



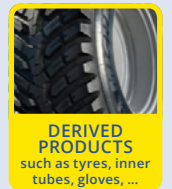
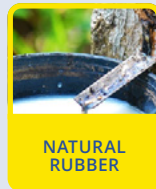
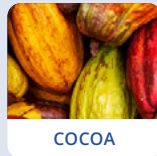
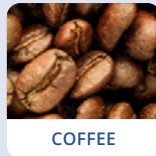
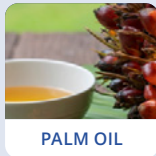
WHAT ABOUT EUDR?

EU REGULATION ON DEFORESTATION-FREE PRODUCTS (EUDR)

OBJECTIVE

Minimize consumption of products coming from supply chains associated with deforestation or forest degradation and increase EU demand for and trade in legal and deforestation free commodities and products.

SCOPE



TIMELINE

June 29, 2023

Entry into force

18 months

December 30, 2024

Initial application date

December 30, 2025

Application postponed as voted by the EU Parliament on December 17, 2024

KEY REQUIREMENTS OF THE EU DEFORESTATION REGULATION

NATURAL RUBBER AND TYRES SHALL NOT BE PLACED ON THE EU MARKET, MADE AVAILABLE OR EXPORTED FROM IT, UNLESS ALL FOLLOWING CONDITIONS ARE FULFILLED.



THEY ARE DEFORESTATION-FREE
It means produced on land that has not been subject to deforestation after December 31, 2020.




THEY HAVE BEEN LEGALLY PRODUCED
In accordance with the relevant environmental and human rights legislations in the country of production.



THEY ARE COVERED BY A DIGITAL DUE DILIGENCE STATEMENT
Confirming geo-location coordinates of all plots of land where the natural rubber comes from and results of deforestation risk assessment.

N.B. Mass balance chains of custody that allow the mixing of deforestation-free natural rubber of unknown origin or non-deforestation-free natural rubber is not allowed under the EUDR.

WHAT IS THE PROCESS?

 **Geolocation of all plots of land** is required to demonstrate that there is no deforestation before making natural rubber available on the market.

 **No import, or EU domestic commercialization, or export without a Due Diligence Statement** submitted on the Information System and indicating compliance.

THE PROCESS IS THE FOLLOWING:

1

Collecting geolocation data of millions of land plots where the natural rubber we buy comes from.

2

Ensuring that the natural rubber geolocated is deforestation-free.

3

Upon shipment, submission of a Due Diligence Statement (DDS) on an EU web platform to upload all geolocation data.

4

A unique reference number is provided to be specified when importing, exporting, or even domestically selling natural rubber and tyres within the EU.

WHY CHOOSE MICHELIN?



1 DEFORESTATION-FREE SINCE 2015
First tyre manufacturer to adopt a ZERO-DEFORESTATION COMMITMENT ON NATURAL RUBBER.

2 DUTY OF CARE APPROACH
2013 > EcoVadis assessment for direct suppliers.
2017 > Mapping environmental and social risk with RubberWay-Risk™.
2023 > TRACEABILITY SYSTEM
• Plots geolocation and data collection.
• Deforestation-free analysis.
• Legality compliance check with on-site assessments.
• Suppliers process audit by Michelin and third-party.

3 WORLDWIDE CONFORMITY AS OF 2025
> All our worldwide* tyre factories are supplied with only Natural Rubber EUDR compliant since Dec 2024 (no need of segregation in manufacturing process, avoiding risk of mixing).
> Able to provide TANGIBLE PROOF of the non-deforested nature of its rubber.

* Excluding some local activities in non-EU countries (example : Fenner activities in Australia)

The Group is now buying only EUDR compliant natural rubber.



MICHELIN'S POSITION ON THE EUDR

- > Michelin reaffirms that it is in favour of any actions and initiatives for a sustainable natural rubber industry.
- > Michelin considers the EU regulation on deforestation-free products as an important turning point in the global fight against deforestation.
- > Michelin also considers that this regulation should be strictly controlled on its application so as not to penalize the European industry.

THE EUROPEAN REGULATION ON DEFORESTATION, WHICH FOCUSES ON TRACEABILITY, PLACES VERY STRINGENT OPERATIONAL AND FINANCIAL REQUIREMENTS ON TYRE MANUFACTURERS.

THE MICHELIN GROUP HAS PUT IN PLACE ALL THE NECESSARY MEASURES TO GUARANTEE AND MONITOR A SUSTAINABLE AND VIRTUOUS NATURAL RUBBER SUPPLY CHAIN.

N.B. Due to the postponement of the regulation, all goods imported or products manufactured in EU before December 30, 2025 are not affected by the regulation