



***RECYCLED STEEL CONTENT  
DEFINITION FOR MICHELIN***

*30TH OF APRIL 2024*

*DIRECTION OPÉRATIONNELLE ACHAT*

## **PURPOSE**

*This document describes what is the « All sustainable » approach for Michelin and what does it means for Steel purchased by the Groupe (Wire Rod, Bead Wire & Steel Cord).*

*Definitions will be provided, as well as details for declaration (annual or per lot delivered).*

## **SCOPE**

*Every supplier of Wire rod, bead wire and steel cord of MICHELIN & Affiliates.*

*Worldwide*

## **EVOLUTION**

*Cancel and replaces version of: NA.*

## 1. DEFINITION OF STEEL RECYCLED CONTENT FOR MICHELIN

Recycled Content is the proportion, in mass, to the relative amount of Scrap divided by the sum of all materials loaded to Electric Arc Furnace or convertor, based on the ISO 14021:2016.

Sum of all materials loaded: non-ferrous inputs (such as limestone that will lead to the formation of slag) are excluded from this sum of all materials loaded.

Scrap authorized to be considered in the definition:

- External scrap Michelin: Pre-consumer material & post-consumer material ISO14021 purchased by steelmaker with available traceability of invoices and volumes.
- Internal scrap Michelin: Pre-consumer material ISO14021 with available internal volumes traceability & if not from steelmaking, casting & rolling of units which produce wire rod.

Not recycled content for Michelin:

- Material Internal scrap generated on steelmaking, casting & rolling of units which produce wire rod mill.
- Any scrap with no available traceability
- Direct Reduced Iron, Hot-briquetted iron, Pig iron

## 2. RECYCLED CONTENT REPORTING

### a) For WIRE ROD

#### **Option 1 (preferred):**

Wire rod supplier has traceability of minimum or actual recycled content (based on Michelin definition detailed previously) per heat → This supplier is encouraged to report the number per heat (in Certificate of Analysis for instance) and to provide an annual declaration with details by products, with reference to ISO14021:2016 & ISO22095:2020.

#### **Option 2:**

Wire rod supplier has no traceability per heat and only mass-balance information of Recycled content into the wire rod over a given period → This supplier should report about recycled content (based on Michelin definition detailed previously) in terms of mass balance on products delivered to Michelin with explicit mention of the mass balance methodology that was applied for the attribution (e.g. rolling average, or type of credit method used).

**b) For Bead Wire and Steel cord**

**For single product wire:**

Recycled Content of wire rod used to produce the wire (physical segregation, controlled blending, or mass-balance) depending on wire rod recycled content information & internal traceability.

**For multiple wire products:**

Weighted average of wire recycled content, according to ratio of each wire on linear mass of the final product.

**c) Annual Declaration**

Every year (end of January), Michelin is audited by external party on its Recycled & Renewable Material Rate (mass-balance at Group Scale).

All raw material suppliers need to provide to Michelin:

Provisional declaration before end of December

Final Written and signed Recycled Content declaration on Year N-1 before mid-January.

Providing declaration of year n-1 without December data is tolerated if it allows to be in time.

For declarations received late, 0% of Recycled Content will be used by Michelin.

**REFERENCE DOCUMENTS**

<i>Reference of document</i>
<i>ISO 14021:2016</i>
<i>ISO 22095:2020</i>