or development, normal operation, and closure phases. It covers stakeholders in the direct vicinity of the facility, as well as the facility's impact across a broader geographical scope (e.g. downstream on a watercourse).

Risk prevention, mitigation, and remediation measures

The Michelin Group has established a continuous dialogue with communities with the goal of understanding their expectations and constraints. During the upstream phases of its projects, it works with individuals and organizations selected to be representative of the community. The Group works with NGOs of all sizes, from the WWF to local non-profits. These contacts are particularly important in the case of purchases of new land for rubber plantations or new plant construction.

Michelin has several channels for contact with local communities. Local facility managers are the first point of contact for relationships with the local community, while an ethics hotline is available both internally and externally to submit complaints. Finally, Michelin facility reception desks can also receive requests from affected communities and forward them to the appropriate people.

Consultation of communities affected by natural rubber production:

The agricultural operations of the Group's natural rubber production facilities can have a negative impact on local flora and fauna and surface water and groundwater resources, in turn affecting local communities. To address this reality, Michelin is committed to proactively consulting its stakeholders and the leading representatives of local civil society. The Group also forms partnerships with NGOs, researchers, academics, and public agencies to assess and attenuate the impact of its operations on the environment and on affected communities.

In February 2025, Michelin held a meeting of its Natural Rubber Stakeholders Committee in Indonesia. Discussions during the meeting covered topics ranging from social action to the changing profile of planters and the development of a multi-product approach.

A large number of NGOs and non-profits took the time to attend[23].

CIFOR · cirad · Earthworm · MIGHTY EARTH · Preferred by Nature · auriga · SETARA JAMBI · WWF

GPSNR · POUR UN REVEIL ECOLOGIQUE · Indonesia For Global Justice · WARSI · SATYA BUMI · Save the Children · AP2SI Asosiasi Pengelola Perhutanan Sosial Indonesia

HUMA · Ecositrop · WALHI Wahana Lingkungan Hidup Indonesia · GAPKINDO · ksapa

[23] *CIFOR, le CIRAD, EARTHWORM, Mighty Earth, prefer by Nature, AURIGA ,Setara Jambi, WWF Indonesia, France et US, Center for Orangutan Protection, GPSNR, Pour un réveil écologique, Indonesia for Global Justice, Warsi, Small Holder, SatyaBumi, Save the Children, AP2SI, Huma, Ecositrop, Whali Jambi, Gapkindo, Ksapa.*

Michelin Volunteering

Michelin is committed to contributing to the harmonious development of local communities. To that end, it offers its employees the opportunity to volunteer with non-profits or for its own philanthropic activities through Michelin Volunteering. The Group strongly supports these initiatives and aims to have 20% of its employees involved by 2030.

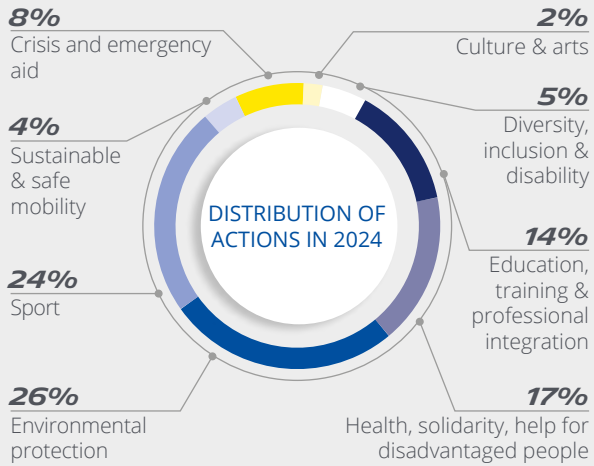
2024 : 18,963 volunteer actions, i.e. a ratio of 14.7% to our approximately 130,000 employees. That represents 750 projects and over 7,000 volunteer days in 2024.

2023: 19,700 volunteer actions
2022: 10,900 volunteer actions
2021: 5,000 volunteer actions

Employee volunteers serve in a wide array of areas, ranging from biodiversity to education, equal opportunity, and sustainable mobility.

The Group also offers employees who are nearing retirement the option to serve as full-time contributors to local non-profits through a skills sharing arrangement that can last up to 2 years.

750
Volunteering projects in 2024



The Michelin Corporate Foundation

The Group is also very involved through its Corporate Foundation, which directly serves local needs. The Foundation has supported more than 700 projects since its creation in 2014, ncluding 65 new projects in 2024. This year, the Foundation has refocused its strategy around 7 areas of action that embody the Group's values of serving people and the planet in the public interest[24].

For example, the Michelin Corporate Foundation has decided to support **Children of the Mekong, helping to train young female students in 4 South-East Asian countries** : Thailand, Cambodia, the Philippines and Vietnam. They receive a scholarship covering tuition fees, accommodation and food, as well as individualized educational and social support. In 2024, 102 young girls were able to access education and were guided towards sustainable professional integration thanks to the Foundation's support.

Michelin Development

Michelin Development provides financial and technical support to new and expanding businesses, supplementing the assistance available through local economic actors. With these subsidies, Michelin supports the economic development of the regions where it operates. Over the past 34 years, it has supported the creation of more than 32,000 jobs in France and 10,000 in other countries worldwide. The program also enables Michelin to offer skills sharing to some twenty companies every year.

Exemple
In 2024, Michelin Development provided assistance to Jean Fourche, a newly created company based in Bordeaux. Founded by three biking enthusiasts, Jean Fourche designs and markets city bikes that are manufactured and assembled in the region. Thanks to the support of the Michelin Group, the company was able to create 12 jobs around the Bassens facility.


© Enfants du Mékong

[24] The 7 fields of action are the following: Metiers for the future, inclusion and equal opportunities, biodiversity of forests, healthy living and nutrition, sustainable mobilities, collaborative social models, regional initiatives.

1.7. USER SAFETY

(See details in the Sustainability Report, Section 4.10)

DESCRIPTION OF THE RISK	CORRESPONDENCE WITH THE CSRD
Because the tire is the only point of contact between the vehicle and the road, it is a major factor in user safety when a vehicle is being driven. Product safety and quality have always been core priorities for Michelin. Its products' performance in this area is recognized by customers worldwide. Product quality and safety are identified as a material positive impact in the CSRD double materiality analysis. However, like all tire manufacturers, Michelin must guard against the risk of product failures during use and compliance defects that could negatively impact its consumers.	**S4 – CONSUMERS AND END-USERS** **IRO title:** Improving driver and road user safety, including improving industry quality and safety standards Downstream value chain Medium term Positive impact[25]

Risk prevention and mitigation measures

The Group's attentiveness to its customers' needs and to the quality of its products and service has fostered trust in the MICHELIN brand and supported its performance.
The Quality Declaration, which was updated in 2021, highlights the fact that "Quality remains critical to the safety of our products and services and their compliance with the applicable requirements."
Thanks to a very robust process of surveillance of our products' performance on the market, Michelin has always been proactive and quick to issue any necessary recalls in the event of risks that could potentially impact our customers' safety. It is also one of the promises laid out in the Group Quality Policy.

All Group employees throughout the value chain are involved in controlling these impacts:

• Product design and development is done in project mode and follows precise procedures. Product and service specifications include customer requirements and expressions of needs, potential impacts associated with special or extreme usage conditions in the areas where they will be marketed, and all of the standards and regulations to apply. The Research Development Industrialization and Quality functions ensure that the specifications are met robustly, particularly via simulations and product testing;

• The entire production process is governed by quality assurance procedures that aim to guarantee product safety and performance levels;

GOVERNANCE

The Product Performance Surveillance Board is chaired by the Director of the Corporate Direction of Internal Audit, Risk Management, Internal Control and Quality (DCAQ).

• Advice and support for proper product and service use throughout the life cycle are available in the form of technical documentation and training. Michelin provides a permanent customer training program;

• A network of technical advisors is available in the field to advise customers and identify possible changes in product use;

• A product and service performance and customer satisfaction surveillance program ensures that weak signals are recorded. The program now uses artificial intelligence, prediction, and alert technologies to detect potential problems as early as possible.

The existing mechanisms are certified by external organizations.

[25] *This IRO was identified as a positive impact due to Michelin's commitment to product quality, which is essential to improving human and freight mobility. Every employee, throughout every step in the value chain, is trained and committed to ensuring the quality and safety of its products and services. That commitment enhances human safety.*

2 HEALTH AND SAFETY RISKS

2. HEALTH AND SAFETY RISKS

(See details in the 2024 Sustainability Report, Section 4.8.4.2)

Human health and safety are a natural priority for Michelin. Our health and safety strategy is structured around three pillars. The first focus is prevention: ensuring that everyone is safe and protecting employees' health, particularly with continuous work on the quality of the workplace environment. Another core focus is contributing to attracting and retaining talent by constantly building a culture of prevention and vigilance, with a particular focus on ergonomics. Finally, Michelin ensures that new technologies of all types are adopted in ways that benefit people and advance human flourishing, health, and safety.

To meet these commitments, the Group invested 56 million euros in employee health and safety within its industrial scope in 2024. The Group has planned additional spending of more than 150 million euros over the next five years, reflecting its aspiration to become a global standard setter in employee safety.

"EACH PERSON IS UNIQUE; EVERYONE'S HEALTH AND SAFETY IS A TOP PRIORITY"

Main health & safety risks

RISK CATEGORY	MAIN EXAMPLE(S)	CAUSE(S) IDENTIFIED	POSSIBLE CONSEQUENCE(S)
OCCUPATIONAL ACCIDENT	Breakdown repair on production equipment	Failure to carry out all of the necessary lock-out/tag-out procedures.	Bodily harm, reversible or irreversible
EXPOSURE TO CHEMICALS	Handling of and exposure to hazardous materials	Failure to wear Personal Protective Equipment	Bodily harm, reversible or irreversible
PSYCHOSOCIAL ISSUES AT WORK	Depression	Factors that can potentially generate psychosocial risk (pace, autonomy, work organization, etc.)	Psychological or bodily harm, reversible or irreversible
SECURITY IN AT-RISK COUNTRIES	Kidnapping of employees traveling to at-risk countries	Travel restrictions on certain countries ignored	Bodily harm, reversible or irreversible

Stakeholder dialogue

TYPES OF STAKEHOLDERS	EXAMPLES OF STAKEHOLDERS	EXAMPLES OF TOPICS ADDRESSED
UNIVERSITIES AND RESEARCH ORGANIZATIONS	Universities of Bangkok and Clermont-Ferrand Factolab	Ergonomics Cognitive load and perception of risk
BUSINESSES	Apave	Risks during maintenance services
	Alletrust, Blue Kangoo	Security management
	GardaWorld	Travel tracking
EUROPEAN AGENCIES	ECHA (European Chemicals Agency), European Commission	Harmonized classification of 6PPD (a chemical generated by the breakdown of tires)
SCIENTIFIC AGENCIES/ ORGANIZATIONS	UNECE (United Nations Economic Commission for Europe) – Methodologies	In silico risk assessment approach
	ANSES (French National Agency for Food, Environmental and Occupational Health and Safety)	Harmonized classification of DPG (Dipropylene glycol)
	EUROTOX (Federation of European Toxicologists and European Societies of Toxicology)	Endocrine disruptor methods
PROFESSIONAL/ INDUSTRY ORGANIZATIONS	TIP (Tire Industry Project), U.S. Tire Manufacturers Association	Replacement of 6PPD
	France Chimie	PFAS (Per- and polyfluoroalkyl substances) ban
	Cobalt Institute	Classification of cobalt salts
LABORATORIES / RESEARCH ORGANIZATIONS	Ecole des Mines de St Etienne Engineering School	Nanomaterials methods development
	ITGA	Air sampling

EMPLOYEE AND THIRD-PARTY HEALTH AND SAFETY GOVERNANCE

The Employee and Third-Party Health and Safety Governance body is chaired by the Chief People Officer and co-chaired by the Executive Vice President, Manufacturing, both of whom are members of the Group Executive Committee. It is coordinated by the Director of Group Health Coordination and also comprises permanent members representing:

- the **Corporate Directions**: Planning-Prevention-Protection, Internal Audit, Risk Management-Internal Control & Quality, Legal, Sustainable Development and Impact
- the **Operational Directions**: Manufacturing, Supply Chain
- the **Business Directions**: High-Tech Materials and Distribution.

The Governance body meets twice per year. It decides on the Group's policy, ambitions and strategies. It determines the related policies, objectives and strategies, and ensures that appropriate resources are allocated to drive the timely, successful completion of the action plans defined and deployed to meet the objectives.

Risk prevention and mitigation measures

In full alignment with its fundamental value of respect for people, Michelin is actively deploying a comprehensive range of health, safety, and quality of worklife policies, as described in:

- The 2023 Health and Safety Declaration;
- The 2018 Health, Safety and Quality of Worklife Policy;
- The 2024 Environment, Prevention and Security Guidance Letter.

In its Health and Safety Declaration, Michelin affirms that "Each person is unique and their health and safety are primordial." That concern includes employees' physical and mental well-being, the quality of the workplace environment, work-life balance, and a strong commitment to employee safety.

These commitments are based on the recommendations issued by key international organizations, such as the UN, the ILO and the OECD, and prevailing standards and legislation, including ISO 26000 and the French Commercial Code.

These policies are implemented through Michelin's "Environment and Prevention" management system, which is based on the ISO 14001 and ISO 45001 international standards. It is applied at all Group industrial facilities, with the exception of certain recent acquisitions, to capitalize on and anchor best practices while maintaining continuous, consistent progress. This management system is auditable and audited, at least internally. As of end 2024, 18 facilities had earned ISO 45001 certification at their own initiative or at a customer's request. An indicator on the share of our employees covered by a Health/Safety Management system was implemented in 2024. As of December 31, 2024, 68% of staff members (employees and temporary staff) were covered by a recognized and effective health and safety management system (i.e. an ISO 45001 certified system or application of the Group's "Environment and Prevention Management System" standard). However, in light of the framework and rules imposed by the Group on all of its own staff (Health-Safety Declaration, Guidance Letter, Indicators, Internal Control, etc.), which are effectively a non-standardized health and safety system, 100% of staff members are covered by this system.

In tire production facilities, the Environmental and Risk Prevention Management System is embedded in the foundations of the *Michelin Manufacturing Way (MMW)*, which defines and promotes operational excellence practices.

Every Michelin Group facility has support from risk prevention professionals (OSH experts, ergonomists, and hygienists) and health care professionals (doctors and nurses). These professionals work as a network at the Group, regional and country levels to share best practices and leverage the experience acquired in a continuous improvement process.

Training programs are helping to impart a culture of watchfulness, commitment, and alertness in every employee, as much for themselves as for others. All of the courses emphasize the importance of embracing and demonstrating this culture of safety in the workplace.

2.1. OCCUPATIONAL ACCIDENTS

(See details in the 2024 Sustainability Report, Section 4.8.4.2)

DESCRIPTION OF THE RISK	CORRESPONDENCE WITH THE CSRD
In all Group facilities, including offices, plants, and research, logistics, and distribution sites, employees may be exposed to the risk of accidents involving mechanical or electrical equipment, handling materials and finished products, chemicals, tools, or movement in workshops. These risks may lead to more or less serious injuries. Road accidents while traveling for work purposes are also among the risks identified.	S1 – OWN WORKFORCE **IRO title:** Death, disability, and injury Corporate operations Short term Negative impact

3 APPROACHES
Prevention initiative

Risk prevention and mitigation measures

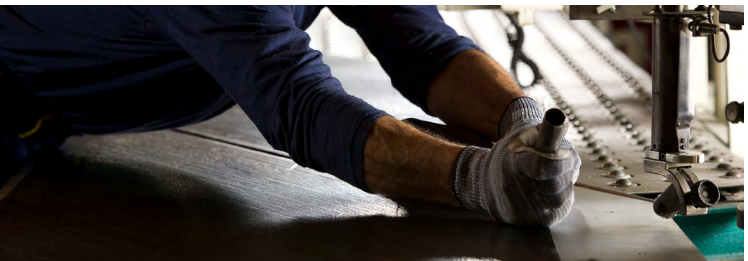
In response to the risk of accidents in and outside manufacturing operations or during business-related travel, as well as the dangers posed by natural disaster, fire or explosion, Michelin has adopted an accident prevention approach to assess, manage and mitigate the health and safety risks faced by all its employees.

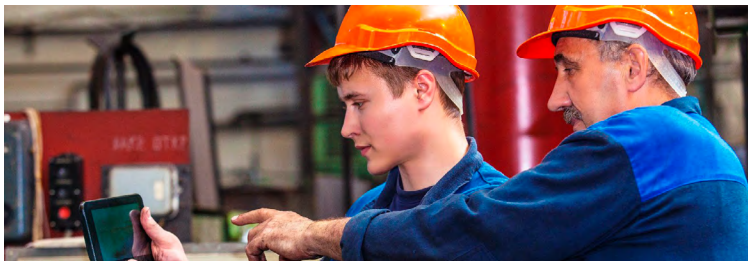
This prevention initiative is structured into three interconnected approaches:

• The **technical approach**, with a focus on the 5 "Group Safety Programs" (PSG), such as the "Working at Height PSG," which protects employees when they are working at height, or the "LOTOTO PSG," which aims to ensure that power is shut off during maintenance to eliminate the risk of electrocution. These "Group Safety Programs" are supplemented by two complementary risk analysis resources that cover the most serious machine risks and ergonomic constraints (see focus below), in collaboration with engineering.

• The **behavioral approach** is an innovative approach aimed at encouraging staff to adopt accident-prevention behaviors for themselves and their colleagues, and to be more vigilant. This approach draws on behavioral sciences to foster commitment through managerial leadership and the active involvement of every employee (safety coalitions and the ICARE for Safety program).

• The **organizational approach** is designed to manage, support and control risks with the help of a robust management system, along with skills building.





Focus on Ergonomics

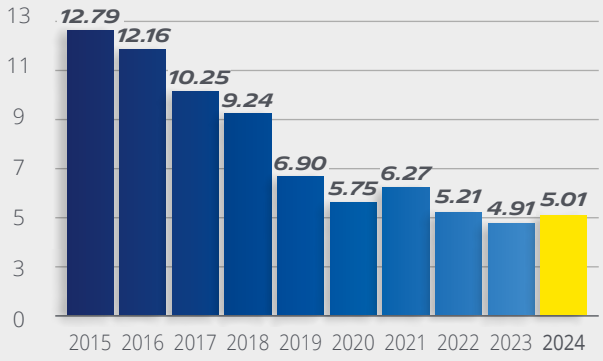
Since 2002, improving ergonomics has been a major focus of Michelin's health and safety policies. The prevention of MSK disorders is incorporated into every industrial project by design, to attenuate any potentially negative impact on working conditions over the medium term. All manufacturing facilities and logistics hubs maintain an up-to-date map of all workstations in order to identify action priorities, deploy suitable solutions, and gradually eliminate arduous tasks. Every year, ergonomic issues and working conditions across the business base are addressed by a dedicated capital budget that has increased sharply for several consecutive years.

For a number of years, we have adopted a more holistic approach to ergonomics that takes into account workplace situations as a whole, encompassing both the environment and working conditions (temperature, humidity, schedule, noise, etc.). Over the past three years, we have enhanced our model using cognitive load measurement methods and assessments of the factors that create a sense of meaning at work for our workplace situations.

Projects to improve ergonomics are implemented by ergonomist-led multidisciplinary teams made up of managers, operators, prevention specialists and physicians. With the exception of entities that are in the process of integration, each facility is deploying a five-year improvement plan.

In addition to protecting employee health, reducing ergonomic hardship also means making workstations accessible and appealing for a wider range of people. This in turn fosters diversity and makes workstations more attractive, enhancing people's well-being and motivation.

OPERATIONAL MONITORING
Group *TRIR*



Michelin uses the Total Recordable Incident Rate (TRIR) indicator to measure its global Health/Safety performance, as required by ESRS-S1 of the CSRD. It identifies the number of incidents per 1,000,000 hours of work. The incidents covered by the indicator are occupational accidents with lost time and accidents with no lost time that require medical care or a workstation modification (e.g. MSK issues with an ergonomic cause).
Reporting on this indicator applies to the entire Group scope, in compliance with the non-financial reporting directives established by the CSRD.
The TRIR for the entire Group was stabilized at 5.01 in 2025. This stabilization after years of very significant progress was linked to the integration of newly acquired companies, many of which have TRIR levels that are much higher than the Group average. The work done with the entities acquired over the past five years as well as the continued progress within the historic Group scope made it possible to incorporate these companies into the consolidation scope without negatively impacting the overall score.
The TA+ implemented in 2018 counts accidents with or without lost time that had or could have had serious consequences for employees. Each incident is reported directly to the members of the Group Executive Committee. This indicator enables us to better target our response to this type of accident, identify relevant lessons in all geographical regions, and reduce the disparities between countries. The number of accidents has been decreasing constantly over the past two years (-20% in 2024 vs. 2023).

2.2. EXPOSURE TO CHEMICALS

(See details in the 2024 Sustainability Report, Section 4.8.4.2)

DESCRIPTION OF THE RISK	CORRESPONDENCE WITH THE CSRD
The tire industry uses many potentially dangerous components, as well as substance of concern or of very high concern. Employees who are involved in research or production may face risks of chemical exposure that, if they are not controlled, can eventually lead to disease. These may be certain products and substances used in tires, along with certain molecules that are sometimes present in process fumes.	**S1 – OWN WORKFORCE** **IRO title:** Occupational illnesses due to the use of chemicals or toxic substances, including substances of concern or of very high concern. Corporate operations Short term Negative impact

Michelin's industrial hygiene policy is designed to protect employees' health from the harmful effects inherent in the use of chemicals (substances or compounds), certain substances emitted by the process, or potential exposure to asbestos.

The following **five fundamental principles** are implemented in this order of priority:

1. Anticipate emerging risks and avoid introducing risks associated with new chemicals or processes. Before a new chemical is used, an approval process leading to an authorization for use enables the company to anticipate and control the risks. In some cases, use of the chemical may be prohibited.
In 2024, this principle was reinforced with a ban on developing and consequently on introducing new chemical raw materials that are considered highly dangerous to human health or the environment. A list of danger classifications that trigger an automatic ban was drawn up.

2. Recognize and assess chemical substances' existing risks for workers' health. A standard chemical risk-assessment method is used at manufacturing facilities. This method makes it possible to define the risk level and introduce suitable means of control.

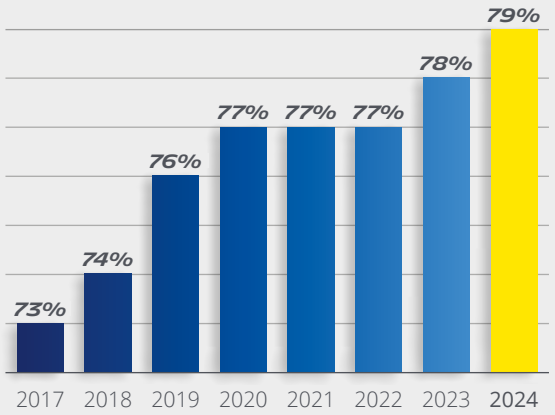
3. Control the risks by implementing and maintaining suitable measures (replace substances of concern, use and implement collective means of protection or personal protective equipment).

4. Confirm the application and effectiveness of these risk-control measures. Periodically carry out plans for the maintenance, inspection and monitoring of the application of risk-control measures.

5. Inform and train employees with regard to the risks. Employees are informed about and trained on the chemical risks. The Safety Data Sheets (SDS) for the chemicals used are available in the language of the country using them. These Safety Data Sheets comply withthe REACH regulation in Europe and the Global Harmonized System (GHS) regulation in other countries. At some facilities, these documents are available as product data sheets at the workstation.

Chemical risks are taken into account throughout our products' life cycle and in reasonably foreseeable conditions of use.

OPERATIONAL MONITORING
QWL satisfaction index



2.3. PSYCHOSOCIAL ISSUES AT WORK

DESCRIPTION OF THE RISK	CORRESPONDENCE WITH THE CSRD
Whether they work in production, administration, technology, or management, employees can face stressful situations or suffer psychosocial problems at work. The risk factors associated with these situations are identified based on the context and the unique legislation in each country in order to contribute to prevention.	S1 – OWN WORKFORCE **IRO title:** Psychosocial issues Corporate operations Medium term Negative impact

In a commitment to safeguarding employees from the psychosocial risks of stress and harassment, the Group has deployed a variety of programs aligned with local needs and legislation to provide:

- **Primary Prevention:** training and awareness-raising, improved quality of life and working conditions, actions to create safe spaces[26]. Work on rolling out these actions has begun and is continuing progressively across the Group's footprint. In France, the occupational health service runs monthly lecture cycles on mental health.
- **Secondary Prevention:** efforts to improve workplace organization, particularly in high-risk fields/jobs and via training sessions in many countries on a wide range of themes (stress management, relaxation, coaching, etc.)
- **Tertiary Prevention:** support groups and individual counseling by a psychologist or occupational health physician. External employee assistance programs are offered to employees in many countries. They provide practical or psychological support to help employees cope with difficult situations.

The vast majority of facilities run quality of worklife programs that contribute to secondary prevention. Tertiary prevention is in place at Michelin facilities and is gradually being introduced in the acquisitions.

The framework for preservation of Quality of Worklife (QWL) and psychosocial risk prevention is defined by the Employee Health and Safety governance body.

The satisfaction index, which is based on the engagement survey, remains at the high level of 79% for Quality of Worklife, with a one-point variation compared to 2023 and continuous progress in recent years.

[26] At Michelin, a Safe Space means a way of working together in which everyone feels that they are respected and are free to express their ideas, concerns, doubts, and feelings with no fear of negative consequences.

2.4. RISKS TO EMPLOYEE SAFETY

DESCRIPTION OF THE RISK	CORRESPONDENCE WITH THE CSRD
In many of the countries where Michelin operates, its employees face risks including assault, attacks, and kidnapping in the course of their work or during business travel. These risks are particularly present in countries experiencing political instability or tense security situations. This risk affects employees working for Michelin in countries exposed to the risks mentioned above.	S1 – OWN WORKFORCE **IRO title:** Safety of Michelin employees in at-risk zones Corporate operations Medium term Negative impact

Surveillance of security issues has been tightened, especially for countries in which Michelin employees may experience strong tensions and threats, particularly when traveling abroad.

A country risk map is regularly updated and shared by the Group Corporate Direction of Planning Prevention Protection (DCAPP). Each country is assessed on a scale of 1 (lowest risk) to 4 (highest) and a set of security guidelines and recommendations is drawn up for each level and shared with travelers and expatriates.

Risk prevention and mitigation measures

Specific guidelines and measures have also been introduced to keep expatriate employees and their family safer in high-risk countries, including pre-assignment training to raise awareness of local security precautions.

Every year, the Information System Security, Security and Environment Corporate Direction (DCAPP) visits the countries deemed high-risk to assess and verify, on-site, the consistency and proper application of the Group's guidelines and recommendations.

2024 saw increased volatility in the political situation and climate change in many countries worldwide, with a direct impact on oversight and management of Michelin employees on international travel. Due to these concerns, geopolitical monitoring and alert systems in the event of a natural disaster have been enhanced. To enable a response to crisis situations, these programs were consolidated this year, in close cooperation with all of the players involved, from corporate teams to the regions.

3 ENVIRONMENTAL RISKS

3. ENVIRONMENTAL RISKS

(See details in the 2024 Sustainability Report, Sections 4. 2, 4. 3, 4. 4, 4. 5, 4.6)

By potentially generating negative environmental externalities, the company may have an adverse effect on the planet and its stakeholders. Michelin is committed to acting as a leading enabler of sustainable development and mobility. This entails clearly identifying and effectively managing the environmental risks inherent in its business.

Main potential environmental risks

RISK CATEGORY	MAIN EXAMPLE(S)	CAUSE(S) IDENTIFIED	POSSIBLE CONSEQUENCE(S)
ACCIDENTAL POLLUTION CAUSED BY OUR OPERATIONS	Spills of products harmful to the environment	Fire in a facility or product spill	Pollution (water, soil)
ENVIRONMENTAL IMPACT OF OUR OPERATIONS	Atmospheric emissions (VOC, CO_2, NO_x) and effluent releases (BOD, COD, TSS)	Emissions from tire production processes	Pollution (air, water, soil)
	Consumption of non-renewable resources	Use of large amounts of various resources for tire manufacturing	Resource depletion
ENVIRONMENTAL IMPACT OF OUR PRODUCTS	Non-recycling of end-of-life products	Lack of collection processes	Pollution (water, air)
	Wear particles (TRWP)	Emissions from tire usage	Pollution (water, air, soil)
	Atmospheric emissions (CO_2)	Emissions from tire usage	Climate change
ENVIRONMENTAL IMPACT OF OUR SUPPLIERS	Pollution caused by one of our suppliers' operations	Inadequate control of our suppliers, which could have a major direct impact (pollution) on the environment (water, air, soil)	Pollution (air, water, soil)
	Deforestation	Unsustainable production of natural rubber or other renewable raw materials	Biodiversity loss and ecosystem degradation

Stakeholder dialogue

TYPES OF STAKEHOLDERS	EXAMPLES OF STAKEHOLDERS	EXAMPLES OF TOPICS BROACHED
FRENCH NON-PROFIT	*EpE (Entreprises pour l'Environnement)*	Biodiversity, Climate, Water
INTERNATIONAL NON-PROFIT	Tire Industry Project (TIP) in WBCSD	Wear particle pollution
BUSINESSES	PwC, Deloitte	CSRD
NGOs	WWF	Climate, Nature
THINK TANK	IDDRI	Climate, biodiversity, international analyses and negotiations

ENVIRONMENTAL GOVERNANCE AND MANAGEMENT SYSTEM

The Environmental Governance body is chaired by the Executive Vice President, Manufacturing and co-chaired by the Executive Vice President, Research and Development, both of whom are members of the Group Executive Committee. It is coordinated by the Vice President, Sustainable Development and has ten other permanent members, who represent:

- The Corporate Directions: Standards and Regulations, Compliance, Sustainable Development and Impact, Public Affairs, Internal Audit and Risk Management.
- The Operational Directions: the Purchasing Direction, Materials Research, Industrial Strategy, the Operational Direction of Solutions for Circular Materials.
- The Business Directions: the Michelin Polymer Composite Solutions Business line.

The Environmental Governance body meets at least four times per year. It approves environmental policy, ambitions and strategies and tracks the coordination and implementation of the action plans deployed to achieve the objectives. It ensures that environmental risk is under control and that, if necessary, effective preventive or remedial measures have been defined and implemented. It draws on the work of five subject matter committees: the Climate Change Committee, the Circular Economy Committee, the Biodiversity Committee, and the Water and Pollution Committee. These five committees are tasked with coordinating actions, detecting weak signals, evaluating emerging risks, and identifying opportunities for impact reduction in their respective fields.

For its manufacturing, research, logistics and tertiary operations, the Group has developed an Environmental Management System (EMS) that allows each of its facilities to curb its environmental impacts on a day-to-day basis and over the long term. It comprises a process to track compliance with legislation and Michelin standards, the obligation to define and meet, every year, improvement targets aligned with local issues and Group commitments, and procedures to attenuate the risks of accidental pollution. It covers the requirements of the ISO 14001-2015 standard. Since 2018, all of the Group's manufacturing facilities subject to certification have been certified to this standard.

The EMS is a holistic approach that aims to not only identify environmental risks but also define mitigation and prevention processes for each one.

This chapter presents Michelin's risk control and reduction policies and measures for each of the main risks.

3.1. OVERALL IMPACT ON CLIMATE CHANGE AND TRANSITION PLAN

(See details in the 2024 Sustainability Report, Section 4.2.1)

As a global industrial player in the tire and high-tech composites industry, Michelin has a significant climate impact throughout the life cycle of its products and services. Michelin is well aware that global climate change may lead to severe damage to the environment and to people. Accordingly, it is taking steps to promote the energy transition and low-carbon mobility. As a part of those efforts, it has been using the GHG Protocol to evaluate its carbon footprint for several decades.

The materiality analysis has identified the main climate change impact factors as CO_2 emissions from its direct operations (Scopes 1&2), its transportation operations, its suppliers' operations, and use of its products (Scope 3 usage).

In light of these realities, proposing effective solutions without compromising on safety is central to Michelin's historic, current, and future positioning. In practice, that means creating product and service offers that are segment leaders in terms of energy efficiency, CO_2 emission reduction, and long-lasting performance.

Climate strategy and the associated transition plan

The Group's climate strategy is grounded in **three principles**:

- **Achieving New Zero Emissions** by 2050 and meeting our external emissions reduction commitments by 2030;
- **Identifying risks and opportunities** for our business model and our operations based on climate change scenarios;
- **Communicating transparently** labout the information our external stakeholders expect.

In practice, it has led to a transition plan which pairs a decarbonization plan for our direct and indirect operations (Scopes 1, 2, and 3) with a resilient strategic plan that focuses on building a low-carbon economy.

The transition plan targets

Michelin joined the Race to Zero campaign led by the international consortium Science-Based Targets initiative (SBTi), the Global Compact of the United Nations, and We Mean Business in July 2021. In its transition plan, Michelin has set itself the goal of achieving net zero emissions by 2050 for Scopes 1 and 2, as well as for Scope 3 Essential (i.e. excluding the usage phase[27]). The plan also covers its intermediate CO_2 emissions reduction commitments for 2030 (vs. 2019):

- For all manufacturing facilities,
- For facility energy supplies (upstream energy),
- For the supply chain, including raw materials suppliers,
- For logistics operations.

These commitments were approved in June 2024 and are compatible with a trajectory that will limit global warming to the 1.5°C level set by the Paris Accords, according to the SBTi definitions.

SCOPE OF APPLICATION	SHORT TERM: 2030 (VS 2019)	LONG TERM: 2050 (VS 2019)
SCOPE 1&2	***-47.2%***	***-90%*** (net zero)
SCOPE 3 ESSENTIAL (EXCLUDING THE USAGE PHASE)	***-27.5%*** on raw material procurement, logistics, and upstream energy	

For Michelin, a commitment to Net Zero Emissions means:

- Reducing CO_2 emissions from its own operations and those of its value chain by 90%, by 2050 at the latest;
- In the long term, preparing to capture and permanently sequester a volume of CO_2 equivalent to its annual residual emissions.

This is the process defined by the SBTi, known as the Corporate Net-Zero Standard, published in October 2021.

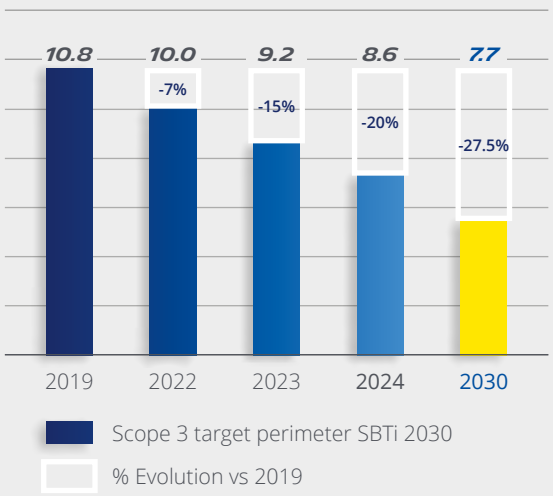
-90%

CO_2 emissions in 2050

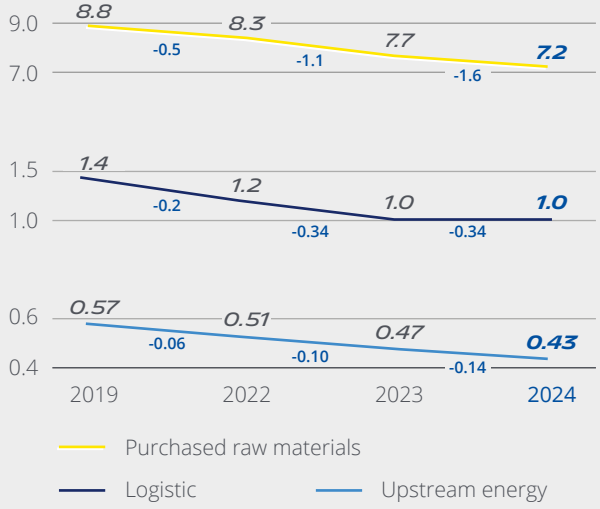
Scope and key areas

The table opposite describes the areas in which Michelin is making changes to reach its 2030 decarbonization targets (SBTi targets).

EVOLUTION OF CO_2 SCOPE 3 EMISSIONS (in millions of tonnes of CO_2)



EVOLUTION ON DISTRIBUTION OF CO_2 EMISSIONS (in millions of tonnes of CO_2)



Nota : In 2023, the baseline year for reporting the Group's CO_2 emissions became 2019, in line with the Group's SBTi commitments.
[27] The Net Zero Emissions target covers Scopes 1, 2, and 3 Essential (i.e. it excludes Scope 3 Usage).

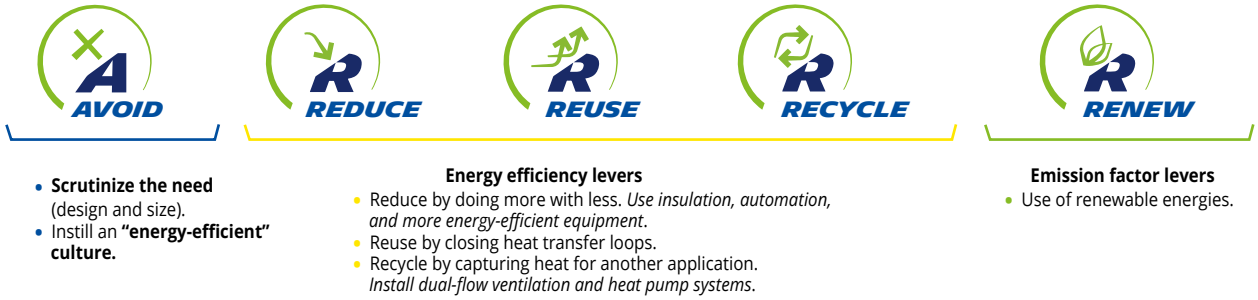
3.2. IMPACT OF OUR OPERATIONS ON CLIMATE CHANGE (SCOPES 1&2)

(See details in the 2024 Sustainability Report, Section 4.2.2.1)

DESCRIPTION OF THE RISK	CORRESPONDENCE WITH THE CSRD
Michelin is a global player with a large industrial footprint. Greenhouse gas emissions are generated by our own corporate operations and by the energy required to power our facilities. The impact covers Scopes 1 and 2	E1 – CLIMATE CHANGE
	IRO title: Contribution to climate change via direct and indirect greenhouse gas emissions (Scopes 1 & 2)
	Upstream value chain Corporate operations
	Medium term
	Negative impact

Risk prevention and mitigation measures

Michelin continues to pursue its decarbonization strategy, with the goal of reducing Scope 1 & 2 greenhouse gas emissions linked to operations at its facilities. Its strategy is based on the mitigation hierarchy of levers—in other words, prioritizing prevention and reduction over other levers. This is one of the foundational principles of the Group's environmental policy and applies to all environmental issues, including its climate strategy.



The strategy is based on **two major pillars:**

• **Consume less** (levers from Avoid to Recycle), to prioritize energy savings;

• **Consume better** (the Renew lever), to pursue efforts linked to the energy transition.

The first pillar is grounded in an approach that aims to optimize manufacturing facilities' energy efficiency to reduce their energy consumption, which constitutes the first lever of energy sobriety.

The second pillar covers a wide range of initiatives:

• Technical initiatives to transition from combustion energy sources to less carbon-intensive energy sources (e.g. replacing boilers that burn fossil fuels like coal or natural gas with equipment powered by renewable energy). One major decarbonization initiative is eliminating coal as a primary energy source by 2030.

• Market levers, which consist in buying lower-carbon forms of energy.

In addition to these levers, a program is under way to make the manufacturing process fully electric, thus combining two levers: energy efficiency and certified renewable electricity purchases.
In 2024, 70 facilities that represent over 84% of Scope 1 & 2 CO_2 created their roadmaps for net zero emissions by 2050. These roadmaps combine the most relevant energy efficiency and energy transition levers, enabling each facility to contribute to achieving the Group's objectives.

CO_2 emissions calculation methods and scope

In line with the rules laid out in the GHG Protocol, CO_2 emissions are calculated using basic energy data and recognized emissions factors.The energy consumed by Group facilities can be divided into 3 main categories:

- Fuel used to generate steam, hot water, or electricity,
- Steam or hot water purchased from energy suppliers,
- Electricity.

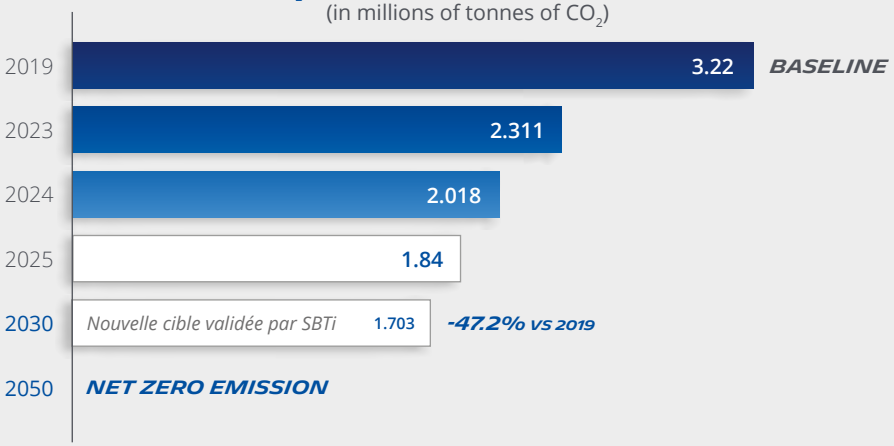
Basic energy consumption data are measured by the facilities and consolidated at the Group level by an automated system.

The 2024 scope includes emissions from historic Michelin manufacturing and R&D facilities, as well as the companies Camso, Fenner, and Multistrada, which were integrated in 2023. It also covers the reintegration of the Lehigh manufacturing facilities, the inclusion of the RLU manufacturing facilities, and the addition of Euromaster (which was not included in the SBTi target scope of 95% coverage until 2023).

OPERATIONAL MONITORING

In 2024, gross fossil fuel CO_2 emissions from Group facilities were down 12.7% compared to 2023 and 37% compared to 2019.

REDUCTION IN CO_2 EMISSIONS FROM THE MANUFACTURING FACILITIES
(in millions of tonnes of CO_2)



Note : The 2030 target, which is aligned with a scenario of global warming limited to 1.5°C, was approved by SBTi in June 2024. It includes the Group's recent acquisitions and uses 2019 as its baseline year.

107 M €

Investments for CO_2 emissions reduction in 2024

Reducing facility energy consumption is the primary lever of sobriety and is the highest ranked lever in the mitigation hierarchy. From 2023 to 2024, the Group saw a 5.3% reduction in energy consumption in absolute value. However, the volatility of production volumes had a significant impact on manufacturing facilities' energy performance in 2024. It triggered a +0.35% deterioration in the ratio used to measure energy efficiency over the same period (vs. -1.56% in 2023).

A total of more than 350 projects and initiatives which required 107 million euros in investments contributed to progress in 2024. For example, on the "renewable energy" lever:

- In Bad Kreuznach (Germany), a new 5 MWp rooftop solar panel installation was started up to supply the facility.
- Since mid-2024, renewable energy has represented 91% of total consumption at the Nyiregyhaza (Hungary) facility, thanks to the implementation of a full curing press electrification program, the installation of heat pumps to meet heating needs, and the start-up of two electric boilers to produce the steam that is still needed for the manufacturing process.

In 2024, the Group also continued to pursue its strategy of purchasing renewable electricity in Mexico, the US, and Indonesia. For the year 2024, renewable energy purchases for which origin certificates were duly canceled accounted for over 2,900,000 MWh worldwide, more than 61% of total electricity consumption for the year (vs. 53% in 2023 and 51% in 2022).

Projections for 2030

In line with the SBTi target of achieving a 47.2% reduction in emissions by 2030, the Group is following a specific roadmap that is periodically reviewed by the "Scopes 1 & 2 CO_2 Emissions Domain Committee," which verifies the relevance of and progress on the actions listed for each lever.

Actions that contribute to reducing CO_2 emissions have been categorized into **four levers**:

- **"Energy efficiency"**, which refers to the technical levers for sobriety implemented by facilities,
- **"Process electrification" lever**, which designates combustion-to-electric curing press conversion projects,
- **"Boiler conversion"**, which covers projects to transition to less carbon-intensive energies, e.g. the elimination of coal
- **"Renewable energy procurement"**, which covers the potential to purchase renewable energy with the appropriate origin certificates.

All of the projects and initiatives laid out in the roadmap developed by the Group should enable it to meet its 2030 commitments on schedule. The investments required over the next five years are estimated at over 400 million euros.

Since 2016, the Group has also applied an internal guidance price to CO_2 in order to incorporate emissions into its investment decisions. Its goal is to direct investments towards low-carbon solutions and prepare for the implementation of a global carbon price. The internal guidance price is set based on the recommendation of the Environment Governance body and is revised periodically: it was initially set at €50/tonne in 2016, increased to €100 in 2021, and again to €200 in 2023.

Projections for 2050

All of the levers that will enable the Group to achieve its Net Zero Emissions target as well as their technical feasibility are currently being identified. The Group continues to monitor emerging technologies.

In compliance with the SBTi standard, the climate strategy does not use carbon credits to offset the CO_2 emissions generated by the Group's direct or indirect operations. All actions are exclusively focused on reducing CO_2 emissions, as recommended by the mitigation hierarchy.

3.3. IMPACT OF SCOPE 3 ON CLIMATE CHANGE

(See details in the 2024 Sustainability Report, Sections 4.2.2.2, 4.2.2.3 and 4.2.9)

DESCRIPTION OF THE RISK	CORRESPONDENCE WITH THE CSRD
Scope 3 is broken down into 2 major categories: • Scope 3 excluding usage (Essential, according to the GHG Protocol), which includes raw material procurement, logistics, and upstream energy. It is significantly larger than Scopes 1 and 2. • Scope 3 Usage (Optional, according to the GHG Protocol), which corresponds to the share of vehicle fuel consumption generated by tire rolling resistance (15% to 30%). Scope 3 usage consumption is critical, since it represents over 90% of Michelin's carbon footprint (115 million tonnes of CO_2 in 2024). Michelin is the leader on rolling resistance performance.	**E1 – CLIMATE CHANGE** **IRO title:** Contribution to climate change via direct and indirect greenhouse gas emissions and changes in land use (Scope 3) Upstream value chain Downstream value chain Medium term Negative impact

For Scope 3, Michelin focuses on reducing emissions linked to raw material procurement, transportation, and energy provision at facilities.

a. Impact of the use of our products on climate change

Scope 3 linked to product use

Reducing tires' rolling resistance helps reduce vehicles' fuel consumption, which ultimately reduces emissions of both CO_2 and local pollutants (NO_x, SO_x,etc.) during usage. In the case of electric vehicles, lower rolling resistance also increases their range.
After halving its tires' rolling resistance between 1992 and 2020, Michelin now aims to achieve a 10% improvement in rolling resistance by 2030, compared to 2020. Progress stood at 4.3% at the end of 2024, on track to achieve that goal.

A large number of car, light truck, and truck tire ranges now offer evidence of this commitment, which is fully integrated into the Group's strategy and business model.
Michelin has also made a significant contribution to the functional economy, one of the levers in the transition to a low-carbon economy, by **developing services and solutions that optimize vehicle fleet use and management.** These services involve providing a tire monitoring and maintenance service alongside the product itself in order to optimize its performance, particularly in terms of energy, or providing a standalone service that makes fleet operations smoother (e.g. by digitalizing tire inspections) and contributes to more efficient, safer driving that is better for the environment. The Michelin Connected Services Business Line specializes in designing, developing, and marketing new solutions based on data processing. Michelin helps fleets optimize their management and become safer and more profitable while reducing their carbon footprint.

NB

It is difficult to establish a direct link between a tire's rolling resistance and a vehicle's CO_2 emissions. Vehicle emissions also depend on many other factors (vehicle weight and power, engine type, usage conditions: driving style, road type, tire inflation and wear, etc.).
The lever on which the Group can act is progress on decreasing tire rolling resistance. However, it is not possible to establish a direct, quantified relationship between rolling resistance and decreased emissions.

b. Impact of our suppliers on climate change

Reducing the emissions generated by raw material procurement

The Group has taken assertive action and identified the purchasing categories and suppliers that account for the most greenhouse gas emissions. Its actions prioritize raw material suppliers, since they generate about 85% of the emissions linked to the Group's product and service purchases. Michelin interacts with its suppliers to encourage them to commence, develop or speed up their initiatives to reduce their GHG emissions.

The CDP questionnaire[28] provides a comprehensive system for publishing environmental information, in order to assess the strategies in place to abate climate change. In 2018, Michelin joined the CDP's Supply Chain Program and asked its main raw materials suppliers to participate in the initiative. That commitment is pushing Michelin's suppliers to quantify and publish their greenhouse gas emissions and develop emissions reduction strategies. The campaign has been repeated annually since 2020.

The Group also encourages its suppliers to adopt ambitious emissions reduction targets referred to as "Science Based Targets." Finally, in order to refine its calculations of its emissions and do even more to involve its raw materials suppliers, the Group is asking them to submit Life Cycle Analysis data for the products purchased by the Group, or failing that to provide data on the products' carbon footprints (tCO_2eq/t). In 2024, the share of emissions calculated using supplier data was 55%[29].

[28] Carbon Disclosure Project
[29] In 2023, the share of emissions calculated using supplier data was 22%. It was not monitored in 2022

Michelin and its suppliers are working to decrease the carbon footprint of its raw material purchases in several ways:

- Increasing the percentage of renewable or recycled materials
- Increasing the percentage of low-carbon energy used to produce raw materials
- Creating specific decarbonization roadmaps for each supplier (energy efficiency, waste reduction, internal recycling, process optimization)
- Prioritizing purchases involving 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_2 emissions with the *CDP Supplier Engagement Leader 2023 Award.*

Reducing emissions from Michelin's transport operations

The Group is reducing the carbon footprint of its logistics operations by both decreasing its transport needs and prioritizing the use of lower-carbon options. The scope for these efforts is logistics operations under the direct control of Michelin, from raw material transport to finished product delivery.

The Group's strategy is structured around **three approaches**:

- **Transporting less, the core approach,** which consists of making our logistics operations more effective. In practice, that means performing analyses to identify the best possible locations for inventory to improve product availability while reducing transport needs. Manufacturing site selection is also focused on encouraging local production to limit transfers of finished products from the production region to a different consumption region. The tonnage of intercontinental shipping of finished products decreased by about 11% between 2023 and 2024, saving roughly 11 kT of CO_2 emissions.

- **Transporting better, the operational approach,** which consists of making our logistics operations more efficient. It is structured around several themes, including:

-Making commitments to partner transport companies to invest in decarbonization solutions.

-Promoting and developing multi-modal transport. In 2024, about 24% of intra-zone shipping in North America was done by train. In Europe, a new modal replacement corridor between Luxembourg and Romania opened in late 2024, with target savings of about 1.5 kT of CO_2 per year.

- **Transporting differently, the innovation approach,** which consists of implementing innovative, environmentally-friendly technologies in collaboration with external partners.

Reducing emissions linked to facility energy supplies (upstream energy)

The main levers are reducing energy consumption and progressively transitioning to renewable energy, initiatives that fit perfectly with the levers activated to reduce Scope 1 & 2 emissions.

The working assumption is that the upstream production and delivery of fuel derived from renewable sources emits less CO_2 than fossil fuels.

3.4. RISK OF AIR AND WATER POLLUTION

(See details in the 2024 Sustainability Report, Section 4.3)

DESCRIPTION OF THE RISK	CORRESPONDENCE WITH THE CSRD
For the Group's indoor and outdoor operations, water and air pollution can include: • Wastewater discharges from its manufacturing operations, • Substances of concern and very high concern. Air pollution, including indoor and outdoor emissions of Volatile Organic Compounds (VOCs) during its rubber, mixture, and tire production processes.	**E2 – POLLUTION** **IRO title:** Water and air pollution due to direct operations, including substances of very high concern and VOCs Corporate operations Long term Negative impact

The tire manufacturing process releases atmospheric emissions (COV, SO_x and NO_x) that can be a source of pollution. Manufacturing also generates various waste products. During tires' service life, their use produces tire and road wear particles (TRWP). Lastly, end-of-life tires must be treated or recycled to prevent them becoming a source of pollution.

a. Reducing VOC (Volatile Organic Compound) emissions

Risk prevention and mitigation measures

The Group aims to eliminate the use of organic solvents that release VOCs from its tire production by 2050. An intermediate objective of a 50% reduction in the VOC usage to production ratio from 2019 to 2030 has been set and the necessary investments have been funded.

In 2024, VOC consumption per ton of finished product was down 2.6% compared to 2023. That figure confirms the long-term trend of reduction in line with the 2030 objective, despite an unfavorable production context with decreasing production volumes.

VOC use is being reduced in **three ways**:

1. Deploying good manufacturing practices to optimize solvent use;

2. Introducing new solutions, processes, materials and products designed to reduce or even eliminate organic solvents at certain interfaces;

3. Integrating the reduction of organic solvent use into project criteria from the design and development phases.

These three approaches have been relayed and documented by the VOC Program and its network of experts. The network meets twice per year to discuss the roll-out of best practices, new process, material, and product solutions, and progress on innovative research projects.

b. Reducing nitrogen oxide (NO_x) and sulfur oxide (SO_x) emissions

Risk prevention and mitigation measures

To reduce NOx and SOx pollution, the Group has implemented measures across all its manufacturing facilities, with a focus on eliminating coal by 2030. NO_x and SO_x emissions are also decreasing due to the actions taken on the basis of the energy savings roadmap.

OPERATIONAL MONITORING

In 2024, NO_x emissions increased compared to 2023, reaching 0.159 kg per tonne produced (cf. 0.17 kg/t calculated in 2019). This increase was due to a change in the measurement method on a facility which is a major contributor. Sulfur oxide (SO_x) emissions came to 0.084 kg per tonne produced (cf. 0.15 kg/t calculated in 2019), a decrease from the previous year. The Group continues to pay close attention to this issue and to pursue its efforts to reduce emissions in the coming years, particularly with the roadmap to eliminate coal by 2030.

c. Tire and Road Wear Particles, TRWP

DESCRIPTION OF THE RISK	CORRESPONDENCE WITH THE CSRD
The friction between tires and the road produces wear particles (TRWP), a process influenced by a wide range of factors. Since 2010, studies have demonstrated their presence in the environment and their potential impact. However, scientific knowledge of the issue remains very incomplete, Michelin is committed to advancing knowledge in this area in order to refine its risk prevention and mitigation plans.	**E2 – POLLUTION** **IRO title:** Water, soil, and air pollution linked to tire use (TRWP) Downstream value chain Medium term Negative impact

TRWPs (Tire and Road Wear Particles) are particles made up of 50% tire material and 50% road dust. They are classified as microplastics under the European Regulations[30]. However, they do have characteristics that differ from traditional microplastics, particularly in terms of their degradability, size, composition, and density. While scientific literature on the issue is limited, TRWPs do seem to biodegrade more quickly than microplastics. These particles are thus a unique form of pollution generated by tire use and require targeted mitigation measures.

Risk prevention and mitigation measures

Michelin has a longstanding commitment to reducing particle emissions from its own products and to working with the Industry to better estimate and understand their potential impact through the Tire Industry Project (TIP). In order to address this complex question, Michelin has established an ambitious project that structures all of its work in the field.

The TRWP program aims to formulate a coherent strategy and to finance internal and external research projects to understand the impact of TRWPs and design new materials to reduce them.

In 2024, the program achieved the following advances:

- Definition of an initial strategy, which will be confirmed when the Group environmental policy is updated in 2025;
- Definition of bases for an indicator based on standardized abrasion data to better understand and evaluate the progress achieved. The results are expected in 2025;
- Presentation of the SAMPLE system, which captures and analyzes particles near tires, at the Tire Technology Expo 2024. It received the Grand Prize for Tech Innovation 2024 at the Innovation Awards;
- Contribution to the definition of a standardized testing method for tire particle emissions in the Euro 7 Regulation;
- Collaboration with the USTMA Consortium to analyze alternatives to the substance 6PPD, which is essential for rubber protection[31];
- Publication of the results of the BioDLab's research on the degradation mechanisms of the polymers that make up TRWPs[32];
- Publication of a white paper written by the members of TIP, including Michelin, to advance awareness-raising and align current knowledge of TRWPs.

OPERATIONAL MONITORING

The Group makes every effort to reduce its TRWPs as it designs new tire ranges.

REDUCTION OF PARTICLE EMISSIONS WITH EACH NEW RANGE

[30] *Definition of the ECHA (European Chemicals Agency).*
[31] *USTMA Alternative Analysis.*
[32] *"Study of Sequential abiotic and biotic degradation of styrene butadiene rubber," Science of the Total Environment, Volume 926, May 10, 2024, 171928 .*

d. End of Life Tire management

DESCRIPTION OF THE RISK	CORRESPONDENCE WITH THE CSRD
Used tires can be collected and processed in different ways, which can have different impacts on the environment and create problems for human health. These impacts include depletion of the ozone layer, the formation of photochemical ozone, acidification, and the depletion of abiotic resources.	E2 – POLLUTION **IRO title:** Pollution produced by end-of-life tire processing Downstream value chain Medium term Negative impact

Risk prevention and mitigation measures

By working with industry associations and in particular the TIP[33], Michelin is making every effort to ensure that end-of-life tires are properly collected and processed in every region around the world. To do so, the Group supports the concept of "extended producer responsibility" and is working with the leading stakeholders to develop and deploy efficient recycling solutions. Michelin is also exercising its influence to encourage material recovery, which optimizes the reuse of tire components as secondary raw materials and offers a carbon footprint that is generally smaller than that of energy recovery.

In 2020, the Group formed a partnership with Sweden's ENVIRO to develop and mass-produce a highly innovative pyrolysis technology that recovers high-quality products like recycled carbon black, pyrolysis oil, steel, and gas from end-of-life tires, which can then be re-incorporated into the production cycle of various industries.

In 2023, Enviro launched a joint venture with the investment fund Antin with the goal of creating several end-of-life tire recycling facilities in Europe. Its first recycling facility is expected to open in Sweden with an annual recycling capacity of 35,000 tonnes. The joint venture plans to build factories across Europe, with the goal of achieving an annual recycling capacity of one million tonnes of end-of-life tires. Antin and Enviro have already prepared a financing plan for the construction of these facilities.

Michelin has also founded the company Michelin Specialty Materials Recovery in Chile. Its ambition is to locally recycle 2,200 giant mining tires, roughly 10,000 tonnes of products. The tires are transformed into powder, which is recycled and reincorporated into tires or other rubber applications.

[33] *Tire Industry Project.*

3.5. RESOURCE DEPLETION

(See details in the 2024 Sustainability Report, Section 4.6.3.2)

DESCRIPTION OF THE RISK	CORRESPONDENCE WITH THE CSRD
Tire manufacturing involves using large amounts of many different resources, which must be used wisely to avoid depletion.	**E5 – RESOURCES AND CIRCULAR ECONOMY** **IRO title:** Incoming resources and their contribution to resource depletion Upstream value chain Medium term Negative impact

a. Reducing and recovering waste

Risk prevention and mitigation measures

In line with its 2050 vision, the Group has set an intermediate objective of reducing the amount of waste produced per tonne of finished product by 25% in 2030 compared to 2019. The robust pace of improvement observed since 2015 will be maintained by deploying best practices and developing recycling synergies with the Group's new businesses.

The Group's waste management policies are based on the Avoid +4Rs initiative (Avoid, Reduce, Recycle, Reuse, Renew) :

AVOID

➡ Eliminate waste production at the source.

Here are some examples of how this could be done:

- Avoid single-use products;
- Make a practice of returning packaging to the suppliers;
- Eliminate ash from the HVAC facilities by eliminating the use of coal as an energy source.

REDUCE

➡ Reduce the amount of waste generated.

Here are some examples of how this could be done:

- Improve process control (raise the compliance rate);
- Develop technological advances (reduce material losses);
- Apply industrial best practices and raise staff awareness.

REUSE

➡ Institute reuse within the Group.

Here are some examples of how this could be done:

- Repair whatever can be repaired;
- Reuse industrial equipment in other plants;
- Reuse non-compliant materials within the Group by establishing synergies among the different businesses or within acquisitions.

RECYCLE

➡ Institute recycling.

- Promote ERP schemes to recover a maximum of ELTs ;
- Promote material recovery as a priority over energy recovery.

RENEWABLE

➡ Promote the use of renewable materials.

- Replace materials derived from fossil fuels with renewable materials in our tires.

When it is impossible to avoid waste, prefer materials recovery channels to energy recovery channels. The waste can then be used to manufacture new products. For example, non-vulcanized rubber waste can be recycled to manufacture various rubber articles other than tires (seals, wheel rollers, etc.), to regenerate solvents, or to process sludge into tiles for outdoor floor coverings.

Alongside its waste-reduction objectives, the Group has undertaken to recover 100% of the waste generated. Accordingly, the Group's waste policy prohibits the practice of landfilling waste unless it has been demonstrated that there are no technically and environmentally-viable treatment channels.

In that case, landfilling waste is only a transitional solution pending a waste recovery channel.

OPERATIONAL MONITORING

The Group's waste performance ratio has shown a 1% improvement since 2023. Michelin uses this indicator to measure the amount of waste generated each year. In absolute terms, this amount decreased by 10% compared to 2023, to reach 278k tonnes in 2024.

In 2024, 87% of the waste generated was recycled, 69% as material and the remaining 18% as energy. As discussed above, the Group prioritizes material recovery over other waste processing options.

Lastly, 9% of the waste generated in 2024 was classified as hazardous under the legislation of the countries where the Group operates. This waste is processed in line with the local legislation on hazardous waste management.

	2022	2023	2024
Waste performance ratio	33.1	31.2	**30.9**
Total waste generated in k tonnes	333	309	**279**
kT recovered	304	269	**242**
kT recovered as material	225	201	**193**
Total kT hazardous waste	30	29	**25**

87%

waste generated recycled

b. Resource use

Risk prevention and mitigation measures

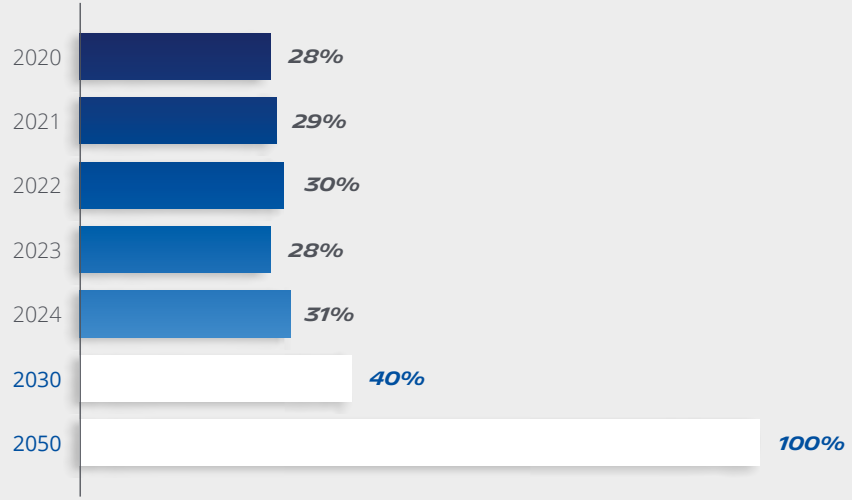
The Michelin Group aims to achieve 100% renewable or recycled materials by 2050, and is committed to achieving an average of 40% by 2030. To tackle this major challenge, the Group is focusing on contributing to the development of recycling programs and/or biosourced materials, and is launching large-scale projects to achieve those goals.

The BioButterfly project, launched in 2015 in partnership with AXENS and IFPEN, is developing a bio-butadiene production process using ethanol derived from biomass. The aim is to produce innovative, more environmentally-friendly synthetic rubbers. An industrial demonstrator was commissioned in early 2023 and has produced several tonnes of butadiene. In 2024, the demonstrator was used to optimize the process.

In 2022, Michelin unveiled new tires designed within the framework of this project and containing respectively 45% sustainable or recycled materials for the car tires and 58% for the bus tires. These percentages represent the real, certified physical percentages and do not rely on mass balance certificates. They are, respectively, 100% and 50% increases compared to the content of current tires. The new tires are approved for driving on the open road and deliver the same environmental impact and premium performances as the current benchmark MICHELIN tires. The renewable or recycled materials used to make these new tires may come into widespread use in certain tires that MICHELIN will launch in 2025.

OPERATIONAL MONITORING

AVERAGE PERCENTAGE OF RENEWABLE MATERIAL IN MICHELIN TIRES



+3 POINTS

TMRR 2024

In 2024, the average percentage of renewable and recycled materials (TMRR) reached 31% (+3 points compared to 2023). The mix effect contributed +2 points to this effect (increase in the weight of natural rubber after the significant decrease in 2023), and the performance effect contributed +1 point (increase in the volumes of renewable or recycled materials other than natural rubber). This trend is in line with the Group's commitment to achieving 40% renewable and recycled materials in 2030.

3.6. WATER CONSUMPTION

(See details in the 2024 Sustainability Report, Section 4.4)

DESCRIPTION OF THE RISK	CORRESPONDENCE WITH THE CSRD
Climate change and human water consumption disrupt the water cycle and can contribute to the depletion of local water resources (e.g. Aquifer depletion).	E3 – WATER & MARINE RESOURCES
	IRO title: Water consumption
	Upstream value chain Corporate operations
	Medium term
	Negative impact

While the tire industry is not a highly water-intensive industry compared to other sectors such as the chemical and food industries, water has still historically been a particularly important concern. Michelin is keenly aware of the rarity of this vital resource and has an ambitious water strategy. Manufacturing facilities mainly use water as a heat transfer fluid, for example to cure tires or cool production processes. The Group is particularly attentive to water consumption at its manufacturing and office facilities and its rubber plantations (which use very little water).

Risk prevention and mitigation measures

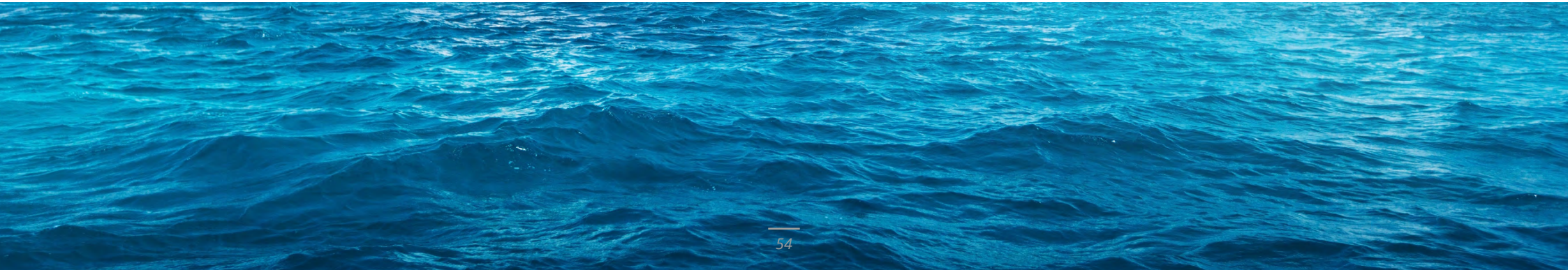
The Group's Environmental Policy, which applies to all of its facilities, is based on the **mitigation hierarchy:** "Avoid, Reduce, Reuse, Recycle, and Renew" (from highest to lowest priority). The main ways that the Water Program reduces water intake are:

- Reducing and eliminating water leaks;
- Reducing steam consumption;
- Reducing evaporation;
- Using low-water systems;
- Measuring and controlling water consumption points;
- Raising awareness of water-related issues.

The Water Program is responsible for **managing operational water use.** It defines and implements the actions required to reduce the Group's impact on water resources with the support of a multidisciplinary team of experts. The program prohibits the use of non-renewable groundwater supplies at all new facilities.

2050 GOAL

As laid out in the Group's Environmental Policy, Michelin's 2050 goal for water consumption is to no longer have any impact on water availability for local communities.



2030 GOAL

The Group's 2030 goal is to reduce the **water withdrawal ratio** weighted with the water stress coefficient for each facility by 33% compared to 2019.

The internal water stress coefficient for each Group manufacturing facility was determined using the WRI's Aqueduc Baseline Water Stress tool, the WWF Water Risk Filter, and a local risk assessment tool. The Group categorized each facility as having a low, moderate, or high level of water stress.

The performance indicator (water withdrawal ratio weighted with the water stress coefficient for each facility) has changed as follows: 3.37 in 2019, 3.15 in 2022, 2.9 in 2023, 2.85 in 2024. Indicator: water stress coefficient * m^3 per tonne of semi-finished and finished products.

In order to reach its 2030 goal, the Group aims to change mindsets and is tracking water waste. To do that, it is using the Water Program levers described above, as well as optimizing water recycling and/or reuse. For each of its facilities, Michelin also plans to use less fresh water and more recycled water for heating and cooling.

For example, a new treatment unit (active charcoal drum filter) was installed on the Montceau-les-Mines facility in France in 2024. The new filter will make it possible to treat wastewater for reuse in boilers, saving 70,000 cubic meters of water per year, about 43% of the factory's total withdrawals.

Facilities located in high water stress areas are priority targets for the Water Program and the Roadmap, based on two mechanisms:

- Water withdrawals are weighted with the water stress coefficient in the performance management indicator.
- An internal price is applied to water and multiplied by the project facility's water stress coefficient.

Michelin also encourages its stakeholders (universities, research institutions, and NGOs) to work with other water basin users on sustainable water management.

OPERATIONAL MONITORING

Despite the drop in production volumes, which negatively affects the indicator, the ratio of stress*m^3 per product of semi-finished and finished products decreased by 3.3% in 2024 compared to 2023, on track to achieve the 2030 goal.
The decrease in gross water withdrawals was significant (-7.3%). Half of the drop was due to a production decrease and half to the progress on projects, the roll-out of best practices, and an increase in facility managers' water-management skills.

The Group has been reporting water consumption (withdrawals-output) to comply with the CSRD since 2024. The Group's 2024 consumption was estimated at 7 million cubic meters.

	Water consumption	2024
(1)	Total water consumption (E3-4-28a)	7,036,605 m^3
	Quantity of water withdrawn	22,468,460 m^3
	Quantity of water discharged	15,431,855 m^3
(2)	Water consumption in areas of high water stress (E3-4-28b)	419,666 m^3
(3)	Water intensity based on turnover (E3-4-29)	259 m^3/M€

3.7. RISK OF HARM TO BIODIVERSITY

(See details in the 2024 Sustainability Report, Section 4.5)

DESCRIPTION OF THE RISK	CORRESPONDENCE WITH THE CSRD
The Group's natural rubber purchases represent 7% of global demand. However, converting land into rubber plantations can potentially cause deforestation. The production of natural rubber as a monoculture and the production of other biosourced raw materials can also damage habitats and contribute to biodiversity loss. Finally, nitrogen-based fertilizers, which are sometimes used in rubber cultivation, are one of the main culprits behind ecosystem imbalance (eutrophication). At our manufacturing and office facilities, water consumption and wastewater discharge can worsen soil degradation and negatively affect the biosphere.	E4 – BIODIVERSITY AND ECOSYSTEMS **IRO title:** • Deforestation (actual and potential) due to the development of rubber plantations, the production of biosourced materials, and the extraction of other materials • Contribution to the degradation of land and habitat quality, soil erosion, and biodiversity loss. • Contribution to eutrophication caused by the use of fertilizers on rubber plantations Upstream value chain Corporate operations Medium term Negative impact

Most of the Group's natural rubber supply is provided by village smallholders located in the tropical regions of Asia (Thailand, Indonesia, and Sri Lanka), West Africa (Côte d'Ivoire, Ghana, Nigeria and Liberia), and South America (Brazil).

Michelin also directly operates a rubber plantation in Indonesia through its subsidiary Royal Lestari Utama (RLU) and owns a nature reserve and a plantation dedicated to research and development in Brazil.

Dependency and Impacts

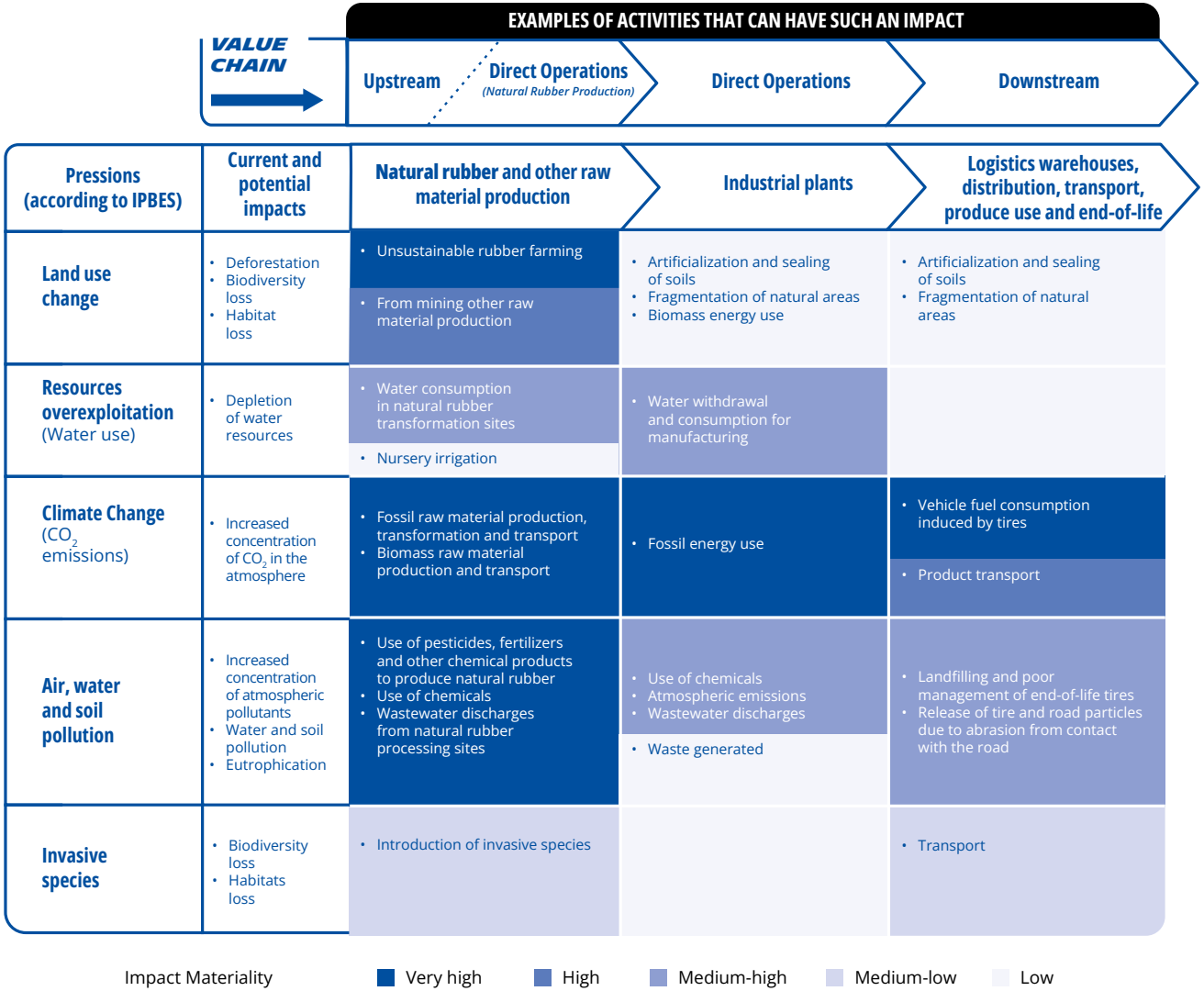
Dependency

Out of the 200 different materials used in tires, natural rubber alone accounts for about 21% of the raw materials consumed by the Group and cannot currently be replaced on an industrial scale. That means Michelin is highly dependent on this natural raw material to manufacture its products. As a result, its business depends on robust biodiversity and ecosystems.

Potential impacts

The diagram below shows the current and potential impacts of Michelin's activity on biodiversity, according to internal studies based on the Life Cycle Analysis of raw materials and the first two steps of the Sciences-Based Targets for Nature (SBTN) method[34].

Outside of natural rubber plantations, the impact of Group facilities is mainly linked to water withdrawals and CO_2 emissions from energy consumption[35].



Source: Internal analyses and SBTN Steps 1&2 tests results.

[34] *Steps 1 "Assess" and 2 "Interpret and prioritize."*
[35] *cf. chapters 3.1 to 3.3 on climate change and chapter 3.6 on water consumption.*

Risk prevention and mitigation measures

Keenly aware of its dependence on nature and the need to preserve natural resources and restore biodiversity to make its business sustainable, the Michelin group aims to align its goals and actions with the Kunming-Montreal Agreement's Global Biodiversity Framework[36].

During the Early Adopters campaign launched at the World Economic Forum in Davos in January 2024, the Group committed to adopting the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD) in 2026 for its non-financial reporting on the 2025 financial year.

GOVERNANCE

A multidisciplinary Biodiversity Domain Committee was set up in late 2018. Chaired by the Sustainable Development and Impact Department, it brings together experts from the Research and Development Direction, the Group Purchasing Direction, and the agronomics team responsible for natural rubber production on the Group's plantations. As part of the Group's Environmental Governance, it is responsible for developing its Biodiversity strategy, policies, goals, and commitments, and defines and coordinates the associated roadmaps, targets, and indicators.

[36] *2022 agreement drafted during the United Nations Convention for Biodiversity in Montreal, which defines objectives for 2030 to 2050.*

OPERATIONAL MONITORING:
MICHELIN'S 2030 BIODIVERSITY COMMITMENTS:
FULL-YEAR 2024 RESULTS

	2024	2025	2030
RESEARCH & DEVELOPMENT			
Life Cycle Analysis incl. biodiversity criteria from best methods	**100%** of new products	services: **Pilot**	**100%** of new ranges marketed
RAW MATERIALS			
Natural rubber used by the Group assessed "deforestation-free" [1] Direct operations and suppliers	**98%** [2]	-	**100%** [3] of the volume used
Reducing pesticide use in rubber cultivation [4] Direct operations and joint ventures	**-52%**	**-50%**	**-70%** vs. 2019
Evaluation of raw material supplier policies & practices [5]	Approach defined	**Pilot**	**80%** of suppliers
MANUFACTURING AND RESEARCH FACILITIES			
Biodiversity plan adapted to local issues	**44 sites**	**56 sites**	**100%** of sites
No phytosanitary products to maintain outdoor spaces	**45 sites**	**56 sites**	**100%** of sites

act4nature international

[1] *Criteria according to the EUDR European Union Deforestation-free Regulation or other evidence of deforestation absence*
[2] *Excluding some polymer composite solutions activities*
[3] *Excluding changes in the Group's scope*
[4] *Per hectare ; base year 2019*
[5] *Other than natural rubber; impacts identified through Life Cycle Analyses (LCA)*

Research and Development facilities

2030 GOAL:
100% of the new tire product and service ranges marketed by Michelin will have undergone a Life Cycle Assessment (LCA) using biodiversity criteria from the most mature methods.

By the end of 2023, LCAs had been completed for 100% of new Car, Light Truck, Truck, and Specialty tire projects
In 2025, a Life Cycle Analysis pilot project will be carried out to determine the environmental impact of services.

Raw materials: Commitments on the Natural Rubber value chain

2030 GOAL:
100% of the volume of natural rubber used by the Group will be assessed as "deforestation-free"[37].

In 2016, Michelin added its "Zero Deforestation" policy to its Responsible Natural Rubber Policy.

Since 2017, as part of its duty of care approach and in partnership with its suppliers, Michelin has been mapping the social and environmental risks of its natural rubber supply chain, including the risk of deforestation, with the *RubberWay*® application. The data collected in the application is used to create a map showing high-risk areas at the "administrative division" level. The application has been rolled out in all countries where Michelin sources rubber.

Since 2023, Michelin has been working with its natural rubber network and its suppliers to geolocate its entire supply chain at the rubber farm level, in line with the EUDR (European Union Deforestation-free Regulation). At the end of December 2024, 98% of its natural rubber purchase volumes had been geolocated at the farm plot level. The plantations are then analyzed using the Global Forest Watch Pro (GFW Pro) satellite monitoring system to confirm their compliance with the regulatory requirements on plot geolocation.

The results are shared with Michelin's direct suppliers and can be used to roll out collaborative risk-mitigation projects.

Use of pesticides and fertilizers

2030 GOAL:
Reduce pesticide use per hectare by 70% on its plantations and those of its joint-ventures[38] compared to 2019.

Rubber cultivation does not require intensive pesticide use. However, pesticides may be required during certain phases of the production cycle for uses such as treating certain plant diseases.

In its operations, the Group prohibits the use of pesticides banned by the Stockholm and Rotterdam conventions or by the Montreal Protocol, including in countries that have not yet adopted these conventions/protocols. It also prohibits the use of WHO Class Ia and Ib products and paraquat (herbicide), including in countries that have not yet banned these products, and is careful to ensure that the risk of water pollution with natural or artificial chemical products is controlled.

In 2024, that commitment enabled a 52% reduction in pesticide use compared to 2019.

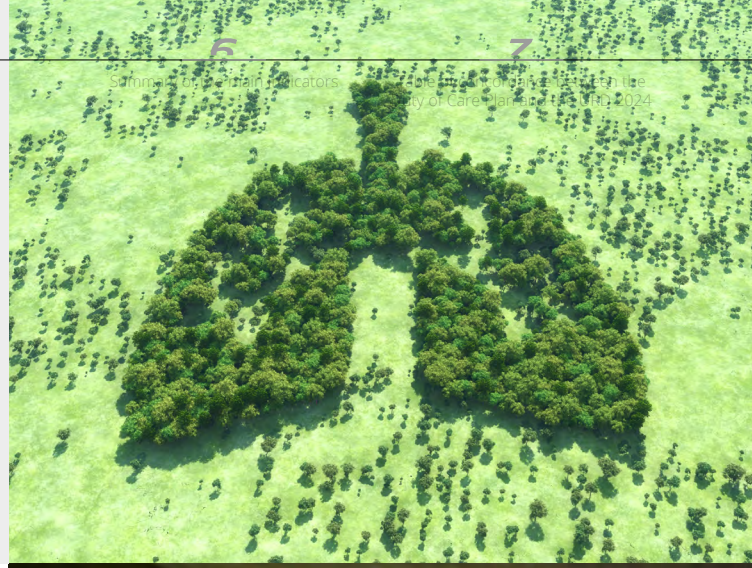
Rubber trees do not require rich soil and tend to be well-suited to soil that has already been depleted by other crops. Michelin works with other players in the industry through the Institut Français du caoutchouc to promote reduced use of fertilizers based on scientific arguments.

[37] According to the definitions and requirements of the EUDR (European Union Deforestation-free Regulation) or other types of evidence such as geolocation of plots, assessment of the absence of deforestation, and compliance with local regulations.
[38] Bahia, Brazil and PT. Royal Lestari Utama, Indonesia. Joint-Venture: SIPH, West Africa, in which Michelin holds a minority stake.

Production facilities

2030 GOAL:
All production and research facilities comply with the ban on phytosanitary products in outdoor space maintenance and have rolled out biodiversity management plans tailored to local issues.

At the end of 2024, 45 facilities were maintaining their outdoor spaces without phytosanitary products and 44 had implemented biodiversity management plans aligned with local issues..



Other actions to support Biodiversity

2030 GOAL:
100% of industrial and research facilities have a biodiversity management plan.

The impact of Group facilities on their ecosystems was not identified as material by the double materiality matrix. However, since 2013, the Group has taken into account the level of sensitivity of the locations of its manufacturing and research facilities by completing an inventory of protected zones with international, national, or local status in the surrounding area. These inventories are carried out every five years.

EXAMPLE: CONSERVATION AND RESTORATION OF SENSITIVE AREAS IN TERMS OF BIODIVERSITY IN BRAZIL

The Michelin Environmental Reserve, created in 2004, spans some 3,950 hectares in the Bahia biotope, in the heart of the Atlantic forest. This biotope, which is both one of the richest and one of the most severely threatened worldwide, is a key ecosystem for biodiversity.

An action plan was created and implemented to protect the zone from deforestation and reduce pressure from hunting by over 85%. It led to a significant increase in wildlife abundance, close to 117% in 20 years, including species listed as critically endangered by the International Union for Conservation of Nature (IUCN). More than 110,000 trees representing roughly 340 species were planted as part of the restoration of 300 hectares of degraded land. These efforts have enabled a survival rate of close to 70% while recreating environmental corridors connecting fragmented forests, building resilience and connectivity in the ecosystem.

4 RISKS LINKED TO SUPPLIERS' CSR PRACTICES

4. RISKS LINKED TO SUPPLIERS' CSR PRACTICES

The diversity of Michelin's subcontracting chain and its 35,000 suppliers make the question of responsible procurement a major issue for the Group. While its general procedures limit the risks with all suppliers and subcontractors, Michelin prioritizes its actions according to the risks associated with the country of operation and industry. Purchases of raw materials and in particular natural rubber are handled with great vigilance and a particularly thorough holistic approach.

The Michelin sustainable Purchasing policy aims, among other things, to reduce the impact of the following risks:

- Human rights violations at our suppliers' facilities
- Impact of our suppliers on climate change
- Impact of our raw materials on the environment
- Non-compliance with the Code of Conduct for Supplier Relations

Stakeholder dialogue

TYPES OF STAKEHOLDERS	EXAMPLES OF STAKEHOLDERS	EXAMPLES OF TOPICS BROACHED
CORPORATE ASSOCIATIONS	*EDH (Entreprises pour les Droits Humains)*	Human rights
BUSINESS COALITION	PACT / WBCSD	CO_2
NGO	WWF	Biodiversity
MULTI-STAKEHOLDER ORGANIZATION (rubber producers, tire and vehicle manufacturers, NGOs)	GPSNR (Global Platform for Sustainable Rubber)	Natural rubber
RESEARCH ORGANIZATION	*CIRAD* (French agricultural research and cooperation organization for development)	Natural rubber
NETWORK OF RESEARCH ORGANIZATIONS	IRRDB (International Rubber Research and Development Board)	Natural rubber

GOVERNANCE

The primary conduit for expressing Michelin's social responsibility commitments to suppliers is the Purchasing Department. Its mission is to guarantee the availability of the products and services the Group needs by selecting suppliers that meet our technical and cost requirements, as well as our expectations with regard to social and environmental responsibility.

It is structured around four procurement categories: raw materials, natural rubber, industrial goods and services. At around €17 billion in 2024, purchases represent nearly 60% of the Group's consolidated sales for the year. Michelin has around 35,000 suppliers located on every continent. The Purchasing Department has some 750 employees based across the geographical regions in which the Group operates.

To support supplier compliance with environmental and human rights standards, the Chief Procurement Officer sits on the Environmental and Human Rights governance bodies and the Ethics Committee. A Sustainable Development manager reports directly to him. She is a member of the Group's operational committees on the circular economy, climate change, biodiversity, human rights, and ethics. The responsible purchasing process is coordinated at the corporate level and managed in each purchasing category and each Region, with the support of a global Responsible Purchasing network.

The Group's assertive commitment to responsible procurement is reflected in the performance improvement initiatives led year after year, the suite of dedicated indicators tracked by the Purchasing Direction team, and the purchasing teams' ongoing training on CSR issues. Recently acquired companies are integrated into the Group's purchasing processes gradually, following their own timetable.

After signing the "Responsible Supplier Relationships" charter in October 2012, Michelin received the French State's label of the same name in June 2014. In 2022, Michelin received the **Responsible Supplier Relationships and Procurement Label**. This label distinguishes companies that have a proven track record of sustainable and balanced relationships with their suppliers. **The label was maintained in 2024.**

In 2019 and again in 2022, Michelin's purchasing practices were certified as mature with regard to the **new international ISO 20400 "Sustainable Procurement" standard**. Issued by an approved third-party organization, the certificate attests to the compelling effectiveness of the Group's responsible procurement practices.

Lastly, on the strength of its CSR assessment by the EcoVadis company, in August 2024 Michelin obtained a score of 90/100 for the "Sustainable Procurement" aspect, placing the Group in the top 1% of suppliers assessed in the Manufacture of rubber tires and tubes, retreading and rebuilding of rubber tires industry.

This recognition of the Group's sustainable procurement practices honored the efforts of the Group's Purchasing teams and their internal partners.

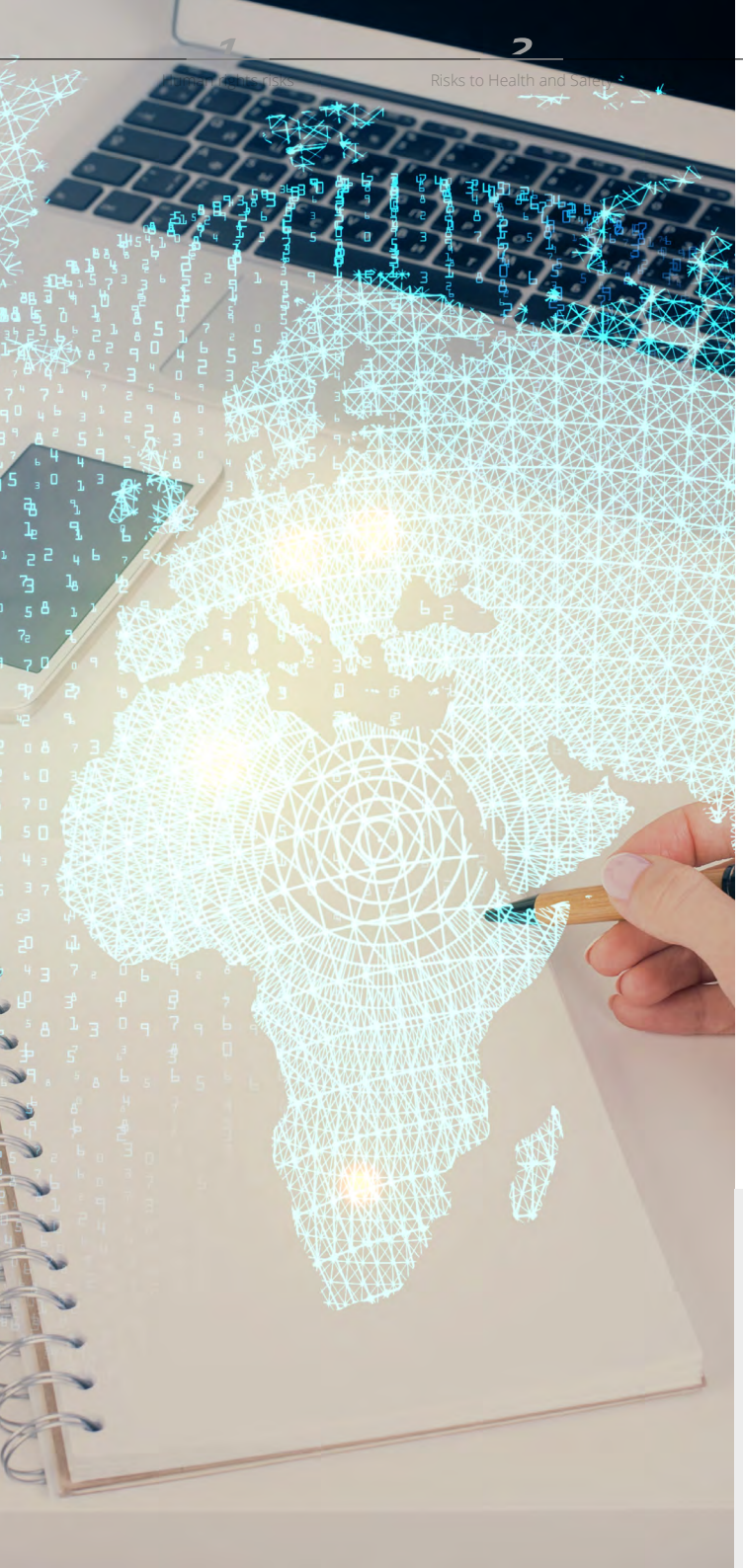
A clear policy

In April 2021, Michelin published its Responsible and Sustainable Purchasing Policy, which was updated in 2024. . This document sets out the Group's guidelines and commitments in relation to responsible purchasing, covering the issues relating to the environment, human rights, and ethics. The document is accessible online at:
Michelin Sustainable Purchasing Policy 2024-07 (EN) - Purchasing Documents.

Risk prevention and mitigation measures

Implementation of this policy is monitored using a range of purchasing-related indicators.

INDICATORS		2022	2023	2024
% of employees in purchasing who have been trained on ethics (supplier relationships code of conduct)		84%	93%	**94%**
Number of suppliers assessed on their CSR maturity		1,121	1,221	**1,323**
% of assessed suppliers with an overall score at the compliance level		87%	89%	**91%**
% of assessed suppliers with a social and human rights score at the compliance level		89%	91%	**93%**
% of natural rubber used by the Group assessed as deforestation-free		/	9%	**98%**
Roll-out of *RubberWay®* : % of the volume of natural rubber with roll-out:	To direct suppliers	80%	83%	**93%**
	To a representative sample of village smallholders	58%	69%	**80%**
Number of small-scale rubber planters trained through local remediation programs (e.g. Cascade, River, Mahakam, etc.).		780	2,615	**9,204**
Number of village smallholders whose working conditions and/or means of existence have improved as a result of these projects		467	1,855	**6,783**
Emissions linked to raw material production ($MtCO_2eq$)		8.3	7.7	**7.2**
Change vs. 2019		-6%	-13%	**-18%**
Percentage of emissions linked to raw material production, calculated on the basis of LCA or PCF data provided by suppliers		0%	22%	**55%**



4.1. IDENTIFYING CSR RISKS

(See detailed presentation in the URD 4.1.1.3.b)

In addition to the Group's risk map, the Purchasing Department has produced a map of its risks with regard to Corporate Social Responsibility (CSR) issues. This risk map, which was first produced in late 2017, is regularly updated. It was completely overhauled in 2020, then updated in 2022. A further update is planned for 2025/2026.

The map is used to prioritize the scheduling of CSR performance reviews and the deployment of appropriate preventive measures, based on the nature and context of each purchasing category.

Risk-mapping methodology

Identifying at-risk purchasing categories:

The map ranked purchasing categories according to their CSR risks in four areas: the environment, human rights, health and safety, and business ethics. Aggravating factors such as supply chain complexity were also taken into account.

For each category, the four areas were rated from 1 (low risk/impact) to 5 (high risk/impact), based firstly on desktop reviews of public reports and analyses; then internal discussions with category managers and sustainability experts; and finally, the consultation of a human rights NGO. Each purchasing category was given an overall score, reflecting the scores in each area and the impact of any aggravating factors. A matrix was then prepared by positioning each category according to its risk/impact score (horizontal axis) and the amount purchased (vertical axis).

For each category that has a moderate or higher impact, a summary data sheet was prepared showing the percentage of expenditure covered by CSR assessments, the other risk-prevention measures in place, and any recommended additional measures. These documents are shared among the Purchasing Department teams.

Identifying at-risk sourcing countries:

Several databases, such as the Verisk Maplecroft database, allow Michelin to identify the sourcing countries with high environmental and human rights risks.

RESULTS OF THE RISK-MAPPING EXERCISE

Examples of at-risk purchasing categories from a CSR viewpoint (regardless of amounts purchased)		**Main at risk sourcing countries from a CSR viewpoint** (raw materials 2024 data)
Raw material procurement	**Other procurement**	
• Natural rubber • Raw materials containing conflict minerals, even in minimal quantities • Synthetic rubber, monomers, reinforcing fillers, chemicals, oils, metal and textile reinforcements	• Construction • Logistics • Industrial services (maintenance, security, etc.) • And also (non exhaustive list): Promotional items, work uniforms, temporary staff, etc.	China, Thailand, Indonesia, Côte d'Ivoire, Vietnam, Brazil Around 35% of the raw materials used by the Group (else than natural rubber) are produced in at-risk countries

Of all the Group's raw materials, the one that warrants the most attention to its environmental and social impact is natural rubber. This is because, generally speaking, natural rubber is 90% sourced from Asia and 85% from smallholders, usually from farms of less than four hectares; the supply chain is complex and fragmented. As a result, a dedicated approach has been devised for natural rubber.

Other raw materials—synthetic rubber and monomers, reinforcing fillers (such as carbon black), metal and textile reinforcements, chemicals, etc.—are sourced primarily from chemical companies and steelmakers, with the environmental and health & safety risks proper to these industries. Note that certain raw materials contain conflict mineral derivatives and are therefore more particularly exposed to human rights risks. In response, such minerals are tracked with a dedicated process, even though their tonnages are small.

In 2023, a focused analysis was done on silica purchasing. This analysis, which was carried out with the assistance of the main suppliers, explored sourcing beyond tier 1, particularly the risks related to sand extraction.

4.2. GENERAL PREVENTION AND MITIGATION MEASURES FOR SUPPLIER-RELATED CSR RISKS

(See details in the 2024 Sustainability Report, Section 4.9.2)

a. Michelin Purchasing Principles

The Michelin sustainable Purchasing policy is based on three fundamental reference documents issued by the Michelin Purchasing Department, namely:

• the Michelin Purchasing Principles: the document sets out the Group's requirements and expectations towards its suppliers about the environment, social and human rights and ethics. It is published in 16 languages, is part of the Group's purchasing contracts, and is included in the General Terms and Conditions of Purchase;

• the Supplier Relations Code of Conduct is intended for all Group employees involved in supplier relations. It is included in the Michelin Code of Ethics;

• the Responsible Natural Rubber Policy (see section 4.6).

b. Training Purchasing teams on CSR issues

Considerable resources have been deployed to enhance the professionalism of the Purchasing teams and to make purchasing processes more efficient. A series of **17 modules in a dedicated online program on Responsible Purchasing** ensure that high-quality training is available to Group teams at all times. The modules are updated regularly to reflect changes such as modifications to the regulatory context or the responsible purchasing policy.

c. Evaluating suppliers

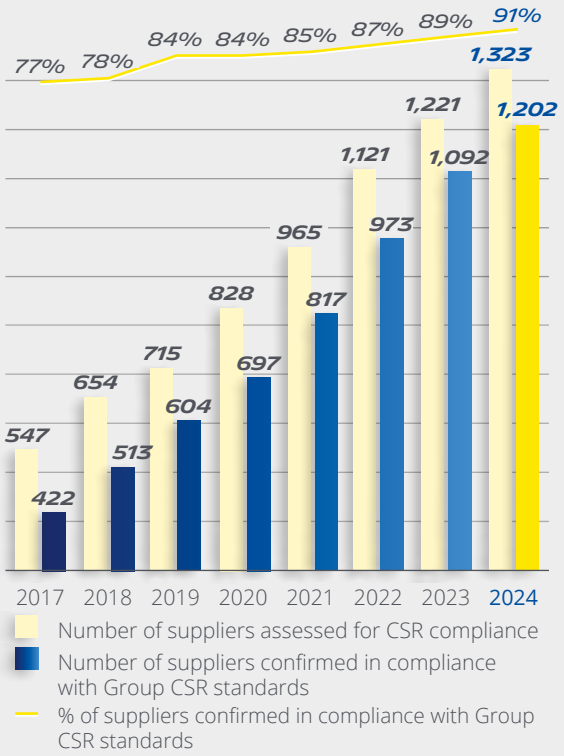
Since 2012, Michelin has established a system for evaluating its suppliers on CSR criteria. These evaluations take different forms depending on their stakes.

OPERATIONAL MONITORING

Overall, about 70% of Group purchases (by price) are covered by third-party CSR assessments, including more specifically:

BY PURCHASING CATEGORIES
+95% of natural rubber procurement
+90% of other raw material procurement

SUPPLIER CSR ASSESSMENTS



Desktop reviews

Michelin has engaged a third party, the EcoVadis CSR rating agency, to conduct its CSR desktop reviews. These audits measure the performance of Michelin's main suppliers against 21 CSR indicators classified under four themes: Environment & Climate, Labor & Human Rights, Ethics, and Sustainable Procurement.

In 2024, 1,323 suppliers out of a panel of 1,460 target suppliers had a valid CSR assessment, which corresponds to a response rate of over 90%. Based on their overall score, 91% of respondents, i.e. 1,202 suppliers, attained the "compliant" level of the Group's standards.

In 2021 and 2022, **CAMSO and then MULTISTRADA** began to perform CSR assessments of their most at-risk suppliers. In 2023, the assessments were extended to suppliers specific to the **FENNER** companies.
At the same time, the scope of the desktop reviews is extended each year, focusing mainly on the most at-risk categories identified during the mapping phase.

Suppliers who fail to attain the target figure for their overall score, but also for certain thematic scores, must introduce a plan to improve their CSR performance, which is monitored by the Purchasing teams. To ensure optimal monitoring of the implementation of corrective actions, an indicator is used to track the percentage of covered suppliers that have effectively implemented corrective actions. Results repeatedly deemed to be very poor, or a lack of commitment to sustainable development issues, may lead the Purchasing Department to revise or even terminate its contractual relationship with the supplier. Such a decision is always made by consensus, after discussing all of the potential consequences.

Improvement:
Along with the remedial action taken, the careful attention paid to the assessments by both our purchasing teams and our suppliers is helping to drive progress.

At end-2024, of the 1,177 suppliers with a track record of assessment, 63% had made progress and 15% had maintained the same score. Finally, of the suppliers whose score was below the "compliant" level[39] on their last assessment, over 60% have since attained the level required by Michelin.

Self-assessment questionnaire

A fast and simple CSR self-assessment questionnaire has been developed and issued to operational staff in the purchasing function, who may ask suppliers to complete it whenever they deem it necessary, either during the tender phase or while the contract is in effect. The questions measure the maturity of a supplier's CSR practices, which can be used as a selection criterion if warranted. The questionnaire is used only for suppliers whose CSR performance is not assessed by desktop reviews.

[39] The "Compliant" level corresponds to an overall Ecovadis score of ≥ 45.

ESQF on-site audits

To check supplier compliance with Michelin's Quality standards and Purchasing Principles, a supplier quality-system audit procedure (ESQF) has been introduced. This is an on-site audit. Alongside quality issues, it also appraises the application of the health, safety, environmental and human rights standards stipulated in or derived from the Michelin Purchasing Principles.

On completion of an ESQF assessment, Michelin auditors award a specific score for compliance with the Purchasing Principles. If the score is below 80%, the supplier is asked to implement the corrective actions identified during the audit and to improve its overall performance with a progress program. Its initial score will then be reassessed based on the actions it takes.

NB: A specific approach is used to assess and map natural rubber suppliers' CSR risks (see section 4.6).

d. Taking CSR issues into account in purchasing processes

The purchasing strategy takes CSR issues into consideration, in particular for the highest-risk categories. This can lead the purchasing function to make grouped purchases from certain specific approved suppliers.

The Group encourages and develops consideration of CSR criteria that can be applied to bidding companies during calls to tender, as well as the CSR performance of their offers. These criteria are based on 3 key themes: climate change and CO_2 emissions; the circular economy and natural resources; ethics and people. A guide and an e-learning module were developed in 2021 to help purchasing teams with this approach.

e. Training for suppliers

A specific training module for suppliers covers the basics of CSR and desktop reviews. This module joins the training modules available for our suppliers on the *EcoVadis Academy* platform and the one produced by the Carbon Disclosure Project (CDP). About 30% of suppliers in the CSR assessment program have completed at least one EcoVadis Academy module.

f. Measures specific to certain purchasing categories that present a CSR risk

In addition to the dedicated raw materials and natural rubber procedures described below, certain measures have been specifically defined for a number of purchasing categories deemed at risk for CSR issues. Some examples follow:

- Purchases of promotional items: restricting procurement to a limited number of suppliers that have been approved by the Purchasing Direction, including as regards CSR issues, purchasing more environmentally friendly items,
- Purchases of construction services: adding specific clauses to the Purchasing Principles in construction procurement contracts, keeping incident registers, conducting on-site inspections, deploying prevention plans during on-site service execution (addressing health, safety and environmental issues), etc.
- Purchases of energy: increasing the share of electricity from renewable sources and requiring bids on power supply tenders to include renewable energy alternatives
- Purchases of logistics services: supporting the Group's commitment to reducing emissions in this area by, for example, requiring tender bids to include green alternatives, using a dedicated application (EcoTransIt) that more accurately measures the greenhouse gas impact of transport purchases, organizing a transport supplier convention, etc.

Specific approach for chemicals

The EU Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) regulation is aimed at more effectively protecting human health and the environment from the risks associated with chemicals. Companies subject to the regulation must show the European Chemicals Agency (ECHA) how the substance can be used safely, and inform users of the appropriate risk-management measures.
Michelin fulfills its registration obligations as a manufacturer or importer of a chemical or an article and checks that its suppliers have registered the substances and articles that the Group uses, as required.

4.3. IMPACT OF OUR SUPPLIERS ON CLIMATE CHANGE

(See 3.3.b)

4.4. IMPACT OF OUR RAW MATERIALS ON THE ENVIRONMENT

(See 3.5)

4.5. HUMAN RIGHTS VIOLATIONS BY OUR SUPPLIERS

(See 1.1)

4.6. SPECIFIC RISKS OF NATURAL RUBBER

(See details in the 2024 Sustainability Report, Section 4.9)

As one of the world's leading purchasers of natural rubber, a critical raw material in tire manufacturing, Michelin is especially attentive to its rubber supply chain.
Out of thirty million people worldwide million of the thirty million people worldwide who make their living by growing rubber are village smallholders. These smallholders produce 85% of global production volumes on small farms, generally less than four hectares.

DESCRIPTION OF THE RISK	CORRESPONDENCE WITH THE CSRD
While rubber trees may help to curb climate change by absorbing CO_2, commercial plantations nevertheless pose specific environmental and social risks. The predominance of village smallholders in the industry, which in some countries can include a complex network of intermediaries between the planter and the processing facility, makes it difficult to visualize and manage risks in the supply chain. On the ground, several years of comparatively low prices, coupled with weak productivity in some countries, have adversely impacted the working conditions and livelihoods of certain village smallholders. From an environmental perspective, there is a clearly identified risk of forests being stripped to plant rubber trees, with devastating effects on biodiversity. Lastly, other identified risks include conflicts over land ownership and possible land seizures, as well as the use of toxic pesticides.	**S2 – WORKERS IN THE VALUE CHAIN** **IRO title:** • Violations of workers' rights in the value chain, including child labor, forced labor, and illegal labor Upstream value chain Short/ Medium term Negative impact

Sustainable natural rubber policy

Michelin was the first tire manufacturer to publish a commitment to responsible and sustainable natural rubber production and procurement. Alongside the Natural Rubber Procurement Policy published in 2015, the Group formalized its public commitments in a Sustainable Natural Rubber Policy published in 2016, which was updated in 2021 and approved by the Global Platform for Sustainable Natural Rubber (GPSNR, see below). The policy was drafted with input from the Group's stakeholders, particularly environmental and human rights NGOs.

The policy, which can be downloaded from the Michelin purchasing website, spells out the conditions for farming natural rubber, both in terms of the environment (zero deforestation, protection and preservation of peatlands, High Conservation Value areas and High Carbon Stock areas) and in terms of social responsibility and human rights (working conditions, free, prior and informed consent of local communities, etc.). Michelin expects every stakeholder across the supply chain to adopt responsible social, environmental and governance practices, so as to keep rubber cultivation on a virtuous course.

The policy is underpinned by five pillars:

- **Respect all stakeholders in the natural rubber production chain**, by promoting conflict resolution related to land ownership and improving working conditions and living environments;
- **Make rubber cultivation environmentally friendly**, by combating deforestation and controlling the potential impact of rubber cultivation on flora and fauna;
- **Take action to improve farming practices** by helping to instill more efficient practices across the natural rubber production chain, especially among village smallholders. By doing so, Michelin intends to help boost agricultural yields.
- **Encourage careful use of natural resources** by increasing the material efficiency of the natural rubber used in tires. Michelin is constantly developing new technical processes that optimize the use of rubber in its products.
- **Make rubber cultivation a progress driver for good governance practices.** Michelin is an upright member of the rubber-growing industry, acting transparently, refusing any form of corruption, and maintaining an ongoing dialogue with its local and international stakeholders.

Since 2016, this policy has been included in all Michelin procurement contracts. Michelin also encourages its suppliers to adopt a policy aligned on the GPSNR's recommendations.

Assessing supply chain stakeholders

CSR practices in the Group's natural rubber supply chain are assessed differently depending on the stakeholder:

- for our direct suppliers, desktop reviews are submitted to EcoVadis and on-site audits are performed;
- for our direct suppliers' production facilities and upstream supply chain, a risk map is produced using the *RubberWay*® application along with a deforestation risk analysis.

EcoVadis desktop reviews

In 2024, the vast majority of our natural rubber suppliers, accounting for more than 98% of our sourced natural rubber purchases, were assessed by desktop reviews. 92% of the total purchases demonstrated "advanced" CSR maturity[40].

On-site audits

A dedicated team performs on-site audits of each facility that supplies natural rubber to the Group. The audits mainly focus on quality aspects, but also cover CSR issues, such as the environment (water treatment, etc.) and employee health and safety. Each manufacturing facility is audited at least once every two years, with a request for a corrective plan if any breaches are observed.

[40] That corresponds to 94% of the purchases assessed.

Supply chain risk assessments

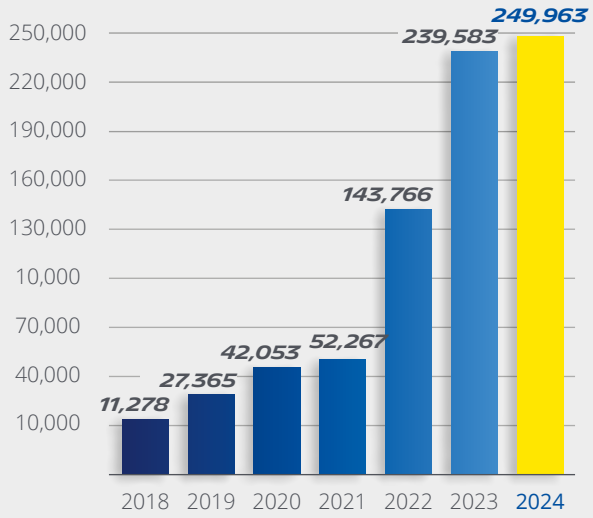
The RubberWay® application

To understand and mitigate the risks in its natural rubber supply chain, in particular those related to deforestation and human rights, Michelin systematically deploys risk-assessment tools and approaches.

The RubberWay® risk-mapping tool developed in 2017 uses a mobile app to map the environmental and social risks in the natural rubber supply chain. The various stakeholders (raw material processing facilities, brokers, large plantations, and village smallholders) fill out a questionnaire about their practices in the following four focus areas: human rights, the environment, agricultural training, and commercial transparency.

These data are then analyzed and summarized on an online platform to create a map highlighting the areas of potential social and environmental risk. The results are shared with Michelin's direct suppliers and can be used to draw up improvement plans or roll out collaborative risk-mitigation projects.

In 2019, a joint venture was formed with Continental AG and the software publisher SMAG to make RubberWay® a stand-alone solution, accessible to all natural rubber stakeholders. In 2024, five tire manufacturers used RubberWay®'s services, encouraging the acceleration of responsible practices in the natural rubber industry.



OPERATIONAL MONITORING OF DEPLOYMENT

By the end of 2024, 122 natural rubber processing plants had replied to the questionnaires and 259,788 questionnaires had been completed, including 249,963 by smallholders.

The application is currently available in Indonesia, Thailand, Malaysia, Vietnam, Côte d'Ivoire, Ghana, Guinea Conakry, Nigeria, Liberia and Brazil.

Michelin asks its suppliers to start by deploying RubberWay® at their production facilities and for their direct suppliers. In 2024, **93% of the natural rubber volumes used were mapped.**

However, the level at which the initiative could prove most useful is that of the planters. Given the very large number of planters (around six million worldwide), Michelin is trying to persuade a sufficient number of them to take part in the RubberWay® mapping process to ensure that it is truly representative of their practices. **The objective of evaluating 80% of the natural rubber volume used by the Group based on a representative sample of planters by 2025 had already been achieved by the end of 2024.**

The progress made on rolling out RubberWay and a roundup of the risk-related results are transparently reported on the Michelin Purchasing website (https://purchasing.michelin.com/en/responsible-resilient-natural-rubber/).

The following is an overview of the results, with an analysis by jurisdiction in 9 countries.

By the end of 2024, village smallholders had been mapped across 154 jurisdictions (geographical and administrative units) with at least 50 respondents each. The map below, based on data from December 31, 2024, represents each jurisdiction in the form of a square. In each country, a jurisdiction is an administrative division generally corresponding to a 100 km x 100 km square

A closer look at several risks identified in RubberWay® and the actions taken

The actions taken are covered in the following section.

THEME	PRACTICES AND RISKS OBSERVED	ACTIONS TAKEN
AGRICULTURAL TRAINING	In Asia, particularly Indonesia, village smallholders lack regular access to agricultural training. That generates risks for their means of subsistence and their health and safety, as well as poor environmental practices.	The Cascade, Mahakam, and River projects, all based in Asia, were designed to mitigate this risk.
WAGES AND INCOME	In Indonesia, the supply chain is very long and involves a large number of dealers => it is harder for village smallholders to receive their fair share of the price paid by rubber processing facilities.	The Cascade, Mahakam, and River projects in Asia and the project in the Amazon are designed to mitigate this risk by giving farmers the means to join forces and to improve the yield and quality of their products thanks to better agricultural training. In the Amazon, we organize agricultural cooperatives so they can get better prices, and we also include payment for ecosystem services.
HEALTH AND SAFETY	In Asia, particularly Indonesia, village smallholders lack regular access to training. They often have no occupational health and safety training.	The Cascade, Mahakam, and River projects, all based in Asia, were designed to mitigate this risk.
EMPLOYMENT STATUS	West African planters generally employ laborers since their farms are relatively large. In current practice, most laborers do not have formal employment contracts.	Michelin (through the intermediary of its joint-venture SIPH, which operates in West Africa) partners with the national rubber planters' association, the rubber industry, and the relevant State agencies to implement proper contract practices (template, training, education).
GRIEVANCE MECHANISMS	In West Africa and Brazil, formal platforms for laborers to submit complaints are uncommon. Informal processes such as face-to-face meetings are widely used instead.	Michelin (acting through the intermediary of SIPH) is working with the national rubber planters' association, the industry, and the appropriate State agency to train plantation owners on labor management practices, including feedback mechanisms.
LAND OWNERSHIP	In West Africa, land is generally owned under indigenous or community ownership models. Access to official documents remains challenging. Similar trends exist in the Amazon region of Brazil, where indigenous or community-based ownership models are common.	In West Africa, Michelin's joint-venture partner SIPH works with local partners, the national rubber planters' association, and the State agency to help village smallholders obtain more official forms of property ownership whenever possible. More broadly, Michelin's efforts to geolocate the exact location of rubber farms also help farmers better calculate the area of their land, which is the first step in the administrative process.

Overall analysis of the deforestation risks

Michelin also analyzes the specific risk of deforestation in its supply zones (more information in section 3.7 Risk of harm to biodiversity).

Frontline initiatives

The deployment of the RubberWay® application enables Michelin to identify, analyze and rank risks in a manner specific to suppliers or to geographical zones. Michelin involves its suppliers while seeking out opportunities to address the risks identified directly in priority geographical areas.

Many projects have recently been implemented.

• The *CASCADE* project *(Committed Actions for Smallholder CApacity DEvelopment)* in Sumatra, Indonesia, aims to improve the working conditions and standard of living of 1,000 village smallholders and their families, while at the same time improving environmental and social practices. This agricultural training equips farmers to increase their rubber yields and diversify their revenue streams for greater economic resilience. Social and environmental training is at the crux of the project. It includes training in human rights and labor law, and the promotion of environmentally-friendly farming practices, such as reduced use of chemicals, intercropping or agroforestry, and environmental training courses. This is the world's first natural rubber project to encompass the entire supply chain: village smallholders, a natural rubber processor, a tire manufacturer (Michelin) and an automaker. In 2024, the *CASCADE* project was expanded to involve 5,500 additional smallholders. The existing training modules were supplemented by the addition of more in-depth trainings on social and environmental issues. The *CASCADE* project will have an impact on a total of 6,500 smallholders and their families by 2027.

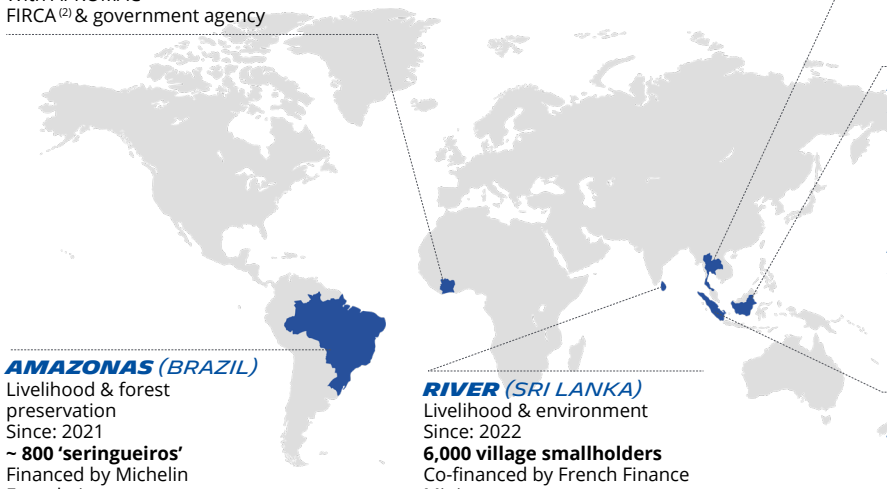
MICHELIN COMMITMENTS TO DEVELOP
A MORE SUSTAINABLE NATURAL RUBBER SUPPLY CHAIN
Target to develop capacity building for 30,000 smallholders by 2030

***SIPH** (IVORY COAST-GHANA)*
Labor contact & land tenure
Since: 2021
National supply chain
With APROMAC (1)
FIRCA (2) & government agency

***AGROFORESTRY** (THAILAND)*
Biodiversity & livelihood
Since: 2022
1,000 village smallholders
Co-financed by Group Renault under GPSNR(3) umbrella

***MAHAKAM** (INDONESIA, EAST KALIMANTAN)*
Livelihood & environment
Since: 2023
2,000 village smallholders
Financed by Michelin

***RLU CPP** (SUMATRA & EAST KALIMANTAN)*
Livelihood & environment
Since: 2020
1,000 village smallholders
Financed by Michelin



***AMAZONAS** (BRAZIL)*
Livelihood & forest preservation
Since: 2021
~ 800 'seringueiros'
Financed by Michelin Foundation
Deployed by WWF Brazil

***RIVER** (SRI LANKA)*
Livelihood & environment
Since: 2022
6,000 village smallholders
Co-financed by French Finance Ministry

***CASCADE** (INDONESIA, SUMATRA)*
Livelihood & environment
Since: 2020
6,500 village smallholders
Co-financed by Porsche & VolksWagen

(1) Association des Professionnels du Caoutchouc Naturel de Côte d'Ivoire
(2) Fond Interprofessionnel pour la Recherche et le Conseil Agricoles
(3) Global Platform for Sustainable Natural Rubber

OPERATIONAL MONITORING

The Group's various projects had trained a total of 9,204 village smallholders (and collectors in local communities) by the end of 2024.
6,783 of them have experienced improvements in their working conditions and/or means of existence.
The Group's objective is to improve living and working conditions for 30,000 small-scale rubber planters via remediation projects by 2030.

Michelin's global natural rubber network, which encompasses plants, a plantation in Indonesia, a production zone focused on research and development in Brazil, and joint ventures in Africa and Asia, equips the company with a unique know-how, which the Group can leverage to undertake projects and initiatives that feed into responsible natural rubber production. If we include its joint-venture operations, this global natural rubber network trains around 90,000 farmers each year and maintains over 25,000 ha of conservation areas or reserves.

Example of actions in West Africa:

• SIPH, a Michelin joint venture in West Africa, is working very closely with village farmers and local communities. It is rolling out disease-prevention programs (mainly malaria and AIDS) for the local communities and providing access to medical care, education and housing. SIPH is running training courses on best agricultural practices for local farmers and providing them with high-quality plant material by producing and selling rubber tree saplings.

Stakeholder consultations

To protect this resource all along the value chain and control its impacts, Michelin continues to regularly consult both stakeholders and the leading civil society organizations involved in these issues. Every two years, for example, the Group brings together civil society organizations to report on the progress made across the natural rubber value chain and to discuss possible pathways to further improvement. The latest information and consultation meeting was held in February 2025. In addition to these biennial forums, Michelin regularly works with NGOs, researchers, academics and government agencies on natural rubber sustainability issues.

In addition, the Group is involved in several think tanks that are exploring ways to prevent deforestation and implement the EUDR regulation.

Global Platform for Sustainable Natural Rubber (GPSNR)

To accelerate progress towards a more sustainable natural rubber supply chain, Michelin has worked with a diverse group of stakeholders to set up a multi-stakeholder platform known as the *Global Platform for Sustainable Natural Rubber (GPSNR).*

This independent platform is intended to lead improvements in the socio-economic and environmental performance of the entire natural rubber industry. It brings together stakeholders from across the natural rubber value chain—farmers, processors and brokers, tire manufacturers and other users, and automakers—along with civil society through the involvement of a large number of NGOs.

Michelin chaired the GPSNR's Executive Committee through the end of 2021 and remains one of the most active members. In 2024, it was part of three GPSNR working groups (Smallholder Representation & Capacity Building, Shared Responsibility, Tools and guidance). Michelin was also an active participant in various other working groups, in collaboration with other manufacturer members of GPSNR, to enable the natural rubber industry to prepare for implementation of the EUDR.

For more information, please visit www.gpsnr.org.

Transparency

Michelin is an upright member of the rubber-growing industry, acting transparently, refusing any form of corruption and maintaining an ongoing dialogue with its local and international stakeholders. A great effort has been made to make large quantities of information accessible (see below).

In 2025, for the fourth year in a row, Michelin was ranked the No. 1 tire manufacturer by SPOTT, a natural rubber ESG disclosure platform, with a score of 80%. This assessment recognized Michelin as the tire industry leader in sustainability disclosure and performance.

To find out more: 2015-2020 results, the 2020-2025 roadmap and indicator

The Michelin Purchasing website on natural rubber has compiled an enhanced library on the topic, featuring the following documents:

- the latest version of the Sustainable Natural Rubber Policy;
- the Sustainable Natural Rubber Roadmap 2020-2025;
- Annual Reports on operations and the natural rubber supply chain;
- a set of comprehensive, regularly updated indicators that track progress on the sustainable natural rubber policy.

Direct links to supporting documents (in English):

Sustainable Natural Rubber Progress Report 2015-2020 :
Sustainable Natural Rubber Progress Report 2015 - 2020 - Purchasing Documents (michelin.com)

Sustainable Natural Rubber Policy (2021 edition) :
Sustainable Natural Rubber Policy - Purchasing Documents (michelin.com)

Sustainable Natural Rubber Roadmap 2020-2025 :
Sustainable-Natural-Rubber-Roadmap-2020-2025-V1.2.pdf (michelin.com)


5
WHISTLEBLOWING AND ALERT MECHANISMS

5. WHISTLEBLOWING AND ALERT MECHANISMS

The Group ensure to behave ethically in all of its operations and wants its employees and outside stakeholders to be able to express their concerns and report any breach of Michelin's Code of Ethics.

A unified whistleblowing mechanism has been rolled out across all Group entities following consultation of the representative labor unions. This mechanism, which is offered in 30 languages, is available to employees, the Group's outside and occasional partners, customers, suppliers, service providers and other outside stakeholders via a telephone number and a secure website hosted by an independent company. This mechanism guarantees that reports are strictly confidential. There is strong employee awareness of the system, thanks to various internal communication initiatives conducted at Group level and in the regions.

This Ethics Line is available on a 24/7 basis to register alerts of behaviors or situations that violate the applicable laws, internal regulations or the Michelin values and principles set out in the Michelin Code of Ethics and the risks set out in the Group's risks maps.

Alerts can be submitted anonymously. As indicated in the Code of Ethics, Alerts can also be submitted through traditional reporting channels: the Personnel Department, the Anticipation, Prevention, and Protection Department, the Legal Department, the employee's direct manager or other managers, the occupational health and prevention department, a employee representative, or the Region Ethics / Compliance Officer. All reports are consolidated in the Group Ethics Line and regularly presented to the Group Ethics Committee and the Group Management Committee.

Note that, regardless of the reporting channel used, no one shall be authorized to take retaliatory measures against any person who, in good faith, reports a possible breach of the Code of Ethics, the law or Michelin principles and guidelines.

The Group's Ethics Line can be accessed on the Group's corporate website and on the Purchasing Department's website.

It can also be accessed at the following address:
https://secure.ethicspoint.com/domain/media/fr/gui/38522/index.html and by phone at the numbers listed on the Ethics Hotline website.

The players involved in the Whistleblowing mechanism

In 2023, the Group formalized its Whistleblowing Procedure in a new document. This procedure provides a detailed and transparent description of how we collect and process alerts, as well as the stakeholders involved in the process.

It is available in 20 languages and can be accessed by all employees as well as external stakeholders on the Group's corporate website, the Code of Ethics website (https://ethique.michelin.com) and the Ethics Line website.

The diagram opposite shows the main steps in report processing.

MAIN STEPS FOR PROCESSING AN ALERT

ALERT SENT	ALERT RECEIVED	INVESTIGATOR APPOINTMENT	INVESTIGATION REPORT	COMMITTEE DECISION	6 MONTHS > 1 YEAR LATER
Whistleblowers will be informed that their Alert has been received within seven (7) days in the form of a receipt.	Alerts will be analyzed for admissibility based on the information received from the Whistleblower.	Investigations are done for admissible Alerts, to check whether the allegations are true, based on factual information (interviews, witnesses' statements, forensic analysis)	The investigations' conclusions are presented to the competent Ethics Committee which will decide on the necessary measures to implement.	The Whistleblower, the implicated person and anyone who participated in the Alert's processing are informed that the investigation has been closed.	The situation is monitored after closure to ensure that there is no retaliation and that the corrective measures are implemented.
↓	↓	↓	↓	↓	↓
RECEIPT	ADMISSIBILITY	INVESTIGATION	DECISION	CLOSING	FOLLOW UP OF MEASURES AND NO RETALIATION

Categories of alerts submitted in 2024

In 2024, the Group received a total of 2,508 alerts[41]. Not all of these alerts were substantiated as violations of the Code of Ethics.

This figure represents the total number of consolidated alerts received directly on the Ethics Line or through other traditional reporting channels. Of the 1,865 alerts that have been closed, 36% proved to be unsubstantiated, 8% did not provide sufficient information to open an investigation, 34% were substantiated, and 16% were non admissible.

The substantiated alerts led to corrective measures, including terminations.

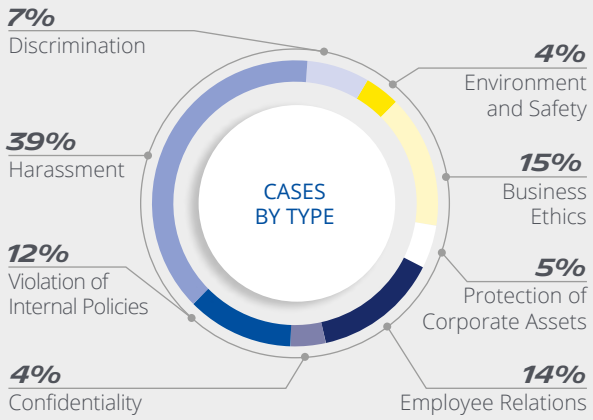
4% of the alerts received were duplicate alerts. Among the cases that prompted follow-up measures, there were situations that did not involve a breach, but were treated as opportunities to improve the controls in place.

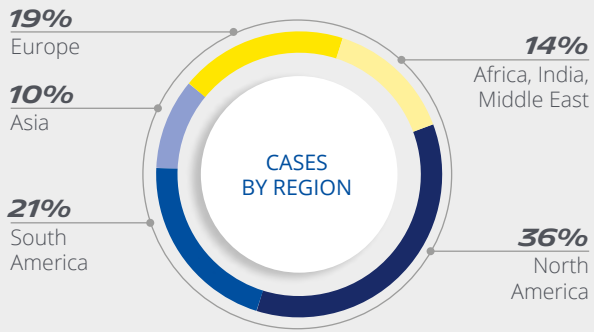
When alerts are received, they are analyzed and processed by authorized employees, in accordance with the principles set out in the Group Whistleblowing Procedure, in compliance with the principles laid out in the Group Whistleblowing Procedure and in the internal instruction on investigations which apply to the Group as a whole and which are defined by the Corporate Legal Direction (Compliance Support Group) and the Corporate Anticipation, Prevention and Protection Department.

Based on the information contained in the alerts, the Region Ethics Committees determine the admissibility of the alerts and whether to open an internal investigation. They then make decisions based on the investigation reports. If the allegations are confirmed, this may lead to prompt action plans including corrective measures and/or disciplinary measures, which, depending on the seriousness and the circumstances, may prompt up to dismissal of the person.

Suppliers can also use the Purchasing Department website to contact the customer-supplier relations mediator in regards to any alleged or observed violation of the Michelin Purchasing Principles. The mediator intervenes only when suppliers have failed to resolve the issue with their usual contacts in the Group.

THEME	INDICATORS	2022	2023	2024
Total number of reports	Total number of reports received per year	1 740	2 233	**2 508**
Cases by Type	Environment and Safety	15 %	13 %	**4 %**
	Business Ethics	14 %	13 %	**15 %**
	Protection of Corporate Assets	4 %	5 %	**5 %**
	Employee Relations	24 %	28 %	**14 %**
	Confidentiality	4 %	3 %	**4 %**
	Violation of Internal Policies	6 %	6 %	**12 %**
	Harassment	26 %	23 %	**39 %**
	Discrimination	7 %	9 %	**7 %**
Cases by Region	Europe	18 %	19 %	**19 %**
	Africa, India, Middle East	11 %	15 %	**14 %**
	North America	47 %	38 %	**36 %**
	South America	13 %	17 %	**21 %**
	Asia	11 %	11 %	**10 %**





[41] Total number of consolidated alerts received directly on the Ethics Line or through other traditional reporting channels. "Group Staff" scope. Alerts received at the end of the year may still be being processed.


6
SUMMARY
OF THE MAIN
INDICATORS
SMART HOME DASHBOARD
85%
23

6. SUMMARY OF THE MAIN INDICATORS

CSRD Indicator

ENVIRONMENT	2019	2020	2021	2022	2023	2024	GOAL 2030	GOAL 2050
CO_2 emissions Scope 1 (million t)	1.40	1.01	1.35	1.18	1.04	0.96	-50% vs 2010	Net Zero Emissions
CO_2 emissions Scope 2 (million t)	1.52	1.46	1.42	1.13	1.27	1.07	- 50% vs 2010	Net Zero Emissions
CO_2 emissions Scope 3 Essential (million t)	14.5	-	-	14	13	12.7	-15% vs 2018	Net Zero Emissions
CO_2 emissions Scope 3 Optional (million t)	130	130	130	130	130	115[42]		Net Zero Emissions
VOC	Base 100		89	78	69	71 (with CAMSO) 65 (without CAMSO)	- 50% vs 2019	
Percentage of renewable or recycled materials	26%	28%	29%	30%	28%	31%	40%	100%
Energy efficiency of tire products			+0.5%	+1.8%	+2.9%	+4.3%	+10% vs 2020	
Percentage of renewable energies consumed		14.6%	18.3%	22.7%	23.9%	28.8 %[43]		

HUMAN RIGHTS	2019	2020	2021	2022	2023	2024	GOAL 2030	GOAL 2050
IMDI (composite index of diversity and inclusion management)	-	60/100 points	65/100 points	70/100 points	72/100 points	73/100 points	80/100 points	-
QWL	76%	77%	77%	77%	78%	79%	80%	-
Employee engagement rate	80%	82%	80%	83%	84%	84.5%	> 85%	-
% of employees receiving a decent wage in the countries in which the Group operates	-	-	95%	98.5%	100%	100% TBC	100% in 2025	-
% of employees covered by basic social protection	-	-	New in 2021	-	-	98%	100% in 2025	-
% of employees who replied positively to the Michelin Forward Together question: "I feel as if my opinion counts and my ideas are taken into account in my company"	-	-	69%	71%	72%	73%	80%	-
Number of volunteer actions	-	-	5,000	10,900	19,700	18,963	-	-

HEALTH AND SAFETY	2019	2020	2021	2022	2023	2024	GOAL 2030	GOAL 2050
TRIR (Total Recordable Incident Rate)	6.90	5.75	6.27	5.21	4.91	5.01		

SUPPLIERS' CSR PRACTICES	2019	2020	2021	2022	2023	2024	GOAL 2030	GOAL 2050
% of suppliers assessed by EcoVadis and confirmed as compliant	84%	84%	85%	87%	89%	91%	-	-
% of assessed suppliers that meet the Group's Human Rights standards	85%	86%	89%	89%	91%	93%	>95%	-
% of the natural rubber volume used by the Group, based on human rights criteria (representative sample of planters take using Rubberway®)	20%	30%	41%	58%	69%	80%	80% in 2025	-

[42] The change from 130 Mt CO_2 to 115 Mt CO_2 is the result of a modification to the calculations which made them more precise; it does not represent a decrease in emissions, which is hard to evaluate.
[43] LThe sustainability report gives a figure of 34% renewables in the energy mix at Michelin, based on the counting methods required by the Corporate Sustainability Reporting Directive – CSRD (different from the Group's carbon accounting practices).

7. TABLE OF CONCORDANCE BETWEEN THE DUTY OF CARE PLAN AND THE UNIVERSAL REGISTRATION DOCUMENT 2024

7. TABLE OF CONCORDANCE DUTY OF CARE PLAN / URD

ENVIRONMENT	RISKS ARISING FROM THE DUTY OF CARE PLAN	CORRESPONDING SECTION OF THE SUSTAINABILITY REPORT	N° PAGE URD
Human Rights risks 	1.1. Human rights violations at our suppliers' facilities	4.9 Workers in the value chain (S2) - Introduction	p.273
		4.9.6 Indicators and targets	p.278
	1.2. Discrimination and harassment,		
	1.3. Freedom of association		
	1.4. Privacy and personal data		
	1.5. Compensation and social protection	4.8.4.1 Decent wage and social protection	p.266
		4.8.5.2 Decent wage	p.271
	1.6. Affected communities		
	1.7. User safety	4.10 Consumers and end users (S4)	p.279
Risks to Health and Safety 	2.1. Occupational accidents	4.8.4.2 Employee health and safety: an absolute priority in every decision	p.267
	2.2. Exposure to chemicals		
	2.3. Psychosocial issues at work		
	2.4. Risks to employee safety		
Environmental risks 	3.1. Overall impact on climate change and transition plan	4.2.1 Decarbonization objectives	p.198
	3.2. Impact of our operations on climate change (Scopes 1 & 2)	4.2.2.1 Scopes 1 & 2 Energy efficiency and the energy transition	p.199
		4.2.9 Indicators and targets	p.207
	3.3. Impact of Scope 3 on climate change	4.2.2.2 Scope 3 Essential: Optimization of action plans for raw material procurement, transport, and the upstream energy phase	p.200
		4.2.2.3 Scope 3 linked to product use	p.201
		4.2.9 Indicators and targets	p.207
	3.4. Risk of air and water pollution	4.3 Pollution (E2)	p.220
	3.5. Resource depletion	4.6.3.2 Resource circularity	p.253
	3.6. Water consumption	4.4 Water resources (E3)	p.231
	3.7. Risk of harm to biodiversity	4.5 Biodiversity & Ecosystems	p.238

ENVIRONMENT	RISKS ARISING FROM THE DUTY OF CARE PLAN	CORRESPONDING SECTION OF THE SUSTAINABILITY REPORT	N° PAGE URD
Risks associated with suppliers' CSR practices 	4.1 Identifying CSR risk		
	4.2 General prevention and mitigation measures	4.9.2 Procurement policies that enable control of risks to workers in the value chain	p.274
	4.3 Impact of our suppliers on climate change	4.2.2.2 Scope 3 essential: Optimization of action plans for raw material procurement, transport, and the upstream energy phase	p.200
	4.4 Impact of our raw materials on the environment	4.6.2 Ambitious policies on resource use and the circular economy	p.251
	4.5 Human rights violations at our suppliers' facilities	4.9 Workers in the value chain (S2) - Introduction	p.273
		4.9.6 Indicators and targets	p.278
	4.6 The specific risks of natural rubber	4.9.1 A value chain strategy with a priority focus on the natural rubber business	p.273
		4.9.4 Processes to remediate potential negative impacts	p.276
		4.9.5 Numerous actions rolled out to prevent negative impacts and achieve positive impacts	p.276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