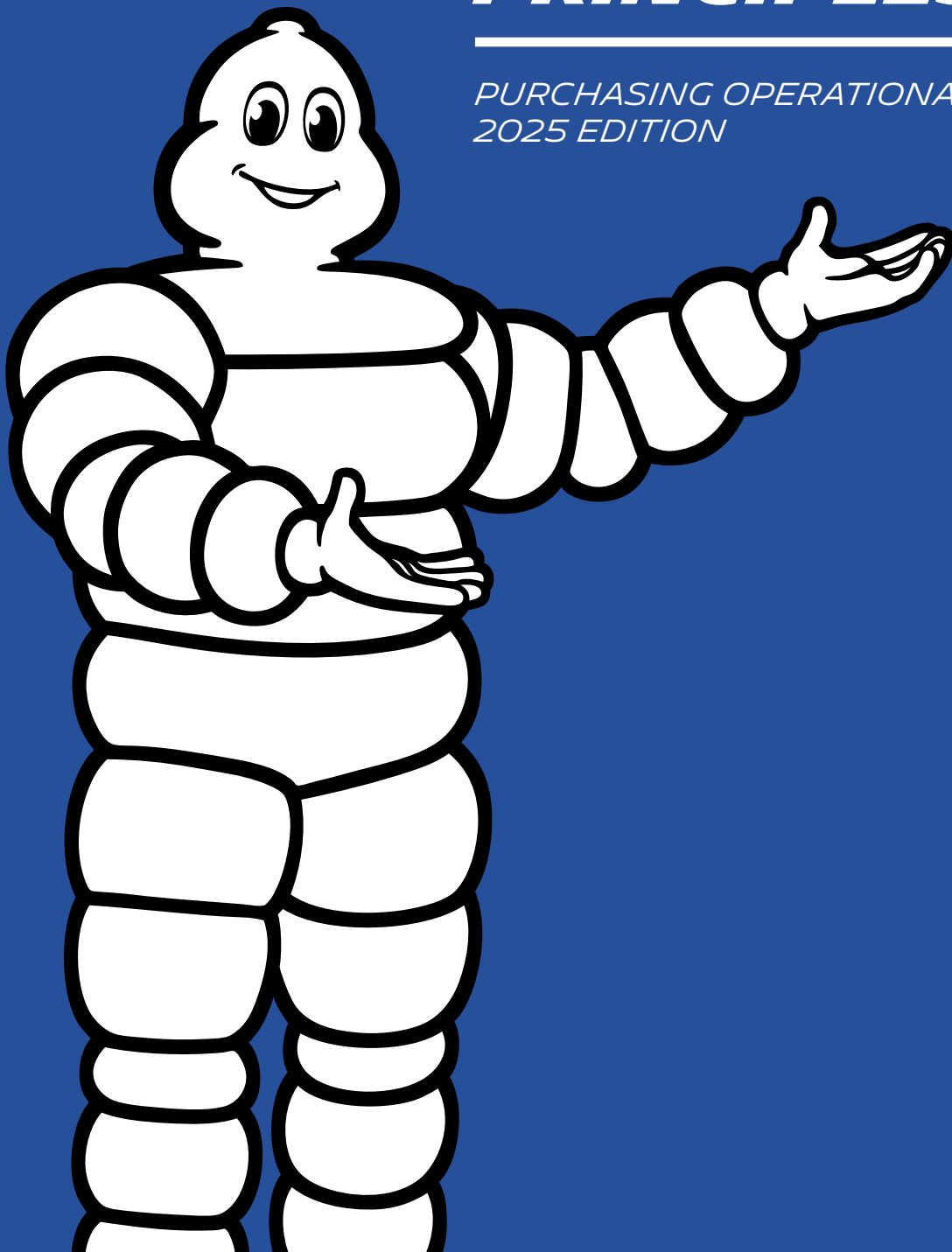


MICHELIN PURCHASING PRINCIPLES

*PURCHASING OPERATIONAL DIRECTION
2025 EDITION*



MICHELIN PURCHASING PRINCIPLES

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FLORENT MENEGAUX
CHIEF EXECUTIVE OFFICER

MICHELIN GROUP'S CONVICTIONS FOR A SUSTAINABLE FUTURE



YVES CHAPOT
GENERAL MANAGER
AND CHIEF FINANCIAL OFFICER

SINCE ITS FOUNDING, THE MICHELIN GROUP HAS ALWAYS UPHELD FREEDOM OF MOVEMENT AS A FUNDAMENTAL RIGHT AND A SOURCE OF HUMAN PROGRESS.

KEENLY AWARE OF THE ENVIRONMENTAL IMPACT OF ITS OPERATIONS AND OF THE CRISIS FACING THE PLANET, THE GROUP WANTS TO PLAY A LEADING ROLE IN SUSTAINABLE DEVELOPMENT.

MICHELIN IS TAKING ACTION BY DRAWING ON ITS HISTORY, VALUES, AND EXPERTISE AND BY REAFFIRMING ITS STRONG CONVICTIONS:

- THE GROUP WANTS TO HELP SHAPE THE WORLD'S FUTURE THROUGH BALANCED GROWTH IN ITS OPERATIONS RECONCILING BUSINESS PERFORMANCE, PEOPLE DEVELOPMENT AND ENVIRONMENTAL STEWARDSHIP.
- MICHELIN BELIEVES THAT TECHNOLOGICAL PROGRESS IS ONE OF THE SOLUTIONS TO ENVIRONMENTAL CHALLENGES.
- MICHELIN BELIEVES THAT COMPANIES MUST PLAY A ROLE IN SOCIETY TO PROVIDE COLLECTIVE RESPONSE TO TODAY'S CHALLENGES.
- MICHELIN FIRMLY BELIEVES IN THE ABILITY OF PEOPLE TO BUILD A SUSTAINABLE FUTURE.



SCOPE, DEFINITIONS AND PRINCIPLES FOR APPLICATION

1.1 Scope

1.2 Required and Expected Principles

1 – SCOPE, DEFINITIONS AND PRINCIPLES FOR APPLICATION

1.1 Scope

The Michelin Purchasing Principles are an integral part of every contract between a Supplier and any Michelin Group company purchasing goods or services, referred to as “Purchasers” in this document.

1.2 Required and Expected Principles

The Michelin Purchasing Principles have two essential levels: Required and Expected principles.

A REQUIRED

principle is one with which a Supplier must comply and must ensure the same or similar principles are deployed throughout its Supply Chain.

At Purchaser’s request, Suppliers must report, in a transparent manner, the levels of compliance achieved and, when requested, provide applicable certifications or other documents confirming such compliance. Any failure to comply with all or part of the Required principles shall constitute a breach of contract, and Purchaser may pursue all rights and remedies related thereto, including the termination of all or part of the business relationship with the Supplier.

AN EXPECTED

principle is a principle that is promoted, encouraged and expected by Michelin.

It sets out Michelin’s vision in a transparent manner and enables all Suppliers to improve in line with the Group’s expectations through a continuous improvement process. Suppliers’ compliance with the Expected principles shall be commensurate with the size of the Supplier, the level of complexity involved in implementing the principle and the level of risk caused by potential or actual non-compliance with this principle are taken into consideration.

The Michelin Group places the utmost importance on complying with fundamental principles, namely:

- Laws and Regulations that apply to Purchaser and/or all or part of its Products, Services and/or operations;
- Respecting people, in all aspects; and
- Protecting the environment.

Each of our Suppliers is expected to contribute fully to Purchaser's compliance with these fundamental principles, within the scope that applies to them.

FUNDAMENTAL PRINCIPLES

2.1 Compliance with Laws, Regulations and International Principles

2.2 Respecting People

2.2.1 Human Rights (including working conditions)

2.2.2 Health and Safety of Individuals

2.2.3 Community

2.3 Protecting the Environment

2 – FUNDAMENTAL PRINCIPLES

2.1 – Compliance with Laws, Regulations and International Principles

Michelin's commitment to major international principles

As a member of the United Nations Global Compact since 2010, Michelin is committed to fully respecting and promoting human rights in all of Michelin's activities and in all countries in which it operates. Furthermore, Michelin is committed to complying with the following international texts: the Universal Declaration of Human Rights, the Fundamental Conventions of the International Labor Organization (ILO), the Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises on Human Rights, Environmental Protection and Anti-Corruption, and the UN Guidelines on Business and Human Rights.

The Michelin Group's commitment to act responsibly and ethically towards employees, partners and local communities must be understood and respected by all.

REQUIRED:

Supplier undertakes to comply with, and ensure that its Products and/or Services comply with, the laws and regulations in force in the country or countries in which it operates and all countries where any Products and/or Services are or will be imported, delivered, distributed and/or reasonably expected to be used ("Laws and Regulations")

Required for specific cases:

Our purchasing activities are deployed in many countries with a wide range of cultures, laws and political regimes:

- a - In some cases, the Michelin Purchasing Principles may not correspond exactly to the Laws and Regulations of a particular country. In the event of inconsistency between any applicable Law and Regulation and any Michelin Purchasing Principle, the more stringent requirement shall take precedence.
- b - In the event of different Laws and Regulations that may apply to the same transaction, all mandatory laws must always be complied with within its applicable geographical scope.

EXPECTED PRINCIPLE:

Supplier should promote the above International principles within its Supply Chain and is encouraged to join the United Nations Global Compact.

2 – FUNDAMENTAL PRINCIPLES

2.2 – Respecting People

2.2.1 – Human Rights (including working conditions)

REQUIRED:

Supplier must comply with the following, as a minimum:

- International standards including the Universal Declaration of Human Rights, the United Nations Global Compact, the OECD Guidelines, the UN Guidelines on Business and Human Rights.
- The legal and regulatory provisions of the employment law in force in the country (level of remuneration, working hours, freedom of association, etc.).
- The dignity of the individual through acceptable working conditions.
- The Fundamental Conventions of the International Labor Organization (ILO), in particular on child labor, forced or compulsory labor, freedom of association and the right to collective bargaining, discrimination and harassment.
- Any practice of slavery, forced labor or human trafficking shall be strictly prohibited, and Supplier must comply with the requirements contained in the attached Focus Boxes on Child Labor, Forced Labor and Conflict Minerals.

EXPECTED:

Supplier goes beyond the strict application of Laws and Regulations, in particular by ensuring that their employees have decent working conditions, including working hours, rest periods, as well as a living wage that allows them to provide for the basic needs of their families.

+ FOCUS Child Labor:

CHILD LABOR:

Employment of persons under 18 years of age is prohibited. Exceptions are possible for people between the ages of 15 and 18, in particular if the period of work is part of an apprenticeship, provided that the work is not hazardous in nature, does not replace schooling, is not harmful to the development and health of the person, and is in accordance with ILO Conventions 138 and 182 and the provisions of applicable national and international law.

2 – FUNDAMENTAL PRINCIPLES

2.2 – Respecting People

2.2.1 – Human Rights (including working conditions)

+ FOCUS

Forced Labor:

FORCED LABOR:

Suppliers must not use or tolerate forced labor, which refers to situations in which people are forced to work or work overtime under threat or intimidation or through more subtle means such as accumulated debt, retention of identity papers or signing a contract whose terms are not understandable to the employee.

Suppliers must use fair recruitment practices and must in particular refrain from charging an employee or a candidate direct or indirect costs for their own recruitment.

+ FOCUS

on Conflict Minerals:

FOCUS ON CONFLICT MINERALS

Purchaser's aim is to purchase Products that do not finance or support, either directly or indirectly, armed groups in conflict areas. This applies to several minerals or their derivatives, such as tantalum, tin, tungsten, gold and cobalt.

Purchaser addresses the issue of conflict minerals by taking into account the OECD Guide on Due Diligence for Responsible Mineral Supply Chains from Conflict or High-Risk Zones and in accordance with the United States' Dodd-Frank Wall Street Reform and Consumer Protection Act. Although Purchaser is not subject to this US law, some of our customers are required to comply with the transparency obligations it imposes.

Purchaser does not engage in mining, but minerals may be present in Products in our Supply Chain. Purchaser is therefore committed to working with its Suppliers to achieve Purchaser's objectives. After identifying the Products that may contain such minerals and the corresponding Suppliers, Purchaser asks these Suppliers to provide information about how they are sourced, using the Responsible Minerals Initiative (RMI) forms and lists.

Purchaser may be required to provide a conflict minerals report to its customers upon request. Each Supplier in question undertakes from now on to comply with the following requirements:

- Provide, upon request by the Purchaser or the Purchaser approved platform, (e.g., «Assent»), the required reports using the CMRT (Conflict Minerals Reporting Template) and/or CRT (Cobalt Reporting Template), per the latest revisions made available by the RMI (Responsible Minerals Initiative) <https://www.responsiblemineralsinitiative.org/> ;
- Have or implement a policy and process to ensure that Supplier (a) sources from a socially responsible Supply Chain (working only with conflict-free smelters and refiners); and (b) communicates these requirements to its own Supply Chain.

2 – FUNDAMENTAL PRINCIPLES

2.2 – Respecting People

2.2.2 – Health and Safety of Individuals

The quality and extent of health and safety practices are important criteria in selecting suppliers.

REQUIRED:

- Whether it be in regard to Products, Services, operations or sites, Supplier must protect the health and safety of individuals by strictly complying with the applicable Laws and Regulations, the requirements set forth in the below Focus on Chemicals and Prohibited Substances, and best practices of their profession, regardless of whether certain countries are more or less stringent in terms of health and safety.
- Supplier must regularly assess the health and safety risks posed to the communities in the vicinity of its sites and/or operations.
- Supplier will not hire or use private or public security forces without proper selection, instruction and supervision to make sure that all Required principles are respected, and any hired security force shall be prohibited from using torture, threat of injury, or discrimination.
- Supplier working on Purchaser sites, whether occasionally or on a permanent basis, must:
 - Obtain prior authorization to access the site in accordance with the internal regulations valid at such site.
 - Define and implement all necessary measures to ensure that all the Supplier's Personnel comply with the safety, health and hygiene rules defined for this site. Supplier is required to continuously develop, among these personnel, behaviours of constant vigilance and compliance with these rules.
 - Draw up a prevention plan prior to any work being carried out on site, in accordance with Purchaser's standards.
 - Inform Purchaser before any use of new chemical substances and provide the necessary documents detailing their characteristics, risks and prevention measures.
 - Report any anomaly observed to the site manager or the designated safety officer at the Purchaser site where the Supplier is working or, failing this, to the Supplier's Purchaser contact.

EXPECTED:

Supplier implements a health and safety management system designed to learn lessons from the past and support the continuous improvement of practices. This system may be based on appropriate policies, instructions, guides, information and awareness campaigns, improvement plans and appropriate indicators (e.g. accident rate, reporting and management of risk situations, number of proposals for improvements to health and safety issues, etc.). ISO 45001 certification is encouraged.

Supplier has a regular process for monitoring the list of substances of concern under REACH or other applicable Laws and Regulations and actively works to identify and validate alternatives to such substances.

+ FOCUS

Chemicals and Prohibited substances:

CHEMICALS AND PROHIBITED SUBSTANCES

All over the world, the Michelin Group is particularly vigilant with regard to chemical substances and the safety of materials used within its sites or which may be incorporated into products the Group may sell. Whether in mixtures, objects or articles, any Product (including its packaging) delivered to Purchaser shall not contain any prohibited substance, whether prohibited by the Applicable Laws and Regulations or the specifications provided by Purchaser. Without limiting the foregoing, the use of asbestos or asbestos containing Products in any goods, services or other materials delivered to or entering a Michelin site is strictly prohibited. In addition, Supplier must comply with the requirements of EU REACH regulations as discussed in Section 2.3 of these Principles.

2 – FUNDAMENTAL PRINCIPLES

2.2 – Respecting People

2.2.2 – Health and Safety of Individuals

The quality and extent of health and safety practices are important criteria in selecting suppliers.

2.2 – Respecting People

2.2.3 – Community

The Michelin Group aims to integrate seamlessly into the societies and local communities that surround its operations in countries around the world. Purchaser therefore aims to source not only from international Suppliers but also from local Suppliers and inclusive Suppliers (e.g. Suppliers in the protected and adapted work sector, Suppliers promoting the return to employment, Suppliers belonging to minorities, etc.) that meet its high standards.

EXPECTED:

All Suppliers should participate in the economic and social development of the communities near or in which they operate.

2 – FUNDAMENTAL PRINCIPLES

2.3 – Protecting the Environment

The Michelin Group attaches the utmost importance to environmental protection. Supplier must also take environmental protection into consideration in its operations.

REQUIRED:

At Purchaser's request, Supplier shall comply with Michelin Group's norms and standards for specific sites or projects, even if in excess of the Applicable Laws and Regulations. Supplier must provide to Purchaser, upon request, any information that may be required to determine the environmental, social responsibility or other CSR/ESG impact of any Product and/or Service it provides to Purchaser or to meet the expectations and demands of government or regulatory authorities or other Purchaser stakeholders, including customers, investors, associations, etc. Such information may include, without limitation, CO₂ emissions, use of phytosanitary products, certifications, traceability of components, etc., which information may be disclosed for the purpose of such demands and compliance with legal requirements. Supplier further agrees to provide material safety data sheets in all cases, where applicable, and any product material disclosures requested by Purchaser. Any material change in the composition of the Products is subject to prior notification to and approval of Purchaser.

EXPECTED:

Purchaser expects Supplier to:

- Implement an environmental management system to measure and reduce the potential effects of its activity on the environment;
- Reduce and manage waste, toxic/hazardous substances and packaging throughout the life cycle of its Products;
- Measure, publish and reduce greenhouse gas emissions, including during transportation and upstream supplychain phases;
- Conserve water, preserve natural resources, protect ecosystems and air quality and strive to maintain biodiversity;
- Develop high-quality Products and/or Services with low environmental impact;
- Collaborate with the Group within the framework of the life cycle analyses carried out by Purchaser.

2 – FUNDAMENTAL PRINCIPLES

2.3 – Protecting the Environment

The Michelin Group attaches the utmost importance to environmental protection. Supplier must also take environmental protection into consideration in its operations.

+ FOCUS

Life cycle and circular economy:



LIFE CYCLE AND CIRCULAR ECONOMY:

In a world where raw materials are becoming increasingly scarce and the fight against climate change is ongoing, the impact on natural resources (energy, materials, water, etc.) can be reduced over the life cycle of Products and Services by applying a circular economy approach.

Our approach is to simultaneously activate four levers over the entire life cycle of Products and Services, thereby providing a combination of solutions to ensure that resources are used more wisely.

This is the Michelin Group's 4Rs strategy:

Reduce - Repairing and reconditioning – and for the tire, for applications where it is appropriate to do so, regrooving and retreading, for example, to reduce the use of raw materials.

Reuse – Repairing and reconditioning – and for the tire, regrooving and retreading, for example – to reduce the use of raw materials.

Recycle - Recovery and regeneration projects, use of recycled source materials.

Renew - Increase the proportion of renewable materials used.

+ FOCUS

EU REACH

The Michelin Group has adopted the requirements of the REACH regulations as a Group policy, and thus, all Suppliers shall comply with its requirements regardless of the location of delivery of Products. Where the Product is an "article" as defined by the REACH Regulation, Supplier undertakes to inform Purchaser of any presence in the Product or its packaging of Substances of Very High Concern (SVHC) in concentrations of more than 0.1% by weight per individual component as soon as these SVHCs are included in the List of Substances of Very High Concern Candidates for Authorization. For applicable Products to be placed on the EU market, Supplier shall provide Purchaser with the SVHC Certificate(s).

+ FOCUS

Deforestation Regulation («EUDR»)

In addition to complying with the Sustainable Natural Rubber Policy contained herein, Supplier must comply more generally with the European Union Deforestation Regulation («EUDR») with respect to all products it makes available on or exports from the European Union («EU») market, or which may be incorporated into Purchaser's products in such market. Relevant Suppliers thus undertake to provide, at the Purchaser's first request, all information enabling Purchaser to exercise due diligence, including, but not limited to:

- the name and contact details of the Supplier and of the persons from whom it has itself obtained supplies;
- the country of production of the product;
- the geolocation of the plots on which the components of the product have been cultivated;
- the date or period of production of the components or of the product itself;
- documents attesting to the right to use the plot(s) concerned (taking into account the presence of indigenous populations and their consultations and potential claims);
- documents attesting that production complies with the legislation of the country of production (e.g. tax documents, official documents from public authorities, contractual agreements, court rulings, impact analyses, audit results, etc.);
- a certificate stating that the products sold are 'deforestation-free';
- a certificate stating that the products have been manufactured in accordance with the relevant legislation of the country of production and any agreement granting the right to use the area concerned.

Supplier consents to the disclosure of such information for the purpose of compliance with EUDR or other legal requirements by Purchaser. In the event Supplier fails to provide the requested information, or provides partial or erroneous information, the Purchaser reserves the right to take all measures aimed at protecting its rights and interests. It reserves the right to claim compensation for any loss suffered as a result and to terminate the purchasing contract for breach by the Supplier.

BUSINESS ETHICS

- 3.1 Good Faith
- 3.2 Competition and Fair Conduct
- 3.3 Trade Restrictions
- 3.4 Corruption and Influence Peddling
- 3.5 Conflicts of Interest
- 3.6 Fraud and Financial Ethics
- 3.7 Gifts and Invitations
- 3.8 Confidentiality
- 3.9 Intellectual Property Protection
- 3.10 Personal Data
- 3.11 Supplier's Personnel
- 3.12 Code of Conduct
- 3.13 Ethic Line

The Michelin Group attaches the utmost importance not only to compliance with Laws and Regulations but also to ethics and integrity when conducting business ("Business Ethics"). Supplier must comply with these principles and in particular with the following.

3 – BUSINESS ETHICS

3.1 – Good Faith

REQUIRED:

Each Supplier must negotiate and perform contracts in good faith.

3.2 – Competition and Fair Conduct

REQUIRED:

Supplier undertakes to ensure free and fair competition and to implement fair commercial practices with regard to their own competitors and their customers. In the event of anti-competitive practices on the part of a Supplier, Purchaser reserves the right to take any action necessary and appropriate to obtain compensation for any damage suffered. Furthermore, Suppliers undertake not to engage in abusive behavior in the event of a position of dominance at Purchaser nor to demand unjustified rewards that creates a significant imbalance in the transaction.

EXPECTED:

Supplier has implemented and maintains an antitrust compliance program.

3 – BUSINESS ETHICS

3.3 – Trade Restrictions

REQUIRED:

Supplier shall comply with the “Group Prescription: Trade Restrictions” document. The term Trade Restrictions refers to any applicable Laws and Regulations relating to (1) trade and economic sanctions (including embargoes and lists of sanctioned parties) and/or (2) export controls (military goods or dual-use goods regulations) applicable to any Product and/or Service.

EXPECTED:

Supplier has implemented and maintains a Trade Restrictions compliance program.

3 – BUSINESS ETHICS

3.4 – Corruption and Influence Peddling

REQUIRED:

Supplier shall apply a “zero tolerance” policy with regard to corruption and influence peddling. In particular, they undertake to refrain from (1) deliberately offering, promising or giving, and (2) attempting and conspiring to offer, promise or give any unfair advantage, whether monetary or of any other nature, directly or indirectly through an intermediary, to a public official or to any professional relationship, for that public or private official or for a third party, such that the latter acts or refrains from acting in the performance of his/her duties, with a view to obtaining or retaining an activity or other advantage improperly.

EXPECTED:

Supplier has implemented and maintains an anti-corruption compliance program that is appropriate to its particular situation and capable of detecting corruption, bribery and influence peddling.

3 – BUSINESS ETHICS

3.5 – Conflicts of Interest

REQUIRED:

Supplier must refuse to take part in any practice that could be considered a conflict of interest. It must declare to Purchaser any conflict of interest situations that may exist with any Group Employee, within the context of the planned or current transaction.

EXPECTED:

Supplier has implemented and maintains specific rules for managing conflicts of interest.

3 – BUSINESS ETHICS

3.6 – Fraud and Financial Ethics

REQUIRED:

Supplier shall apply a “zero tolerance” policy with regard to attempted fraud and fraud, whether suspected or proven. In particular, they undertake to refrain from (1) setting up, allowing to be set up, or participating in setting up, either deliberately or negligently, any organization or scheme with a fraudulent purpose, vocation or effect and (2) attempting and conspiring to do so. Suppliers undertake to inform Purchaser by any appropriate means, including via the Ethics Line made available by the Michelin Group, of any fraud, suspicion of fraud or attempted fraud of which they are aware.

Supplier shall maintain accurate and complete financial records pertaining to the purchase and supply relationship. Further, Supplier undertakes to provide accurate and complete financial reports and to implement policies and procedures to avoid unethical practices such as insider trading and corruption.

EXPECTED:

Supplier has implemented and maintains an anti-fraud program (dealing with both internal and external fraud) that is appropriate to their particular situation and capable of detecting, preventing and dealing with fraud.

3 – BUSINESS ETHICS

3.7 – Gifts and Invitations

REQUIRED:

With respect to gifts and invitations, Supplier must refrain from any practice that does not comply with applicable Laws and Regulations. Supplier must also refrain from any practice aimed at directly or indirectly benefiting any Purchaser Personnel or at attempting to influence the judgment of any Purchaser Personnel or to obtain any undue advantage. In particular, any gift or invitation must fulfil the following cumulative criteria: be authorized under applicable local Laws and Regulations, not be solicited by the beneficiary, not be intended to procure any undue consideration or benefit, not be intended to influence a decision, not coincide with strategic decision making; the beneficiary may not currently or in the future exercise discretion in the making of a decision affecting Purchaser's interests; be a one-off in the line of business, not cause embarrassment if revealed in the company or publicly, be strictly professional in nature and be logged in a register.

By way of examples:

During a call for tenders process: it is forbidden for a Supplier to offer to any its contacts among Purchaser Personnel a gift or invitation which may influence its judgement during the selection process. During the term of the commercial relationship: it is forbidden for a Supplier to invite its contact(s) among Purchaser Personnel as well as his/her relatives to a meal in a luxury restaurant. It is forbidden for a Supplier to offer to its contact(s) among Purchaser Personnel a gift in the form of money or vouchers.

Nevertheless, Supplier is authorized to provide corporate gifts with a reasonable low value and with the logo of the Supplier, or equivalent advertising (example: backpacks, gym bags, computer cases).

EXPECTED:

Purchaser expects all Supplier to have a gifts and invitations policy that establishes the rules applicable to gifts offered and received.

3 – BUSINESS ETHICS

3.8 – Confidentiality

REQUIRED:

In addition to the legal obligations regarding the protection of business secrecy, Supplier must comply not only with the confidentiality of information provided by Purchaser, including during invitations to tender, but also with the confidentiality of the outcome in terms of the Products and/or Services provided. Supplier shall refrain from using Purchaser's confidential information for purposes other than those agreed upon relating to the strict supply of Products or Services to Purchaser.

EXPECTED:

Supplier has implemented and maintains a program setting appropriate measures to prevent any breach of its confidentiality obligations to its customers, including Purchaser.

3 – BUSINESS ETHICS

3.9 – Intellectual Property Protection (IP)

REQUIRED:

In addition to compliance with the Laws and Regulations on Intellectual Property (IP) Rights in general:

- Supplier must refrain from violating (or attempting to violate) any of Purchaser's IP rights.
- Supplier must refrain from knowingly providing to or for Purchaser any Product or Service that infringes any third party's IP rights.
- Suppliers must develop, put in place, and maintain effective methods and procedures to protect against the incorporation or use of counterfeit materials or products and to identify, report and isolate counterfeit Products if/when identified.
- In the event that a Supplier suffers any claim from any third party alleging the violation of certain IP rights that could have an impact on Purchaser's activities, Supplier must promptly notify Purchaser to enable it to make the necessary arrangements to avoid jeopardizing the continuity of its operations and will cooperate with Purchaser.

EXPECTED:

Purchaser expects Supplier to have a process that establishes the rules applicable to developing Products and/or Services, including in particular verifying and complying with the IP policy of third parties.

3 – BUSINESS ETHICS

3.10 – Personal Data

REQUIRED:

In addition to compliance with the Laws and Regulations regarding the protection of personal data, Suppliers shall, at a minimum, act only on Purchaser's instructions when processing personal data on Purchaser's behalf, to process personal data only to provide the agreed service, to guarantee – through organizational and technical measures – the security of the data entrusted to them, to provide Purchaser in a transparent manner with a description of the operations carried out on personal data (what, why, by whom and where), to assist Purchaser in complying with its obligations, and to use only subcontractors authorized by Purchaser who offer the same guarantees as to personal data protection as Purchaser.

EXPECTED:

Purchaser is committed to protecting personal data and, in addition to other applicable privacy protection Laws and Regulations, promotes compliance with the principles of the General Data Protection Regulation (GDPR) beyond its immediate geographic scope. Purchaser therefore expects all Suppliers to undertake to do the same.

3 – BUSINESS ETHICS

3.11 – Supplier's Personnel

REQUIRED:

In the context of compliance with the Laws and Regulations relating to the employment of natural persons, all Suppliers undertake to comply with the «Michelin Group Prescriptions: Personnel

3.12 – Code of Conduct

EXPECTED:

In addition to complying with the Laws and Regulations and the points set out above, Supplier is expected to define its own code of conduct that is appropriate to its particular situation, promoting a culture of integrity, and to implement detection, prevention and monitoring measures, such as communications, training, ethical guidelines, internal control, disciplinary measures, etc.

3.13 – Ethic Line

An Ethics Line is available not only to Michelin Group Personnel but also to Supplier Personnel. This line can be used to report any potential breach of any applicable Laws and Regulations and/or Michelin Group's Code of Ethics and Anti-Corruption Code of Conduct. Anyone may submit a report, anonymously if preferred.

A report can be submitted

(A report can also be made by phone – please click on the link above for instructions on how to dial the correct number for your country.)

Please refer also to the Group Whistleblowing Procedure, available to all employees and external partners, which provides a description of how Michelin Group collects and processes ethics alerts. This procedure is accessible on the www.michelin.com website at the following webpage: Our purpose and our values engage us | Michelin



FOR FURTHER INFORMATION:
CODE ETHICS
ANTI-CORRUPTION CODE OF CONDUCT



WORKING TOGETHER

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4.2 Quality and Safety

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4.3 Moving Forward Together Sustainably

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4.3.2 Managing the Supplier Relationship

4.4 Mediation

4 – WORKING TOGETHER

4.1 – Prior to Supplier Selection

Within the Michelin Group, we follow a structured process to assess a Supplier's potential and ability to meet Purchaser's needs, including notably, its commercial, technical, quality, quantity, lead time and sustainable development requirements.

To be shortlisted, a Supplier must agree to:



4 – WORKING TOGETHER

4.2 – Quality and Safety

4.2.1 – Quality Policy

**WE ARE COMMITTED TO
“IMPROVING THE MOBILITY OF PEOPLE AND
GOODS PLACES VERY HIGH DEMANDS ON US
IN TERMS OF QUALITY AND SAFETY”.**



In order for Purchaser to maintain the quality of its Products and/or Services, it is essential that Products and/or Services purchased by Purchaser are of the highest quality. All Suppliers must ensure that the Products and Services supplied, whatever their origin or destination, comply with the contractually agreed requirements.

TOGETHER, we must put in place the necessary means to obtain and guarantee this quality while maintaining a constant focus on controlling costs.

PURCHASER and its SUPPLIERS must work together to make progress in this direction.

The **Supplier Quality Assurance** process details how the Michelin Group intends to apply the guidelines of its quality policy to its relationships with its Suppliers and to managing the quality of the Products and Services purchased.

This process, with which all Suppliers must comply, is detailed in the following documents available on the Michelin Purchasing website:

4 – WORKING TOGETHER

4.2 – Quality and Safety

4.2.2 – Information Security

We place great importance not only on complying with applicable Laws and Regulations but also on protecting information systems and data (including any third-party data it may have occasion to process). The following requirements and expectations below apply to any Supplier providing Purchaser with any of the following services, whether as a principal and/or secondary service: (1) processing data using an information technology system; processing being taken in the widest sense of the word including but not limited to: the access, creation, collection, acquisition, compilation, aggregation, generation, extraction, and archiving of data and/or (2) developing, integrating, hosting and/or maintaining any information technology (or digital or equivalent) solution.

REQUIRED:

Supplier is required to deploy and continually update state-of-the-art organizational and technical safeguards in order to keep pace with fast-changing threats and newly identified vulnerabilities. Supplier shall promptly notify Purchaser (i) of any information security incident of which it is aware and/or (ii) prior to making any change to the location of data, subcontracting operations or the application of any such safeguards so that Purchaser may take appropriate action. Supplier must offer acceptable data reversibility and/or deletion measures that apply in any cases of end of contract, whether by expiration or termination. Supplier must also comply with any user charters and applicable security policies where using Purchaser information systems. Purchaser reserves the right to suspend or terminate any access to its information system for security reason or misuse.

EXPECTED:

Furthermore, Supplier shall be expected to: Draw up, update and publish an information security policy Comply with audits of its information security policy and/or regularly publish the results of any external audits it may have commissioned. Authorise Purchaser to carry out any vulnerability scans and/or penetration tests on request, either directly or indirectly, and keep Purchaser informed of the results. Commit to dealing promptly with service availability, vulnerability or security incidents. Guarantee an appropriate level of support and information sharing to handle security incidents. Stay up to date with its certifications, e.g. ISO 27001, and provide notification thereof and of any new certifications.

4 – WORKING TOGETHER

4.3 – Moving Forward Together Sustainably

In our day-to-day operations, we aim to work with Suppliers who meet our quality, reliability and cost requirements and who are committed to continuous improvement while respecting people and protecting the environment.

4.3.1 – Supplier CSR Assessment

The Michelin Group rigorously monitors and manages its overall performance in relation to responsible purchasing and publishes the resulting CSR indicators.

REQUIRED:

Supplier shall carry out the CSR assessments requested and implement any corrective action plans required. In addition, they authorize Purchaser, or service providers appointed by Purchaser, to carry out on-site audits.

EXPECTED:

Supplier is encouraged to set quantifiable objectives for itself relating to their CSR performance and to draw up improvement plans in this area.

+ FOCUS SUPPLIER EVALUATION

SUPPLIER EVALUATION

Our approach: Since 2012, we have been assessing the CSR performance of certain key Suppliers. In addition to quality audits, we measure the CSR maturity level of these Suppliers, with the help of a rating company. This assessment takes the form of an online questionnaire filled out by the Supplier. The analysis of strengths and weaknesses in the environmental, social and ethical spheres – including but not limited to Duty of Care and compliance with anti-corruption and anti-influence peddling – can, if necessary, result in action plans being drawn up or a more targeted on-site audit being conducted, depending on criticality.

4 – WORKING TOGETHER

4.3 – Moving Forward Together Sustainably

4.3.2 – Managing the Supplier Relationship

**WE ARE COMMITTED TO A
SUPPLIER RELATIONSHIP MANAGEMENT
(SRM) APPROACH WITH OUR SUPPLIERS.**



Based on active, transparent and high-quality collaboration, the aim here is to work together to build a competitive and responsible relationship that creates value for all parties concerned.

To achieve this, Suppliers are divided into 4 categories to manage this relationship as efficiently as possible.

Category 1 : Establish a real strategic relationship based on innovation and/or partnership projects.

Category 2 : Develop the business relationship for a competitive advantage which benefits both parties.

Category 3 : Optimize the current relationship based on continuous improvement.

Category 4 : Implement commercial relationship in line with agreed commitments.

4 – WORKING TOGETHER

4.4 – Mediation



Should a Supplier fail to obtain a satisfactory response from Purchaser after initial discussions, it may turn to the supplier-customer relations mediator for help in resolving the issue quickly in a cooperative process.

The mediator gets involved only after the supplier has attempted to resolve the issue with its regular contacts within the Purchaser co-contracting company, for example the purchasing agent in charge of a bid, the payment center or the contract manager. The mediator will not consider any requests that do not abide by this principle. To launch the mediation process, the Supplier must send its mediation file using the section on the Purchasing website.

If no solution is found with the assistance of the internal mediator, the parties commit to use the services of a conventional external mediator.

APPLICATION OF THE FUNDAMENTALS FOR NATURAL RUBBER



SPECIFIC PROVISION FOR NATURAL RUBBER SUPPLIERS:

Natural rubber has a significant environmental and social impact. It therefore requires its own specific approach. Written in collaboration with all its stakeholders, particularly NGOs specializing in environmental and human rights protection, the Sustainable Natural Rubber (SNR) Policy, which is attached hereto, is a contractual requirement of all Suppliers of natural rubber and rubber products or components, including without limitation, suppliers of offtake tire.

CONCLUSION

Compliance with the Michelin Purchasing Principles forms the basis of the essential relationships of trust between Michelin Group companies and each of their Suppliers.

These relationships, supported by the Group's SRM approach, are the engines of value creation for Michelin Group entities and their Suppliers.

NOTE: The Michelin Purchasing Principles are, as of the date of publication, regularly updated and available online in 19 languages here:

GLOSSARY

In addition to any other definitions provided herein, the following words beginning with a capital letter are defined below:

Common control (and its derivatives):

Two legal entities are said to be under common control when a single legal entity controls both of them

E.g. or e.g.

Abbreviation for “example”; where “e.g.,” “example” or other similarly illustrative terms are used, the information that follows is given as an example and is in no way a restrictive or limiting list.

Control (and its derivatives)

A legal entity is considered to control another when it directly or indirectly:

- Determines the decisions made in this entity's General Meeting (due to the capital or voting rights it holds), or
- Has the power to appoint or remove a majority of that entity's leadership team

Group or Michelin Group

All legal entities Controlled by the Compagnie Générale des Etablissements Michelin.

CSR

Corporate Social Responsibility.

Law(s) and Regulation(s)

Any rule to be complied with by a person, whether it is a law, a legislative, regulatory or other regulation, a standard, a custom, an international treaty and the Major International Principles that Purchaser has undertaken to comply with (as specified herein).

Duty of Care

the obligations, as defined by Laws and Regulations, applicable to certain parent companies and principal / subcontracting companies regarding a duty of care for human rights & fundamental freedoms, health and safety, as well as environment resulting of (1) activities of the company itself, the activities of companies they Control, and (2) the activities of sub-contractors and suppliers with whom they have an established commercial relationship.

Purchaser Personnel

Any person working for Purchaser, including, but not limited to, any full- or part-time employee, temporary employee, trainee, manager, administrator, corporate officer or any third party acting contractually on Purchaser's behalf, whether under a mandate agreement, commission or otherwise.

GLOSSARY

In addition to any other definitions provided herein, the following words beginning with a capital letter are defined below:

Product

All or part of a tangible asset: equipment, components, materials, including any raw material.

Service

All or part of a physical and/or intellectual service and/or intangible asset.

Supplier

Any legal entity that delivers any Product and/or provides any Service to Purchaser or wishes or intends to do so, including, unless expressly mentioned in the Michelin Purchasing Principles, all of its Supply Chain and the Supplier's Personnel involved in the Product and/or Service.

Supplier's Personnel

Any person working for a Supplier, whether under an employment contract, a services contract or otherwise, including but not limited to any full- or part-time employee, temporary employee, trainee, co-contractor, consultant, agent, manager, administrator or corporate officer.

Supply Chain

The chain of legal entities that includes suppliers and/or subcontractors internal or external to their own legal entity or Controlling organization and suppliers or subcontractors of those entities, and that is involved in supplying all or part of a Product and/or Service to Purchaser.



MICHELIN - PURCHASING GROUP DEPARTMENT

23, place des Carmes-Déchaux — 63040 Clermont-Ferrand Cedex 9 — France - www.michelin.com -

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