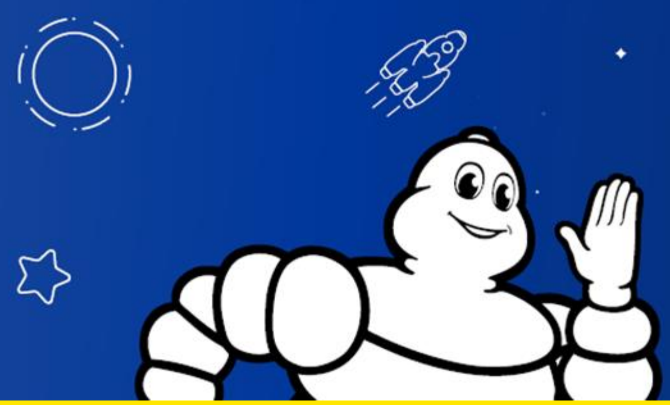

WHAT YOU NEED TO KNOW ABOUT...

THE DIVIDEND

WHAT IS THE DIVIDEND?

A dividend is the share of the value created, or profits, that a company distributes to its shareholders.

The payment amount that each shareholder receives depends on how many shares are owned.

To grow, a company needs financing from banks, through loans, and shareholders, through share acquisitions.

Banks are compensated in the form of an interest rate, which is set in advance.

Shareholders, who own a share of the company, are compensated through a dividend payout, only if the company makes enough of a profit to distribute it. Therefore, they receive compensation for the risk they are taking.

WHY PAY DIVIDENDS?

For companies, paying dividends sends a strong signal that they are confident about their strategy and future performance. That signal is strengthened by a regular dividend payout.

> **The company proposes a dividend amount based on results.**
> **To take effect, that proposal must be approved by the shareholders at the Annual General Meeting.**

WHO ARE OUR SHAREHOLDERS?

The Group's shareholders are:

- Individual and employee shareholders (11%). Employee's shareholders have a singular status as they both contribute to and benefit from the Group's value creation.
- And institutional investors (89%). Most institutional investors are investment firms, banks, and insurers that purchase shares in the company to invest the money their customers entrust to them.

FOCUS ON THE PRINCIPLE OF SHARING VALUE CREATION AT MICHELIN

Distributing the value created by Michelin is a key part of our All Sustainable strategy, which aims to balance People, Profit and Planet.

The principle of sharing value creation is thus implemented between:

- **employees**, through compensation: salary, bonuses, etc.,
- **shareholders**, through dividends,
- and the company's **capacity to invest** for sustainable growth, through capital expenditures, and mergers and acquisitions.

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