

***PROCEDURAL GUIDANCE FOR
NATURAL RUBBER SUSTAINABILITY
GRIEVANCES***

15.12.2021

Additional Procedural Guidance for Sustainability Grievances Regarding Michelin's Sustainable Natural Rubber Policy ("Procedural Guidance for Natural Rubber Sustainability Grievances")

Version 1.0

1/ Background

Michelin's business practices are governed by a Code of Ethics and Group principles, policies, and guidelines. Anonymous, protected alert procedures enable employees and stakeholders, including external partners and suppliers, to raise an alert about possible infractions of the Code of Ethics and any other Group principles and guidelines.

In every region, possible ethics violations may be reported via an ethics hotline, a dedicated webpage, the Personnel Department, the Security Office, the legal affairs teams, direct or other managers, occupational physicians or the Regional Ethics Correspondent.

Additional procedural guidance, as well as specific additional channels, relating to the reporting of sustainability grievances regarding Michelin's [Sustainable Natural Rubber Policy](#) are provided in this document. This document works with Group Alert Mechanisms to fulfil Michelin's commitment to establish a grievance mechanism as part of its Sustainable Natural Rubber Policy.

2/ Purpose

The Procedural Guidance for Natural Rubber Sustainability Grievances supplements existing Group Alert Mechanisms to ensure that grievances related to the implementation of Michelin's Sustainable Natural Rubber Policy are addressed in an accessible, predictable, and transparent manner. It provides additional channels specifically for natural rubber sustainability grievances on top of other alert mechanisms.

3/ Scope and guiding principles

This procedural guidance applies to "natural rubber sustainability grievances", defined as issues raised due to potential violations related to the implementation of Michelin's Sustainable Natural Rubber Policy. This applies to Michelin's operations as well as its natural rubber supply chain. It should be used to report and address violations of Michelin's Sustainable Natural Rubber Policy by Michelin or its third-party natural rubber suppliers. Alerts and issues related to general ethical or other business matters should use the existing Group-wide ethics alert channels, which are described on the [Group Ethics webpage](#).

When ethics or policy violations are observed, they are analyzed according to a Group-wide process defined by the Corporate Information Systems Security, Safety & Security and Environment Department. This includes Natural Rubber Sustainability Grievances which specifically follow the process defined below. The findings may then give rise to action plans, corrective measures and/or disciplinary sanctions depending on the circumstances and the seriousness of the violation.

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

4/ References

Michelin Group Principles and Policies:

- Sustainable Natural Rubber Policy
- Purchasing Principles
- Code of Ethics

These documents are available on the [Michelin purchasing website](#) and the [Michelin Ethics webpage](#).

Additional references:

- United Nations Guiding Principles on Business and Human Rights: Specifically, effectiveness criteria for non-judicial grievance mechanisms: legitimate, accessible, predictable, transparent, rights compatible, source of continuous learning, and based on engagement and dialogue.

5/ Roles and Responsibilities

Natural Rubber Grievance Raiser: Stakeholder or representative of stakeholder who raises up the potential grievance. Natural rubber sustainability grievances within scope should be raised through channels defined in '6/ Procedure'. Potential grievances should contain adequate information for further assessment and investigation

Natural Rubber Grievance Coordinator: Monitor grievance channels for potential grievances. Acknowledge receipt of potential grievance, establish initial communication with Grievance Raiser. Coordinate communication between all relevant stakeholders.

Natural Rubber Grievance Committee: Assess potential grievance for admissibility. Communicate with all involved stakeholders through the Natural Rubber Grievance Coordinator. If required, determine scope and approach of investigations and assess information collected. Recommend resulting course of action, based on findings, with relevant stakeholders.

6/ Procedure

Submission of Grievance

Natural Rubber Sustainability Grievances should be made to the Natural Rubber Sustainability Grievance Coordinator through the following channels (please clearly indicate 'Attn: Natural Rubber Sustainability Grievance Coordinator' in the subject):

- Email: NRSustainability@michelin.com
- Fax: +65 6438 9361
- Mailing address: 78 Shenton Way #23-01 Singapore 079120

Alternatively, it is possible to file a grievance with the Michelin Group Ethics Line which is available in 28 languages (please clearly indicate 'Attn: Natural Rubber Sustainability Grievance Coordinator' in the description field):

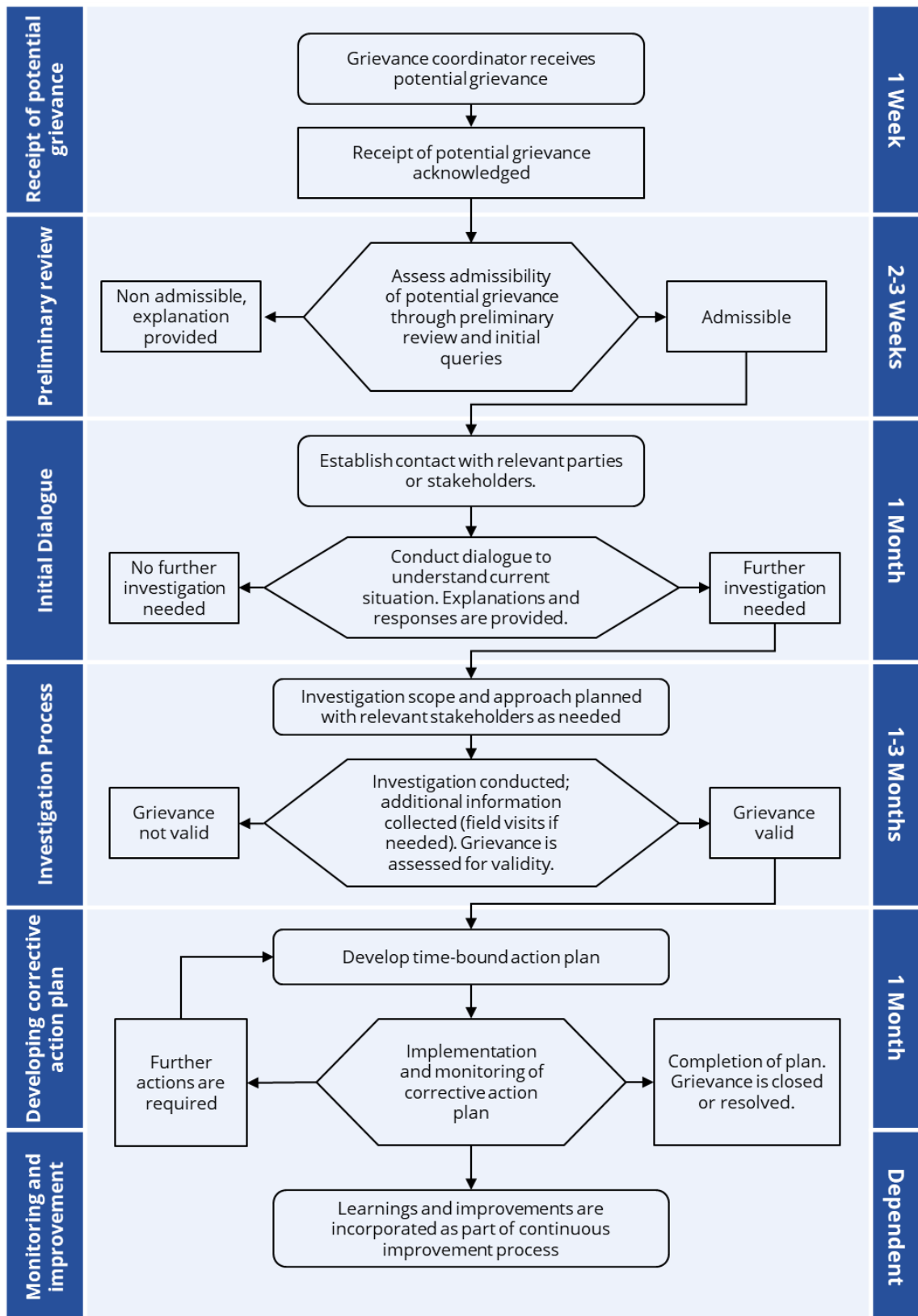
- Link to the ethics webpage:
<https://secure.ethicspoint.com/domain/media/fr/gui/38522/index.html>
- Phone: 0800-90-5501 (toll-free within France); other country local numbers can be accessed via the link above.

Grievances should include provision of the following information:

- Full Name*
- Name of Organization* (if any)
- Contact details* (phone/fax/email address)
- Description of the grievance in detail
- Evidence to support the grievance

*Grievances can be made anonymously, although this may limit means to follow-up on the concern or obtain additional information required to assess the grievance.

Process Flow Chart



Process Description

Timeframe	Action
1 week*	<p>1) Receipt and registration of potential grievance</p> <ul style="list-style-type: none"> • Grievance Coordinator acknowledges receipt of potential grievance • Relevant business unit, supplier or other party is contacted <p>*Note that grievances made through the Group Ethics Line may require additional processing time as these services are hosted by an independent third-party.</p>
2-3 weeks	<p>2) Preliminary review</p> <p>Initial queries are made to determine the admissibility of grievance. Admissible grievances are related to the implementation of Michelin’s Sustainable Natural Rubber Policy (“Policy”) in its own operations or natural rubber supply chain.</p> <ul style="list-style-type: none"> • Grievance is registered if admissible. <p>If the issue is not a natural rubber sustainability grievance, the Grievance Raiser is informed with explanation and may be redirected to the appropriate channel.</p>
1 month	<p>3) Initial Dialogue</p> <p>Party involved in the potential grievances relating to the Policy will be contacted. Dialogue will take place to understand the current situation. Responses and explanations are communicated to the Grievance Raiser if applicable. If further investigations are required, the investigative scope and approach is planned.</p>
1-3 months	<p>4) Investigation Process</p> <p>Relevant stakeholders are consulted on investigation scope and approach as needed. Additional information is collected and assessed; field visits are planned if required.</p> <ul style="list-style-type: none"> • Grievance is assessed for validity. <p>The findings may then give rise to action plans, corrective measures and/or disciplinary sanctions depending on the circumstances and the seriousness of the violation.</p>
1 month	<p>5) Developing and implementing a time-bound corrective action plan</p> <p>If required, a timebound corrective action plan is developed to address non-conformity. Relevant stakeholders are consulted to ensure the effectiveness of the action plan.</p>
Dependent on timeline in action plan	<p>6) Monitoring and continuous improvement</p> <p>The implementation of the corrective action plan is monitored according to the prescribed timelines. Monitoring checkpoints are implemented to check if further action is required or if the corrective action plan needs to be further adapted. Grievance is resolved or closed in consultation with Grievance Raiser upon completion of plan.</p> <p>As part of a continuous improvement process, learnings and improvements are incorporated into policies, procedures and the grievance mechanism as needed.</p>