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3.1 ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

Tire manufacturing is a capital-intensive industry in which the pace of technological innovation is relatively slow. It is therefore essential to be able to devise long-term plans and follow them through. Throughout its history, Compagnie Générale des Établissements Michelin (CGEM), the Group’s parent company, has been organized as a partnership limited by shares (S.C.A.).

This partnership model offers three main advantages:
- it aligns Group management decisions with shareholder interests;
- it guarantees clear segregation of management and supervisory powers;
- it fosters direct ties with each shareholder, as all shares must be registered.

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

3.1.1 AN EXPERIENCED, STABLE AND RESPONSIBLE MANAGEMENT TEAM

3.1.1 a) Members

Michelin is led by two Managers: (1)

- Florent Menegaux, Managing General Partner elected May 18, 2018 and Managing Chairman since May 17, 2019 (2)
- Yves Chapot, General Manager elected May 18, 2018.

Each manager is elected for a first term of 4 years by the Annual Shareholders Meeting. This four-year term would be renewable at the initiative of the Supervisory Board of CGEM, with the agreement of the Supervisory Board of CGEM.

3.1.1 b) Role and responsibilities

The Managers, under the authority of the Managing Chairman, are responsible for administering and managing the Company. Their core responsibilities are to:
- define and implement the Group’s strategy;
- lead the Group’s business;
- establish internal control and risk management procedures and oversee their implementation;
- approve the financial statements of the Company and the Group;
- define financial information policies;
- prepare the various reports to shareholders.

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

Based on the needs identified by the Regions, the Business Lines define their strategy for designing market-leading products and services aligned with their competitive environment. The 10 Regions are the direct points of contact with customers. Leveraging their close proximity to local markets and consumers, they identify key needs and market the products and services developed by the Business Lines. They represent the Group in the region and are responsible for customers’ satisfaction.

Operational support is provided by 6 Operating Departments, which oversee the cost-effective design, manufacturing and organization of product and service flows to meet our customers’ expectations:
- Research & Development Department;
- Manufacturing Department;
- Supply Chain Department;
- Customer Experience;
- Purchasing Department;
- Corporate Business Services (CBS) Department.
- Support functions, broken down into:
  - local services integrated into the organization of the Regions;
  - globalized platforms providing the best service to business and operating units in terms of cost, quality and lead times.

A Corporate group: responsible for spearheading design and overall strategy as well as regulating interactions between the various entities and ensuring local initiatives are in line with the Group’s project, the Corporate Group focuses on the areas of Strategy, Innovation and Partnerships, Digital, Communication & Brands, Sustainable Development, Quality, Risk Management, Audit, Legal, Human Resources, Finance and IT.

(1) For biographical details, please refer to section 3.2.1.
(2) See the press release published on May 17, 2019.
(3) For details about SAGES, please refer to section 3.1.3.
The Managing Chairman is assisted by the Group Executive Committee presented on page 28/29 Chapter 1.

Un Comité de Direction Groupe s’assure que les décisions prises par le Comité Exécutif du Groupe trouvent un large ancrage dans l’Entreprise (cf. Chapter 1 page 31).

3.1.1 c) Liability

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

Consistent with this long-term commitment, the Managing General Partners may not relinquish their status as General Partners without the prior approval of shareholders given at an Extraordinary Meeting. They are therefore bound to assume the long-term consequences of the Group’s management decisions.

3.1.2 Strict Separation Between Management and the Supervisory Board, Audit Committee and Compensation and Appointments Committee

The membership, structure, responsibilities and committees of the Supervisory Board and the description of its activities are included in section 3.2.2 of this Universal Registration Document.

3.1.3 SAGES, a Non-Managing General Partner, Guaranteeing the Company’s Long-Term Viability

In application of CGEM’s Bylaws, Société Auxiliaire de Gestion (SAGES) is a Non-Managing General Partner of CGEM and consequently has unlimited liability for the Company’s debts. General Partners can be relieved of this liability only by decision of the shareholders in Extraordinary Meeting. The General Partners may be shareholders but may not take part in any votes to elect Supervisory Board members or appoint Statutory Auditors.

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

As well as assuming liability for CGEM’s debts, in its capacity as General Partner, SAGES is responsible for recommending candidates for election as Manager at the Shareholders Meetings, the re-election of Managers or their removal from office, after obtaining the agreement of the Supervisory Board.

SAGES is a French société par actions simplifiée (joint stock company) registered in Clermont-Ferrand under No. 870 200 466. SAGES has three groups of shareholders – members of the founding family, current and former Michelin executives and qualified persons from outside the Group – each of which has the same proportionate shareholding and the same number of seats on its Board of Directors.

To enable SAGES to assume its liability as Non-Managing General Partner of CGEM, at least 30% of its distributable earnings (derived mainly from the share of profits paid by CGEM in accordance with CGEM’s Bylaws) is allocated to a contingency reserve fund set up purely for the purpose of covering any losses that may result from its liability as CGEM’s General Partner or, on an exceptional, interim basis, as Manager. At least 50% of the reserve is invested in CGEM shares.
The Chairman of SAGES, Jacques d’Armand de Chateauvieux, is its only Executive Director.

**Jacques d’Armand de Chateauvieux**

Chairman of SAGES since 2011
Non-Managing General Partner

Nationality: French
Born in 1951

**Business address:**

BOURBON
148, rue Sainte
13007 Marseille
France

**Number of shares held at December 31, 2019:**

- No shares owned directly
- 348,300 shares owned by SAGES

**Biographical Details – Professional Experience**

Jacques d’Armand de Chateauvieux is a graduate of Institut supérieur de gestion de Paris and holds an MBA from Columbia University, New York. As Chairman of Bourbon since 1979, he was instrumental in converting the company from a diversified conglomerate into an international group specialized in offshore oil and gas marine services.

**Directorships and Other Positions Held at December 31, 2019**

- Chairman and Managing Chairman of BOURBON Corporation S.A.* (France)
- Chairman of Jaccar Holdings SAS (France)
- Statutory Manager of CT CORP Sarl (France)
- Chairman of Sapmer SA (Listed on Euronext Paris)
- Chairman and Director of Sapmer Holding (Singapore)
- Chairman of Sapmer Investissements SAS (France)
- Chairman and Director of Greenship Holdings Manager Pte. Ltd (Singapore)
- Chairman of Evergas A/S (Denmark)
- Director of Sinopacific Shipbuilding Group (China)

**Other Directorships and Positions Held in the Last Five Years**

**2015**
- Chairman of Bourbon (France)
- Chairman of Cana Tera S.C.A. (Luxembourg)
- Chairman and Managing Director of Jaccar Holdings S.A. (Luxembourg)
- Chairman of Sapmer Holding Pte. Ltd (Singapore)
- Chairman of Sapmer S.A.
- Chairman and a Director of Greenship Holdings (Singapore)
- Chairman of Evergas A/S (Denmark)
- Director of Sinopacific Shipbuilding Group (China)

**2016**
- Chairman of Bourbon (France)
- Statutory Manager of CT Lux Sarl (Luxembourg)
- Chairman and Managing Director of Jaccar Holdings S.A. (Luxembourg)
- Chairman of Sapmer S.A. (Listed on Euronext Paris)
- Chairman of Sapmer Holding (Singapore)
- Chairman and a Director of Greenship Holdings (Singapore)
- Chairman of Evergas A/S (Denmark)
- Director of Sinopacific Shipbuilding Group (China)

**2017**
- Chairman and Managing Chairman of BOURBON Corporation S.A.* (France)
- Statutory Manager of CT Lux Sarl (Luxembourg)
- Chairman of Jaccar Holdings SAS (France)
- Chairman of Sapmer S.A. (Listed on Euronext Paris)
- Chairman and Director of Sapmer Holding (Singapore)
- Chairman of Sapmer Investissements SAS
- Chairman and Director of Greenship Holdings Manager Pte. Ltd (Singapore)
- Chairman of Evergas A/S (Denmark)
- Director of Sinopacific Shipbuilding Group (China)

**2018**
- Chairman and Managing Chairman of BOURBON Corporation S.A.* (France)
- Statutory Manager of CT Lux Sarl (Luxembourg)
- Chairman of Jaccar Holdings SAS (France)
- Chairman of Sapmer S.A. (Listed on Alternext Paris)
- Chairman and Director of Sapmer Holding (Singapore)
- Chairman of Sapmer Investissements SAS
- Chairman and Director of Greenship Holdings Manager Pte. Ltd (Singapore)
- Chairman of Evergas A/S (Denmark)
- Director of Sinopacific Shipbuilding Group (China)

**2019**
- Statutory Manager of CT Lux Sarl (Luxembourg)
3.2 DIRECTORSHIPS AND OTHER POSITIONS HELD BY THE CORPORATE OFFICERS AT DECEMBER 31, 2019

3.2.1 MANAGERS

Michelin is led by Florent Menegaux, Managing Chairman and General Partner, and Yves Chapot, General Manager, assisted by the Group Executive Committee\(^{(1)}\).

The Managing Chairman’s role is described in section 3.1 of this 2019 Universal Registration Document. Information about the Executive Committee’s members is presented in the Chapter 1 page 28/29 of this 2019 Universal Registration Document.

**FLORENT MENEGAUX**
Managing General Partner

Nationality: French
Born in 1962

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

First elected: May 18, 2018
Current term expires: 2022 (Annual Shareholders Meeting called to approve 2021 financial statements)

Number of shares held at December 31, 2019: 38,628\(^{(2)}\)

**BIOGRAPHICAL DETAILS – PROFESSIONAL EXPERIENCE**

Menegaux joined Price Waterhouse in 1986 as a consultant. He was soon appointed manager, specializing in interest rate risk control and management for banks.

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

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

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

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

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

In December 2014, he was appointed Chief Operating Officer and then Senior Executive Vice President of the Michelin Group in 2017. Since January 2018, he has also overseen the Group’s Business Departments, and the Manufacturing, Supply Chain and Customer Experience Operational Departments.

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

**DIRECTORSHIPS AND OTHER POSITIONS HELD AT DECEMBER 31, 2019**

- Managing Chairman of Compagnie Générale des Établissements Michelin
- Manager of Manufacture Française des Pneumatiques Michelin
- Manager of Compagnie Financière Michelin SCmA (since May 18, 2019)

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

**2015-2017**
None

**2018**
- Manager of Manufacture Française des Pneumatiques Michelin
- Managing Partner of Compagnie Générale des Établissements Michelin

**2019**
- Managing Chairman of Compagnie Générale des Établissements Michelin
- Manager of Manufacture Française des Pneumatiques Michelin
- Manager of Compagnie Financière Michelin SCmA (since May 18, 2019)

\(^{(1)}\) Jean-Dominique Senard was General Partner and Managing Chairman until May 17, 2019.

\(^{(2)}\) The Company’s Bylaws stipulate that the Managing General Partner must hold at least 5,000 shares.
BIOGRAPHICAL DETAILS – PROFESSIONAL EXPERIENCE

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

In 1997, he was appointed Chief Executive Officer for Taurus in Hungary. In 1999, he became Chief Financial Officer for Europe. From 2005 to 2012, he was responsible for Michelin China. From 2007 to 2009, he was also in charge of the Passenger car and Light truck tire business for Asia.

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

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

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

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

DIRECTORSHIPS AND OTHER POSITIONS HELD AT DECEMBER 31, 2019

- General Manager of Compagnie Générale des Établissements Michelin
- Director of Compagnie Financière Michelin Suisse SA/AG/Ltd (since January 30, 2019)

2015-2017

None

2018

- General Manager of Compagnie Générale des Établissements Michelin

2019

- General Manager of Compagnie Générale des Établissements Michelin
- Director of Compagnie Financière Michelin Suisse SA/AG/Ltd (since January 30, 2019)
### 3.2.2 SUPERVISORY BOARD

#### 3.2.2 a) Members

In accordance with the applicable law and the Company’s Bylaws, the Supervisory Board may have no less than three and no more than ten members elected by the Annual Shareholders Meeting for a term of four years\(^{(1)}\). All Supervisory Board members must be shareholders.

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

As of December 31, 2019, the Supervisory Board had nine members, seven of whom were qualified as independent. The Board’s membership complies with Article L. 226-4-1 of the French Commercial Code introduced by French Act No. 2011-103 of January 27, 2011 concerning the balanced representation of men and women on Boards of Directors and Supervisory Boards and gender equality in the workplace.

The Supervisory Board’s internal rules stipulate that each member must hold at least 400 shares or 600 shares in the case of the Chairman.

The Supervisory Board is currently comprised of nine members.

The following additional information about Supervisory Board members is provided in the sections indicated:
- information about the Supervisory Board diversity policy is provided in section 3.2.2 c) of this report;
- details of their compensation are provided in sections 3.4.3, 3.5.1 and 3.6.1 of this report;
- the list of directorships and other positions held, together with the dates on which they were first elected and their current term expires are provided below.

\(^{(1)}\) Five years for members elected prior to 2009. Certain members may be elected for a two- or three-year period in order to effectively stagger the terms of office of Supervisory Board members.
/ Information about Supervisory Board members
Detailed information about each of the Supervisory Board members is presented below.

**MICHEL ROLLIER**
Non-independent (non-executive) member
Chairman of the Supervisory Board
Member of the Compensation and Appointments Committee
Nationality: French
Born in 1944

Business address: Michelin
27, cours de l’Île-Seguin
92100 Boulogne-Billancourt
France
First elected: May 17, 2013
Current term expires: 2021 (Annual Shareholders Meeting called to approve 2020 financial statements)
Number of shares held at December 31, 2019: 24,392

**BIOGRAPHICAL DETAILS – PROFESSIONAL EXPERIENCE**
Michel Rollier is Chairman of the Supervisory Board of Somfy SA*.
He began his career at Aussedat-Rey (part of the International Paper group) in 1971, initially occupying the post of Financial Controller before going on to head up a business unit. He then held the position of Chief Financial Officer between 1987 and 1994 and subsequently Deputy Managing Chairman from 1994 to 1996.
He joined Michelin in 1996 as Vice President, Financial & Legal Affairs and then served as Chief Financial Officer and a member of the Executive Council from 1999 to 2005.
He was elected Managing General Partner by Michelin’s shareholders on May 20, 2005, serving alongside Edouard Michelin until Mr. Michelin’s tragic death in 2006. Mr. Rollier stepped down as Managing General Partner in May 2012.

**DIRECTORSHIPS AND OTHER POSITIONS HELD AT DECEMBER 31, 2019**
▶ Chairman of the Supervisory Board of Somfy SA*
▶ Chairman of the Remunerations Committee of Somfy SA*
▶ Chairman of the Board of Directors of Siparex Associés
▶ Chairman of Association Nationale des Sociétés par Actions (ANSA)

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

**2015**
▶ Chairman of the Board of Directors of Siparex Associés
▶ Chairman of the Supervisory Board of Somfy
▶ Director of Lafarge
▶ Member of the AFEP/MEDEF High Committee on Corporate Governance
▶ Chairman of Association Nationale des Sociétés par Actions (ANSA)

**2016**
▶ Chairman of the Board of Directors of Siparex Associés
▶ Chairman of the Supervisory Board of Somfy
▶ Chairman of the Remunerations Committee of Somfy SA
▶ Director of Lafarge
▶ Member of the AFEP/MEDEF High Committee on Corporate Governance
▶ Chairman of Association Nationale des Sociétés par Actions (ANSA)
▶ Chairman of Plateforme de la Filière Automobile (PFA)

**2017**
▶ Chairman of the Board of Directors of Siparex Associés
▶ Chairman of the Supervisory Board of Somfy
▶ Chairman of the Remunerations Committee of Somfy SA
▶ Chairman of the AFEP/MEDEF High Committee on Corporate Governance
▶ Chairman of Association Nationale des Sociétés par Actions (ANSA)
▶ Chairman of Plateforme de la Filière Automobile (PFA)

**2018**
▶ Chairman of the Supervisory Board of Somfy SA*
▶ Chairman of the Remunerations Committee of Somfy SA*
▶ Chairman of the Board of Directors of Siparex Associés
▶ Chairman of the AFEP/MEDEF High Committee on Corporate Governance (until October 31, 2018)
▶ Chairman of Association Nationale des Sociétés par Actions (ANSA)

**2019**
▶ Chairman of the Supervisory Board of Somfy SA*
▶ Chairman of the Remunerations Committee of Somfy SA*
▶ Chairman of the Board of Directors of Siparex Associés
▶ Chairman of Association Nationale des Sociétés par Actions (ANSA)

* Listed company.
OLIVIER BAZIL
Independent member
Chairman of the Audit Committee
Nationality: French
Born in 1946

Business address:
Legrand
128, avenue de Lattre de Tassigny
87000 Limoges
France
First elected: May 17, 2013
Current term expires: 2021 (Annual Shareholders Meeting called to approve 2020 financial statements)
Number of shares held at December 31, 2019: 1,010

BIOGRAPHICAL DETAILS – PROFESSIONAL EXPERIENCE

Olivier Bazil is a Director of Legrand* and a member of the Board’s Strategy Committee and Nominating and Compensation Committee. In 2017, he was also a Director of Vallourec*, Chairman of Vallourec’s Audit Committee and a member of its Strategy Committee.

He has spent his entire career with Legrand*, which he joined in 1973 as Deputy Company Secretary before becoming Chief Financial Officer (1979), a Director (1989), Deputy Chief Executive Officer and a Member of the Executive Committee (1994), and then Vice Chairman of the Board of Directors and Chief Operating Officer.

Mr. Bazil is a graduate of HEC and holds an MBA from Harvard Business School.

DIRECTORSHIPS AND OTHER POSITIONS HELD AT DECEMBER 31, 2019
► Director of Legrand* and member of the Board’s Strategy Committee and Nominating Committee.
► Member of the Supervisory Board of Société Civile du Château Palmer
► Chairman of Fritz S.A.S.

OTHER DIRECTORSHIPS AND POSITIONS HELD IN THE LAST FIVE YEARS

2015-2016
► Director of Legrand and member of the Board’s Strategy Committee and Nominating Committee
► Director of Firmenich International S.A. and Chairman of its Audit Committee
► Member of the Supervisory Board of Société Civile du Château Palmer
► Chairman of Fritz S.A.S.
► Director of Vallourec, Chairman of its Audit Committee and member of its Strategy Committee

2017
► Director of Legrand and member of the Board’s Strategy Committee and Nominating Committee
► Member of the Supervisory Board of Société Civile du Château Palmer
► Chairman of Fritz S.A.S.
► Director of Vallourec, Chairman of its Audit Committee and member of its Strategy Committee (until May 2017)

2018
► Director of Legrand* and member of the Board’s Strategy Committee and Nominating Committee
► Member of the Supervisory Board of Société Civile du Château Palmer
► Chairman of Fritz S.A.S.

2019
► Director of Legrand* and member of the Board’s Strategy Committee and Nominating Committee
► Member of the Supervisory Board of Société Civile du Château Palmer
► Chairman of Fritz S.A.S.

* Listed company.
BIOGRAPHICAL DETAILS – PROFESSIONAL EXPERIENCE

Barbara Dalibard is currently Chief Executive Officer of SITA. Her previous positions included Chief Executive Officer of SNCF Voyageurs, member of the France Telecom group Management Committee in charge of enterprise communication solutions, and various management positions within France Telecom and Alcatel.

DIRECTORSHIPS AND OTHER POSITIONS HELD AT DECEMBER 31, 2019

» Chief Executive Officer of SITA

OTHER DIRECTORSHIPS AND POSITIONS HELD IN THE LAST FIVE YEARS

2015
» Chief Executive Officer of SNCF Voyageurs
» Chair of the Board of Directors of VSC Group
» Director of Nuovo Trasporto Viaggiatori S.p.A. (NTV)
» Member of the Supervisory Board of Wolters Kluwer
» Director of Eurostar International Limited
» Member of the Board of Directors of Société Générale

2016
» Chief Executive Officer of SNCF Voyageurs, then Chief Executive Officer of SITA
» Chair of the Board of Directors of VSC Group
» Director of Eurostar International Limited
» Member of the Board of Directors of Société Générale
» Chief Executive Officer of SITA

2017-2019
» Chief Executive Officer of SITA
Jean-Pierre Duprieu was Executive Vice President of the Air Liquide group*. Between 2010 and 2016, he was a member of Air Liquide’s Executive Management team, in charge of supervising the group’s European and Healthcare activities as well as corporate functions, including information systems and Efficiency/Purchasing programs. He is an independent Director of Korian*, Chairman of the Compensation and Appointments Committee and member of the Audit Committee. He is also a Director of Groupe SEB.

Other Directorships and Positions Held in the Last Five Years

2015
- Executive Vice President of the Air Liquide group
- Director of Air Liquide Santé International
- Chairman of the Board of Directors of Air Liquide Eastern Europe
- Director of Air Liquide Welding

2016
- Executive Vice President of the Air Liquide group
- Director of Air Liquide Santé International
- Chairman of the Board of Directors of Air Liquide Eastern Europe
- Director of Air Liquide Welding
- Independent Director of Korian and member of the Audit Committee

2017
- Director of Air Liquide Welding (since June 2017)
- Independent Director of Korian, Chairman of the Compensation and Appointments Committee and member of the Audit Committee

2018
- Independent Director of Korian*, Chairman of the Compensation and Appointments Committee and member of the Audit Committee

2019
- Independent Director of Korian*, Chairman of the Compensation and Appointments Committee and member of the Audit Committee
- Independent Director of Groupe SEB*

* Listed company.
ARUNA JAYANTHI
Independent member
Member of the Compensation and Appointments Committee
Nationality: Indian
Born in 1962

Business address:
Capgemini India Pvt. Ltd
Godrej & Boyce Compound
LBS Road, Vikhroli (West)
Mumbai 400079 (India)

First elected: May 22, 2015
Current term expires: 2023 (Annual Shareholders Meeting called to approve 2022 financial statements)
Number of shares held at December 31, 2019: 400

BIографICAL DETAILS – PROFESSIONAL EXPERIENCE

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

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

She is a member of the Group Executive Committee.

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

She joined the Capgemini group in 2000.

DIRECTORSHIPS AND OTHER POSITIONS HELD AT DECEMBER 31, 2019

- Director of Equation Capital Partners LLP
- Director of Capgemini Saudi Limited
- Director of Capgemini Brasil S.A.
- Director of Capgemini Business Services Guatemala S.A. (since August 12, 2019)
- Director of Capgemini Business Services (China) Limited
- Director of Capgemini Australia Pty Limited (since April 30, 2019)
- Director of Capgemini Hong Kong Ltd (since October 15, 2019)
- Director of Capgemini Asia Pacific Pte Limited (since October 15, 2019)
- Director of Capgemini Mexico, S. DE R.L DE C.V (since November 11, 2019)

OTHER DIRECTORSHIPS AND POSITIONS HELD IN THE LAST FIVE YEARS

2015-2016
- Director of Capgemini Norge AS
- Director of Capgemini Technology Services Maroc S.A.
- Chair of the Board of Directors of Capgemini India Private Limited
- Director of Capgemini Business Services India Private Limited (formerly Capgemini Business Services India Limited)
- Director of Pune Software Park Private Limited
- Chair of the Board of Directors of Capgemini Sverige AB

2017
- Director of Capgemini Norge AS
- Chair of the Board of Directors of Capgemini Sverige AB
- Director of Espire AS
- Chair of the Supervisory Board of Capgemini Polska Sp. Z.o.o.
- Director of Capgemini Technology Services India Limited

2018
- Director of Capgemini Norge AS
- Chair of the Board of Directors of Capgemini Sverige AB
- Director of Espire AS

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ANNE-SOPHIE DE LA BIGNE

Independent member
Audit Committee member (until end-July 2019)
Member of the Compensation and Appointments Committee

Nationality: French
Born in 1960

Business address:
Airbus Group
12, rue Pasteur – BP 76
92152 Suresnes Cedex
France

First elected: May 17, 2013
Current term expires: 2020 (Annual Shareholders Meeting called to approve 2019 financial statements)
Number of shares held at December 31, 2019: 903

BIOGRAPHICAL DETAILS – PROFESSIONAL EXPERIENCE

Since 2008, Anne-Sophie de La Bigne has been Vice President in charge of civil affairs in the Public Affairs Division, France, at Airbus Group*. She began her career in 1983 as a financial controller with the Matra group before joining the Strategy & Business Development Department of the Lagardère group, where she worked from 1985 to 1999. She subsequently became Head of the Strategic Analysis Department at Aerospatiale Matra/EADS, a position she held until 2001. Between 2001 and 2006, she served as Vice President, Strategy and European Affairs, at Groupement des Industries Françaises Aéronautiques et Spatiales (GIFAS) and, from 2006 to 2007, she was responsible for international corporate relations in the EADS’ Public Affairs Division.

DIRECTORSHIPS AND OTHER POSITIONS HELD AT DECEMBER 31, 2019

▸ Member of the Board of Directors of SIAE SA

OTHER DIRECTORSHIPS AND POSITIONS HELD IN THE LAST FIVE YEARS

2014-2017
No other directorships

2018-2019
▸ Member of the Board of Directors of SIAE SA

* Listed company.
**THIERRY LE HÉNAFF**  
Independent member  
Member of the Audit Committee  
Nationality: French  
Born in 1963

**Business address:**  
Arkema  
420, rue d’Estienne-d’Orves  
92700 Colombes  

**First elected:** May 18, 2018  
**Current term expires:** 2022 (Annual Shareholders Meeting called to approve 2021 financial statements)  
**Number of shares held at December 31, 2019:** 400

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**BIOGRAPHICAL DETAILS – PROFESSIONAL EXPERIENCE**

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

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

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**DIRECTORSHIPS AND OTHER POSITIONS HELD AT DECEMBER 31, 2019**  
▸ Chairman and Chief Executive Officer of Arkema  
▸ Chairman of the Board of Directors of Arkema France

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

**2015-2016**  
▸ Chairman and Chief Executive Officer of Arkema  
▸ Chairman of the Board of Directors of Arkema France  
▸ Director of Eramet*  

**2017-2019**  
▸ Chairman and Chief Executive Officer of Arkema  
▸ Chairman of the Board of Directors of Arkema France

* Listed company
Biographical Details – Professional Experience

Monique Leroux is a company director. She is Strategic Advisor and member of the Strategic development committee of Fiera Capital and Vice-Chair of Gestion Fiera Inc. and a member of the Boards of Directors of Michelin (ML-France), Bell (BCE), S&P Global (SPGI), Couche-Tard (ATD) and Lallemand Inc. (a privately owned company). She contributes to these Boards her wide-ranging experience, acquired for example as a Partner of EY (Canada) and as Chair of the Board and Chief Executive Officer of Mouvement Desjardins from 2008 to 2016. From 2016 to 2020, Monique Leroux served as Chair of the Board of Directors of Investissement Québec. She is also Vice-Chair of the Board of the Montreal Symphony Orchestra.

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

Directorships and Other Positions Held at December 31, 2019

- Chair of the Board of Directors of Investissement Québec (Until January 2020)
- Member of the Board of Directors of Alimentation Couche-Tard*
- Member of the Board of Directors of Bell/BCE*
- Member of the Board of Directors of S&P Global*
- Member of the Board of Directors of Lallemand (privately owned company)
- Strategic Advisor and member of the Strategic development committee of Fiera Capital*
- Vice-Chair of the Management Board of Fiera Inc. (privately owned company)
- Member of the Board of Directors of the Rideau Hall Foundation (non-profit organization)
- Member of the Board of Directors of the Montreal Symphony Orchestra (non-profit organization)

* Listed company
MONIQUE LEROUX (continuation)

OTHER DIRECTORSHIPS AND POSITIONS HELD IN THE LAST FIVE YEARS

2015
- Chair of the Board, President and Chief Executive Officer of Mouvement des Caisses Desjardins
- Chief Executive Officer of Desjardins Sécurité Financière
- Chief Executive Officer of Desjardins Groupe d’AssurancesGénérales
- Chair of the Board of Directors of Fédération des Caisses Desjardins du Québec/Mouvement des Caisses Desjardins
- Vice-Chair of the Executive Committee and Director of the International Confederation of Popular Banks (CIBP)
- Member of the Executive Committee and Director of the European Association of Cooperative Banks
- Member of the Board of Directors of Crédit Industriel et Commercial (CIC)
- Member of the Board of Directors of the Rideau Hall Foundation
- Member of the Board of Directors of Alimentation Couche-Tard

2016
- Chair of the Board, President and Chief Executive Officer of Mouvement des Caisses Desjardins
- Chief Executive Officer of Desjardins Sécurité Financière
- Chief Executive Officer of Desjardins Groupe d’AssurancesGénérales
- Chair of the Board of Directors of Investissement Québec
- Member of the Executive Committee and Director of the European Association of Cooperative Banks
- Member of the Board of Directors of Crédit Industriel et Commercial (CIC)
- Member of the Board of Directors of the Rideau Hall Foundation
- Member of the Board of Directors of Alimentation Couche-Tard

2017
- Chair of the Board of Directors of Investissement Québec
- Member of the Executive Committee and Director of the European Association of Cooperative Banks
- Member of the Board of Directors of Crédit Industriel et Commercial (CIC) (until May 2017)
- Member of the Board of Directors of the Rideau Hall Foundation
- President of the International Cooperative Alliance (ICA) (until November 2017)
- Member of the Board of Directors of Alimentation Couche-Tard
- Member of the Board of Directors of Bell/BCE
- Member of the Board of Directors of S&P Global
- Member of the Board of Lallemand (privately owned company) (since June 2017)
- Strategic Advisor, Fiera Capital (since June 2017)

2018
- Chair of the Board of Directors of Investissement Québec
- Member of the Board of Directors of Alimentation Couche-Tard
- Member of the Board of Directors of Bell/BCE
- Member of the Board of Directors of S&P Global
- Member of the Board of Directors of Lallemand (privately owned company)
- Strategic Advisor, Fiera Capital
- Vice-Chair of the Fiera Inc. Management Board
- Member of the Executive Committee and Director of the European Association of Cooperative Banks
- Member of the Board of Directors of the Rideau Hall Foundation

2019
- Chair of the Board of Directors of Investissement Québec
- Member of the Board of Directors of Alimentation Couche-Tard
- Member of the Board of Directors of Bell/BCE
- Member of the Board of Directors of S&P Global
- Member of the Board of Directors of Lallemand (privately owned company)
- Strategic Advisor, Fiera Capital
- Vice-Chair of the Management Board of Fiera Inc. (privately owned company)
- Member of the Board of Directors of the Rideau Hall Foundation (non-profit organization)
- Member of the Board of Directors of the Montreal Symphony Orchestra (non-profit organization)
Cyrille Poughon
Non-independent (non-executive) member
Member of the Audit Committee
Nationality: French
Born in 1975

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

First elected: May 16, 2014
Current term expires: 2022 (Annual Shareholders Meeting called to approve 2021 financial statements)
Number of shares held at December 31, 2019: 420

Biographical details – professional experience
Cyrille Poughon is currently France-Benelux Retail Market sales office manager, after previously serving as the Group's Quality of Worklife Manager and later Safety Program Leader at corporate headquarters.
He began his career with the Michelin Group in 1996 and has held a variety of positions in sales and logistics. He served as Secretary of Michelin's European Works Council until 2014.
In 2015, he followed the “Certified Corporate Director” training program organized by Sciences-Po and Institut Français des Administrateurs.

Directorships and other positions held at December 31, 2019
None

Mandats et fonctions exercés au cours des cinq dernières années

2015-2018
None
### 3.2.2 b) Overview of the Supervisory Board (as of December 31, 2019)

<table>
<thead>
<tr>
<th>Independent member(1)</th>
<th>Committees of the Board</th>
<th>First elected</th>
<th>Re-elected(2)</th>
<th>Current term ends (AGM)(3)</th>
<th>Years on the Board</th>
<th>Number of shares held*</th>
<th>Nationality</th>
<th>Age</th>
<th>Gender</th>
</tr>
</thead>
<tbody>
<tr>
<td>MICHEL ROLLIER</td>
<td>Nomination and Compensation</td>
<td>2013</td>
<td>2017</td>
<td>2021</td>
<td>6</td>
<td>24,392</td>
<td>french</td>
<td>75</td>
<td>M</td>
</tr>
<tr>
<td>CHAIRMAN</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OLIVIER BAZIL</td>
<td>Audit</td>
<td>2013</td>
<td>2017</td>
<td>2021</td>
<td>6</td>
<td>1,010</td>
<td>french</td>
<td>73</td>
<td>M</td>
</tr>
<tr>
<td>BARBARA DALIBARD</td>
<td>Nomination and Compensation</td>
<td>2008</td>
<td>2013&lt;sup&gt;4&lt;/sup&gt;</td>
<td>2015&lt;sup&gt;5&lt;/sup&gt;</td>
<td>2019</td>
<td>11</td>
<td>485</td>
<td>french</td>
<td>61</td>
</tr>
<tr>
<td>ANNE-SOPHIE DE LA BICHE</td>
<td>Nomination and Compensation</td>
<td>2013</td>
<td>2016</td>
<td>2020</td>
<td>6</td>
<td>903</td>
<td>french</td>
<td>59</td>
<td>F</td>
</tr>
<tr>
<td>JEAN-PIERRE DUPRIEU</td>
<td>Audit</td>
<td>2013</td>
<td>2016</td>
<td>2020</td>
<td>6</td>
<td>510</td>
<td>french</td>
<td>67</td>
<td>M</td>
</tr>
<tr>
<td>ARUNA JAYANTHI</td>
<td>Nomination and Compensation</td>
<td>2015</td>
<td>2019</td>
<td>2023</td>
<td>4</td>
<td>400</td>
<td>indian</td>
<td>57</td>
<td>F</td>
</tr>
<tr>
<td>THIERRY LE HÉNAFF</td>
<td>Audit</td>
<td>2018</td>
<td>-</td>
<td>2022</td>
<td>1</td>
<td>400</td>
<td>french</td>
<td>56</td>
<td>M</td>
</tr>
<tr>
<td>MONIQUE LEROUX</td>
<td>Audit</td>
<td>2015</td>
<td>2018&lt;sup&gt;6&lt;/sup&gt;</td>
<td>2022</td>
<td>4</td>
<td>1,000</td>
<td>canadian</td>
<td>65</td>
<td>F</td>
</tr>
<tr>
<td>CYRILLE POUCHEON</td>
<td>Audit</td>
<td>2014</td>
<td>2018</td>
<td>2022</td>
<td>5</td>
<td>420</td>
<td>french</td>
<td>44</td>
<td>M</td>
</tr>
</tbody>
</table>

Chairman  Senior independent member

* As of December 31, 2019.

(1) Based on the criteria set in the Supervisory Board’s internal rules which correspond to those recommended in the AFEP/MEDEF Corporate Governance Code for listed companies.

(2) At the Annual Meeting of May 15, 2009, shareholders voted to reduce the term of Supervisory Board members from five years to four.

(3) At the Annual Meeting of May 17, 2013, shareholders voted to elect Supervisory Board members for terms of two, three or four years, so that their terms do not all expire at the same time.

(4) Monique Leroux was appointed as a member of the Supervisory Board on October 1, 2015 to replace Laurence Parisot, who had resigned, for the remainder of Ms. Parisot’s term of office.

(5) Until the end of July 2019.
3.2.2 c) Diverse profiles and experiences represented on the Board – gender balance on management bodies

/ Diverse profiles and experiences represented on the Board

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

The main terms of the diversity policy are proposed by the Compensation and Appointments Committee. The policy is applied by the Committee and the Board when preparing Supervisory Board succession plans and assessing the Board’s practices. They can be assisted by recognized outside consultants.

The Supervisory Board’s diversity in terms of experience and backgrounds can be summed up by the fact that, in 2019:

- 45% of the Board members were women;
- 78% of the Board members were independent;
- 22% of the Board members were foreign nationals.

The Supervisory Board diversity policy is described below, as required by Article L. 225-37-4 of the French Commercial Code⁽¹⁾.

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Objectives confirmed in 2019</th>
<th>Implementation method</th>
<th>2019 results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age limit</td>
<td>No more than one-third of Supervisory Board members to be aged 75 or over</td>
<td>No candidates aged 75 or over should be proposed for election or re-election at the Shareholders Meeting if their election or re-election would result in the one-third limit being exceeded</td>
<td>The candidates elected or re-elected at the Shareholders Meeting did not result in over one-third of Board members being aged 75 or over.</td>
</tr>
<tr>
<td>Supervisory Board gender equality</td>
<td>At least 40% of Board members should be women, as required by Article L. 226-4-1 of the French Commercial Code</td>
<td>Board to recommend to the Shareholders Meeting to re-elect incumbent women members and elect women candidates to replace women who are stepping down</td>
<td>Barbara Dalibard and Aruna Jayanthi were re-elected on the Board’s recommendation, maintaining the proportion of women members at 45%</td>
</tr>
<tr>
<td>Availability/attendance</td>
<td>Members should demonstrate, through their availability and attendance rate at meetings of the Board and Board Committees, that they devote the necessary time and attention to their duties (going beyond the statutory requirements and the requirements of the AFEPMedef Code concerning multiple directorships)</td>
<td>Over half of each member’s compensation is tied to his or her attendance rate at meetings of the Board and its Committees. Incumbent Board members will not be proposed for re-election if their average attendance rate at scheduled meetings was less than 85% over the last three years of their term of office</td>
<td>The average attendance rate over the three years 2016/2017/2018 of Barbara Dalibard and Aruna Jayanthi, who were re-elected on the Board’s recommendation, was 100% and 92% respectively. The Board members’ overall attendance rate in 2019 was 97.5%</td>
</tr>
<tr>
<td>Qualifications/professional experience/adherence to the Group’s values</td>
<td>Board members should offer an appropriate overall combination of academic qualifications, professional experience in the areas of manufacturing, finance, internal control, digital technology and leadership of major French listed groups with a global reach, and adherence to the Group’s values. A specific objective for the period to 2023 is to consolidate/strengthen the expertise in sustainability and digital technologies represented on the Board.</td>
<td>Decisions concerning candidates to be proposed for re-election or election to the Board by the Shareholders Meeting focus on maintaining the overall qualitative combination of qualifications and experience in the areas of executive management and new technologies. The Chair and the majority of members of the Audit Committee are selected for their academic qualifications and international experience in finance and internal control.</td>
<td>Barbara Dalibard and Aruna Jayanthi, who were re-elected on the Board’s recommendation (see section 3.1.2 d) below for more information), have recognized expertise in new technologies, especially digital, and cybersecurity issues. 22% of Board members are foreign nationals in 2019</td>
</tr>
<tr>
<td>Size of the Board</td>
<td>Number of Board members should not exceed the ten-member cap specified in the Bylaws (not including members representing employees elected in accordance with the law), to guarantee Board efficiency by fostering effective interactions between members and between the Board and the Managers.</td>
<td>No additional members to be proposed for election at the Shareholders Meeting, except to comply with legal requirements</td>
<td>No additional members were proposed for election (apart from the new objective concerning employee representation); the number of Board members was unchanged at nine</td>
</tr>
</tbody>
</table>

⁽¹⁾ The Company does not have any employees and the disclosures required by Article L. 225-37-4-6 of the French Commercial Code are therefore not applicable.
### Corporate Governance

#### Independence

- **Criteria:** At least 50% of Supervisory Board members should be independent, based on the definition in the AFEP/MEDEF Code.
- **Implementation method:** Incumbent independent members to be proposed for election for as long as they fulfill the independence criteria (in particular, not to have served on the Board for more than 12 years) or new independent members to be proposed for election to replace members who no longer fulfill the independence criteria.
- **2019 results:** Barbara Dalibard, who was re-elected on the Board’s recommendation, will qualify as independent until May 2020 when she will have served on the Board for 12 years; Aruna Jayanthi, re-elected on the Board’s recommendation, is an independent member; 78% of Board members were independent in 2019.

#### Employee representation on the Supervisory Board

- **Objectives confirmed in 2019:** A new objective set in 2019: to improve application of the new rules resulting from the PACTE Act (Act No. 2019-486), designation of two members representing the employees of the French subsidiaries for eight members elected by the shareholders.
- **Implementation method:** Resolution to be presented at the 2020 Annual Shareholders Meeting to include the necessary clause in the Company’s Bylaws for the designation of two Supervisory Board members representing the employees of the French subsidiaries.
- **2019 results:** Since 2014, one member representing employees (voluntary resolution presented and adopted at the Shareholders Meeting).

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

- **Social environment, Human Resources and Governance**
  - Michel Rollier, Olivier Bazil, Barbara Dalibard, Aruna Jayanthi, Monique Leroux

- **Digital and innovation**
  - Barbara Dalibard, Aruna Jayanthi

- **Materials**
  - Thierry Le Hénaff

- **Automotive and mobility businesses**
  - Michel Rollier, Anne-Sophie de La Bigne, Cyrille Poughon, Barbara Dalibard

- **Industry**
  - Michel Rollier, Olivier Bazil, Cyrille Poughon, Jean-Pierre Duprieu, Thierry Le Hénaff

- **General and international management**
  - Michel Rollier, Olivier Bazil, Jean-Pierre Duprieu, Aruna Jayanthi, Thierry Le Hénaff, Monique Leroux

- **Financial expertise and M&A**
  - Michel Rollier, Olivier Bazil, Anne-Sophie de La Bigne, Jean-Pierre Duprieu, Monique Leroux

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Gender balance on management bodies
Michelin has launched a certain number of initiatives to make all positions accessible to women and ensure gender wage parity. A specific action plan has been launched in each of the Group’s host regions to increase the number of women in management positions, with an objective of raising the proportion of women managers to 30% by 2020. This plan is detailed in section 4.1.2.2 c) of this 2019 Universal Registration Document.

3.2.2 d) Changes in the membership of the Supervisory Board in 2019
The Supervisory Board pays close attention to the situation of members whose term is due to expire at the next Annual Shareholders Meeting. The terms of office of Barbara Dalibard and Aruna Jayanthi expired at the close of the Annual Shareholders Meeting held on May 17, 2019. Barbara Dalibard and Aruna Jayanthi informed the other Supervisory Board members that they wished to stand for re-election.

In reviewing their proposed re-election, the Compensation and Appointments Committee took into account the main candidate assessment criteria, covering their skills, experience, independence and availability (i.e., that they do not hold too many other directorships), as well as the Board’s commitment to promoting Board diversity in terms of both culture and background.

When examining the individual situations of Barbara Dalibard and Aruna Jayanthi, the Board notably considered:
- the pros and cons of re-electing them;
- the skills and experience they bring to the Board;
- their availability and involvement in the work of the Board and its Committees;
- their independence and the absence of any conflicts of interest;
- their contribution to the complementary nature of the Board’s membership.

Following this review, on the recommendation of the Compensation and Appointments Committee, the Supervisory Board decided (without Barbara Dalibard and Aruna Jayanthi taking part in the decision) to recommend to the Annual Shareholders Meeting of May 17, 2019:
- to re-elect Barbara Dalibard for a four-year term (resolution adopted by a majority of 94.32% of the votes cast);
- to re-elect Aruna Jayanthi for a four-year term (resolution adopted by a majority of 97.66% of the votes cast).

3.2.3 STATEMENTS
The Managers and the members of the Supervisory Board do not have any close family ties.
To the best of the Company’s knowledge, neither Michelin’s Managers nor any Supervisory Board member has, in the past five years, been (i) convicted of fraud, (ii) associated with a bankruptcy, receivership or liquidation, (iii) the subject of any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) or disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer.

No Supervisory Board member and neither of Michelin’s Managers has a service contract with the Company or any of its subsidiaries. There are no:
- arrangements or understandings with major shareholders, customers, suppliers or others, pursuant to which they were selected as a Manager or as a member of the Supervisory Board;
- conflicts of interest between the duties to the Company of the Managers and the Supervisory Board members and their private interests and/or other duties;
- restrictions accepted by these persons on the disposal of their Michelin shares within a certain period of time, except for those resulting from market abuse regulations and the specific rules applicable to the Managers.
### 3.3 SUPERVISORY BOARD PRACTICES

#### 3.3.1 ROLE OF THE SUPERVISORY BOARD

The Company applies the recommendations set out in the Corporate Governance Code for Listed Companies ("AFEP/MEDEF Code", revised version dated June 2018). In accordance with the introduction to the Code, these recommendations are adapted as necessary to reflect the Company's organization as a partnership limited by shares ("SCA").

The Supervisory Board exercises permanent oversight of the Company's management and assesses its quality on behalf of the shareholders, presenting a report thereon at each Annual Shareholders Meeting. The recommendation provided under Article 1.9 of the AFEP/MEDEF Code, according to which material transactions outside the scope of the firm's stated strategy should be subject to prior approval by the Board of Directors, has to be adapted because of the Company's legal form as a partnership limited by shares (1). With this type of partnership, the Managing General Partners have unlimited personal liability and their powers are completely separate from those of the Supervisory Board, with the result that the Supervisory Board has no authority to become involved in managing the Company.

However, to (i) ensure that the Supervisory Board exercises effective oversight of the Company's management and (ii) adhere to the spirit of the AFEP/MEDEF recommendation, since 2011 the Company has amended its Bylaws (1), as well as the Supervisory Board's internal rules. Pursuant to the internal rules, the Managers must submit to the Supervisory Board details of any projects that are material for the Group, such as any business acquisitions, asset disposals, off-balance sheet commitments and capital projects (other than business acquisitions) in excess of €100 million, before any final decision is made.

This means that the Supervisory Board is automatically consulted about all projects that are material for the Group. Moreover, as it expresses an opinion on such projects, it is clearly able to report to shareholders thereon if appropriate.

In application of the Company's Bylaws, the Supervisory Board's internal rules and the internal rules of the Compensation and Appointments Committee, the Supervisory Board must be consulted or express an opinion (depending on the case) on all decisions concerning the Managers (election, re-election and removal from office) and the determination of the Managers' compensation.

In accordance with its internal rules, the Supervisory Board appoints one of its members to serve as Senior Independent Member and may ask its Chairman or the Senior Independent Member to participate in the dialog with the Company's main shareholders concerning the matters addressed by the Board.

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

Supervisory Board meetings may be held by videoconference on the basis stipulated in the Board's internal rules.

The Supervisory Board is assisted in its oversight role by two committees, the Audit Committee and the Compensation and Appointments Committee.

#### 3.3.2 THE SUPERVISORY BOARD’S ACTIVITIES DURING 2019

##### 3.3.2 a) General activities

At its meetings on February 8 and July 25 respectively, the Board reviewed (i) the statutory and consolidated financial statements for the year ended December 31, 2018 and (ii) the interim financial statements for the six months ended June 30, 2019. It also examined and expressed its opinion on the financial information communicated to the markets.

The issues examined by the Supervisory Board – based on presentations made by the Managers or by members of business line management – were as follows:

- quarterly financial information and interim and annual results – based in part on a review of scorecards – and the corresponding press releases;
- the Audit Committee's report;
- internal control and risk management;
- the challenges facing the Group's brands;
- a report on the integration of businesses acquired in recent years and their financial and technological synergies;
- the industrial transformation;
- the Research & Development teams' strategic vision;
- an assessment of the Group's employment model and leadership model;
- strategic business reviews (several meetings);
- proposed acquisitions (several meetings);
- the Compensation and Appointments Committee's report;
- preparation of recommendations on the re-election of existing Supervisory Board members or the election of new members;
- changes in the membership of the Supervisory Board and its Committees;
- employee representation on the Supervisory Board;
- the situation of the former Managing Chairman following his appointment as Chairman of the Board of Directors of the parent company of an automotive group;
- the results of the performance criteria used to determine the Managers' variable compensation for 2018;

(1) This adaptation to the full application of the AFEP/MEDEF Code's recommendations is mentioned in the table in section 3.2.2 b) prepared in accordance with the “comply or explain” rule.
the performance criteria to be used to determine their variable compensation for 2019;
- annual assessment of Supervisory Board members’ independence;
- annual self-assessment of the Board’s work;
- compensation policies;
- preparation of the Corporate Governance Report and the Annual Shareholders Meeting.

Part of each Supervisory Board meeting takes place behind closed doors, without the Managing Chairman or any representatives of executive management being present.

In addition, the independent members of the Board held two executive sessions.

3.3.2 b) Supervisory Board members’ attendance rates

The Supervisory Board met seven times in 2019 – on January 14, January 19, February 8, April 26, July 25, October 7 and December 10 – with an average attendance rate (excluding unscheduled Board meetings and including meetings of Board Committees) of 97.5%.

The attendance rates of the individual Board members are presented in the table below:

<table>
<thead>
<tr>
<th>Supervisory Board members</th>
<th>Participation at meetings held in 2019(1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Olivier Bazil</td>
<td>Supervisory Board (5 meetings): 5/5</td>
</tr>
<tr>
<td></td>
<td>Audit Committee (4 meetings): 4/4</td>
</tr>
<tr>
<td></td>
<td>Compensation and Appointments Committee (3 meetings): N/A</td>
</tr>
<tr>
<td>Barbara Dalibard</td>
<td>Supervisory Board (5 meetings): 5/5</td>
</tr>
<tr>
<td></td>
<td>Audit Committee (4 meetings): N/A</td>
</tr>
<tr>
<td></td>
<td>Compensation and Appointments Committee (3 meetings): 3/3</td>
</tr>
<tr>
<td>Anne-Sophie de La Bigne(2)</td>
<td>Supervisory Board (5 meetings): 5/5</td>
</tr>
<tr>
<td></td>
<td>Audit Committee (4 meetings): 3/3</td>
</tr>
<tr>
<td></td>
<td>Compensation and Appointments Committee (3 meetings): 3/3</td>
</tr>
<tr>
<td>Jean-Pierre Duprieu</td>
<td>Supervisory Board (5 meetings): 5/5</td>
</tr>
<tr>
<td></td>
<td>Audit Committee (4 meetings): 4/4</td>
</tr>
<tr>
<td></td>
<td>Compensation and Appointments Committee (3 meetings): N/A</td>
</tr>
<tr>
<td>Aruna Jayanthi</td>
<td>Supervisory Board (5 meetings): 5/5</td>
</tr>
<tr>
<td></td>
<td>Audit Committee (4 meetings): N/A</td>
</tr>
<tr>
<td></td>
<td>Compensation and Appointments Committee (3 meetings): 3/3</td>
</tr>
<tr>
<td>Thierry Le Hénaff</td>
<td>Supervisory Board (5 meetings): 5/5</td>
</tr>
<tr>
<td></td>
<td>Audit Committee (4 meetings): 3/4</td>
</tr>
<tr>
<td></td>
<td>Compensation and Appointments Committee (3 meetings): N/A</td>
</tr>
<tr>
<td>Monique Leroux</td>
<td>Supervisory Board (5 meetings): 5/5</td>
</tr>
<tr>
<td></td>
<td>Audit Committee (4 meetings): 3/4</td>
</tr>
<tr>
<td></td>
<td>Compensation and Appointments Committee (3 meetings): N/A</td>
</tr>
<tr>
<td>Cyrille Poughon</td>
<td>Supervisory Board (5 meetings): 5/5</td>
</tr>
<tr>
<td></td>
<td>Audit Committee (4 meetings): 4/4</td>
</tr>
<tr>
<td></td>
<td>Compensation and Appointments Committee (3 meetings): N/A</td>
</tr>
<tr>
<td>Michel Rollier(3)</td>
<td>Supervisory Board (5 meetings): 4/5</td>
</tr>
<tr>
<td></td>
<td>Audit Committee (4 meetings): N/A</td>
</tr>
<tr>
<td></td>
<td>Compensation and Appointments Committee (3 meetings): 3/3</td>
</tr>
</tbody>
</table>

(1) Excluding unscheduled meetings.
(2) Anne-Sophie de La Bigne ceased to be a member of the Audit Committee in July 2019. She attended all meetings of the Committee up to that date.
(3) Michel Rollier was exceptionally prevented from attending the meeting on October 7, after he was the victim of a minor accident that left him temporarily house-bound.

3.3.2 c) Training for Supervisory Board members

As part of its training policy for Supervisory Board members, during the year the Company once again organized a special training program on the Group’s operations. The program gave all of the Supervisory Board members an opportunity to acquire or refresh their hands-on insight into how Michelin’s various businesses are run. The Supervisory Board held one of its meetings in 2019 at a major plant in Spain. The trip included a site visit and a presentation about the plant’s operations and outlook and its production activities (tires and semi-finished tires).

The Board members also visited a research center in Spain which is one of the Group’s main testing facilities for mining tires. They held in-depth discussions with Michelin’s teams at this center and also attended a presentation by the Group’s Executive Vice President, Research and Development, on the tires’ main features. The visit gave them the opportunity to appreciate the teams’ active involvement in the life of the local community, thanks in no small measure to the presence of a representative of the center on the Board of the local nature reserve, part of which is located in the center’s grounds. These topic-specific presentations, along with those made during the year at Supervisory Board meetings by members of executive management and their teams, are welcomed by Supervisory Board members as a means of enhancing their understanding of all the challenges facing the Michelin Group.
3.3.2 d) Preparing recommendations for re-electing Supervisory Board members and other resolutions to be presented at the 2020 Annual Shareholders Meeting

The Supervisory Board asked the Compensation and Appointments Committee to review the situation of members whose term was due to expire at the 2020 Annual Shareholders Meeting. The Committee’s procedures and recommendations are presented in the Supervisory Board’s report on the resolutions to be submitted to the 2020 Annual Shareholders Meeting (see section 7.2 of this 2019 Universal Registration Document).

3.3.2 e) Activities of the Senior Independent Supervisory Board Member

Although, in a partnership limited by shares (société en commandite par actions), none of the Managers (who are equivalent to executive officers in a joint stock corporation) may also serve as Chairman of the Supervisory Board, the Board nevertheless decided in 2017 to appoint a Senior Independent Member. This role, given to an independent Board member, mainly covers the following responsibilities specified in the Board’s internal rules:

▶ lead the group of independent Board members;
▶ organize and chair meetings of independent members (executive sessions);
▶ receive information about self-assessments of the Board’s work;
▶ meet with the Chairman of the Board to inform him or her of all or some of the views or wishes expressed by the independent members during executive sessions;
▶ report on his or her activities to the Board.

Barbara Dalibard, Chair of the Compensation and Appointments Committee and independent Supervisory Board member, has served as Senior Independent Supervisory Board Member since 2017. In 2019, she organized and chaired two executive sessions, held without any Managers (equivalent to executive officers) being present. The main issues discussed during this session were as follows:

▶ membership of the Supervisory Board and its Committees in relation to the PACTE Act;
▶ members’ assessment of the presentations made by the Managers in 2019;
▶ suggested topics to be discussed at upcoming meetings of the Board;
▶ allocation of the total compensation awarded to the Supervisory Board.

In accordance with the Board’s internal rules, at the meeting on February 7, 2020, Barbara Dalibard reported to the Supervisory Board on her activities during 2019. All the Board members expressed satisfaction with the way she had fulfilled her duties. As in 2018, she was kept informed about the detailed aspects of the process for assessing the work of the Board and its Committees (see report on the results of this self-assessment in section 3.2.2 g) of this report).

As the Chairman of the Supervisory Board was exceptionally unable to attend the October 7 meeting, this meeting was chaired by Barbara Dalibard in accordance with the Board’s internal rules.

3.3.2 f) Review of Supervisory Board members’ independence and any conflicts of interest

The Supervisory Board has chosen to refer to all the criteria listed in the AFEP/MEDEF Code to assess its members’ independence and obtain assurance that a majority of the members are independent and without any vested interests (i.e., with no relationship of any kind whatsoever with the Company or its management which might risk coloring the member’s judgment (1)).

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

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

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

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

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

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

(1) When the Compensation and Appointments Committee assesses the independence of one of its members, that member does not take part in the Committee’s discussion and analysis of his or her situation or in the Supervisory Board’s decision regarding his or her independence.
In addition, the Committee examines whether any Board member:

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

In the third phase, the Committee reviews the situation of Supervisory Board members who may personally conduct significant amounts of business with the Company or be involved with undertakings that may maintain significant business relations with the Company. In each case, the Committee starts by examining the nature of the Supervisory Board member’s duties in the undertaking concerned, particularly whether they hold a non-executive position such as member of the Board of Directors or Supervisory Board, whether they are qualified as independent by that undertaking and whether they share any cross-directorships with an executive officer of the Company.

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

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

The Compensation and Appointments Committee conducted an independence review in early 2020. Its conclusions were presented to the Supervisory Board, which discussed and then adopted them. The review process can be summarized as follows:

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

The Committee nevertheless decided to examine the volume of business conducted between Michelin and Airbus, as some of the latter’s subsidiaries purchase products and/or services from Michelin. Due to the structure of the aerospace markets served by Michelin and the companies operating in these markets, the Committee examined the revenues earned by Michelin in 2019 from the sale of products and services not only to Airbus companies but also to these companies’ customers that own or lease aircraft. The sales figure was then compared to Michelin’s consolidated sales for 2019. The comparison showed that the sales in question represented a very limited part of the Group’s consolidated sales for the year.

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

The Committee also examined the business relationship between Michelin and the Capgemini group, whose Asia-Pacific and Latin America regions have been headed by Aruna Jayanthi since 2018. Transactions between the Capgemini group and Michelin represent only a very small proportion of Michelin’s purchases, and their contribution to Capgemini’s revenue is not material. Consequently, the Committee proposed considering that Aruna Jayanthi’s indirect business relationship with Michelin by virtue of her position with the Capgemini group was not material.

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

Transactions between Arkema and Michelin represent only a very small proportion of Michelin’s purchases and their contribution to Arkema’s revenue is not material. Consequently, the Committee proposed considering that Thierry Le Hénaff’s indirect business relationship with Michelin by virtue of his position with Arkema was not material.

Cyrille Poughon, is an employee of Manufacture Française des Pneumatiques Michelin, one of the Group’s largest operating companies and its largest French subsidiary. Despite his independent mindset and conspicuous participation in Supervisory Board meetings, the Supervisory Board considered that Mr. Poughon could not be qualified as independent because of the implicit requirement for him, as a Michelin employee, to demonstrate loyalty to the Group.

The Compensation and Appointments Committee decided that, to avoid any ambiguity and in the Company’s interests, the Chairman of the Supervisory Board, Michel Rollier, who is also Chairman of the Supervisory Board of Somfy SA, should continue to be qualified as a non-independent member of the Supervisory Board at December 31, 2019, despite the fact that (i) he stepped down from his executive position at Michelin more than five years ago (at the Shareholders Meeting of May 11, 2012) and (ii) the serving Managers as of December 31, 2019 were not members of senior management when he stepped down from his executive position in 2012. Michel Rollier, who is a member of the Committee, did not take part in the discussion of his situation and was not involved in determining the Committee’s conclusions.

Having reviewed the Compensation and Appointments Committee’s analyses, the Supervisory Board decided that all of its members, with the exception of Cyrille Poughon and Michel Rollier, are independent based on the criteria in the AFEP/MEDEF Code. These independent members represent just under 78% of total Supervisory Board members, a significantly higher proportion than that recommended in the AFEP/MEDEF Code, which states that half of the Board members of widely-held corporations without controlling shareholders should be independent.
3.3.2 g) Assessment of the Supervisory Board’s practices

During 2019, two self-assessments were carried out:

- one by a firm of consultants, covering each member’s personal contribution;
- the other by the Chairman of the Supervisory Board, covering the Board’s practices.

The self-assessment by the Supervisory Board’s Chairman was conducted in the first quarter of 2019. The self-assessment consisted in interviewing each Board member based on a questionnaire that they had received beforehand.

The following matters were covered:
- the Supervisory Board’s role and organization;
- the choice of topics addressed and the time allocated to them;
- governance;
- the Supervisory Board’s overall qualifications;
- the quality and quantity of information received;
- performance management;
- the practices of the Committees of the Supervisory Board.

Subsequently, each Board member’s personal contribution was assessed by a firm of consultants, based on individual interviews conducted during the first half of 2019. An executive summary of the consultants’ conclusions was presented to the Chairman of the Supervisory Board and the Chair of the Compensation and Appointments Committee.

Lastly, the consultants used the results of the above self-assessment and their own assessment of the members’ individual contributions to update the findings of their previous external assessment of the Supervisory Board’s overall performance.

These updated findings, which were communicated to the Supervisory Board members, were consistent with the results of the internal self-assessment performed by the Chairman of the Supervisory Board.

As is the case every year, an exchange of views and a discussion of Supervisory Board practices among its members was included on the agenda of the February 8, 2019 Supervisory Board meeting.

The self-assessment confirmed that the Supervisory Board’s practices are constantly improving, as evidenced by the following observations:
- the Company’s management succession plan was implemented very efficiently, taking into account the specific situation of a partnership limited by shares;
- high quality relations have been established with the new Managers;
- the two Committees of the Board are efficient and effective;
- executive sessions led by the Senior Independent Member are organized.

Going forward, the Supervisory Board members consider it important to continue efficiently preparing succession plans for the Managers and the holders of the main functions, and recommend paying even closer attention to certain key issues such as CSR programs and talent management.

The Supervisory Board has asked the same firm of consultants to perform a similar external assessment of its practices as the one conducted in 2016.

This external assessment will be carried out during the second half of 2020 using a tried and tested method, based on one-on-one interviews with Supervisory Board members, the Supervisory Board Secretary and the Managers, supported by reviews of all relevant documents.
3.3.2 h) Implementation of the “comply or explain” rule

In accordance with Article L. 225-68 of the French Commercial Code and paragraph 27.1 of the AFEP/MEDEF Code and the corresponding implementation guidance, the Supervisory Board considers that it complies with the recommendations of the AFEP/MEDEF Code, as adapted to the Company's structure as a French partnership limited by shares (S.C.A.), which was adopted at the time of its formation in 1863, except as explained below:

<table>
<thead>
<tr>
<th>AFEP/MEDEF Code recommendation</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Material transactions outside the scope of the firm's stated strategy should be subject to prior approval by the Board of Directors (Recommendation 1.9, first bullet point)</td>
<td>This recommendation in Article 1.9 of the AFEP/MEDEF Code (first bullet point) is not directly applicable because of the Company’s legal form as a partnership limited by shares. With this type of partnership, the Managing General Partners have unlimited personal liability and their powers are completely separate from those of the Supervisory Board, with the result that the Supervisory Board has no legal authority to become involved in managing the Company. However, to (i) ensure that the Supervisory Board exercises effective oversight of the Company’s management and (ii) adhere to the spirit of the AFEP/MEDEF recommendation, since 2011 the Company has amended its Bylaws(1), as well as the Supervisory Board's internal rules. Pursuant to the internal rules, the Managers must submit to the Supervisory Board details of any planned business acquisitions, asset disposals or off-balance sheet commitments that are material for the Group and any capital projects (other than business acquisitions) in excess of €100 million, before any final decision is made. This means that the Supervisory Board is automatically consulted about all projects that are material for the Group. Moreover, as it expresses an opinion on such projects, it is clearly able to report to shareholders thereon if appropriate. This approach complies with the spirit and aims of the recommendation.</td>
</tr>
<tr>
<td>Appointment to the Compensation Committee of a Director representing employees (Recommendation 18.1)</td>
<td>The Company chose to recommend that employees should be represented on the Supervisory Board and an employee of a Group company – Cyrille Poughon – was elected to the Supervisory Board at the 2014 Annual Shareholders Meeting, then re-elected at the 2018 Annual Shareholders Meeting by a majority of 99.45% of the votes cast. However, the Compensation and Appointments Committee, which determines executive compensation, does not include any member representing employees. The Company is a holding company and does not have any employees. The Supervisory Board therefore decided to postpone its review of the basis for (i) appointing an employee to sit on the Compensation and Appointments Committee and (ii) appointing additional Group employees to the Board until the revised PACTE Act (Act No. 2019-486) was adopted. Following the Company’s decision to propose a resolution at the 2020 Annual General Meeting amending the Bylaws to provide for employees of Group companies to be represented on the Supervisory Board in accordance with the revised provisions of the Act, the Board’s members will decide on the future membership of the Committees of the Supervisory Board once the employee representatives appointed pursuant to the Bylaws take up their seats on the Supervisory Board.</td>
</tr>
<tr>
<td>Termination of employment contract in the event of becoming a corporate officer (Recommendation 22)</td>
<td>Due to their status and specific responsibilities, under the long-standing compensation policy applied to Managing General Partners, these partners cease to be covered by any employment contract that may have existed between them and a Group company prior to becoming Managing General Partner. This rule applies even if they have acquired considerable seniority with the Group. In addition, Yves Chapot’s mandate as General Manager justifies suspending his pre-existing employment contract with a Michelin Group company:  ▶ Yves Chapot is not the most senior executive officer (Manager); he reports to the Managing Chairman who, according to the Company’s Bylaws, defines the Managers’ areas of responsibility and any restrictions on their powers, as well as setting their annual objectives;  ▶ the position of General Manager is therefore similar to that of a Chief Operating Officer or a member of the Management Board of a joint stock corporation, who are not concerned by the AFEP/MEDEF Code’s recommendation;  ▶ Yves Chapot has acquired considerable seniority, having worked for the Michelin Group without interruption for over 27 years (since 1992);  ▶ if Yves Chapot were to cease to be a Manager, any compensation for loss of office or non-compete benefit due to him would be reduced or cancelled if necessary so that the total amount payable – including the termination benefit in respect of his suspended employment contract – would not exceed his final two years’ total compensation.</td>
</tr>
</tbody>
</table>

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

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3.3.2 i) Audit Committee

<table>
<thead>
<tr>
<th>Attendance rate</th>
<th>Members</th>
<th>Independence</th>
<th>Meetings</th>
</tr>
</thead>
<tbody>
<tr>
<td>95.6%</td>
<td>5*</td>
<td>83%</td>
<td>4</td>
</tr>
</tbody>
</table>

* At December 31, 2019

/ Members(1)
The Audit Committee has at least three members appointed for their full term as Supervisory Board members. At least two-thirds of the members must be independent. Since January 2019, the Audit Committee has comprised the following members:

- Olivier Bazil, independent member and Committee Chairman;
- Jean-Pierre Duprieu, independent member and Chairman of the Committee;
- Anne-Sophie de La Bigne, independent member(2);
- Thierry Le Hénaff, independent member;
- Monique Leroux, independent member;
- Cyrille Poughon, non-independent (non-executive) member.

All of the Audit Committee's members have financial or accounting skills and, due to the extensive experience acquired during their careers, notably as part of the executive management and strategic advisory teams of large corporations, Anne-Sophie de La Bigne, Monique Leroux, Olivier Bazil, Jean-Pierre Duprieu and Thierry Le Hénaff have a deep understanding of financial and accounting matters.

/ Role and responsibilities

The main provisions of the Audit Committee's internal rules are outlined below.

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

The Audit Committee's role includes:

- reviewing the annual and interim financial statements, as approved by the Managing Chairman and audited by the Statutory Auditors, as well as the quarterly financial information;
- obtaining assurance that the Group's accounting methods and policies are appropriate and are applied consistently, and overseeing the quality of information given to the shareholders;
- reviewing off-balance sheet commitments;
- assessing the effectiveness of internal control and risk management systems;
- reviewing all of the Group's risks, assessing the effectiveness of measures taken to control these risks and examining their accounting treatment and the related disclosures in the Group's communications;
- reviewing the Statutory Auditors' annual audit programs;
- reviewing the Quality, Audit and Risk Management Department's internal audit programs and recommending internal audits of specific financial risks;
- verifying the Statutory Auditor's independence and objectivity and expressing an opinion about their appointment or re-appointment.

/ Committee practices

The Committee's work program and meeting schedule are decided by the Supervisory Board, in agreement with management.

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

However, to enable the Committee to perform its work as efficiently as possible:

- the documents concerning the financial statements are made available to the Committee members several days in advance;
- the Chairman of the Audit Committee meets with the Group's Chief Financial Officer in advance to review the financial statements and prepare the Committee's meeting.

This process ensures that the discussion of the financial statements by the Committee and the Supervisory Board is both efficient and of a high quality, in accordance with the recommendations in the AFEP/MEDEF Code on the organization of the Audit Committees' work.

The Committee may also call on the services of independent experts. In addition, the Committee meets with the Statutory Auditors once a year without any members of management being present.

The Committee chooses the location of its meetings and may decide to conduct meetings by videoconference.

The Committee's Chairman reports on the Committee's work to the Supervisory Board several times a year.

The Audit Committee monitors issues relating to the preparation and control of accounting and financial information, in accordance with Articles L. 823-19 and L. 823-20-4° of the French Commercial Code. The Committee met four times in 2019 – on February 7, April 24, July 24 and December 9 – with a 95.6% attendance rate.

/ Activities

During its meetings, the Audit Committee made inquiries of:

- the General Manager and Chief Financial Officer;
- the Senior Vice President, Supply Chain;
- the Senior Vice President, Corporate Finance;
- the Deputy Chief Financial Officer;
- the Executive Vice President, Manufacturing;
- the Senior Vice President, Accounting;
- the director responsible for the Fenner integration process;
- the Head of Internal Control;
- the Senior Vice President, Audit, Quality, Internal Control and Risk Management;
- the Senior Vice President, Tax and Customs Affairs;
- the Senior Vice President, Customs Affairs and Foreign Trade Control;
- the Executive Vice President, Research and Development;
- the OPE program Director;
- the Statutory Auditors.

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(1) Biographical details and other information concerning the members of this Committee of the Supervisory Board are provided in section 3.2.2 of this 2019 Universal Registration Document.

(2) Audit Committee member until the end of July 2019.
The main purpose of the meetings held in 2019 was to review:

- the audited parent company and consolidated financial statements for the year ended December 31, 2018, and the parent company projections prepared in accordance with French law. The Committee focused on reviewing the treatment of recently acquired businesses in the consolidated financial statements, key figures and non-recurring events in 2018. It noted that the audit of the accounts had gone smoothly. The Statutory Auditors reported to the Committee on their audit, noting that they would be issuing an unqualified opinion, without any emphasis of matter, on both the separate and consolidated financial statements. They also submitted their written report to the Audit Committee;

- the interim consolidated financial statements for the six months ended June 30, 2019 and the information on the parent company projections prepared in accordance with French law. The Committee performed a detailed review of the Group’s results for the first half of 2019 and discussed with the Statutory Auditors the nature and conclusions of their work. The Statutory Auditors reported to the Committee on their limited review of the interim financial statements for the six months ended June 30, 2019. Their limited review report did not contain any qualifications or emphasis of matter;

- the integration of the recently acquired Fenner and Camso groups. The Senior Vice President, Tax and Customs Affairs, and his successor, and the director responsible for the Fenner integration process reviewed in turn the two groups’ tax positions and Fenner’s expected performance and synergies;

- the situation regarding employee benefit obligations. The Senior Vice President, Corporate Finance presented the key factors in managing the risk exposures of employee benefit plan assets;

- Michelin Luxembourg’s financial statements. The Deputy Chief Financial Officer presented the financial statements of this subsidiary which has issued debt securities that are listed on the stock exchange and that shares the same Audit Committee as the Company;

- off-balance sheet commitments. The Deputy Chief Financial Officer provided an update on the situation regarding off-balance sheet commitments;

- product risk management. The Executive Vice President, Research and Development (his predecessor, by delegation) represented the system for managing the main product risks;

- export controls. The Senior Vice President, Tax and Customs Affairs and the Senior Vice President, Customs Affairs and Foreign Trade Control presented the system for managing export-related risks;

- health and safety and environmental risks associated with industrial operations. The Executive Vice President, Manufacturing presented the goals and challenges facing the Group’s industrial operations in relation to these risks;

- Supply Chain productivity plan. The Senior Vice President, Supply Chain presented this activity’s global productivity plan;

- cost efficiency plan. The Deputy Chief Financial Officer presented the cost efficiency plan targeting SG&A costs;

- the M&A process. The General Manager and Chief Financial Officer presented the Group’s upgraded M&A processes and practices;

- risk management processes and the internal audit program. The Senior Vice President, Audit, Quality, Internal Control, Risk Management and Operational Research and Development Management presented the overall internal control process, the control self-assessments and audits carried out since the last presentation and the progress made in implementing related action plans;

- execution of the OPE business process management system program. The program director outlined the various phases of the program, its deployment status and the related budget;

- the proposed organization of the subsidiaries’ control structures. The Deputy Chief Financial Officer presented a status report on this project.

The Chairman of the Audit Committee reported to the Supervisory Board on the Committee’s work on February 8, April 26, July 25, and December 10, 2019.

3.3.2 j) Compensation and Appointments Committee

<table>
<thead>
<tr>
<th>Attendance rate</th>
<th>Members</th>
<th>Independence</th>
<th>Meetings</th>
</tr>
</thead>
<tbody>
<tr>
<td>100%</td>
<td>4</td>
<td>75%</td>
<td>3</td>
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</table>

/ Members(1)

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

The current members of the Compensation and Appointments Committee are:

- Barbara Dalibard, independent member and Chairman of the Committee;
- Aruna Jayanthi, independent member;
- Anne-Sophie de La Bigne, independent member;
- Michel Rollier, non-independent (non-executive) member.

The Company chose to recommend that employees should be represented on the Supervisory Board and an employee of a Group company – Cyrille Poughon – was elected to the Supervisory Board at the 2014 Annual Shareholders Meeting, then re-elected at the 2018 Annual Shareholders Meeting by a majority of 99.45% of the votes cast.

The Company is a holding company and does not have any employees. The Supervisory Board therefore decided to postpone its review of the basis for (i) appointing an employee to sit on the Compensation and Appointments Committee and (ii) appointing additional Group employees to the Board until the revised PACTE Act (Act No. 2019-486) was adopted. Following the Company’s decision to propose a resolution at the 2020 Annual Shareholders Meeting amending the Bylaws to provide for employees of Group companies to be represented on the Supervisory Board in accordance with the revised provisions of the Act, the Supervisory Board’s members

(1) Biographical details and other information concerning the members of this Committee of the Supervisory Board are provided in section 3.2.2 of this 2019 Universal Registration Document.
will decide on the future membership of the Committees of the Supervisory Board once the employee representatives appointed pursuant to the Bylaws take up their seats on the Board\(^1\). The main provisions of the Compensation and Appointments Committee’s internal rules are outlined below.

/ Role and responsibilities

The Committee’s role encompasses:

- senior management compensation policy, including the criteria used to determine:
  - fixed and variable compensation paid to members of the Executive Committee,
  - variable compensation paid to other senior executives;
- employee performance share plan policies;
- senior management appointments policy; senior management career and succession plans;
- the policy concerning the appointment of Managers, including career and succession plans, developed jointly with the Non-Managing General Partner (SAGES) in line with the Company’s Bylaws.

Concerning the compensation awarded to the Managers and the Chairman of the Supervisory Board, in light of the specific rules applicable to partnerships limited by shares and the provisions of the Bylaws, the Committee makes recommendations to the Supervisory Board concerning the parameters for the components of their compensation. The Committee’s proposals help the Supervisory Board to formulate recommendations to the Non-Managing General Partner about the criteria to be applied to the Managers variable compensation.

The Committee also reviews all amounts and benefits due, awarded or to be awarded to the Managers for the previous year by Group companies.

As part of the review, the Committee particularly verifies that the amounts paid or awarded to the Managers are proportionate and consistent in terms of (i) the Company’s performance and (ii) industry and market practice.

The Committee also ensures that the components of the Managers’ compensation are balanced, by (i) assessing the components of their variable compensation calculated over one year and several years, and (ii) ensuring that their variable compensation never exceeds a reasonable percentage of their fixed compensation.

In assessing the level of the Managers’ variable compensation, the Committee considers (i) the inherent variability of the Company’s profits, (ii) projected future profits and (iii) in the case of the Managing Chairman and General Partner, the fact that he is in an unusual situation to the extent that he has unlimited joint and personal liability for the Company’s debts.

In addition to performing this review and formulating the corresponding recommendation to the Supervisory Board, the Committee prepares and submits to the Supervisory Board and the General Partners, in accordance with the law and the Company’s Bylaws, the information needed to prepare the compensation policy and the components of the compensation awarded or paid to the Managers during or in respect of the reporting period, to be submitted to shareholders for approval at the Annual Meeting.

The Committee also examines issues concerning the need for the Group’s management bodies to feature a diverse range of talents and a greater proportion of women.

/ Committee practices

The Committee chooses the location of its meetings and may decide to conduct meetings by videoconference.

The Committee’s Chairman reports on the Committee’s work to the Supervisory Board several times a year.

The Compensation and Appointments Committee may invite the Executive Vice President, Personnel or any internal or external expert to attend its meetings, depending on the agenda items.

Meetings of the Committee are attended by the Managers, except when their compensation or succession plans, or the succession plans of the Supervisory Board members, are being discussed, in accordance with AFEP/MEDEF Code recommendation 18.1\(^2\).

The Chair of the Committee reported to the Supervisory Board on the Committee’s work on February 8, April 26 and December 10, 2019.

The Compensation and Appointments Committee met three times in 2019 – on January 28, April 25 and November 29 – with a 100% attendance rate.

/ Activities

The Committee’s work mainly consisted in reviewing the following issues:

Review of the corporate officers’ compensation

In early 2019, the Committee analyzed and submitted to the Supervisory Board its conclusions about the achievement rates for the performance criteria used to determine the variable compensation due or awarded by the Company to the Managers and the Chairman of the Supervisory Board for 2018, so that the Board could submit its own conclusions to the General Partners (SAGES, Non-Managing General Partner, and Florent Menegaux, General Partner and Managing Chairman) for approval.

These compensation components were put to the vote at the Annual Shareholders Meeting of May 17, 2019 in the 6th to 9th resolutions, which were each adopted by a majority of over 96% of the votes cast.

The Compensation and Appointments Committee also proposed the components of the Managers’ 2019 variable compensation for approval by the General Partners.

Based on the Committee’s recommendation, the Supervisory Board examined the compensation awarded to its Chairman and prepared and recommended the components of his compensation to be put to the vote at the Annual Shareholders Meeting of May 17, 2019. The corresponding resolution (9th resolution) was approved by a majority of 99.71% of the votes cast.

In early 2020, the Committee analyzed the various components of the Managers’ compensation and noted the achievement rates for the applicable performance criteria.

Review of Supervisory Board members’ independence and any conflicts of interest

The Committee performed its annual review of the Supervisory Board members’ independence, by examining in particular whether there were any business relationships between the members and Michelin that could be qualified as material\(^3\).

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\(^1\) This exception to the full application of the AFEP/MEDEF Code’s recommendations is mentioned in the table in section 3.2.2.2 h) prepared in accordance with the “comply or explain” rule.

\(^2\) This rule also results from the legal ban on a General Partner becoming involved in appointing the members of the Supervisory Board of a partnership limited by shares (see Article L. 226-4, paragraph 3 of the French Commercial Code; the Company’s bylaws and the Supervisory Board’s internal rules, as well as the detailed explanations provided in section 10.2 of the 2016 Registration Document concerning the resolutions presented at the Annual Shareholders Meeting of May 19, 2017).

\(^3\) See the detailed description in section 3.2.2.2 f) of this report.


**Executive management succession plan**

The Compensation and Appointments Committee of the Supervisory Board periodically reviews the succession plans and career plans of the Group's executive management team, Managers and current or potential future members of the Executive Committee, in order to ensure a smooth succession to these positions when the time comes or to deal with any crisis situation. The review is also designed to enable the Committee to express an opinion on proposed candidates to succeed Managers to be submitted for approval at the Annual Shareholders Meeting.

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

In 2019, the Compensation and Appointments Committee continued to examine the membership of the Group's new internal management structures set up in 2018. It also reviewed the succession plans drawn up for these structures' members, and worked on adapting the new structures based on the plans submitted to the Committee by the Managing Chairman and by the two new Managers.

**Recommendations concerning the re-election of Supervisory Board members at the Annual Shareholders Meetings of May 17, 2019 and June 23, 2020**

At the Supervisory Board's request, the Committee reviewed the proposed re-election of Supervisory Board members.

The Committee's work and its recommendations to the Supervisory Board are described in detail in section 10.2.1 of the 2018 Registration Document for the re-elections/elections proposed at the Annual Shareholders Meeting of May 17, 2019 and in the Supervisory Board's report on the proposed resolutions (see section 7.2.1 of this Universal Registration Document) for the re-elections to be proposed at the Annual Shareholders Meeting of June 23, 2020.

**Variable compensation policy**

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

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**3.4 MANAGEMENT AND SUPERVISORY BOARD COMPENSATION POLICIES FOR 2020**

**3.4.1 GENERAL PRINCIPLES**

Since 2014, the compensation awarded to the Managers and the Chairman of the Supervisory Board has been submitted to the shareholders at the Annual Meeting.


The Compensation Policy applicable to the Managers and the Supervisory Board is prepared and revised in accordance with the relevant laws and regulations.

Article L. 226-8-1 of the French Commercial Code stipulates that the Compensation Policy applicable to the Managers and the Supervisory Board must be compatible with the Company's corporate interests. It must contribute to its marketing strategy as well as the long-term sustainability of the business.

This Compensation Policy establishes a competitive framework aligned with the Group's strategy and business environment. The policy is designed to increase medium and long-term performance and competitiveness and is therefore in the Group's best corporate interests, in accordance with the AFEP/MEDEF Code.

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

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

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

- for each Manager:
  - the performance indicators applicable to their variable compensation (annual and long-term) focus on sustained performance in line with the Group's strategy,
  - as from 2020, part of their variable compensation consists of performance shares that are subject to vesting conditions linked to the achievement of performance objectives over several years,
  - the performance shares received when the vesting conditions have been met may not be sold for as long as they serve as a Manager;
- for the Managing Chairman:
  - the Compensation Policy takes into account his position as General Partner with unlimited joint and personal liability for the Company's debts by deducting his annual variable compensation from the amounts due to the General Partners out of the Company's profits (if any);
for the members of the Supervisory Board, most of their compensation as Supervisory Board member and, if applicable, member of a Committee of the Board, is based on their attendance rate at Board and Committee meetings.

In the decision-making process for the determination and revision of the Compensation Policy, as the Company does not have any employees, it has chosen to take into account the compensation and employment conditions of employees of its main French subsidiary, Manufacture Française des Pneumatiques Michelin (the “Scope”).

The Managers’ decision to extend the variable compensation criteria to Scope employees and subsequently, according to a gradual process, to the employees of Group companies in other countries, led to the following adjustment of the 2020 performance indicators:

- concerning annual variable compensation, bonuses based on the achievement of one or several indicators, that are the same as those applicable to the variable compensation of the Managers, will be awarded to Scope employees as from 2020 and more widely to other Group employees thereafter;
- concerning their deferred variable compensation, the Managers will be awarded performance shares subject to more demanding conditions and criteria than those applicable to the Group’s performance share plans for Scope employees.

Conflicts of interest are avoided in the drafting, revision and implementation of the Compensation Policy due to the involvement of the Supervisory Board and the Compensation and Appointments Committee, the majority of whose members are independent. The procedures for managing conflicts of interest within the Supervisory Board are described in section 3.3.2 f).

In accordance with the second paragraph of Article L. 226-8-1, section III of the French Commercial Code, the General Partners, where the Managers are concerned, or the Supervisory Board, where the Supervisory Board members are concerned, may depart from this Compensation Policy provided that the following conditions are met:

- any departure from the Policy must be only temporary, consistent with the corporate interest and necessary to ensure the Company’s long-term sustainability and viability; in addition, it may only concern the following compensation components: annual and deferred variable compensation, exceptional compensation;
- the Policy may be departed from only in exceptional circumstances, such as - for example - the currently unforeseeable effects of the Covid-19 health and systemic crisis or, a significant change in the Group’s scope. It being specified that any change in an aspect of the Compensation Policy must be made public and justified, in particular as regards the Group’s best corporate interests over the long-term;
- in the case of exceptional compensation, with payment subject to the approval of the Annual Shareholders Meeting, in accordance with the law.

The 2020 Compensation Policy is the subject of two proposed resolutions to be presented at the Annual Shareholders Meeting to be called to approve the 2019 financial statements:

- the 6th resolution concerning the policy applicable to the Managers, presented in section 3.4.2 below;
- the 7th resolution concerning the policy applicable to the members of the Supervisory Board, presented in section 3.4.3 below.

### 3.4.2 COMPENSATION POLICY: THE MANAGERS

This section describes the components of the Compensation Policy for the Managers. These components are presented in a proposed ordinary resolution approved by the General Partners that will be submitted for shareholder approval at the Annual Meeting to be called to approve the 2019 financial statements (6th resolution).

#### 3.4.2.1 Principles inherent in the position of General Partner

In his capacity as a General Partner of CGEM, the Managing Chairman has unlimited joint and personal liability for the Company’s debts. As consideration for this liability, the General Partners(1) receive a portion of the Company’s profits (the “Profit Shares”) as provided for in the Bylaws. This means that their interests are fully aligned with those of the shareholders, as they are paid Profit Shares only if the Company makes a profit. In addition, the amount is capped at 0.6% of consolidated net income for the year.

The Bylaws state that the allocation of Profit Shares between the General Partners is realized by agreement between them after consulting the Supervisory Board.

This agreement:

- sets the annual cap on the Profit Shares, as a percentage of profits, that can be allocated to the Managing General Partner;
- describes the Profit Share allocation terms and conditions, performance criteria and the related objectives to be met by the Managing General Partner.

The Managing General Partner presents these objectives to the Compensation and Appointments Committee, which discusses their merits before submitting them to the Supervisory Board for approval.

In assessing the level of the Profit Shares, the Committee considers (i) the inherent variability of the Company’s profits, (ii) projected future profits and (iii) the General Partner’s unusual situation.

This ensures that the agreement reflects the variable components of the Managing General Partner’s compensation described below. At each fiscal year-end, the Compensation and Appointments Committee assesses the Managing General Partner’s results in relation to the applicable objectives.

After making its recommendation to the Supervisory Board, the Compensation and Appointments Committee informs the Non-Managing General Partner (SAGES) of the proposed amount to be deducted from the General Partners’ Profit Shares in respect of the Managing Chairman’s variable compensation. The amount available after this deduction is then allocated to the Non-Managing General Partner, which decides to allocate most of this amount to the contingency reserve fund set up in accordance with its Bylaws(2).

The compensation of the General Manager, who does not have unlimited personal liability for the Company’s debts, also includes a performance-based variable component.

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(1) At December 31, 2019, the Company had two General Partners: Florent Menegaux, Managing Chairman, and SAGES, Non-Managing General Partner (see presentation in sections 3.1.3).

(2) See explanation in section 3.1.3.
3.4.2.2 Principles for determining compensation

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

▸ the annual variable compensation is deducted from the General Partners’ Profit Shares, as explained in section 3.4.2.1 above;
▸ the long-term variable compensation is awarded in the form of performance shares;
▸ the fixed compensation is paid by a subsidiary of the Company in exchange for his services as Manager of that company.

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

3.4.2.3 Fixed compensation

Consider the efforts that the Michelin Group’s employees and other stakeholders have been called upon to make in order to deal with the consequences of the Covid-19 health crisis, the Managing Chairman, the General Manager and the Non-Managing General Partner have decided, with the unanimous backing of the Supervisory Board, to:

▸ maintain the Managers’ fixed compensation at the amounts decided at the time of their appointment, i.e. €900,000 for Florent Menegaux and €600,000 for Yves Chapot; and
▸ to reduce this fixed compensation by 25% for the period during which employees are furloughed.

3.4.2.4 Annual and long-term variable compensation

/ Shared principles

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

This structure means that the Managers’ variable compensation fluctuates partly in line with net income for the year and partly on the basis of several additional performance conditions related to factors that are essential for the deployment of Michelin’s strategy to deliver sustainable growth.

The General Partners and the Supervisory Board take into consideration and apply the principles of compensation determination defined by the AFEP/MEDEF Code recommendations.

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

The Managing General Partner’s annual variable compensation is deducted from the Profit Shares described in the sections above entitled “General principles” and “Principles inherent in the position of General Partner”.

/ 3.4.2.4.1 Annual variable compensation

Florent Menegaux, Managing Chairman and General Partner

In line with the simplified approach applied since 2019, this component would be calculated as a direct percentage of the General Partners’ Profit Shares.

The performance criteria determined by the Supervisory Board include:

▸ a quantitative criterion based on net income for the year, for 4% of the Group Profit Shares;
▸ a quantitative criterion based on growth in Segment Operating Income (SOI), which is also used to determine the variable compensation of the General Manager and all employees of Group companies in France from 2020 and worldwide thereafter, for up to 8% of the Profit Shares;
▸ a quantitative criterion based on growth in structural free cash flow, which is also used to determine the variable compensation of the General Manager and all employees of Group companies in France from 2020 and worldwide thereafter, for up to 8% of the Profit Shares;
▸ quantifiable qualitative criteria aligned with the objectives set for 2019 and based on the Group’s strategic ambitions and managerial expectations, for up to 4% of the Profit Shares. These criteria concern three areas in particular: deployment of the Group’s strategy, employee safety and implementation of the synergies arising from recent acquisitions.

The maximum amount receivable in respect of this annual variable compensation would:

▸ correspond to the amount payable if all the objectives for the selected criteria were met; and
▸ be capped at 16% of the Profit Shares for the quantitative criteria (including the criterion based on net income) and 4% of the Profit Shares for the qualitative objectives. For example, assuming that the Profit Shares were equivalent to the amount proposed on the basis of 2019 income, the maximum amount would be €2,076,000.

The following will be applied to each criterion except for the one concerning net income:

▸ a trigger point below which no compensation will be due;
▸ an intermediate tranche between the trigger point and 100% of the objective, with the compensation prorated to the achievement rate for the objective;
▸ 100% of the objective, corresponding to the level at which the maximum compensation for the criterion would be payable.

For reasons of confidentiality and business secrecy, and in particular to avoid disclosing information about the Company’s strategy that could be used by business competitors for their advantage, the Supervisory Board has elected not to disclose details of the performance targets set for these quantitative and quantifiable criteria.
Yves Chapot, General Manager

Yves Chapot’s annual variable compensation would be calculated on a base equal to one and a half times his 2019 fixed compensation with:

- the same quantitative performance criteria as those used to determine the variable compensation of the Managing Chairman and employees, as presented in the above section concerning Florent Menegaux, for up to 80% of the base;
- the same quantifiable qualitative criteria as those used to determine the Managing Chairman’s compensation, for up to 20% of the base.

The maximum amount receivable in respect of this annual variable compensation would:

- correspond to the amount payable if all the objectives for the selected criteria were met; and
- be capped at 150% of Yves Chapot’s fixed compensation for 2019, representing a maximum amount of €1,050,000.

The following will be applied to each criterion (including the one concerning net income):

- a trigger point below which no compensation will be due;
- an intermediate tranche between the trigger point and 100% of the objective, with the compensation prorated to the achievement rate for the objective;
- 100% of the objective, corresponding to the level at which the maximum compensation for the criterion would be payable.

For reasons of confidentiality and business secrecy, and in particular to avoid disclosing information about the Company’s strategy that could be used by business competitors for their advantage, the Supervisory Board has elected not to disclose details of the performance targets set for these quantitative and quantifiable criteria.

/ 3.4.2.4.2 Long-term variable compensation: performance share rights

As from 2016, in response to shareholder expectations and the changing market environments in which the Group’s businesses operate, the Managers’ cash-settled long-term incentive bonuses were subject to the same performance criteria as those applicable to the employee performance share plans (that were not open to the Managers), which concerned implementation of the Group’s long-term strategy as expressed in the Ambitions for 2020 (see section 1 of this 2019 Universal Registration Document).

The 2020 Compensation Policy provides for the use of a simpler mechanism that is even more closely aligned with the components of the long-term compensation paid to Michelin employees. Under the revised policy:

- the Managers are no longer entitled to a cash-settled long-term incentive bonus;
- instead, they participate in the annual performance share plans set up for employees, on the same terms and based on the same criteria, except for certain terms that are necessary by virtue as their position as Managers and corporate officers; and
- new performance criteria have been added for all plan participants (employees and Managers) to take into account the changing market environment in which the Group’s businesses operate and the Group’s strategy.

The performance share plans’ terms, conditions and criteria are presented in support of the 25th extraordinary resolution to be presented at the Annual Shareholders Meeting of June 23, 2020 (see section 7.1.1 of this 2019 Universal Registration Document).

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

- the awards are decided annually by the Managing Chairman on the recommendation of the General Partners, after the performance conditions and criteria have been determined by the Supervisory Board;
- the total performance share rights awarded to the Managers during the period of validity of the above resolution will be capped at 0.05% of the Company's share capital on the date of the Shareholders Meeting at which the resolution is adopted.
- in addition, the value of each annual award will be capped at a percentage of the Manager’s fixed annual compensation for the award year, set at 100% for the Managing Chairman and 100% for the General Manager;
- the Managers will be required to hold 40% of the vested shares for as long as they remain in office;
- concerning the Managing Chairman and General Partner:
  - the vested performance shares would be delivered to him only if Profit Shares were distributed in respect of the year preceding the one in which the shares are issued;
  - by proposing to replace the cash-settled long-term incentive bonus with an allocation of performance shares to the General Partner, when the time comes, the cost to the Company of this allocation will be taken into account in determining the Profit Shares returning to the General Partners, under the control by the Supervisory Board;
- if a Manager ceases to hold this position:
  - following his resignation or removal from office due to mismanagement, all the performance share rights will be forfeited,
  - for any other reason, such as the expiration of his term or due to disability or death, before the end of the reference period for determining the achievement rate for the performance criteria, he will retain a number of performance share rights initially awarded to him prorated to the time served in office during the plan period (or the total number in the case of disability or death), and the reference three-year period will continue to run, during and beyond the end of his term.

3.4.2.5 Fringe benefits and directors’ compensation

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

As executive officers of the Company or MFPM, the Managers are covered by health and death/disability insurance plans in the same way as the employees of the Company or MFPM.
3.4.2.6 **Stock options**

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

3.4.2.7 **Pension benefits**

There is no specific supplementary pension plan set up for the Managers or the Chairman of the Supervisory Board. Florent Menegaux, in his capacity as General Manager of MFPM, and Yves Chapot, in his capacity as General Manager of CGEM, participate in the supplementary pension plans described in sections 3.4.3.5 and 3.4.4.5 of this 2019 Universal Registration Document. In accordance with Government Order No. 2019-697 dated July 3, 2019, the supplementary pension plan set up for MFPM and CGEM senior executives (the Michelin Executive Supplementary Pension Plan) has been closed to new members since July 4, 2019 and the vesting period was frozen at December 31, 2019. The terms on which the vesting period was frozen were the same as those applied to the supplementary pension plan for MFPM employees. Any loss of retirement income arising from the vesting freeze will be offset for all affected employees and senior executives by benefits payable under a new system that is currently under consideration. Under the rules of the Michelin Executive Supplementary Pension Plan, the vested rights of the current two Managers entitle them to the maximum pension benefits, capped at 15% since December 31, 2018. Consequently, the freeze on the vesting period will have no impact on the pension benefits payable to them when they retire. At this stage, therefore, there are no plans to compensate them for any loss of pension rights. If a Manager was no longer able to participate in the Michelin Executive Supplementary Pension Plan, he could be given the opportunity to either (i) participate in a new defined contribution plan, or (ii) build up a pension fund by receiving an initial seed capital award, in cash or shares, and annual payments.

3.4.2.8 **Compensation for loss of office**

In accordance with Article 13-2 of the Bylaws, as approved by an extraordinary resolution of the May 13, 2011 Annual Shareholders Meeting, if a Manager were to be removed from office before the end of his term as a result of a change of strategy or a change of control of the Company, provided such removal was not due to gross misconduct, he would be entitled to compensation for loss of office to be decided by the Non-Managing General Partner, SAGES, subject to the prior approval of the Supervisory Board. The amount of any such compensation would not exceed the equivalent of the Manager’s total compensation for the two years preceding the year of his removal from office.

By decision of the Supervisory Board, it would be based on the performance criteria used to determine his annual variable compensation and would be calculated using the following formula: [Total compensation paid over the two years preceding the loss of office] x [the average (in %) of the achievement rates for the annual variable compensation for the three years preceding the loss of office].

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

3.4.2.9 **Non-compete clause**

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

If the Company decided to apply this non-compete clause for a period of up to two years, in line with the conditions described in section 3.7.1.13 of this 2019 Universal Registration Document:

- Florent Menegaux, Managing General Partner and Managing Chairman, would be entitled to a non-compete benefit of up to 24 months’ compensation based on his most recent annual fixed compensation as Manager;
- Yves Chapot, General Manager, would be entitled to a non-compete benefit of up to 24 months’ compensation based on the compensation defined in his suspended contract of employment for the position held immediately before his election as Manager. The terms of the commitment would be amended in 2020 so that the above baseline would be indexed to the average growth in compensation of Michelin Executive Committee members since his employment contract was suspended.

In accordance with paragraph III of Article R. 226-1-1 of the French Commercial Code, introduced by decree 2019-1235, the above compensation would not be payable if Florent Menegaux or Yves Chapot retired on leaving the Group.

In accordance with the AFEP/MEDEF Code:

- the Company may waive application of this clause;
- if compensation for loss of office were to be awarded as provided for above (see “Compensation for loss of office”), the non-compete indemnity would be reduced or withheld entirely, if necessary, so that the Manager’s aggregate severance package, including the non-compete indemnity referred to above, would not exceed the equivalent of the aggregate of his last two years’ compensation.

3.4.2.10 **Exceptional compensation**

There are no plans to award any exceptional compensation to either of the Managers, except as a departure from the current Compensation Policy subject to the conditions set out in section 3.4.1 above.

3.4.2.11 **Employment contract**

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

Consequently, Florent Menegaux no longer has an employment contract with the Company or any of its subsidiaries since he became Managing General Partner of the Company(2).

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(1) The disclosures in this section and in sections 3.5.2.5, 3.5.4.5 and 3.5.5.5 of this 2019 Universal Registration Document comply with the provisions of the PACTE Act, as set out in Article D. 225-29-3 of the French Commercial Code.

(2) This adaptation to the full application of the AFEP/MEDEF Code’s recommendations is mentioned in the table in section 3.2.2 h) prepared in accordance with the “comply or explain” rule.
In addition, Yves Chapot’s mandate as General Manager justify suspending his pre-existing employment contract with a Michelin Group company:

- Yves Chapot is not the most senior executive officer (Manager); he reports to the Managing Chairman who, according to the Company’s Bylaws, defines the Managers’ areas of responsibility and any restrictions on their powers, as well as setting their annual objectives;
- the position of General Manager is therefore similar to that of a Chief Operating Officer or a member of the Management Board of a joint stock corporation. The AFEPMedef Code does not recommend terminating these executives’ employment contracts;
- Yves Chapot has acquired considerable seniority, having worked for the Michelin Group without interruption for over 27 years (since 1992);
- if Yves Chapot were to cease to be a Manager, any compensation for loss of office or non-compete benefit due to him would be reduced or cancelled if necessary so that the total amount payable – including the termination benefit in respect of his suspended employment contract – would not exceed his final two years’ total compensation.

3.4.2.12 Proposed resolution on the Compensation Policy for Managers

At the Annual Meeting of June 23, 2020, shareholders will be asked to approve the following resolution:

6th resolution Approval of the Compensation Policy applicable to the Managers

Having noted the agreement of the General Partners and considered the report of the Supervisory Board, the Annual Shareholders Meeting, in application of Article L. 226-8-I-II of the French Commercial Code, approves the Compensation Policy applicable to the Managers drawn up by the General Partners, as presented in the Corporate Governance Report set out in sections 3.4.1 and 3.4.2 of the Company’s 2019 Universal Registration Document.

3.4.3 COMPENSATION POLICY: MEMBERS OF THE SUPERVISORY BOARD

This section describes the components of the Compensation Policy applicable to the members of the Supervisory Board. These components are presented in a proposed resolution approved by the General Partners that will be submitted for shareholder approval at the Annual Meeting of June 23, 2020 (7th resolution).

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

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

3.4.3.1 Compensation for serving on the Supervisory Board (previously referred to as “attendance fees”)

At the Annual Shareholders Meeting of May 17, 2019, the total compensation payable to Supervisory Board members was set at €770,000 for 2019 and subsequent years (12th resolution, adopted by a majority of 99.15% of the votes cast).

On the recommendation of the Compensation and Appointments Committee, the Supervisory Board decided to allocate this annual amount as follows:

- allocation of a basic amount to each member;
- allocation of additional amount 1 to each member who sits on a Committee of the Supervisory Board and participates in its work;
- allocation of additional amount 2 to each member who serves as Chair of a Committee of the Supervisory Board and participates in its work (recipients of this additional amount 2 are not entitled to additional amount 1);
- allocation of additional amount 3 to the Senior Independent Member of the Supervisory Board;
- allocation of additional amount 4 to the Chairman of the Supervisory Board (who is not entitled to additional amounts 1, 2 or 3);
- allocation of additional amount 5 to Supervisory Board members who live outside Europe on a permanent basis;

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

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

The compensation will be paid (including to the Chairman of the Supervisory Board) during the first half of the year following the one to which it relates, provided that the resolution on the disclosures required by Article L. 225-37-3 of the French Commercial Code has been approved by the Annual Shareholders Meeting called to approve the financial statements for the year preceding the one to which the compensation relates.

3.4.3.2 Other compensation

As the Supervisory Board members do not hold any other positions within the Company or the Michelin Group, they do not receive any other compensation from the Company or its subsidiaries.
3.4.3.3 Proposed resolution on the Compensation Policy for members of the Supervisory Board

At the Annual Meeting of June 23, 2020, shareholders will be asked to approve the following resolution:

7th resolution
Approval of the Compensation Policy applicable to members of the Supervisory Board

Having noted the agreement of the General Partners and considered the report of the Supervisory Board, the Annual Shareholders Meeting, in application of Article L. 226-8-1-II of the French Commercial Code, approves the Compensation Policy applicable to the members of the Supervisory Board, as presented in the Corporate Governance Report set out in sections 3.4.1 and 3.4.3 of the Company’s 2019 Universal Registration Document.

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

3.5.1 COMPENSATION PAID OR AWARDED TO THE MEMBERS OF THE SUPERVISORY BOARD

The following table provides details of the amounts paid in 2019 or awarded in respect of that year to the members of the Supervisory Board. No variable compensation was paid to them in 2019 or awarded to them in respect of that year. The Chairman and independent members of the Supervisory Board are joining the Managers by deciding to donate 25% of their 2019 compensation received in 2020 to foundations in their respective countries, which are part of the fight against Covid-19.

<table>
<thead>
<tr>
<th>Supervisory Board members</th>
<th>Compensation components put to the vote</th>
<th>Amounts paid in 2019 in respect of 2018 (in €)</th>
<th>Amounts awarded in respect of 2019 (in €)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Olivier Bazil</td>
<td>Compensation as Supervisory Board member</td>
<td>63,278</td>
<td>80,000</td>
</tr>
<tr>
<td></td>
<td>Other compensation</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Pat Cox(1)</td>
<td>Compensation as Supervisory Board member</td>
<td>24,338</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td>Other compensation</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Barbara Dalibard</td>
<td>Compensation as Supervisory Board member</td>
<td>63,278</td>
<td>90,000</td>
</tr>
<tr>
<td></td>
<td>Other compensation</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Jean-Pierre Duprieu</td>
<td>Compensation as Supervisory Board member</td>
<td>53,543</td>
<td>60,000</td>
</tr>
<tr>
<td></td>
<td>Other compensation</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Aruna Jayanthi</td>
<td>Compensation as Supervisory Board member</td>
<td>63,278</td>
<td>70,000</td>
</tr>
<tr>
<td></td>
<td>Other compensation</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Anne-Sophie de La Bigné</td>
<td>Compensation as Supervisory Board member</td>
<td>63,278</td>
<td>71,250</td>
</tr>
<tr>
<td></td>
<td>Other compensation</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Thierry Le Hénaff(2)</td>
<td>Compensation as Supervisory Board member</td>
<td>22,488</td>
<td>56,727</td>
</tr>
<tr>
<td></td>
<td>Other compensation</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Monique Leroux</td>
<td>Compensation as Supervisory Board member</td>
<td>60,357</td>
<td>70,000</td>
</tr>
<tr>
<td></td>
<td>Other compensation</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Cyrille Poughon</td>
<td>Compensation as Supervisory Board member</td>
<td>53,543</td>
<td>60,000</td>
</tr>
<tr>
<td></td>
<td>Other compensation</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Michel Rollier</td>
<td>Compensation as Supervisory Board member</td>
<td>87,615</td>
<td>112,800</td>
</tr>
<tr>
<td></td>
<td>Other compensation</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>554,992</strong></td>
<td><strong>660,777</strong></td>
<td></td>
</tr>
</tbody>
</table>

(1) Supervisory Board member until May 2018.
(2) Supervisory Board member since May 2018.
(3) The amounts paid in 2019 were awarded in respect of 2018 out of the total annual compensation of €555,000 decided by the Annual Shareholders Meeting of May 13, 2016 (10th resolution adopted by a majority of 99.54% of the votes cast).
(4) The amounts awarded in respect of 2019 have been determined in accordance with the principles and practices approved by the Supervisory Board in 2019, based on the total annual compensation of €770,000 decided by the Annual Shareholders Meeting of May 17, 2019 (12th resolution approved by a majority of 99.15% of the votes cast).
3.5.2  COMPENSATION PACKAGE OF MICHEL ROLLIER, CHAIRMAN OF THE SUPERVISORY BOARD

The Compensation and Appointments Committee of the Supervisory Board has reviewed all the components of the compensation paid or awarded to Michel Rollier, Chairman of the Supervisory Board and sole non-executive officer pursuant to the 2019 Compensation Policy.

3.5.2.1  Compensation for serving on the Supervisory Board (previously referred to as “attendance fees”)

In 2019, Michel Rollier received a total of €87,615 in respect of 2018. Under the 2019 Compensation Policy decided by the Supervisory Board, Michel Rollier is in line to receive €112,800 in 2020 in respect of 2019. Michel Rollier is joining the Managers by deciding to donate 25% of his 2019 compensation received in 2020 to a foundation which is part of the fight against Covid-19.

No variable compensation was paid or awarded to Michel Rollier during or in respect of 2019.

Information about (i) Michel Rollier’s attendance rate at meetings of the Supervisory Board and its Committees and (ii) the Supervisory Board’s activities in 2019 is provided in section 3.3.2 of this 2019 Universal Registration Document.

3.5.2.2  Other compensation

No other compensation was paid or awarded to Michel Rollier during or in respect of 2019.
3.5.3 COMPENSATION PACKAGE OF FLORENT MENEGAUX, MANAGING CHAIRMAN AND MANAGING GENERAL PARTNER

In his capacity as General Partner of CGEM(1), Florent Menegaux has unlimited joint and personal liability for CGEM’s debts. As consideration for this liability, the General Partners each receive a portion of the Company’s profits as provided for in the Bylaws(2). This means that their interests are fully aligned with those of the shareholders, as they are paid this consideration only if the Company makes a profit.

The Compensation and Appointments Committee of the Supervisory Board has reviewed all the components of the compensation paid to Florent Menegaux in 2019 or awarded to him in respect of 2019 in his capacity as Managing Chairman as from May 18, 2018, pursuant to the 2019 Compensation Policy. This policy is described in the Corporate Governance Report reproduced in the 2018 Registration Document(3) and was presented to the Annual Shareholders Meeting of May 17, 2019 by the Chair of the Compensation and Appointments Committee (the “2019 Compensation Policy”)⁴.

### COMPENSATION PAID TO MR FLORENT MENEGAUX DURING FISCAL YEAR 2019

**Fixed compensation**

In application of the 2019 Compensation Policy, Florent Menegaux’s fixed compensation has been kept, without any increase, at the level determined when he was appointed by the Annual Shareholders Meeting of May 18, 2018. The fixed compensation received by Florent Menegaux therefore amounted to €900,000⁵.

**Annual variable compensation**

This annual variable compensation has been determined in application of the 2019 Compensation Policy and is deducted in full from the Profit Shares due to the General Partners. The 2019 Profit Shares, in the amount of €10,380,285.65⁶, constitutes the Calculation Base for annual and deferred variable compensation⁷.

#### ANNUAL VARIABLE COMPENSATION

The breakdown of the relative weighting of each of the criteria (excluding consolidated net income) corresponds to the maximum achievement of all the objectives and not to the 2019 results.

<table>
<thead>
<tr>
<th>Quantitative criteria</th>
<th>Quantifiable and qualitative criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level of Consolidated net income</td>
<td>Digital strategy</td>
</tr>
<tr>
<td>Annual growth in sales</td>
<td>CSR/Human rights</td>
</tr>
<tr>
<td>Annual free cash flow (excluding acquisitions)</td>
<td>Group transformation support</td>
</tr>
<tr>
<td>Annual savings from the Efficiency project</td>
<td></td>
</tr>
</tbody>
</table>

---

(1) At December 31, 2019, the Company had two General Partners: Florent Menegaux, Managing Chairman, and SAGES, Non-Managing General Partner (see sections 3.1) of this 2019 Universal Registration Document.
(2) See Article 30 of the Bylaws, reproduced in section 3.11.5 below.
(3) See section 4.4.1 a) of the 2018 Registration Document.
(5) Compensation paid by Manufacture Française des Pneumatiques Michelin (MFPM) in consideration of his role as General Manager of the Company.
(6) See the 2nd resolution presented to the Annual Shareholders Meeting of June 23, 2020.
(7) The Profit Shares are fixed in the Company’s Bylaws at 12% of the Company’s net income for the year, with a cap of 0.6% of consolidated net income (see section 3.11.5 of this 2019 Universal Registration Document).
The achievement rates for the criteria that determine the amounts due in respect of annual variable compensation are as follows:

<table>
<thead>
<tr>
<th>Quantitative criteria</th>
<th>Annual growth in sales</th>
<th>Annual savings from the Efficiency project</th>
<th>Annual free cash flow (excluding acquisitions)</th>
<th>Level of Consolidated net income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indicator</td>
<td>Variation</td>
<td>Amount</td>
<td>Amount</td>
<td>Function of the level achieved</td>
</tr>
<tr>
<td>Target(1)</td>
<td>Proportionate to observed increase</td>
<td>Achieved in stages from a minimum ratio</td>
<td>Achieved in stages from a minimum amount</td>
<td></td>
</tr>
<tr>
<td>Indicator: 2019 Actual</td>
<td>-1.5%</td>
<td>53%</td>
<td>€1,606 million</td>
<td>€1,730 million</td>
</tr>
<tr>
<td>Maximum value (% of the Profit Shares)</td>
<td>5%</td>
<td>2%</td>
<td>3%</td>
<td>6%</td>
</tr>
<tr>
<td>Achievement rate</td>
<td>0%</td>
<td>0%</td>
<td>3%</td>
<td>6%</td>
</tr>
</tbody>
</table>

(1) For reasons of confidentiality and business secrecy, and more particularly to avoid disclosing information about the Company’s strategy that could be used by competitors for their advantage, the Supervisory Board has elected not to disclose details of these performance targets to these quantitative and quantifiable criteria.

<table>
<thead>
<tr>
<th>Quantifiable qualitative criteria</th>
<th>Digital strategy</th>
<th>CSR/Human rights</th>
<th>Group transformation support</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum value (% of the Profit Shares)</td>
<td>1.33%</td>
<td>1.33%</td>
<td>1.33%</td>
</tr>
<tr>
<td>Achievement rate</td>
<td>1.31%</td>
<td>1.33%</td>
<td>1.31%</td>
</tr>
<tr>
<td>Overall achievement rate</td>
<td>12.95%/20%(2)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

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

- for the “Digital strategy” criterion, corresponding to continued active deployment of the Group’s digital strategy, the Committee noted that all of the objectives based on quantifiable indicators had been met, with:
  - concerning Digital Manufacturing:
    - the deployment of several Digital Leader Plants (DLP), including implementation and certification of the necessary skills; datalake implementation where necessary, deployment of digital applications and derivative applications identified during the previous demonstrator phase,
    - assisted by the DLPs, deployment of datalakes and hiring in of the necessary skills at several dozen manufacturing facilities,
  - concerning the Group’s digital transformation:
    - action to strengthen the skills base at the Pune technology and innovation center in India, through the hiring of a Chief Data Officer and the necessary dedicated skillsets (several dozen people),
    - the creation of a Data/Analytics/Artificial Intelligence competence center, with the aim of transforming Michelin into a data driven company and innovating in a responsible manner (particularly with new process, governance, training and certification components);
- for the CSR/Human rights criterion, the Committee noted that the objective to improve the safety of Group employees had been met, in the shape of a Total Case Incident Rate (TCIR) of 1.4;
- for the Group transformation support criterion, the Committee noted that the objectives set in terms of quantifiable indicators had been met, as follows:
  - concerning the implementation of the new governance structure designed to complete the Group’s new organization: the membership and practices of the Group’s Executive Committee have been revised and a Group Management Committee has been created and deployed,
  - concerning the implementation of synergies created by the integration of the recently acquired Fenner and Camso businesses: 93% of the projected synergistic benefits for 2019 in the business plan were delivered.

In conclusion of its analysis, the Committee recommended to the Supervisory Board that cumulative actual performance in relation to these quantifiable qualitative criteria should be rated as 12.95% vs. a maximum of 20%. Given the Calculation Base of €10,380,258.65, Florent Menegaux’s annual variable compensation for 2019 amounts to €1,344,345.91.

After discussing the matter during its meeting on February 7, 2020, the Supervisory Board approved the Compensation and Appointments Committee’s recommendations, which were then also approved by the General Partners.

Subsequent to this, considering the efforts that the Michelin Group’s employees and other stakeholders have been called upon to make in order to deal with the consequences of the Covid-19 health crisis, the Managing Chairman announced his intention to waive 25% of his annual variable compensation for 2019 resulting from application of the above criteria. Consequently, if the Annual Shareholders Meeting approves the components of the compensation paid or awarded to the Managing Chairman for 2019, the amount corresponding to the waived compensation will be not be paid to him. In addition, CGEM will pay the sum corresponding to this waived compensation to national Covid-19 related charities.
### 3.5.3.3 Cash-settled deferred variable compensation awarded in 2019 (long-term incentive bonus)

**LONG-TERM INCENTIVE BONUS**

The breakdown of the relative weighting of each of the criteria corresponds to the maximum achievement of all the objectives and not to the 2019 results.

**Quantifiable criteria**

- Growth in the Michelin share price compared with that of the CAC 40 index
- Growth in Segment Operating Income (SOI)
- Michelin site Environmental Footprint ("MEF")
- Change in the Employee Engagement Rate

The 2019 Compensation Policy provides for a long-term incentive bonus to be awarded to the Managing Chairman.

In response to shareholder expectations and the changing tire market environment, the policy applied consistently since 2016 for the Managing Chairman has consisted of aligning these criteria with those for employee performance share plans, which concern implementation of the Group’s long-term strategy as expressed in the Ambitions for 2020 (see section 1 of this 2019 Universal Registration Document).

In application of this policy, as taken up in the 2019 Compensation Policy, this long-term incentive bonus will be equal to up to 30% of the Profit Shares for the third year of the period (2019, 2020 and 2021) covered by the three performance criteria set by the Supervisory Board in agreement with the General Partners, which will be weighted as follows:

- growth in the Michelin share price, for up to 11% of the Profit Shares;
- corporate social responsibility performance (two indicators), for up to 8% of the Profit Shares;
- growth in the Business Units’ operating income, for up to 11% of the Profit Shares.

The following will be applied to each criterion:

- a trigger point below which no compensation will be due;
- one or several intermediate tranches between the trigger point and 100% of the objective, with the compensation prorated to the achievement rate for the objective;
- 100% of the objective, corresponding to the level at which the maximum compensation for the criterion would be payable.

The long-term incentive bonus receivable at the end of the performance measurement period is capped at two-and-a-half (2.5) times the annual fixed compensation for 2019, i.e., a maximum of €2,250,000.

Detailed information and the other components used to calculate the criteria are included in the presentation of the 13th resolution of the 2019 Annual Shareholders Meeting (see pages 417 to 419 of the 2018 Registration Document), which was adopted by a 98.70% majority of the votes cast.

The final amount receivable under the long-term incentive plan will be:

- deducted from the Profit Shares due for 2021 (i.e., the last year of the criteria calculation period) and payable in 2022:
  - subject to approval of the corresponding resolutions by the Annual Shareholders Meeting called to approve the 2021 financial statements and the compensation concerned,
  - subject to the availability of Profit Shares payable out of net income for that year, and
  - up to the amount of said available Profit Shares after deducted the annual variable compensation due for that year.

If the Managing Chairman were to cease to be a General Partner (for reasons other than death or disability) before his term expires and before the end of the performance assessment period, notably due to his resignation or removal from office, he would forfeit his rights to the long-term incentive bonus.

The Supervisory Board noted that, as this is a long-term incentive bonus, no amount was due in respect of 2019.

No provision has been recorded in CGEM’s financial statements for the long-term incentive plan as it does not correspond to a commitment given by CGEM or any other Group company.

Mr. Menegaux will be required to invest 20% of the actual amounts received at the end of the three-year period in Michelin shares for the 2019 incentive bonus and to retain these shares for as long as he remains in office, after which the shares may be sold on a phased basis over four years.
The following table includes a summary of the long-term incentive plan, performance to date in relation to the criteria and an estimate of the corresponding bonus:

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Growth in the Michelin share price compared with that of the CAC 40 index over the 2019-2021 period</th>
<th>Michelin site Environmental Footprint (as measured by the “MEF” indicator)(1)</th>
<th>Change in the Employee Engagement Rate (as measured by the annual “Moving Forward Together” survey)</th>
<th>Growth in Segment Operating Income (SOI), in € millions (based on current business scope and comparable accounting methods, excluding changes in exchange rates)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type of criterion</td>
<td>Financial performance</td>
<td>Environmental and CSR performance</td>
<td>Environmental and CSR performance</td>
<td>Business performance</td>
</tr>
<tr>
<td>Weighting (as a % of the Profit Shares)</td>
<td>11%</td>
<td>4%</td>
<td>4%</td>
<td>11%</td>
</tr>
<tr>
<td>Maximum objective</td>
<td>If the gain in Michelin’s share price is at least 15 points more than the gain in the CAC 40, the achievement rate will be 100% and the maximum 11% of the maximum potential bonus will be received.</td>
<td>If the change in average MEF over three years is less than -1.5pt, the achievement rate will be 100% and the maximum 4% of the maximum potential bonus will be received</td>
<td>If the improvement in the average engagement rate exceeds 1.5pt, the achievement rate will be 100% and the maximum 4% of the maximum potential bonus will be received</td>
<td>If average annual growth in Segment Operating Income exceeds €200 million, the achievement rate will be 100% and the maximum 11% of the performance shares for this objective will vest.</td>
</tr>
<tr>
<td>Target objective</td>
<td>If the gain in Michelin’s share price is between 0 and 15 points more than the gain in the CAC 40, the result will be: (gain in the Michelin share price - gain in the CAC 40 index) x (11%/15)</td>
<td>If the change in average MEF over three years is between -1.1pt and -1.5pt, the target will be partly achieved and 3% of the maximum potential bonus will be received</td>
<td>If the improvement in the average engagement rate is between 0.1pt and 1.5pt, the target will be partly achieved and the bonus will be determined on a straight line basis</td>
<td>If the average growth in Segment Operating Income is between €100 million and €200 million, the target will be partly achieved and the bonus will be determined on a proportionate basis</td>
</tr>
<tr>
<td>Trigger point</td>
<td>If the gain in Michelin’s share price is less than the gain in the CAC 40, the achievement rate would be 0%.</td>
<td>If the change in average MEF over three years exceeds -0.5pt, the target will not be met</td>
<td>If the improvement in the average engagement rate is less than 0.1pt, the target will not be met</td>
<td>If average annual growth in Segment Operating Income is less than €100 million, the target will not be met.</td>
</tr>
<tr>
<td>Intermediate assessment</td>
<td>Growth in the Michelin share price(2) = +6.40% Growth in the CAC 40(2) = +8.80%</td>
<td>2019 = -0.5pt</td>
<td>2019 = +1.0pt</td>
<td>2019 = +€163 million</td>
</tr>
<tr>
<td>Simulated result</td>
<td>€1,136,336.11(3)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Base amount</td>
<td>Profit Shares payable out of distributable income for 2021</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cap and eligibility conditions</td>
<td>▶ capped at 2.5x annual fixed compensation, i.e., €2,250,000 (indicative amount)</td>
<td>▶ Subject to the availability and amount of Profit Shares for distribution in 2022 out of 2021 profit, after deducting annual variable compensation due for 2021</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payment year</td>
<td>2022</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commitment</td>
<td>Commitment to invest in Michelin shares 20% of the long-term incentive bonus received at the end of the three-year period and to retain these shares for as long as Mr. Menegaux remains in office, after which the shares may be sold on a phased basis over four years</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(1) Michelin Environmental Footprint (MEF) indicator: energy use, water withdrawals, CO₂ emissions, volatile organic compound emissions, amount of waste produced and amount of waste landfilled.
(2) Average share price for the second half of 2018 compared to the average share price for the second half of 2019.
(3) Simulation prepared for information purposes only (no provision has been recorded in the accounts), using the following assumptions:
   – amount of Profit Shares due in respect of 2021 income (Calculation Base) identical to the amount of Profit Shares due for 2019;
   – results of the four performance indicators over the three-year calculation period equal to the change in these indicators in the first year of this period (2019).
3.5.3.4 Fringe benefits, stock options, performance shares, directors’ or Supervisory Board members’ compensation

In line with the 2019 Compensation Policy, in 2019 Florent Menegaux did not receive (i) any compensation in his capacity as a member of the Board of Directors or Supervisory Board of the Company or any controlled entities, (ii) any benefits other than those listed above, or (iii) any stock options or performance shares of the Company or any controlled entities.

Mr. Menegaux has a fringe benefit in the form of a Company car (see the table in section 3.6.2).

3.5.3.5 Pension benefits

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

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

As required by Article D. 225-29-3 of the French Commercial Code, this plan, governed by Article L. 137-11 of the French Social Security Code and Article 39 of the French General Tax Code, is described below:

► as of their retirement date, participants must have served for at least five years as a senior executive to be eligible for benefits;
► 1.5% of benefits vest each year, entitling participants to an annuity representing a replacement rate of up to 15% of the reference compensation (annual average of the best three years of compensation out of the last five years preceding the beneficiary’s retirement). In accordance with the Government Order dated July 3, 2019, no rights have vested since December 31, 2019; the replacement rate including benefit entitlements under compulsory plans is capped at 35%;
► an evaluation is carried out in accordance with Group accounting policies;
► benefit entitlement is conditional on participants ending their career at MFPM as an executive employee or executive officer, in accordance with Article L. 137-11 of the French Social Security Code;
► 70% of the prior year’s benefit obligation is funded through a contribution to an insured plan.

Mr. Menegaux’s reference compensation for 2019 was made up solely of the annual fixed compensation paid by MFPM. Based on the assumptions in Article D. 225-29-3 of the French Commercial Code introduced by Decree No. 2019-1235, the estimated gross annual pension payable to Mr. Menegaux under this plan amounts to €135,000.

As allowed by the government order dated July 3, 2019, the Company has changed its tax strategy and opted to pay tax on the premiums paid to the insurance company that manages the plan assets. The applicable tax rate is 24%.

The actual gross replacement rate represented by pension benefits paid under the plan will be well below the 45% ceiling recommended in the AFEP/MEDEF Code.

3.5.3.6 Compensation for loss of office

No compensation for loss of office was paid to Mr. Menegaux in 2019(1).

3.5.3.7 Non-compete clause

No non-compete indemnity was paid to Mr. Menegaux in 2019(1).

(1) See detailed disclosures in section 3.7.1.13 of this 2019 Universal Registration Document.
3.5.4 COMPENSATION PACKAGE OF YVES CHAPOT, GENERAL MANAGER

The Compensation and Appointments Committee of the Supervisory Board has reviewed all the components of the compensation paid to Yves Chapot in 2019 or awarded to him in respect of 2019 in his capacity as General Manager, pursuant to the 2019 Compensation Policy. This policy is described in the Corporate Governance Report reproduced in the 2018 Registration Document\(^{(1)}\) and was presented to the Annual Shareholders Meeting of May 17, 2019 by the Chair of the Compensation and Appointments Committee (the “2019 Compensation Policy”\(^{(2)}\)).

### COMPENSATION PAID TO MR YVES CHAPOT DURING FISCAL YEAR 2019

<table>
<thead>
<tr>
<th>Component</th>
<th>Fixed compensation</th>
<th>Annual variable compensation</th>
<th>Long-term incentive bonus</th>
</tr>
</thead>
<tbody>
<tr>
<td>n/a</td>
<td>30%</td>
<td>70%</td>
<td>n/a: non applicable.</td>
</tr>
</tbody>
</table>

#### Fixed compensation

In application of the 2019 Compensation Policy, Yves Chapot’s fixed compensation has been kept, without any increase, at the level determined when he was appointed by the Annual Shareholders Meeting of May 18, 2018. The fixed compensation received by Yves Chapot therefore amounted to €600,000.

#### Annual variable compensation

In application of the 2019 Compensation Policy and as recommended by the Supervisory Board, the General Partners have set Yves Chapot’s annual variable compensation based on 150% of his fixed compensation for 2019 as General Manager and seven performance criteria. Four of these are quantitative criteria accounting for 80/100 and three are quantifiable qualitative criteria accounting for 20/100\(^{(3)}\).

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

#### ANNUAL VARIABLE COMPENSATION

The breakdown of the relative weighting of each of the criteria corresponds to the maximum achievement of all the objectives and not to the 2019 results.

<table>
<thead>
<tr>
<th>Quantitative criteria</th>
<th>Quantifiable and qualitative criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Segment Operating Income (SOI)</td>
<td>Digital strategy</td>
</tr>
<tr>
<td>Annual growth in sales</td>
<td>CSR/Human rights</td>
</tr>
<tr>
<td>Annual free cash flow (excluding acquisitions)</td>
<td>Group transformation support</td>
</tr>
<tr>
<td>Annual savings from the Efficiency project</td>
<td></td>
</tr>
</tbody>
</table>

---

\(^{(1)}\) See section 4.4.1 a) of the 2018 Registration Document.

\(^{(2)}\) See the information/presentations on the May 17, 2019 Annual Shareholders Meeting on the Company’s website www.michelin.com.
The achievement rates for the criteria that determine the amounts due in respect of annual variable compensation are as follows:

<table>
<thead>
<tr>
<th>Quantitative criteria</th>
<th>Growth in Segment Operating Income (SOI, based on comparable accounting methods, excluding changes in exchange rates)</th>
<th>Annual growth in sales (perimeter as of January 1st, 2019, including Fenner and Camso)</th>
<th>Annual savings from the Efficiency project (project to reduce overheads costs)</th>
<th>Annual free cash flow (excluding acquisitions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indicator</td>
<td>Variation</td>
<td>Variation</td>
<td>Appropriate SG&amp;A/ gross margin ratio</td>
<td>Amount</td>
</tr>
<tr>
<td>Target(1)</td>
<td>Achieved in stages from a minimum amount, limited by a cap</td>
<td>Proportionate to observed increase</td>
<td>Achieved in stages from a minimum ratio</td>
<td>Achieved in stages from a minimum amount</td>
</tr>
<tr>
<td>Indicator: 2019 Actual</td>
<td>+€163 million</td>
<td>-1.5%</td>
<td>53%</td>
<td>€1,606 million</td>
</tr>
<tr>
<td>Maximum value (out of 80)</td>
<td>30</td>
<td>25</td>
<td>10</td>
<td>15</td>
</tr>
<tr>
<td>Achievement rate</td>
<td>16.88</td>
<td>0</td>
<td>0</td>
<td>15</td>
</tr>
</tbody>
</table>

(1) For reasons of confidentiality and business secrecy, and more particularly to avoid disclosing information about the Company’s strategy that could be used by competitors for their advantage, the Supervisory Board has elected not to disclose details of these performance targets to these quantitative and quantifiable criteria.

<table>
<thead>
<tr>
<th>Quantifiable qualitative criteria</th>
<th>Digital strategy</th>
<th>CSR/Human rights</th>
<th>Group transformation support</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum value (out of 20)</td>
<td>6.66</td>
<td>6.66</td>
<td>6.66</td>
</tr>
<tr>
<td>Achievement rate</td>
<td>6.55</td>
<td>6.66</td>
<td>6.57</td>
</tr>
</tbody>
</table>

Overall achievement rate 51.67/100(1)

<table>
<thead>
<tr>
<th>Amount awarded based on quantifiable qualitative criteria (in €)</th>
<th>As a % of fixed compensation</th>
</tr>
</thead>
<tbody>
<tr>
<td>465,034.86</td>
<td>77.50%</td>
</tr>
</tbody>
</table>

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

The Compensation and Appointments Committee carefully reviewed achievement rates for each of the quantitative and qualitative criteria.

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

- for the “Digital strategy” criterion, corresponding to continued active deployment of the Group’s digital strategy, the Committee noted that all of the objectives based on quantifiable indicators had been met, with:
  - concerning Digital Manufacturing:
    - the deployment of several Digital Leader Plants (DLP), including implementation and certification of the necessary skills; datalake implementation where necessary, deployment of digital applications and derivative applications identified during the previous demonstrator phase,
    - assisted by the DLPs, deployment of datalakes and hiring in of the necessary skills at several dozen manufacturing facilities,
  - concerning the Group’s digital transformation:
    - action to strengthen the skills base at the Pune technology and innovation center in India, through the hiring of a Chief Data Officer and the necessary dedicated skillsets (several dozen people),
    - the creation of a Data/Analytics/Artificial Intelligence competence center, with the aim of transforming Michelin into a data driven company and innovating in a responsible manner (particularly with new process, governance, training and certification components);

- for the CSR/Human rights criterion, the Committee noted that the objective to improve the safety of Group employees had been met, in the shape of a Total Case Incident Rate (TCIR) of 1.4;

- for the Group transformation support criterion, the Committee noted that the objectives set in terms of quantifiable indicators had been met, as follows:
  - concerning the implementation of the new governance structure designed to complete the Group’s new organization: the membership and practices of the Group’s Executive Committee have been revised and a Group Management Committee has been created and deployed,
  - concerning the implementation of synergies created by the integration of the recently acquired Fenner and Camso businesses: 93% of the projected synergistic benefits for 2019 in the business plan were delivered.

In conclusion of its analysis, the Committee recommended to the Supervisory Board that cumulative actual performance in relation to these quantifiable qualitative criteria should be rated as 51.67/100. Given the Calculation Base, Yves Chapot’s annual variable compensation for 2019 amounts to €465,034.86.

After discussing the matter during its meeting on February 7, 2020, the Supervisory Board approved the Compensation and Appointments Committee’s recommendation, which were then also approved by the General Partners.

Subsequent to this, considering the efforts that the Michelin Group’s employees and other stakeholders have been called upon to make in order to deal with the consequences of the Covid-19 health crisis, the General manager announced his intention to waive 25% of his annual variable compensation for 2019 resulting from application of the above criteria. Consequently, if the Annual Shareholders Meeting approves the components of the compensation paid or awarded to the General manager for 2019, the amount corresponding to the waived compensation will be not be paid to him.

In addition, CGEM will pay the sum corresponding to this waived compensation to national Covid-19 related charities.
3.5.4.3 **Cash-settled deferred variable compensation awarded in 2019 (long-term incentive bonus)**

**LONG-TERM INCENTIVE BONUS**

The breakdown of the relative weighting of each of the criteria corresponds to the maximum achievement of all the objectives and not to the 2019 results.

### Quantifiable criteria

<table>
<thead>
<tr>
<th>Growth in the Michelin share price compared with that of the CAC 40 index</th>
<th>Segment Operating Income (SOI)</th>
<th>Michelin site Environmental Footprint (&quot;MEF&quot;)</th>
<th>Change in the Employee Engagement Rate</th>
</tr>
</thead>
</table>

In response to shareholder expectations and the changing tire market environment, the 2019 Compensation Policy applicable to the General Manager provides for the payment of a long-term incentive bonus based on performance criteria aligned with the vesting criteria for employee performance share plans, which concern implementation of the Group’s long-term strategy as expressed in the Ambitions for 2020 (see section 1 of this 2019 Universal Registration Document).

In application of this policy, as taken up in the 2019 Compensation Policy, this long-term incentive bonus will be calculated on a base equal to 100% of Mr. Chapot’s fixed compensation for 2019. It will be subject to the results of three performance criteria covering the years 2019, 2020 and 2021 that have been set by the Supervisory Board in agreement with the General Partners and are weighted as follows:

- growth in the Michelin share price, for up to 35% of the bonus;
- corporate social responsibility performance (two indicators), for up to 30% of the bonus;
- growth in segment operating income, for up to 35% of the bonus.

The following will be applied to each criterion:

- a trigger point below which no compensation will be due;
- one or several intermediate tranches between the trigger point and 100% of the objective, with the compensation to the achievement rate for the objective;
- 100% of the objective, corresponding to the level at which the maximum compensation for the criterion would be payable.

Detailed information and the other components used to calculate the criteria are included in the presentation of the 13th resolution of the 2019 Annual Shareholders Meeting (see pages 417 to 419 of the 2018 Registration Document), which was adopted by a 98.70% majority of the votes cast.

The amount obtained after applying the performance criteria will be:

- capped at 120% of the annual average of the annual variable compensation paid to Mr. Chapot for 2019, 2020 and 2021.

The Supervisory Board noted that, as this is a long-term incentive bonus, no amount was due in respect of 2019.

The bonus will be paid at the end of the three-year period (2022).
The following table includes a summary of the long-term incentive plan, performance to date in relation to the criteria and the bonus estimate used to determine the related provision:

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Growth in the Michelin share price compared with that of the CAC 40 index over the 2019-2021 period</th>
<th>Michelin site Environmental Footprint (as measured by the “MEF” indicator(1))</th>
<th>Change in the Employee Engagement Rate (as measured by the annual “Moving Forward Together” survey) (2)</th>
<th>Growth in Segment Operating Income (SOI), in € millions (based on current business scope and comparable accounting methods, excluding changes in exchange rates).</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Type of criterion</strong></td>
<td>Financial performance</td>
<td>Environmental and CSR performance</td>
<td>Environmental and CSR performance</td>
<td>Business performance</td>
</tr>
<tr>
<td><strong>Weighting</strong></td>
<td>35%</td>
<td>15%</td>
<td>15%</td>
<td>35%</td>
</tr>
<tr>
<td><strong>Maximum objective</strong></td>
<td>If the gain in Michelin’s share price is at least 15 points more than the gain in the CAC 40, the target will be met in full.</td>
<td>If the change in average MEF over three years is less than -1.5pt, the target will be met in full.</td>
<td>If the improvement in the average engagement rate exceeds 1.5pt, the target will be met in full.</td>
<td>If average annual growth in Segment Operating Income exceeds €200 million, the target will be met in full.</td>
</tr>
<tr>
<td><strong>Target objective</strong></td>
<td>If the gain in Michelin’s share price is between 0 and 15 points more than the gain in the CAC 40, the result will be: (gain in the Michelin share price - gain in the CAC 40 index) x (11%/15)</td>
<td>If the change in average MEF over three years is between -1.1pt and -1.5pt, the target will be partly achieved and 3% of the maximum potential bonus will be received if the change in average MEF over three years is between -0.5pt and -1.1pt, the target will be partly achieved and 1.5% of the maximum potential bonus will be received</td>
<td>If the improvement in the average engagement rate is between 0.1pt and 1.5pt, the target will be partly achieved and the bonus will be determined on a straight line basis</td>
<td>If the average growth in Segment Operating Income is between €100 million and €200 million, the target will be partly achieved and the bonus will be determined on a proportionate basis</td>
</tr>
<tr>
<td><strong>Trigger point</strong></td>
<td>If the gain in Michelin’s share price is less than the gain in the CAC 40, the achievement rate would be 0%.</td>
<td>If the change in average MEF over three years exceeds -0.5pt, the target will not be met</td>
<td>If the improvement in the average engagement rate is less than 0.1pt, the target will not be met</td>
<td>If average annual growth in Segment Operating Income is less than €100 million, the target will not be met.</td>
</tr>
<tr>
<td><strong>Intermediate assessment</strong></td>
<td>Growth in the Michelin share price(2) = +6.40% Growth in the CAC 40(2) = +8.80%</td>
<td>2019 = -0.5pt</td>
<td>2019 = +1.0pt</td>
<td>2019 = + €163 million</td>
</tr>
<tr>
<td><strong>Provision(3)</strong></td>
<td>Provision set aside of €93,000 at December 31, 2019:</td>
<td>▶ €73,000 (theoretical net bonus)</td>
<td>▶ €20,000 (payroll taxes)</td>
<td></td>
</tr>
<tr>
<td><strong>Base amount</strong></td>
<td>€600,000 (2019 fixed compensation)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Ceiling</strong></td>
<td>120% of the annual average of the annual variable compensation paid to Mr. Chapot for 2019, 2020 and 2021</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Payment year</strong></td>
<td>2022</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(1) Michelin Environmental Footprint (MEF) indicator: energy use, water withdrawals, CO₂ emissions, volatile organic compound emissions, amount of waste produced and amount of waste landfilled.
(2) Average share price for the second half of 2018 compared to the average share price for the second half of 2019.
(3) Provision estimated based on the assumption that the results of the four performance indicators over the three-year calculation period is equal to the change in these indicators in the first year of this period (2019).
3.5.4 Fringe benefits, stock options, performance shares, and directors’ or Supervisory Board members’ compensation

In line with the 2019 Compensation Policy, in 2019 Yves Chapot did not receive (i) any compensation in his capacity as a member of the Supervisory Board of the Company or any controlled entities, (ii) any benefits other than those listed above, or (iii) any stock options or performance shares of the Company or any controlled entities.

Mr. Chapot has a fringe benefit in the form of a Company car (see the table in section 3.5.3).

3.5.4.5 Pension benefits

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

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

As required by Article D. 225-29-3 of the French Commercial Code, this plan, governed by Article L. 137-11 of the French Social Security Code and Article 39 of the French General Tax Code, is described below:

▶ as of their retirement date, participants must have served for at least five years as a senior executive to be eligible for benefits;
▶ 1.5% of benefits vest each year, entitling participants to an annuity representing a replacement rate of up to 15% of the reference compensation (annual average of the best three years of compensation out of the last five years preceding the beneficiary's retirement). In accordance with the Government Order dated July 3, 2019, no rights have vested since December 31, 2019;
▶ the replacement rate including benefit entitlements under compulsory plans is capped at 35%;
▶ an evaluation is carried out in accordance with Group accounting policies;
▶ benefit entitlement is conditional on participants ending their career at MFPM as an executive employee or executive officer, in accordance with Article L. 137-11 of the French Social Security Code;
▶ 70% of the prior year's benefit obligation is funded through a contribution to an insured plan.

Mr. Chapot's reference compensation for 2019 in his capacity as executive officer was made up of his annual fixed compensation and his annual variable compensation.

Based on the assumptions in Article D. 225-29-3 of the French Commercial Code introduced by Decree No. 2019-1235, the estimated gross annual pension payable to Mr. Chapot under this plan amounts to €125,435.

As allowed by the government order dated July 3, 2019, the Company has changed its tax strategy and opted to pay tax on the premiums paid to the insurance company that manages the plan assets. The applicable tax rate is 24%.

The actual gross replacement rate represented by pension benefits paid under the plan will be well below the 45% ceiling recommended in the AFEP/MEDEF Code.

3.5.4.6 Compensation for loss of office

No compensation for loss of office was paid to Mr. Chapot in 2019(1).

3.5.4.7 Non-compete clause

No non-compete indemnity was paid to Mr. Chapot in 2019(1).

(1) See detailed disclosures in section 3.7.1.13 of this 2019 Universal Registration Document.
3.5.5 COMPENSATION PACKAGE OF JEAN-DOMINIQUE SENARD, MANAGING GENERAL PARTNER AND MANAGING CHAIRMAN UNTIL MAY 17, 2019

In his capacity as a General Partner of CGEM until May 17, 2019, Jean-Dominique Senard had unlimited joint and personal liability for the Company’s debts. As consideration for this liability, the General Partners each receive a portion of the Company’s profits as provided for in the Bylaws (1). This means that their interests are fully aligned with those of the shareholders, as they are paid this consideration only if the Company makes a profit.

The Compensation and Appointments Committee of the Supervisory Board reviewed all the components of the compensation paid to Jean-Dominique Senard in 2019 or awarded to him in respect of 2019, pursuant to the 2019 Compensation Policy. This policy is described in the Corporate Governance Report reproduced in the 2018 Registration Document (2) and was presented to the Annual Shareholders Meeting of May 17, 2019 by the Chair of the Compensation and Appointments Committee (the “2019 Compensation Policy”) (3).

3.5.5.1 Fixed compensation
In application of the 2019 Compensation Policy, Jean-Dominique Senard’s fixed compensation was kept, without any increase, at the level determined in 2014 and was prorated to the period served in 2019. The fixed compensation received by Mr. Senard in 2019 amounted to €411,021.52 (4).

3.5.5.2 Annual variable compensation
Jean-Dominique Senard’s annual variable compensation was determined in application of the 2019 Compensation Policy and will be deducted in full from the Profit Shares due to the General Partners. The 2019 Profit Shares, in the amount of €10,380,258.65 (5), constitutes the Calculation Base for annual and deferred variable compensation (6).

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(1) See Article 30 of the Bylaws, reproduced in section 3.11.5
(2) See section 4.4.1 a) of the 2018 Registration Document
(3) See the information/presentations on the May 17, 2019 Annual Shareholders Meeting on the Company’s website www.michelin.com.
(4) Compensation paid by Manufacture Française des Pneumatiques Michelin (MFPM) in consideration of his role as General Manager of the Company.
(5) See the 2nd resolution presented to the Annual Shareholders Meeting of June 23, 2020.
(6) The Profit Shares are fixed in the Company’s Bylaws at 12% of the Company’s net income for the year, with a cap of 0.6% of consolidated net income (see section 3.11.5 of this 2019 Universal Registration Document).
The breakdown of the relative weighting of each of the criteria (excluding consolidated net income) corresponds to the maximum achievement of all the objectives and not to the 2019 results.

### Quantitative criteria

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Target (1)</th>
<th>Variation</th>
<th>Amount</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proportionate to observed increase</td>
<td>0%</td>
<td>0%</td>
<td>2%</td>
<td>8%</td>
</tr>
<tr>
<td>Achieved in stages from a minimum ratio</td>
<td>3%</td>
<td>1%</td>
<td>2%</td>
<td>8%</td>
</tr>
<tr>
<td>Achieved in stages from a minimum amount</td>
<td>-1.5%</td>
<td>53%</td>
<td>€1,606 million</td>
<td>€1,730 million</td>
</tr>
</tbody>
</table>

(1) For reasons of confidentiality and business secrecy, and more particularly to avoid disclosing information about the Company’s strategy that could be used by competitors for their advantage, the Supervisory Board has elected not to disclose details of these performance targets to these quantitative and quantifiable criteria.

### Quantifiable qualitative criteria

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Digital strategy</th>
<th>CSR/Human rights</th>
<th>Group transformation support</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum value (% of the Profit Shares)</td>
<td>1.33%</td>
<td>1.33%</td>
<td>1.33%</td>
</tr>
<tr>
<td>Achievement rate</td>
<td>1.31%</td>
<td>1.33%</td>
<td>1.31%</td>
</tr>
</tbody>
</table>

Overall achievement rate 13.95%/18%(1)

(1) Jean-Dominique Senard would be awarded the maximum 18% of the Consolidated Calculation Base for this component only if all the objectives were achieved in full.

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

- for the “Digital strategy” criterion, corresponding to continued active deployment of the Group’s digital strategy, the Committee noted that all of the objectives based on quantifiable indicators had been met, with:
  - concerning Digital Manufacturing:
    - the deployment of several Digital Leader Plants (DLP), including implementation and certification of the necessary skills; datalake implementation where necessary, deployment of digital applications and derivative applications identified during the previous demonstrator phase,
    - assisted by the DLPs, deployment of datalakes and hiring in of the necessary skills at several dozen manufacturing facilities,
  - concerning the Group’s digital transformation:
    - action to strengthen the skills base at the Pune technology and innovation center in India, through the hiring of a Chief Data Officer and the necessary dedicated skillsets (several dozen people),
- the creation of a Data/Analytics/Artificial Intelligence competence center, with the aim of transforming Michelin into a data driven company and innovating in a responsible manner (particularly with new process, governance, training and certification components);
- for the CSR/Human rights criteria, the Committee noted that the objective to improve the safety of Group employees had been met, in the shape of a Total Case Incident Rate (TCIR) of 1.4;
- for the Group transformation support criterion, the Committee noted that the objectives set in terms of quantifiable indicators had been met, as follows:
  - concerning the implementation of the new governance structure designed to complete the Group’s new organization: the membership and practices of the Group’s Executive Committee have been revised and a Group Management Committee has been created and deployed,
  - concerning the implementation of synergies created by the integration of the recently acquired Fenner and Camso businesses: 93% of the projected synergistic benefits for 2019 in the business plan were delivered.
In conclusion of its analysis, the Committee recommended to the Supervisory Board that cumulative actual performance in relation to these quantifiable qualitative criteria should be rated as 13.95% vs. a maximum of 18%. Given the Calculation Base of €10,380,258.65, this results in an amount of €1,448,045.08.

In accordance with the 2019 Compensation Policy, this amount has been prorated over the period served by Jean-Dominique Senard in 2019, corresponding to 5/12. This results in an amount of €603,395.21 which, together with the €50,000 paid for Compagnie Financière Michelin ScmA (CFM) in respect of his position as General Partner of that company, gives a total of €653,391.5 payable in respect of 2019.

After discussing the matter during its meeting on February 7, 2020, the Supervisory Board approved the Compensation and Appointments Committee's recommendations.

The Chair of the Compensation and Appointments Committee then submitted its recommendations to the General Partners, who approved them.

3.5.5.3 Deferred variable compensation (long-term incentive bonus) awarded in respect of 2019
Jean-Dominique Senard stepped down from his position during the year to take up the position of Chairman of the Board of Directors of Renault. Under these circumstances, no long-term incentive bonus has been awarded to him under the 2019 Compensation Policy for his service during 2019.

3.5.5.4 Fringe benefits, stock options, performance shares, and directors’ or Supervisory Board members’ compensation
In line with the 2019 Compensation Policy, in 2019 Jean-Dominique Senard did not receive (i) any compensation in his capacity as a member of the Board of Directors or Supervisory Board of the Company or any controlled entities, (ii) any benefits other than those listed above, or (iii) any stock options or performance shares of the Company or any controlled entities.

Mr. Senard had a fringe benefit in the form of a Company car until the end of his term (see table in section 3.5.4).

3.5.5.5 Pension benefits
There is no specific supplementary pension plan set up for the Managers or the Chairman of the Supervisory Board.

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

As required by Article D. 225-29-3 of the French Commercial Code, this plan, governed by Article L. 137-11 of the French Social Security Code and Article 39 of the French General Tax Code, is described below:

- as of their retirement date, participants must have served for at least five years as a senior executive to be eligible for benefits;
- 1.5% of benefits vest each year, entitling participants to an annuity representing a replacement rate of up to 15% of the reference compensation (annual average of the best three years of compensation out of the last five years preceding the beneficiary's retirement). In accordance with the Government Order dated July 3, 2019, no rights have vested since December 31, 2019;
- the replacement rate including benefit entitlements under compulsory plans is capped at 35%;
- an evaluation is carried out in accordance with Group accounting policies;
- benefit entitlement is conditional on participants ending their career at MFPM as an executive employee or executive officer, in accordance with Article L. 137-11 of the French Social Security Code;

70% of the prior year’s benefit obligation is funded through a contribution to an insured plan.

Since June 1, 2019, Mr. Senard has received an annual pension of €165,226 under the Michelin Executive Supplementary Pension Plan.

As allowed by the government order dated July 3, 2019, the Company has changed its tax strategy and opted to pay tax on the premiums paid to the insurance company that manages the plan assets. The applicable tax rate is 24%.

As the reference compensation represented less than half of the aggregate amount received by Mr. Senard for 2019 (fixed compensation and variable Profit Shares), the actual gross replacement rate represented by pension benefits paid under the plan will be well below the 45% ceiling recommended in the AFEP/MEDEF Code.

3.5.5.6 Compensation for loss of office
No compensation for loss of office was paid to Jean-Dominique Senard in 2019(1).

3.5.5.7 Non-compete clause
No non-compete indemnity was paid to Jean-Dominique Senard in 2019(1).

When Mr. Senard stepped down from his position, the Supervisory Board decided to waive application of the non-compete clause and no indemnity was paid.

(1) See detailed disclosures in section 3.7.1.13 of this Universal Registration Document.
3.5.6 COMPENSATION RATIOS OF THE MANAGERS AND THE CHAIRMAN OF THE SUPERVISORY BOARD

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

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

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

As the Company is a holding company without any employees, the disclosures required by Article L. 225-37-3-I-6 and 7 of the French Commercial Code referring to Article L. 226-8-2-1 of the Code, concerning the corporate officer-to-worker compensation ratio is not applicable.

The Company has nonetheless chosen to disclose these ratios, based on available historical data, for its main French subsidiary, Manufacture Française des Pneumatiques Michelin, which employed over 81% of the Michelin Group’s total workforce in France at December 31, 2019.

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

The performance indicators selected at the level of the Michelin Group are the Total Sales and the Segment Operating Income (“SOI”) excluding changes in exchange rates, which measures the performance of the Group’s operating segments.

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

<table>
<thead>
<tr>
<th>Chairman of the Supervisory Board</th>
<th>2019 % change vs. 2018</th>
<th>2018 % change vs. 2017</th>
<th>2017 % change vs. 2016</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Changes in compensation</td>
<td>-2.7%</td>
<td>0.0%</td>
<td>32.4%</td>
<td></td>
</tr>
<tr>
<td>Average Chairman of the Supervisory Board-to-worker compensation ratio</td>
<td>1.7</td>
<td>1.7</td>
<td>1.8</td>
<td>1.4</td>
</tr>
<tr>
<td>Median Chairman of the Supervisory Board-to-worker compensation ratio</td>
<td>2.1</td>
<td>2.2</td>
<td>2.3</td>
<td>1.8</td>
</tr>
<tr>
<td>Managing Chairman(1)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Changes in compensation</td>
<td>8.1%</td>
<td>15.0%</td>
<td>38.5%</td>
<td></td>
</tr>
<tr>
<td>Average Managing Chairman to-worker compensation ratio</td>
<td>77.6</td>
<td>73.8</td>
<td>65.2</td>
<td>49.3</td>
</tr>
<tr>
<td>Median Managing Chairman to-worker compensation ratio</td>
<td>99.8</td>
<td>94.8</td>
<td>84.7</td>
<td>63.4</td>
</tr>
<tr>
<td>General Manager(2)(3)(4)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Changes in compensation</td>
<td>69.6%</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Average General Manager-to-worker compensation ratio</td>
<td>19.5</td>
<td>11.8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Median General Manager-to-worker compensation ratio</td>
<td>25.0</td>
<td>15.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Growth in segment operating income (SOI) (excluding currency effect)(5)</td>
<td>12.1%</td>
<td>6.1%</td>
<td>11.1%</td>
<td></td>
</tr>
<tr>
<td>Growth in sales (excluding currency effect)(5)</td>
<td>4.1%</td>
<td>6.2%</td>
<td>0.4%</td>
<td></td>
</tr>
</tbody>
</table>

(1) Only information relating to the position of Managing Chairman and General Partner is presented given that the specific role of Managing General Partner was exercised over a limited period.
(2) The compensation paid to Managers for functions held during only part of the year (new Manager or Manager who was not replaced) has been annualized.
(3) For the General Manager, who took up his position in 2018, the reported changes between 2018 and 2019 is purely theoretical and is not relevant. This is because his reported 2018 compensation only includes his fixed compensation and not his variable compensation. The only variable compensation received in 2018, which is not included in the calculation, corresponded to the amount due in respect of his previous function held in 2017 as employee of a Group company and member of the Executive Committee, before his appointment to his current position.
(4) Deferred long-term compensation paid to Managers who no longer held the positions concerned during the reporting period has not been taken into account.
(5) To permit meaningful comparisons with the compensation paid in a given year, which depends to a significant extent on the prior year’s results, the values taken into account
3.5.7 PROPOSED RESOLUTION ON THE DISCLOSURES MENTIONED IN ARTICLE L. 225-37-3-I OF THE FRENCH COMMERCIAL CODE

Since 2014, the General Partners and the Supervisory Board have submitted to the Annual Shareholders Meeting several proposed ordinary resolutions concerning the compensation paid or awarded to the Managers and the Chairman of the Supervisory Board.

In addition, since 2018, the Supervisory Board prepares each year, with the General Partners for the part concerning the Managers, the Compensation Policy applicable to the Managers and the Chairman of the Supervisory Board. This policy is included in the Supervisory Board’s report on corporate governance.

The policy and the components of the compensation packages for 2019 will be presented to the upcoming Annual Shareholders Meeting by the Chair of the Compensation and Appointments Committee.


The resolution to be presented to the Annual Shareholders Meeting of June 23, 2020 concerning all the disclosures contained in sections 3.5.1 to 3.5.6, is set out below.

8th resolution
Approval of the disclosures concerning the corporate officers’ compensation packages

Having noted the agreement of the General Partners and considered the report of the Supervisory Board, the Annual Shareholders Meeting, in application of Article L. 226-8-2-I of the French Commercial Code, approves the disclosures mentioned in Article L. 225-37-3 of the Code, as presented in the Corporate Governance Report set out in sections 3.5.1 to 3.5.6 of the Company’s 2019 Universal Registration Document.
3.6  INDIVIDUAL COMPENSATION PAID OR AWARDED TO MANAGERS AND THE CHAIRMAN OF THE SUPERVISORY BOARD FOR 2019

In addition to the resolution presented in section 3.5.7 above, the Annual Shareholders Meeting will be asked to adopt the following individual resolutions concerning the Chairman of the Supervisory Board and each of the Managers.

3.6.1  VOTE BY SHAREHOLDERS AT THE ANNUAL MEETING OF JUNE 23, 2020 ON THE COMPENSATION PACKAGE OF MICHEL ROLLIER, CHAIRMAN OF THE SUPERVISORY BOARD

This section presents the components of the compensation paid or awarded to Michel Rollier for 2019 in his capacity as Chairman of the Supervisory Board during the year. Michel Rollier is joining the Managers by deciding to donate 25% of his 2019 compensation received in 2020 to a foundation which is part of the fight against Covid-19.

These compensation components have been determined in accordance with the principles described in the Compensation Policy presented in 2019 for that year in the Corporate Governance Report, set out in section 4.4.1 of the 2018 Registration Document.

<table>
<thead>
<tr>
<th>Compensation components put to the vote</th>
<th>Amounts paid in 2019</th>
<th>Amounts awarded in respect of 2019</th>
<th>Presentation</th>
</tr>
</thead>
</table>
| Compensation as Supervisory Board member | €87,615.00 | €112,800.00 | The amount paid in 2019:  
  • was awarded in respect of 2018 out of the total annual compensation allocated to the Supervisory Board by the Annual Shareholders Meeting of May 13, 2016 (10th resolution adopted by a majority of 99.54% of the votes cast);  
  • was approved by the Annual Shareholders Meeting of May 17, 2019 (9th resolution adopted by a majority of 99.71% of the votes cast).  
  The amount awarded in respect of 2019 has been determined in accordance with the principles and practices approved by the Supervisory Board in 2019, based on the total annual compensation allocated to the Supervisory Board by the Annual Shareholders Meeting of May 17, 2019 (12th resolution adopted by a majority of 99.15% of the votes cast). |

Annual variable compensation | N/A | N/A | N/A
Deferred variable compensation | N/A | N/A | N/A
Exceptional compensation | N/A | N/A | N/A
Stock options, performance shares and other long-term compensation (stock warrants, etc.) | N/A | N/A | N/A
Fringe benefits | N/A | N/A | N/A
Compensation for loss of office | N/A | N/A | N/A
Non-compete indemnity | N/A | N/A | N/A
Supplementary pension benefits | N/A | N/A | N/A

N/A: Not applicable.

At the Annual Meeting of June 23, 2020, shareholders will be asked to approve the following ordinary resolution:

12th resolution  
Approval of the components of the compensation paid or awarded to Michel Rollier for the year ended December 31, 2019

Having noted the agreement of the General Partners and considered the report of the Supervisory Board, the Annual Shareholders Meeting, in application of Article L. 226-8-2-II of the French Commercial Code, approves the fixed, variable and exceptional compensation making up the total compensation and fringe benefits paid during the year ended December 31, 2019 or awarded in respect of that year to Michel Rollier, Chairman of the Supervisory Board, as presented in the Corporate Governance Report set out in section 3.6.1 of the Company’s 2019 Universal Registration Document.
This section presents the components of the compensation paid or awarded to Florent Menegaux for 2019 in his capacity as Managing Chairman.

These compensation components have been determined in accordance with the principles described in the Compensation Policy presented in 2019 for that year in the Corporate Governance Report, set out in section 4.4.1 of the 2018 Registration Document.

<table>
<thead>
<tr>
<th>Compensation components put to the vote</th>
<th>Amounts paid in 2019</th>
<th>Amounts awarded in respect of 2019 OR Provision set aside in 2019 OR Simulation</th>
<th>Presentation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed compensation</td>
<td>€900,000.00</td>
<td>€900,000.00</td>
<td>The annual base is unchanged compared with 2018 (gross amount before tax)</td>
</tr>
<tr>
<td>Annual variable compensation</td>
<td>€668,479.00</td>
<td>€1,344,345.91 (Amount that may be awarded in respect of 2019 in application of the 2019 Compensation Policy, payable in 2020)</td>
<td>The amount due in respect of 2019:</td>
</tr>
<tr>
<td>Deferred variable compensation</td>
<td>No compensation paid</td>
<td>€1,136,336.11 (Simulation at December 31, 2019 of the deferred variable compensation awarded in respect of 2019)</td>
<td>The deferred variable compensation awarded in respect of 2019:</td>
</tr>
<tr>
<td>Exceptional compensation</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Stock options, performance shares and other long-term compensation (stock warrants, etc.)</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Compensation as a Director/Supervisory Board member</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Fringe benefits</td>
<td>€8,627.00</td>
<td>€8,627.00</td>
<td>Company car (accounting value)</td>
</tr>
<tr>
<td>Compensation for loss of office</td>
<td>No compensation paid</td>
<td>No compensation awarded</td>
<td>This component:</td>
</tr>
</tbody>
</table>

MICHELIN — 2019 UNIVERSAL REGISTRATION DOCUMENT
At the Annual Meeting of June 23, 2020, shareholders will be asked to approve the following ordinary resolution:

9th resolution
Approval of the components of the compensation paid or awarded to Florent Menegaux for the year ended December 31, 2019

Having noted the agreement of the General Partners and considered the report of the Supervisory Board, the Annual Shareholders Meeting, in application of Article L. 226-8-2-II of the French Commercial Code, approves the fixed, variable and exceptional compensation making up the total compensation and fringe benefits paid during the year ended December 31, 2019 or awarded in respect of that year to Florent Menegaux, Managing General Partner and, since May 17, 2019, Managing Chairman, as presented in the Corporate Governance Report set out in section 3.6.2 of the Company's 2019 Universal Registration Document.

3.6.3 VOTE BY SHAREHOLDERS AT THE ANNUAL MEETING OF JUNE 23, 2020 ON THE COMPENSATION PACKAGE OF YVES CHAPOT, GENERAL MANAGER

This section presents the components of the compensation paid or awarded to Yves Chapot for 2019 in his capacity as General Manager. These compensation components have been determined in accordance with the principles described in the Compensation Policy presented in 2019 for that year in the Corporate Governance Report, set out in section 4.4.1 of the 2018 Registration Document.

<table>
<thead>
<tr>
<th>Compensation components put to the vote</th>
<th>Amounts paid in 2019</th>
<th>Amounts awarded in respect of 2019 OR Provision set aside in 2019 OR Simulation</th>
<th>Presentation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-compete indemnity</td>
<td>No indemnity paid</td>
<td>No indemnity awarded</td>
<td>This component:</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>▶ is an integral part of the 2019 Compensation Policy (see the 2018 Registration Document, page 138);</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>▶ is the subject of detailed disclosures in section 3.7.1.13 of this 2019 Universal Registration Document.</td>
</tr>
<tr>
<td>Supplementary pension benefits</td>
<td>No benefits paid</td>
<td>No benefits awarded</td>
<td>This component:</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>▶ is an integral part of the 2019 Compensation Policy (see the 2018 Registration Document, page 137);</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>▶ is the subject of detailed disclosures in section 3.7.1.13 of this 2019 Universal Registration Document.</td>
</tr>
</tbody>
</table>

N/A: Not applicable.
### Compensation components put to the vote

<table>
<thead>
<tr>
<th>Compensation components</th>
<th>Amounts paid in 2019</th>
<th>Amounts awarded in respect of 2019 OR Provision set aside in 2019 OR Simulation</th>
<th>Presentation</th>
</tr>
</thead>
</table>
| Deferred variable compensation | No compensation paid | €93,000.00 (provision set aside at December 31, 2019 for the deferred variable compensation awarded in respect of 2019) | The deferred variable compensation awarded in respect of 2019:  
  - has been determined in accordance with the principles and mechanisms set out in the 2019 Compensation Policy (see the 2018 Registration Document, pages 134 to 139);  
  - is the subject of detailed disclosures in section 3.5.4.3 of this 2019 Universal Registration Document, including the simulation assumptions used at December 31, 2019 to determine the amount of the provision. |

<table>
<thead>
<tr>
<th>Exceptional compensation</th>
<th>N/A</th>
<th>N/A</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stock options, performance shares and other long-term compensation (stock warrants, etc.)</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Compensation as a Director/Supervisory Board member</th>
<th>N/A</th>
<th>N/A</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fringe benefits</td>
<td>€9,253.00</td>
<td>€9,253.00</td>
<td>Company car (accounting value)</td>
</tr>
</tbody>
</table>
| Compensation for loss of office | No compensation paid | No compensation awarded | This component:  
  - is an integral part of the 2019 Compensation Policy (see the 2018 Registration Document, page 138);  
  - is the subject of detailed disclosures in section 3.7.1.13 of this 2019 Universal Registration Document. |
| Non-compete indemnity | No indemnity paid | No indemnity awarded | This component:  
  - is an integral part of the 2019 Compensation Policy (see the 2018 Registration Document, page 137);  
  - is the subject of detailed disclosures in section 3.7.1.13 of this 2019 Universal Registration Document. |
| Supplementary pension benefits | No benefits paid | No benefits awarded | This component:  
  - is an integral part of the 2019 Compensation Policy (see the 2018 Registration Document, page 137);  
  - is the subject of detailed disclosures in section 3.7.1.13 of this 2019 Universal Registration Document. |

N/A: Not applicable.

At the Annual Meeting of June 23, 2020, shareholders will be asked to approve the following resolution:

**10th resolution**

Approval of the components of the compensation paid or awarded to Yves Chapot for the year ended December 31, 2019

Having noted the agreement of the General Partners and considered the report of the Supervisory Board, the Annual Shareholders Meeting, in application of Article L. 226-8-2-II of the French Commercial Code, approves the fixed, variable and exceptional compensation making up the total compensation and fringe benefits paid during the year ended December 31, 2019 or awarded in respect of that year to Yves Chapot, General Manager, as presented in the Corporate Governance Report set out in section 3.6.3 of the Company’s 2019 Universal Registration Document.
3.6.4 VOTE BY SHAREHOLDERS AT THE ANNUAL MEETING OF JUNE 23, 2020 ON THE COMPENSATION PACKAGE OF JEAN-DOMINIQUE SENARD, MANAGING CHAIRMAN AND GENERAL PARTNER UNTIL MAY 17, 2019

This section presents the components of the compensation paid or awarded to Jean-Dominique Senard for 2019 in his capacity as Managing Chairman.

These compensation components have been determined in accordance with the principles described in the Compensation Policy presented in 2019 for that year in the Corporate Governance Report, set out in section 4.4.1 of the 2018 Registration Document.

<table>
<thead>
<tr>
<th>Compensation components put to the vote</th>
<th>Amounts paid in 2019</th>
<th>Amounts awarded in respect of 2019 OR Provision set aside in 2019 OR Simulation</th>
<th>Presentation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed compensation (2019)</td>
<td>€411,022.00</td>
<td>€411,022.00</td>
<td>The annual base, which had remained unchanged since 2014, was prorated over the period served during the year (gross amount before tax).</td>
</tr>
<tr>
<td>Annual variable compensation</td>
<td>€1,762,524.00</td>
<td>€653,395.21</td>
<td>The amount due in respect of 2019:</td>
</tr>
<tr>
<td></td>
<td>(Amount awarded in respect of 2018 in application of the 2018 Compensation Policy, paid in 2019 pursuant to the 6th resolution of the Annual Shareholders Meeting of May 17, 2019 adopted by a 96.75% majority of the votes cast)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(Amount awarded in respect of 2019 in application of the 2019 Compensation Policy, payable in 2020)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deferred variable compensation</td>
<td>€1,362,465.00</td>
<td>No long-term incentive bonus awarded</td>
<td>In application of the 2019 Compensation Policy, no deferred variable compensation was awarded for this year.</td>
</tr>
<tr>
<td></td>
<td>(Long-term incentive bonus awarded in respect of 2016 (6th resolution of the Annual Shareholders Meeting of May 19, 2017 approved by a majority of 96.32% of the votes cast, paid in 2019 in application of the 6th resolution of the Annual Shareholders Meeting of May 17, 2019 adopted by a 96.75% majority of the votes cast)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exceptional compensation</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Stock options, performance shares and other long-term compensation (stock warrants, etc.)</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Compensation as a Director/Supervisory Board member</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Fringe benefits</td>
<td>€3,529.00</td>
<td>€3,529.00</td>
<td>Company car made available for the period served (accounting value)</td>
</tr>
</tbody>
</table>
### Compensation for loss of office

- **No compensation paid**
- **No compensation awarded**

This component:
- is an integral part of the 2019 Compensation Policy (see the 2018 Registration Document, page 138);
- is the subject of detailed disclosures in section 3.7.1.13 of this 2019 Universal Registration Document.

### Non-compete indemnity

- **No indemnity paid**
- **No indemnity awarded**

This component:
- is an integral part of the 2019 Compensation Policy (see the 2018 Registration Document, page 138);
- is the subject of detailed disclosures in section 3.7.1.13 of this 2019 Universal Registration Document.

When Mr. Senard stepped down from his position, the Supervisory Board decided to waive application of the non-compete clause and no indemnity was paid.

### Supplementary pension benefits

- **Benefits paid under the supplementary pension plan (post-retirement): €96,381.90.**
- **No benefits awarded**

This component:
- is an integral part of the 2019 Compensation Policy (see the 2018 Registration Document, page 137);
- is the subject of detailed disclosures in section 3.7.1.13 of this 2019 Universal Registration Document.

At the Annual Meeting of June 23, 2020, shareholders will be asked to approve the following resolution:

**11th resolution**
Approval of the components of the compensation paid or awarded to Jean-Dominique Senard for the year ended December 31, 2019

Having noted the agreement of the General Partners and considered the report of the Supervisory Board, the Annual Shareholders Meeting, in application of Article L. 226-8-2-II of the French Commercial Code, approves the fixed, variable and exceptional compensation making up the total compensation and fringe benefits paid during the year ended December 31, 2019 or awarded in respect of that year to Jean-Dominique Senard, Managing Chairman and General Partner until May 17, 2019, as presented in the Corporate Governance Report set out in section 3.6.4 of the Company’s 2019 Universal Registration Document.
### 3.7 OTHER INFORMATION ABOUT COMPENSATION OF THE MANAGERS AND THE CHAIRMAN OF THE SUPERVISORY BOARD

#### 3.7.1 SUMMARY INFORMATION CONCERNING THE MANAGERS AND THE CHAIRMAN OF THE SUPERVISORY BOARD

The data and tables in this section:
- present the compensation of the Managers and the Chairman of the Supervisory Board;
- have been prepared in accordance with the AFEP/MEDEF Code (January 2020);
- comply with AMF recommendation No. 2012-02 (revised) on “corporate governance and executive compensation in companies that refer to the AFEP/MEDEF Code – Consolidated presentation of the recommendations contained in the AMF’s annual reports”.

#### 3.7.1.1 Compensation, stock options and performance shares awarded to executive officers (in €)

**Florent Menegaux, Managing General Partner, Managing Chairman since May 17, 2019 with unlimited personal liability for the Company’s debts**

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation awarded for the year</td>
<td>2,252,972.91</td>
<td>1,228,544.00</td>
</tr>
<tr>
<td>Value of stock options granted during the year</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Value of performance shares granted during the year</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Value of other long-term compensation plans</td>
<td>1,136,336.11(1)</td>
<td>390,000.00(2)</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>3,389,309.02</strong></td>
<td><strong>1,618,544.00</strong></td>
</tr>
</tbody>
</table>

Reference CGEM consolidated net income  
1,730,043,108.00  
1,659,627,524.00

(1) Simulation at December 31, 2019 of the long-term incentive bonus not covered by a provision in the Company’s accounts and described in section 3.4.3.3 of this 2019 Universal Registration Document.
(2) Simulation at December 31, 2019 of the long-term incentive bonus not covered by a provision in the Company’s accounts and described in section 3.6.2.1 of this 2019 Universal Registration Document.
(3) For the period served, i.e. from May 18 to December 31, 2018.

**Yves Chapot, General Manager**

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation awarded for the year</td>
<td>1,074,287.86</td>
<td>640,923.00</td>
</tr>
<tr>
<td>Value of stock options granted during the year</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Value of performance shares granted during the year</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Value of other long-term compensation plans</td>
<td>93,000.00(1)</td>
<td>300,000.00(2)</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>1,167,287.86</strong></td>
<td><strong>940,923.00</strong></td>
</tr>
</tbody>
</table>

(1) Simulation at December 31, 2019 of the long-term incentive bonus described in section 3.4.4.3 of this 2019 Universal Registration Document.
(2) Simulation at December 31, 2019 of the long-term incentive bonus described in section 3.6.2.2 of this 2019 Universal Registration Document.
(3) For the period served, i.e. from May 18 to December 31, 2018.

**Jean-Dominique Senard, Managing Chairman and Managing General Partner until May 17, 2019 with unlimited personal liability for the Company’s debts up until that date**

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation awarded for the year</td>
<td>1,067,946.21</td>
<td>4,233,459.00</td>
</tr>
<tr>
<td>Value of stock options granted during the year</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Value of performance shares granted during the year</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Value of other long-term compensation plans</td>
<td>0</td>
<td>351,000.00(2)</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>1,067,946.21</strong></td>
<td><strong>4,584,459.00</strong></td>
</tr>
</tbody>
</table>

Reference CGEM consolidated net income  
1,730,043,108.00  
1,659,627,524.00

(1) Jean-Dominique Senard’s terms and functions having expired at the close of the Annual General Meeting of May 17, 2019, the amounts indicated take into account the period served during the year, from January 1 to May 17, 2019.
(2) Simulation at December 31, 2019 of the long-term incentive bonus not covered by a provision in the Company’s accounts and described in section 3.7.2.3 of this 2019 Universal Registration Document.
### 3.7.1.2 Compensation paid and awarded to Florent Menegaux (in €)
(based on Table 2 in the AFEP/MEDEF Code)

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Awarded</td>
<td>Paid</td>
</tr>
<tr>
<td>Fixed compensation(1)</td>
<td>900,000.00</td>
<td>900,000.00</td>
</tr>
<tr>
<td>Annual variable compensation</td>
<td>1,344,345.91</td>
<td>668,479.00</td>
</tr>
<tr>
<td>Exceptional compensation</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Compensation as a Director/Supervisory Board member</td>
<td>8,627.00</td>
<td>8,627.00</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>2,252,972.91</td>
<td>1,577,106.00</td>
</tr>
</tbody>
</table>

Reference CGEM consolidated net income
1,730,043,108.00
1,659,627,524.00
1,659,627,524.00
1,692,941,994.00

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

(2) Amount before withholding tax, calculated based on the achievement rate for the applicable performance criteria and approved by CGEM shareholders at the Annual Meeting of May 17, 2019.

(3) Amount before withholding tax, calculated based on the achievement rate for the applicable performance criteria and before the 25% Covid-19 related reduction, subject to approval of the corresponding resolutions by CGEM shareholders at the Annual Meeting of June 23, 2020 (see section 3.6.2).

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

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Awarded</td>
<td>Paid</td>
</tr>
<tr>
<td>Fixed compensation</td>
<td>600,000.00</td>
<td>600,000.00</td>
</tr>
<tr>
<td>Annual variable compensation</td>
<td>465,034.86</td>
<td>263,763.00</td>
</tr>
<tr>
<td>Exceptional compensation</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Compensation as a Director/Supervisory Board member</td>
<td>9,253.00</td>
<td>9,253.00</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>1,074,287.86</td>
<td>873,016.00</td>
</tr>
</tbody>
</table>

Reference CGEM consolidated net income
1,730,043,108.00
1,659,627,524.00
1,659,627,524.00
1,692,941,994.00

(1) Amount calculated based on the achievement rate for the applicable performance criteria and approved by CGEM shareholders at the Annual Meeting of May 17, 2019.

(2) Amount calculated based on the achievement rate for the applicable performance criteria and before the 25% Covid-19 related reduction, subject to approval of the corresponding resolutions by CGEM shareholders at the next Annual Meeting of June 23, 2020 (see section 3.6.3 of this 2019 Universal Registration Document).

### 3.7.1.4 Compensation due and paid to Jean-Dominique Senard (in €)
(based on Table 2 in the AFEP/MEDEF Code)

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Awarded</td>
<td>Paid(1)</td>
</tr>
<tr>
<td>Fixed compensation</td>
<td>411,022.00</td>
<td>411,022.00</td>
</tr>
<tr>
<td>Annual variable compensation</td>
<td>653,395.21</td>
<td>1,762,524.00</td>
</tr>
<tr>
<td>Exceptional compensation</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Compensation as a Director/Supervisory Board member</td>
<td>3,529.00</td>
<td>3,529.00</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>1,067,946.21</td>
<td>2,177,075.00</td>
</tr>
</tbody>
</table>

Reference CGEM consolidated net income
1,730,043,108.00
1,659,627,524.00
1,659,627,524.00
1,692,941,994.00

(1) Compensation paid by Manufacture Française des Pneumatiques Michelin (MFPMM), a controlled entity, in consideration of his role as General Manager of the Company between January 1 and May 17, 2019.

(2) Amount before withholding tax, calculated based on the achievement rate for the applicable performance criteria, subject to approval of the corresponding resolutions by CGEM shareholders at the Annual Meeting of June 23, 2020 (see section 3.6.4 of this 2019 Universal Registration Document). It includes the estimated €50,000 statutory share of the 2019 profit of Compagnie Financière Michelin SCM a (CFM) (Profit Shares) that is payable by that company subject to approval by its shareholders at the 2020 Annual Meeting. These Profit Shares are entirely variable to the extent that they depend on CFM’s profit for the year.

(3) Including €50,000 received from CFM, a controlled entity. These Profit Shares are entirely variable as they are contingent on the profit generated by each of the two companies (CFM and CGEM) in 2017.
### 3.7.1.5 Compensation received by the members of the Supervisory Board in 2019 (based on Table 3 in the AFEP/MEDEF Code)

<table>
<thead>
<tr>
<th>Supervisory Board members</th>
<th>Amount awarded (in €)</th>
<th>Amount paid (in €)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Olivier Bazil</td>
<td>80,000</td>
<td>63,278</td>
</tr>
<tr>
<td>Pat Cox (1)</td>
<td>N/A</td>
<td>24,338</td>
</tr>
<tr>
<td>Barbara Dalibard</td>
<td>90,000</td>
<td>63,278</td>
</tr>
<tr>
<td>Jean-Pierre Duprieu</td>
<td>60,000</td>
<td>53,543</td>
</tr>
<tr>
<td>Aruna Jayanthi</td>
<td>70,000</td>
<td>63,278</td>
</tr>
<tr>
<td>Anne-Sophie de La Bigne</td>
<td>71,250</td>
<td>63,278</td>
</tr>
<tr>
<td>Thierry Le Hénaff (2)</td>
<td>56,727</td>
<td>22,488</td>
</tr>
<tr>
<td>Monique Leroux</td>
<td>70,000</td>
<td>60,357</td>
</tr>
<tr>
<td>Cyrilie Poughon</td>
<td>60,000</td>
<td>53,543</td>
</tr>
<tr>
<td>Michel Rollier</td>
<td>112,800</td>
<td>87,615</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>670,777</strong></td>
<td><strong>554,992</strong></td>
</tr>
</tbody>
</table>

(1) Supervisory Board member until May 2018.
(2) Supervisory Board member since May 2018.
(3) The amounts paid in 2019 were awarded in respect of 2018 out of the total annual compensation of €555,000 allocated to the Supervisory Board by the Annual Shareholders Meeting of May 13, 2016 (10th resolution adopted by a majority of 99.54% of the votes cast).
(4) The amounts paid in 2018 were awarded in respect of 2017 out of the total annual compensation of €555,000 allocated to the Supervisory Board by the Annual Shareholders Meeting of May 13, 2016 (10th resolution adopted by a majority of 99.54% of the votes cast).
(5) The amounts awarded in respect of 2019 have been determined in accordance with the principles and practices approved by the Supervisory Board in 2019, based on the total annual compensation of €770,000 allocated to the Supervisory Board by the Annual Shareholders Meeting of May 17, 2019 (12th resolution adopted by a majority of 99.15% of the votes cast). The Chairman and independent members of the Supervisory Board are joining the Managers by deciding to donate 25% of their compensation to foundations in their respective countries, which are part of the fight against Covid-19.
(6) The compensation indicated consists solely of fixed compensation for services as Supervisory Board member. No variable compensation was paid for these services and no other compensation was awarded or paid.

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

(1) Refer also to the Managers’ Special Report and to the details of current plans in section 6.5.3 concerning stock options.

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

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

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

(1) Refer also to the Managers’ Special Report and to the details of current plans in section 6.5.3 concerning stock options.

<table>
<thead>
<tr>
<th>Plan no. and date</th>
<th>Number of options exercised during the year</th>
<th>Exercise price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Florent Menegaux</td>
<td>2,250</td>
<td>€52.13</td>
</tr>
<tr>
<td>Yves Chapot</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td>Jean-Dominique Senard</td>
<td>0</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Plan no. and date</th>
<th>Number of options exercised during the year</th>
<th>Exercise price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Florent Menegaux</td>
<td>2,250</td>
<td>€52.13</td>
</tr>
<tr>
<td>Jean-Dominique Senard</td>
<td>0</td>
<td>-</td>
</tr>
</tbody>
</table>

MICHELIN — 2019 UNIVERSAL REGISTRATION DOCUMENT
### 3.7.1.8 Performance shares granted during the year to the executive officers by the issuer and any other Group company (based on Table 6 in the AFEP/MEDEF Code)

None of the 129,270 performance share rights granted on November 15, 2019 pursuant to the authorization given at the May 17, 2019 Annual Shareholders Meeting were granted to the Managers.

<table>
<thead>
<tr>
<th>Plan no. and date</th>
<th>Number of performance share rights granted during the year</th>
<th>Value of the performance shares calculated by the method used for the consolidated financial statements</th>
<th>Vesting date</th>
<th>End of lock-up period</th>
<th>Performance conditions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Florent Menegaux</td>
<td>-</td>
<td>0</td>
<td>0</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Yves Chapot</td>
<td>-</td>
<td>0</td>
<td>0</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Jean-Dominique Senard</td>
<td>-</td>
<td>0</td>
<td>0</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Plan no. and date</th>
<th>Number of performance shares for which the lock-up period ended during the year</th>
<th>Vesting conditions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Florent Menegaux</td>
<td>4,140</td>
<td>The performance condition achievement rates are disclosed in section 5.5.4 c) of the 2018 Registration Document.</td>
</tr>
<tr>
<td>Yves Chapot</td>
<td>2,301</td>
<td>The performance condition achievement rates are disclosed in section 5.5.4 c) of the 2018 Registration Document.</td>
</tr>
<tr>
<td>Jean-Dominique Senard</td>
<td>0</td>
<td>-</td>
</tr>
</tbody>
</table>

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

See the table in section 6.5.3 a).

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

See the table in section 6.5.4 a).

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

See the tables in sections 3.5.3.3, 3.5.4.3, 3.5.5.3 and 3.7.2 below.

---

(1) Refer also to the Managers’ Special Report and to the details of current plans in section 6.5.4 concerning performance shares.
### 3.7.1.13 Employment contracts, supplementary pension benefits and other benefits of executive officers (based on Table 11 in the AFEP/MEDEF Code)

<table>
<thead>
<tr>
<th>Executive officer</th>
<th>Employment contract</th>
<th>Supplementary pension benefits</th>
<th>Benefits or advantages due or likely to be due as a result of terminations or changes of office</th>
<th>Non-compete indemnity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Florent Menegaux</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Position: Managing Chairman and Managing General Partner</td>
<td>Start date of term of office: 2018</td>
<td>Expiration of term of office: 2022</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>X(1)</td>
<td>X(2)</td>
<td>X(3)</td>
<td>X(3)</td>
</tr>
<tr>
<td>Yves Chapot</td>
<td>X(3)</td>
<td>X(2)</td>
<td>X(3)</td>
<td>X(3)</td>
</tr>
<tr>
<td>Position: General Manager</td>
<td>Start date of term of office: 2018</td>
<td>Expiration of term of office: 2022</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jean-Dominique Senard</td>
<td>X</td>
<td>X(3)</td>
<td>X(3)</td>
<td>X(3)</td>
</tr>
<tr>
<td>Position: Managing Chairman and Managing General Partner</td>
<td>Start date of term of office: 2011</td>
<td>Expiration of term of office: 2019</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(1) Florent Menegaux has resigned from the position that was the subject of his pre-existing employment contract.
(2) Defined benefit pension plan set up for senior executives of MFPM and CGEM. For detailed explanations, see sections 3.5.3.5, 3.5.4.5 and 3.5.5.5. In accordance with Government Order No. 2019-697 dated July 3, 2019, the supplementary pension plan set up for MFPM and CGEM senior executives (the Michelin Executive Supplementary Pension Plan) has been closed to new members since July 4, 2019 and the vesting period was frozen at December 31, 2019. The terms on which the vesting period was frozen were the same as those applied to the supplementary pension plans for MFPM employees.
(3) Benefit defined in the CGEM Bylaws:
- set by the non-Managing General Partner with the endorsement of the Supervisory Board;
- only payable in the event of forced departure due to a change of strategy or of control;
- capped at two years’ fixed and variable compensation (this cap includes any other benefits payable on termination of office such as a non-compete indemnity);
- subject to performance conditions (see section 3.4.2.8).
(4) Indemnity payable in his capacity as an executive officer of MFPM:
- with the possibility for the Supervisory Board to waive implementation of the non-compete clause;
- capped at 16 months’ worth of the most recent fixed compensation paid to him by MFPM;
- deducted, where appropriate, from the cap equal to two years’ fixed and variable compensation, applicable to all benefits payable on termination of office, including the compensation for loss of office payable in the event of a forced departure due to a change in the Company’s strategy or control (for detailed explanations, see section 4.4.1 a) 7) of the 2018 Registration Document.
When Jean-Dominique Senard stepped down from his position in May 2019, the Supervisory Board decided to waive application of the non-compete clause and no indemnity was paid.
(5) Indemnity payable in his capacity as an executive officer of MFPM:
- with the possibility for the Supervisory Board to waive implementation of the non-compete clause;
- capped at 24 months’ worth of the most recent fixed compensation paid to him by MFPM;
- deducted, where appropriate, from the cap equal to two years’ fixed and variable compensation, applicable to all benefits payable on termination of office, including the compensation for loss of office payable in the event of a forced departure due to a change in the Company’s strategy or control (for detailed explanations, see section 3.4.2.9.
(6) Suspended employment contract with MFPM.
(7) Indemnity payable under his suspended employment contract with MFPM:
- with the possibility for the Supervisory Board to waive implementation of the non-compete clause;
- capped at 24 months’ worth of the most recent aggregate compensation paid to him by MFPM;
- deducted, where appropriate, from the cap equal to two years’ fixed and variable compensation, applicable to all benefits payable on termination of office, including the compensation for loss of office payable in the event of a forced departure due to a change in the Company’s strategy or control (for detailed explanations, see section 3.4.2.9.
(8) Benefit defined in the CGEM Bylaws:
- set by the Non-Managing General Partner with the endorsement of the Supervisory Board;
- only payable in the event of forced departure due to a change of strategy or of control;
- capped at two years’ fixed and variable compensation (this cap includes any other benefits payable on termination of office such as a non-compete indemnity);
- subject to performance conditions (see section 4.4.1 a) of the 2018 Registration Document for details).
When Jean-Dominique Senard stepped down from his position in May 2019, no compensation for loss of office or other benefit was awarded to him.
### 3.7.2  Long-term incentive bonuses awarded to the managers in respect of periods prior to 2019

#### 3.7.2.1  Long-term incentive bonus awarded to Florent Menegaux in respect of periods prior to 2019

Cash-settled long-term incentive bonus awarded in 2018 awarded in 2018

Environmental and CSR

Financial performance

If the gain in Michelin’s share price is at least 15 points more than the gain in the CAC 40, the achievement rate will be 100% and the maximum 15% of the maximum potential bonus will be received.

<table>
<thead>
<tr>
<th>Type of criterion</th>
<th>Financial performance</th>
<th>Environmental and CSR performance</th>
<th>Employee engagement rate</th>
<th>Growth in consolidated operating income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weighting</td>
<td>35%</td>
<td>15%</td>
<td>15%</td>
<td>35%</td>
</tr>
<tr>
<td>Maximum objective</td>
<td>If the average MEF over three years is less than 51, the achievement rate will be 100% and the maximum 15% of the maximum potential bonus will be received.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Target objective</td>
<td>If the average MEF over three years is between 51 and 53, the result will be: (average MEF - 51)*15%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trigger point</td>
<td>If the average MEF over three years is less than 53, the indicator will be 0%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Simulated result

The amount obtained after applying the performance criteria to the base will be prorated to take account of the time served during the period 2018/2019/2020 (by half-year periods), by taking 5/6 of the said amount.

- **Base amount**: €720,000: the amount obtained after applying the performance criteria to the base will be prorated to take account of the time served during the period 2018/2019/2020 (by half-year periods), by taking 5/6 of the said amount.
- **Cap and eligibility conditions**
  - 150% of the annual average of the annual variable compensation paid to Mr. Menegaux for 2018, 2019 and 2020
  - Subject to the availability and amount of Profit Shares for distribution in 2021 out of 2020 profit, after deducting annual variable compensation due for 2020
- **Payment year**: 2021
- **Commitment**: Commitment to invest in Michelin shares 20% of the long-term incentive bonus received at the end of the three-year period and to retain these shares for as long as Mr. Menegaux remains in office, after which the shares may be sold on a phased basis over four years

---

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

(2) Average share price for the second half of 2020 compared to the average share price for the second half of 2017.

(3) Average share price for the second half of 2019 compared to the average share price for the second half of 2017.

(4) Simulation prepared for information purposes only (no provision has been recorded in the accounts), using the following assumptions:
  - Amount of Profit Shares due in respect of 2020 income (Calculation Base) identical to the amount of Profit Shares due for 2019.
  - Results of the performance indicators over the three-year calculation period equal to the change in these indicators in the first two years of this period (2018 and 2019).
### 3.7.2.2 Long-term incentive bonuses awarded to Yves Chapot in respect of periods prior to 2019

/ Cash-settled long-term incentive bonus awarded in 2018

This compensation awarded for 2018 was presented at the Annual Shareholders Meeting of May 17, 2019 and was approved by a majority of 98.30% of the votes cast (8th resolution).

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Growth in the Michelin share price compared with that of the CAC 40 index over the 2018-2020 period</th>
<th>Michelin site Environmental Footprint (as measured by the “MEF” indicator)</th>
<th>Employee engagement rate (as measured by the annual “Moving Forward Together” survey)</th>
<th>Growth in consolidated operating income (in € millions, before non-recurring items, at constant exchange rates and accounting methods)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type of criterion</td>
<td>Financial performance</td>
<td>Environmental and CSR performance</td>
<td>Environmental and CSR performance</td>
<td>Business performance</td>
</tr>
<tr>
<td>Weighting</td>
<td>35%</td>
<td>15%</td>
<td>15%</td>
<td>35%</td>
</tr>
<tr>
<td>Maximum objective</td>
<td>If the gain in Michelin’s share price is at least 15 points more than the gain in the CAC 40, the achievement rate will be 100% and the maximum 35% of the maximum potential bonus will be received.</td>
<td>If the average MEF over three years is less than 51, the achievement rate will be 100% and the maximum 15% of the maximum potential bonus will be received.</td>
<td>If the average engagement rate exceeds 80%, the achievement rate will be 100% and the maximum 15% of the maximum potential bonus will be received.</td>
<td>If average annual growth in operating income exceeds €150 million, the achievement rate will be 100% and the maximum 35% of the maximum potential bonus will be received.</td>
</tr>
<tr>
<td>Target objective</td>
<td>If the gain in Michelin’s share price is between 0 and 15 points more than the gain in the CAC 40, the result will be: (gain in the Michelin share price - gain in the CAC 40 index) x (35%/15)</td>
<td>If the average MEF over three years is between 51 and 53, the result will be: (53 - average MEF)/(53 - 51)*15%</td>
<td>If the average engagement rate is between 77% and 80%, the result will be: (average engagement rate - 77%)/(80% - 77%)*15%</td>
<td>If average annual growth in operating income is between €70 million and €150 million, the result will be: (operating income - €70 million)/(€150 million - €70 million)*15%</td>
</tr>
<tr>
<td>Trigger point</td>
<td>If the gain in Michelin’s share price is less than the gain in the CAC 40, the achievement rate will be 0%</td>
<td>If the average MEF over three years is more than 53, the indicator will be 0%</td>
<td>If the average engagement rate is less than 77%, the indicator will be 0%</td>
<td>If average annual growth in operating income is less than €150 million, the indicator will be 0%.</td>
</tr>
<tr>
<td>Intermediate assessment</td>
<td>Growth in the Michelin share price = -12.80% Growth in the CAC 40 = +7.30%</td>
<td>2018 = 49.3 2019 = 48.8</td>
<td>2018 = 80% 2019 = 81%</td>
<td>2018 = +€289 million 2019 = +€43 million</td>
</tr>
<tr>
<td>Provision</td>
<td>Provision of €300,000 set aside at December 31, 2019(4):</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Base amount</td>
<td>€600,000: the amount obtained after applying the performance criteria to the base will be prorated to take account of the time served during the period 2018/2019/2020 (by half-year periods), by taking 5/6 of the said amount.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ceiling</td>
<td>120% of the annual average of the annual variable compensation paid to Mr. Chapot for 2018, 2019 and 2020</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payment year</td>
<td>2022</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. Michelin Environmental Footprint (MEF) indicator: energy use, water withdrawals, CO₂ emissions, volatile organic compound emissions, amount of waste produced and amount of waste landfilled.
2. Average share price for the second half of 2020 compared to the average share price for the second half of 2017.
3. Average share price for the second half of 2019 compared to the average share price for the second half of 2017.
4. Provision estimated based on the assumption that the results of the performance indicators over the three-year calculation period is equal to the change in these indicators in the first two years of this period (2018 and 2019).
3.7.2.3 Long-term incentive bonuses awarded to Jean-Dominique Senard in respect of periods prior to 2019

/ Cash-settled long-term incentive bonus awarded in 2017

This long-term incentive bonus awarded in respect of Mr. Senard’s 2017 compensation was submitted to the Annual Shareholders Meeting of May 18, 2018 in the 6th resolution which was adopted by a majority of 92.76% of the votes cast.

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Growth in the Michelin share price compared with that of the CAC40 index over the 2017-2019 period</th>
<th>Michelin site Environmental Footprint (as measured by the “MEF” indicator)</th>
<th>Employee Engagement Rate (as measured by the annual “Moving Forward Together” survey)</th>
<th>Growth in consolidated operating income (in € millions, before non-recurring items, at constant exchange rates and accounting methods)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type of criterion</td>
<td>Financial performance</td>
<td>Environmental and CSR performance</td>
<td>Environmental and CSR performance</td>
<td>Business performance</td>
</tr>
<tr>
<td>Weighting</td>
<td>35%</td>
<td>15%</td>
<td>15%</td>
<td>35%</td>
</tr>
<tr>
<td>Maximum objective</td>
<td>If the gain in Michelin’s share price is at least 15 points more than the gain in the CAC 40, the achievement rate will be 100% and the maximum 35% of the maximum potential bonus will be received.</td>
<td>If the average MEF over three years is less than 60, the achievement rate will be 100% and the maximum 15% of the maximum potential bonus will be received.</td>
<td>If the average engagement rate exceeds 80%, the achievement rate will be 100% and the maximum 15% of the maximum potential bonus will be received.</td>
<td>If average annual growth in operating income exceeds €150 million, the achievement rate will be 100% and the maximum 35% of the maximum potential bonus will be received.</td>
</tr>
<tr>
<td>Target objective</td>
<td>If the gain in Michelin’s share price is between 0 and 15 points more than the gain in the CAC 40, the result will be: (gain in the Michelin share price - gain in the CAC 40 index) x (35%/15)</td>
<td>If the average MEF over three years is between 60 and 63, the result will be: (63 - average MEF)/63 x 15%</td>
<td>If the average engagement rate is between 77% and 80%, the result will be: (average engagement rate - 77%)/(80% - 77%)*15%</td>
<td>If average annual growth in operating income is between €70 million and €150 million, the result will be: (operating income - €70 million)/€150 million - €70 million)*15%</td>
</tr>
<tr>
<td>Trigger point</td>
<td>If the gain in Michelin’s share price is less than the gain in the CAC 40, the achievement rate will be 0%</td>
<td>If the average MEF over three years is more than 63, the indicator will be 0%</td>
<td>If the average engagement rate is less than 77%, the indicator will be 0%</td>
<td>If average annual growth in operating income is less than €150 million, the indicator will be 0%.</td>
</tr>
<tr>
<td>Indicator Actual</td>
<td>Growth in the Michelin share price = +8.40%</td>
<td>Growth in the CAC 40 = +25.90%</td>
<td>The average MEF is 50.3 giving an achievement rate of 0% 15% out of 15% for this criterion</td>
<td>Segment Operating Income grew by an average of €157 million, giving an achievement rate of 35% out of 35% for this criterion</td>
</tr>
<tr>
<td></td>
<td>2017 = 52.7</td>
<td>2018 = 49.3</td>
<td>2017 = 80%</td>
<td>2017 = +€138 million</td>
</tr>
<tr>
<td></td>
<td>2018 = 49.3</td>
<td>2019 = 48.8</td>
<td>2018 = 80%</td>
<td>2018 = +€289 million</td>
</tr>
<tr>
<td></td>
<td>2017 = 52.7</td>
<td>2018 = 49.3</td>
<td>2019 = 81%</td>
<td>2019 = +€43 million</td>
</tr>
<tr>
<td></td>
<td>2017 = 52.7</td>
<td>2018 = 49.3</td>
<td>The average engagement rate is 80.30%, giving an achievement rate of 0% 15% out of 15% for this criterion</td>
<td>Segment Operating Income grew by an average of €157 million, giving an achievement rate of 35% out of 35% for this criterion</td>
</tr>
</tbody>
</table>

Base amount Base of €1,800,000, as increased or reduced by the % change in the Michelin share price over the 2017-2019 period

Ceiling • 150% of the annual average of the annual variable and multi-criteria variable compensation paid to Mr. Senard for 2017, 2018 and 2019 • Subject to the availability and amount of Profit Shares for distribution in 2020 out of 2019 profit, after deducting annual variable compensation due for 2019

Amount due €1,056,900.00: after prorating the amount obtained after applying the performance criteria to the Base to take account of the time served during the period 2017/2018/2019 (by half-year periods), by taking 5/6 of the said amount.

Payment year 2020

Commitment Commitment to invest in Michelin shares 20% of the long-term incentive bonus received at the end of the three-year period and to retain these shares for as long as Mr. Senard remains in office, after which the shares may be sold on a phased basis over three years.

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

(2) Average share price for the second half of 2019 compared to the average share price for the second half of 2016.

Based on the characteristics of this long-term incentive bonus and the achievement rates for the bonus criteria observed by the Compensation and Appointments Committee (see above table), the Supervisory Board noted that the prorated gross long-term incentive bonus amounted to €1,056,900.00 (before withholding tax). This bonus will be payable in 2020 after the 2019 financial statements have been approved by the Annual Shareholders Meeting of June 23, 2020.
Mr. Senard is committed to investing 20% of the prorated incentive bonus in Michelin shares, which he will continue to hold for as long as he remains in office, with any subsequent sales to be carried out on a phased basis over three years.

/ Cash-settled long-term incentive bonus awarded in 2018

This long-term incentive bonus awarded in respect of Mr. Senard’s 2018 compensation was submitted to the Annual Shareholders Meeting of May 17, 2019 in the 6th resolution which was adopted by a majority of 96.75% of the votes cast.

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Growth in the Michelin share price compared with that of the CAC 40 index over the 2018-2020 period</th>
<th>Michelin site Environmental Footprint (as measured by the “MEF” indicator)(1)</th>
<th>Employee Engagement Rate (as measured by the annual “Moving Forward Together” survey)</th>
<th>Growth in consolidated operating income (in € millions, before non-recurring items, at constant exchange rates and accounting methods)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type of criterion</td>
<td>Financial performance</td>
<td>Environmental and CSR performance</td>
<td>Environmental and CSR performance</td>
<td>Business performance</td>
</tr>
<tr>
<td>Weighting</td>
<td>35%</td>
<td>15%</td>
<td>15%</td>
<td>35%</td>
</tr>
<tr>
<td>Maximum objective</td>
<td>If the gain in Michelin’s share price is at least 15 points more than the gain in the CAC 40, the achievement rate will be 100% and the maximum 35% of the maximum potential bonus will be received.</td>
<td>If the average MEF over three years is less than 51, the achievement rate will be 100% and the maximum 15% of the maximum potential bonus will be received.</td>
<td>If the average engagement rate exceeds 80%, the achievement rate will be 100% and the maximum 15% of the maximum potential bonus will be received.</td>
<td>If average annual growth in operating income exceeds €150 million, the achievement rate will be 100% and the maximum 35% of the maximum potential bonus will be received.</td>
</tr>
<tr>
<td>Target objective</td>
<td>If the gain in Michelin’s share price is between 0 and 15 points more than the gain in the CAC 40, the result will be: (gain in the Michelin share price - gain in the CAC 40 index) x (35%/15)</td>
<td>If the average MEF over three years is between 51 and 53, the result will be: (average MEF - 51)*15%</td>
<td>If the average engagement rate is between 77% and 80%, the result will be: (average engagement rate - 77%)/(80% - 77%)*15%</td>
<td>If average annual growth in operating income is between €70 million and €150 million, the result will be: (operating income - €70 million)/€150 million - €70 million)*15%</td>
</tr>
<tr>
<td>Trigger point</td>
<td>If the gain in Michelin’s share price is less than the gain in the CAC 40, the achievement rate will be 0%</td>
<td>If the average MEF over three years is more than 53, the indicator will be 0%</td>
<td>If the average engagement rate is less than 77%, the indicator will be 0%</td>
<td>If average annual growth in operating income is less than €150 million, the indicator will be 0%.</td>
</tr>
<tr>
<td>Intermediate assessment</td>
<td>Growth in the Michelin share price(2) = -12.80% Growth in the CAC 40(3) = +7.30%</td>
<td>2018 = 49.3</td>
<td>2018 = 80%</td>
<td>2018 = +£289 million</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2019 = 48.8</td>
<td>2019 = 81%</td>
<td>2019 = +£43 million</td>
</tr>
<tr>
<td>Simulated result</td>
<td>€351,000*(4)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Base amount</td>
<td>€1,080,000: the amount obtained after applying the performance criteria to the base will be prorated to take account of the time served during the period 2018/2019/2020 (by half-year periods), by taking 3/6 of the said amount.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cap and eligibility conditions</td>
<td>▶ Capped at 150% of the annual average of the annual variable and multi-criteria variable compensation paid to Mr. Senard for 2018, 2019 and 2020.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>▶ Amount of Profit Shares available for distribution in 2021 out of 2020 profit, after deducting annual variable compensation due for 2020.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payment year</td>
<td>2021</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commitment</td>
<td>Commitment to invest in Michelin shares 20% of the long-term incentive bonus received at the end of the three-year period and to retain these shares for as long as Mr. Senard remained in office, after which the shares could be sold on a phased basis over three years.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(1) Michelin site Environmental Footprint (MEF) indicator: energy use, water withdrawals, CO₂ emissions, volatile organic compound emissions, amount of waste produced and amount of waste landfilled; for 2018, the trigger point and maximum objective for this criterion were made considerably tougher.

(2) Average share price for the second half of 2020 compared to the average share price for the second half of 2017.

(3) Average share price for the second half of 2019 compared to the average share price for the second half of 2017.

(4) Simulation prepared for information purposes only (no provision has been recorded in the accounts), using the following assumptions:
- amount of Profit Shares due in respect of 2020 income (Calculation Base) identical to the amount of Profit Shares due for 2019;
- results of the four performance indicators over the three-year calculation period equal to the change in these indicators in the first two years of this period (2018 and 2019).
Cash-settled long-term incentive bonus awarded in 2016 and paid in 2019
The long-term incentive bonus was presented at the Annual Shareholders Meeting of May 19, 2017 and was approved by a majority of 96.32% of the votes cast (6th resolution).

Payment of the bonus was approved at the Annual Shareholders Meeting of May 17, 2019 by a majority of 96.75% of the votes cast (6th resolution) (details of this long-term incentive bonus are provided in Table 1.1 of section 4.4.3 c) of the 2018 Registration Document, page 149).
In accordance with the terms of the bonus award, Mr. Senard acquired 2,659 Michelin shares, corresponding to approximately 20% of the bonus amount.

3.8 TOTAL COMPENSATION AWARDED TO THE GROUP EXECUTIVE COMMITTEE

In 2019, the members of the Group Executive Committee (excluding the Managers) received aggregate gross compensation of €5,337,500 (including €1,784,968 corresponding to the variable component for 2018 paid during the first half of 2019). In 2018, the gross aggregate compensation received by Group Executive Committee members totaled €10,953,109 (including €3,921,828 corresponding to the variable component for 2017 paid during the first half of 2018). The membership of the Group Executive Committee changed significantly during the year. The Group Executive Committee members do not receive any compensation as members of the Boards of any Group companies.

3.9 TRADING IN MICHELIN SHARES BY THE CORPORATE OFFICERS, THE GENERAL PARTNERS AND THEIR CLOSE RELATIVES IN 2019

Managers
Florent Menegaux
4,140 shares acquired on November 25, 2019 without consideration under the performance share plan.
2,250 shares acquired on March 20, 2019 at a unit price of €52.13 a share upon exercise of stock options.
6,818 shares acquired on August 5, 2019 at a unit price of €66.00 a share upon exercise of stock options.
369 shares acquired on September 16, 2019 at a unit price of €66.00 a share upon exercise of stock options.

Yves Chapot
2,301 shares acquired on November 25, 2019 without consideration under the performance share plan.

[SAGES (Non-Managing General Partner)]
20,994 shares purchased on November 26, 2019 at a unit price of €111.75 a share.

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

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

In accordance with Article L. 225-39 of the French Commercial Code, referring to Article L. 226-10-1 of said Code, the Supervisory Board has established a procedure for the regular review of agreements entered into in the normal course of business, in order to obtain assurance that they are on arm’s length terms. The persons directly or indirectly concerned by any of these agreements do not participate in the review. The procedure is performed by members of the Legal Department who refer to the regulatory framework governing these types of agreement.
3.11 ARTICLES OF INCORPORATION, BYLAWS AND SHAREHOLDER PARTICIPATION AT GENERAL MEETINGS

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

3.11.1 GENERAL PARTNERS (ARTICLE 1 OF THE BYLAWS)

- Florent Menegaux, Managing Chairman;
- Société Auxiliaire de Gestion – SAGES (registered in the Clermont-Ferrand Trade and Companies Register under number 870 200 466), a simplified joint stock company chaired by Jacques de Chateauvieux (please refer to the presentation and role of this company, sections 3.1.3).

3.11.2 CORPORATE PURPOSE (ARTICLE 2 OF THE BYLAWS)

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

All industrial, commercial and financial operations, related in particular to:
- tires, tire components, tire accessories and manufactured rubber in general;
- mechanical engineering in all its applications, and in particular motor vehicles and industrial vehicles, components, spare parts and accessories;
- the production, sale and use of natural or synthetic chemicals and their derivatives, in particular the various sorts of elastomers, plastics, fibers and resins, and generally all activities and products of the chemicals industry, especially as related to the products and operations described above;
- the filing, acquisition, use, transfer or sale of any intangible property rights, and in particular patents and related rights, trademarks and manufacturing processes relating to the corporate purpose.

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

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

3.11.3 MANAGERS (ARTICLE 10 OF THE BYLAWS)

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

3.11.4 FINANCIAL YEAR (ARTICLE 29 OF THE BYLAWS)

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

3.11.5 STATUTORY ALLOCATION OF PROFITS (ARTICLE 30 OF THE BYLAWS)

An amount equivalent to 12% of net profit for the year is allocated to the General Partners, from which are deducted the dividends and reserves distributed by the subsidiaries Manufacture Française des Pneumatiques Michelin (MFP) and Compagnie Financière Michelin SCM (CFM). The allocated amount is capped at 0.6% of consolidated net income for the year, with any excess being allocated to profit available for appropriation. Net profit comprises net revenue for the year less general and administrative costs and all other expenses of the Company, including any depreciation, amortization and provisions deemed necessary. Net profit remaining after the 12% allocation to the General Partners, plus any retained earnings brought forward from the prior year, is attributable to shareholders.

The shareholders may decide to make deductions from this attributable net profit to be used, as recommended by the Managing Chairman, to create or increase one or more reserve or contingency funds, over which the General Partners shall not have any rights.

Any attributable net profit remaining after the above deduction shall be distributed to shareholders.
3.11.6 SHAREHOLDER PARTICIPATION AT GENERAL MEETINGS

/ Notices of Meeting (Article 21 of the Bylaws)
Notices of Meeting are issued in such form and with such advance notice as is prescribed by law.

/ Conditions of attendance (Articles 22 and 24 of the Bylaws)
Shareholders may attend General Meetings regardless of how many shares they own, provided such shares are fully paid up and are registered in the Company’s share register at least three days before the date of the Meeting.

/ Exercising voting rights – attribution of double voting rights (Article 22 of the Bylaws)
Owners or proxies of owners of fully paid-up shares registered in the name of the same holder for at least four years shall have two votes per share, without limitation.

In the event of a capital increase paid up by capitalizing reserves, income or additional paid-in capital, the resulting bonus shares distributed in respect of registered shares carrying double voting rights shall similarly carry double voting rights.
Transfer through inheritance, liquidation of marital assets, inter vivos transfers to a spouse or to a relative in the ascending or descending line shall not result in the loss of double voting rights or a break in the qualifying period described above.
Shares transferred for any other reason shall lose their double voting rights ipso jure.

/ Statutory disclosure thresholds
The Bylaws do not provide for any disclosure to the Company when certain shareholding thresholds are exceeded.
Further information is provided on the Company’s website www.michelin.com.

3.12 OWNERSHIP STRUCTURE AND VOTING RIGHTS
At December 31, 2019:
>
- share capital: 357,255,110
- shares outstanding: 178,627,555 all fully paid up;
- voting rights outstanding: 240 861 826.

SHARE OWNERSHIP
(at December 31, 2019)

1.8%
Employee share ownership plan

27.4%
French institutional investors

9.5%
Individual shareholders

61.3%
Non-resident institutional investors

VOTING RIGHTS
(at December 31, 2019)

2.0%
Employee share ownership plan

29.1%
French institutional investors

11.8%
Individual shareholders

57.1%
Non-resident institutional investors

Shares held in the same name for at least four years carry double voting rights.
At December 31, 2019, 178,627,555 shares were held by the public, corresponding to 100% of the voting rights.
At the date of filing and to the best of the Company’s knowledge:
>
- as of May 15, 2019, BlackRock Inc. held 4.8% of the capital and 3.5% of the voting rights;
- as of April 4, 2016, Mage Invest held 3.8% of the capital and 5.1% of the voting rights;
- no other shareholder directly or indirectly holds more than 5% of the capital and voting rights;
- there are no shareholders’ agreements or pacts.
There has been no material change in the Company’s ownership structure over the last three years.
3.13 FINANCIAL AUTHORIZATIONS

3.13.1 GRANTED BY THE ANNUAL SHAREHOLDERS MEETING OF MAY 13, 2016

/ Employee share issues

<table>
<thead>
<tr>
<th>Corporate action</th>
<th>Resolution</th>
<th>Duration (expiration date)</th>
<th>Comments</th>
<th>Utilization during the year</th>
</tr>
</thead>
</table>
| Performance share grants         | 25th       | 38 months (July 2019)       | ▶ Not open to the Managers or the Chairman of the Supervisory Board  
▶ Performance conditions over three years  
▶ Capped at 0.5% of issued capital | None                                                      |

3.13.2 GRANTED BY THE ANNUAL SHAREHOLDERS MEETING OF MAY 18, 2018

/ Issuance of shares and share equivalents with pre-emptive subscription rights

<table>
<thead>
<tr>
<th>Corporate action</th>
<th>Resolution</th>
<th>Duration (expiration date)</th>
<th>Maximum issue amount, based on a share price of €109(^{(1)}) (in €)</th>
<th>Maximum aggregate par value of shares (in €)</th>
<th>Utilization during the year</th>
</tr>
</thead>
</table>
| Issuance of shares and/or securities carrying rights to shares | 14th       | 26 months (July 2020)       | ▶ €6.93 billion (shares)  
▶ €2.50 billion\(^{(2)}\) (securities carrying rights to shares) | €126 million\(^{(3)}\) (less than 35% of issued capital) | None                                       |
| Issuance of new shares by capitalizing reserves       | 20th       | 26 months (July 2020)       | €3.48 billion                                                      | €80 million                               | None                                       |

(1) CGEM share price at December 31, 2019, rounded up to the nearest whole number.
(2) With the aggregate par value of shares issued in connection with all of the authorized transactions not to exceed €126 million, excluding any shares issued under the 18th and 20th resolutions (21st resolution).
(3) This amount may be raised by up to 15% if the issue is oversubscribed, subject to the ceilings set respectively in the 14th, 15th and 16th resolutions (17th resolution).
(4) With the aggregate nominal amount of all debt securities, with or without rights to shares, authorized by the 14th, 15th, 16th, 17th, 19th and 20th resolutions not to exceed €2.5 billion (21st resolution).
### Issuance of shares and share equivalents without pre-emptive subscription rights

<table>
<thead>
<tr>
<th>Corporate action</th>
<th>Resolution</th>
<th>Duration (expiration date)</th>
<th>Maximum issue amount, based on a share price of €109&lt;sup&gt;(1)&lt;/sup&gt; (in €)</th>
<th>Maximum aggregate par value of shares (in €)</th>
<th>Utilization during the year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issuance of shares and/or securities carrying rights to shares</td>
<td>15&lt;sup&gt;th&lt;/sup&gt;</td>
<td>26 months (July 2020)</td>
<td>▶ €1.98 billion (shares) ▶ €2.50 billion&lt;sup&gt;4&lt;/sup&gt; (securities carrying rights to shares)</td>
<td>€36 million&lt;sup&gt;23&lt;/sup&gt; (less than 10% of issued capital)</td>
<td>None</td>
</tr>
<tr>
<td>Issuance of shares and/or securities carrying rights to shares through an offer governed by Article L. 411-2 of the French Monetary and Financial Code (Code monétaire et financier)</td>
<td>16&lt;sup&gt;th&lt;/sup&gt;</td>
<td>26 months (July 2020)</td>
<td>▶ €1.98 billion (shares) ▶ €2.50 billion&lt;sup&gt;4&lt;/sup&gt; (securities carrying rights to shares)</td>
<td>€36 million&lt;sup&gt;23&lt;/sup&gt; (less than 10% of issued capital)</td>
<td>None</td>
</tr>
<tr>
<td>Issuance of ordinary shares in connection with a stock-for-stock offer or in payment of contributed assets</td>
<td>19&lt;sup&gt;th&lt;/sup&gt;</td>
<td>26 months (July 2020)</td>
<td>€1.98 billion</td>
<td>€36 million&lt;sup&gt;23&lt;/sup&gt;</td>
<td>None</td>
</tr>
</tbody>
</table>

<sup>(1)</sup> CGEM share price at December 31, 2019, rounded up to the nearest whole number.

<sup>(2)</sup> With the aggregate par value of shares issued in connection with all of the authorized transactions not to exceed €126 million, excluding any shares issued under the 18<sup>th</sup> and 20<sup>th</sup> resolutions (21<sup>st</sup> resolution).

<sup>(3)</sup> This amount may be raised by up to 15% if the issue is oversubscribed, subject to the ceilings set respectively in the 14<sup>th</sup>, 15<sup>th</sup> and 16<sup>th</sup> resolutions (17<sup>th</sup> resolution).

<sup>(4)</sup> With the aggregate nominal amount of all debt securities, with or without rights to shares, authorized by the 14<sup>th</sup>, 15<sup>th</sup>, 16<sup>th</sup>, 17<sup>th</sup>, 19<sup>th</sup> and 20<sup>th</sup> resolutions not to exceed €2.5 billion (21<sup>st</sup> resolution).

<sup>(5)</sup> Amount to be included in the maximum total capital increase authorized under the 21<sup>st</sup> resolution.

### Debt securities without rights to shares/other debt securities

<table>
<thead>
<tr>
<th>Corporate action</th>
<th>Resolution</th>
<th>Duration (expiration date)</th>
<th>Maximum nominal amount authorized (in €)</th>
<th>Utilization during the year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issuance of bonds</td>
<td>8&lt;sup&gt;th&lt;/sup&gt;</td>
<td>26 months (July 2020)</td>
<td>€5 billion</td>
<td>€2.5 billion&lt;sup&gt;(3)&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

<sup>(1)</sup> Please refer to section 7.

### Employee share issues

<table>
<thead>
<tr>
<th>Corporate action</th>
<th>Resolution</th>
<th>Duration (expiration date)</th>
<th>Comments</th>
<th>Utilization during the year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issuance of new ordinary shares</td>
<td>20&lt;sup&gt;th&lt;/sup&gt;</td>
<td>26 months (July 2020)</td>
<td>Less than 2% of issued capital</td>
<td>None</td>
</tr>
</tbody>
</table>

### Share buyback program

<table>
<thead>
<tr>
<th>Corporate action</th>
<th>Resolution</th>
<th>Duration (expiration date)</th>
<th>Limitations</th>
<th>Utilization during the year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share buyback program</td>
<td>5&lt;sup&gt;th&lt;/sup&gt;</td>
<td>18 months (November 2019)</td>
<td>▶ Statutory limit of 10% of issued capital ▶ Maximum purchase price: €180</td>
<td>Buyback of 12,833 shares&lt;sup&gt;(7)&lt;/sup&gt;</td>
</tr>
<tr>
<td>Share cancellations</td>
<td>22&lt;sup&gt;nd&lt;/sup&gt;</td>
<td>18 months (November 2019)</td>
<td>10% of issued capital</td>
<td>None&lt;sup&gt;(7)&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

<sup>(1)</sup> Please refer to sections 6.5.1 and 6.5.6.
3.13.3 GRANTED BY THE ANNUAL SHAREHOLDERS MEETING OF MAY 17, 2019

/ Share buyback program

<table>
<thead>
<tr>
<th>Corporate action</th>
<th>Resolution</th>
<th>Duration (expiration date)</th>
<th>Limitations</th>
<th>Utilization during the year</th>
</tr>
</thead>
</table>
| Share buyback program     | 5th        | 18 months (November 2020)  | • Statutory limit of 10% of issued capital  
                      |             |                            | • Maximum purchase price: €180                  | Buyback of 1,332,988 shares (1) |
| Share cancellations       | 14th       | 18 months (November 2020)  | • 10% of issued capital                                 | Cancellation of 1,345,821 shares (1)          |

(1) Please refer to section 6.5.6.

/ Employee share issues

<table>
<thead>
<tr>
<th>Corporate action</th>
<th>Resolution</th>
<th>Duration (expiration date)</th>
<th>Comments</th>
<th>Utilization during the year</th>
</tr>
</thead>
</table>
| Performance share grants  | 13th       | 38 months (July 2022)      | • Not open to the Managers or the Chairman of the Supervisory Board  
                      |             |                            | • Performance conditions over three years  
                      |             |                            | • Capped at 0.7% of issued capital                      | Issuance of 377,292 rights (1) |

(1) Please refer to section 6.5.4 c).

3.14 CHANGE OF CONTROL

Because the Company is organized as a société en commandite par actions (partnership limited by shares), any shareholder gaining control of the capital and corresponding voting rights could not exercise control over the Company without the approval, in accordance with the Bylaws, of the Non-Managing General Partner and/or, as the case may be, all of the General Partners and/or the Supervisory Board, which would be required to make the following decisions:

• election of new Managers;
• amendment of the Bylaws;
• election of new General Partners.

3.15 STATUTORY AUDITORS’ REPORT, PREPARED IN ACCORDANCE WITH ARTICLE L. 226-10-1 OF THE FRENCH COMMERCIAL CODE ON THE CORPORATE GOVERNANCE REPORT

In accordance with French professional auditing standard NEP 9510 (1), the Statutory Auditors’ review of the Supervisory Board’s corporate governance report, pursuant to Article L. 225-235 of the French Commercial Code, is described in the Statutory Auditors’ report on the annual financial statements presented in section 5.3.3 herein.

(1) Norme d’exercice professionnel 9510 (approved by the government order of October 1, 2018 published in France’s Journal Officiel, edition no. 0232, on October 7, 2018) on the subject of the Statutory Auditor’s procedures relating to the management report, other documents on the audited entity’s financial position and financial statements and information included in the corporate governance report, as communicated to the members of the governance body called on to approve the financial statements.