

April, 15, 2020

***Michelin and Enviro partner to develop an innovative technology to transform used tires into raw materials***

**Michelin is partnering with Enviro to develop and industrialize on a large scale an innovative pyrolysis technology to recycle tires at the end of their life.**

For the tire industry and its customers, recycling is a major issue. Each year, about 1 billion tires reach the end of their life. Thanks to this recycling technology, tires considered as used give birth to new quality raw materials.

Swedish start-up of 20 employees founded in 2001, Enviro developed a technology to modify the chemical composition and physical phase of the pneumatic material during the pyrolysis process, while ensuring minimal energy consumption.

This highly innovative technology enables to produce high-quality products such as recovered carbon black, pyrolysis oil, steel or gas, products that can then be re-incorporated into the production circuit of different industrial sectors. Thanks to this recycling technology, tires that are now considered as waste will be recycled into raw materials.

**The envisioned partnership between Michelin and Enviro is based on four axes:**

- A Development Agreement to deploy Enviro's pyrolysis technology on a larger scale
- Michelin's stake of 20% of Enviro's capital, amounting to 32,526,262 SEK (around 3 million €), or the equivalent of 116,165,223 shares, making Michelin the largest shareholder. The Group will support developing Enviro by its board representation expected to be proposed to the shareholder vote. The shareholding subscription has been signed on April 15<sup>th</sup>.
- The common project to build a factory to industrialize the technology. The location of the plant will be confirmed at a later date.
- A joint Supply Agreement between Michelin and Enviro.

This partnership will allow the complementary know-how of the two companies to be pooled in order to accelerate progress in tire recycling. Michelin will bring its industrial know-how to the plant's construction project and its know-how in terms of research and development and production. Enviro will bring its patented pyrolysis technology, which will produce high-quality products.

« The partnership we have just signed with Enviro fits perfectly with Michelin's "All Sustainable" vision, says Sonia Artinian-Fredou, Services and Solutions, High Technology Materials Business Director. After the acquisition of Lehigh Technologies in 2017, a specialist in high-tech micro-powders derived from recycled tires, this is a further proof of Michelin's long-term commitment to recycling and sustainable mobility. »

Discussions are ongoing between the two companies with the objective to conclude a final agreement by mid-2020.

*\*This technology consists of a chemical decomposition of an organic compound by a sharp increase in its temperature. It allows the extraction of new products not initially contained in the organic compound.*

### **About Michelin**

Michelin, the leading mobility company, is dedicated to enhancing its clients' mobility, sustainably; designing and distributing the most suitable tires, services and solutions for its clients' needs; providing digital services, maps and guides to help enrich trips and travels and make them unique experiences; and developing high-technology materials that serve a variety of industries. Headquartered in Clermont-Ferrand, France, Michelin is present in 170 countries, has more than 127,000 employees and operates 69 tire production facilities which together produced around 200 million tires in 2019. ([www.michelin.com](http://www.michelin.com))

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